

City of Greenville
Audit & Investment Committee Meeting
Thursday, January 4, 2024
City Hall 337
1:30pm – 2:30pm Attendees:

Monica Daniels, Mayor Pro Tem

Michael Cowin, *City Manager*

Mitch Gibbs, *Financial Services Manager*

Becky Derderian, *Grants Accountant*

Portia Willis, *Council Member*

Ken Graves, *Deputy City Manager*

Alisha McNeil, *Internal Auditor*

Matthew Haga, *IT Director*

Matthew Scully, *Council Member*

Jacob Joyner, *Director of Financial Services*

April Adams, *Partner - Cherry Bekaert*

Dene' Alexander, *Assistant City Manager*

1. Introductions

2. Elections

3. Review May 15, 2023 Audit & Investment Committee Meeting Minutes

4. Audit Overview and Cherry Bekeart Presentation

5. Result of Operations and Fund Balance Available

6. Question and Answer

7. Suggested Meetings for 2024

- **Wednesday, May 20, 2024 @ 12:00**
- **Wednesday, September 18, 2024 @ 12:00**
- **Wednesday, December 11, 2024 @ 12:00**

City of Greenville
Audit & Investment Committee Meeting
Monday, May 15, 2023
City Hall Conference Room 337
1:30 p.m. – 2:30 p.m.
Attendees:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Rick Smiley, <i>Council Member (Chair)</i> | <input checked="" type="checkbox"/> Rose Glover, <i>Mayor Pro Tem (V. Chair)</i> | <input checked="" type="checkbox"/> Will Bell, <i>Council Member (V. Chair)</i> |
| <input checked="" type="checkbox"/> Ann Wall, <i>City Manager</i> | <input checked="" type="checkbox"/> Michael Cowin, <i>Deputy City Manager</i> | <input checked="" type="checkbox"/> Ken Graves, <i>Assistant City Manager</i> |
| <input type="checkbox"/> Byron Hayes, <i>Director of Financial Services</i> | <input checked="" type="checkbox"/> Jacob Joyner, <i>Financial Services Manager</i> | <input checked="" type="checkbox"/> Matthew Haga, <i>IT Director</i> |
| <input checked="" type="checkbox"/> Alisha McNeil, <i>Internal Auditor</i> | <input checked="" type="checkbox"/> Becky Derderian, <i>Grants Accountant</i> | <input checked="" type="checkbox"/> April Adams, <i>Cherry Bekaert</i> |
| <input checked="" type="checkbox"/> Courtney Jackson, <i>Cherry Bekaert</i> | <input checked="" type="checkbox"/> City Interns, <i>Attending from CMO</i> | |
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1. Introductions

Chair, Council Member Rick Smiley called the meeting to order and a quorum was established. All parties present introduced themselves, and this included Audit & Investment Committee members, City leaders, staff, and interns as well as representatives from Cherry Bekaert.

Absent Committee Member: None

City Staff Absent: Byron Hayes, Director of Financial Services

2. Review November 21, 2022 Audit & Investment Committee Meeting Minutes

Motion to approve was made by Mayor Pro Tem Rose Glover and seconded by Council Member Will Bell to unanimously approve the minutes without exception.

3. Audit Update – Cherry Bekaert

Mrs. April Adams and Mrs. Courtney Jackson presented on behalf of the external auditors, Cherry Bekaert. The presentation included reviewing the auditor's role, information about testing internal controls, single audit, the new GASB Standards, and the LGC Fund Balance Requirements.

Mrs. Adams shared that the LGC Requirements of meeting the 25% minimum for Fund Balance was not met by the City previously. However, the City did address this by responding to the LGC with a letter.

Mr. Michael Cowin and Mr. Jacob Joyner both responded that the City anticipates to meet the LGC's 25% minimum as an increase in fund balance is projected for FY 2023.

Mrs. Jackson highlighted the areas of testing that were involved in internal controls for the FY 2023 audit. The areas of testing included accounts payable journal entries, payroll, and information technology privacy and security.

Council Member Rick Smiled inquired about internal controls asking “what are the defenses against fraud?”

Mr. Cowin shared that it is the system of checks and balances for the internal controls. Internal controls are put in place to mitigate the risk [of fraud]. Mr. Cowin also expressed his confidence in the current internal controls that the City has in place for procurement from POs to invoices and also for personnel related items like New Hire Personnel Action Forms.

The single audit risk assessment was reviewed next by Mrs. Jackson. This assessment involved the auditor’s looking at assets, revenues, long-term debt and capital assets.

Mrs. Jackson also gave the Committee a brief overview of the audit timeline, which includes:

July – August – Preliminary Items and Interim

September – Final Field Work

October – Report Review and Management Correspondence

November – Communication to Audit & Investment Committee

Mrs. Adams then reviewed the GASB Standards that are applicable. GASB Standard 94 was highlighted, which concerns public-private and public-public partnerships the City has. Additionally, GASB Standard 96 was reviewed for Subscription-based Information Technology Arrangements, which involves leasing software, recording an asset for the right to use, and a liability for obligation to pay it out over the long-term. GASB 97 and Omnibus were briefly mentioned as well.

Council Member Smiley opened the floor for the Committee to ask the auditors questions. None were brought forth, the meeting proceeded to the next agenda item.

4. Investments Update

Mr. Joyner reviewed the Investment Report handout in the agenda packet. He specifically focused on the North Carolina Capital Management Trust (NCCMT) account and how the City keeps a healthy amount of funds not needed immediately in that account. Funds from this account can be withdrawn next day. The City is able to generate approximately 4.75% returns on the NCCMT funds. In the City’s main operating account is around \$85M and none is restricted, outside of \$23M from the \$24.5M of ARPA money that the City received.

Council Member Smiley asked Mr. Joyner if the ARPA funds were the reason for the big jump in Special Revenues and if the City has to return any of the interest to the Federal Government. Mr. Joyner confirmed that the increase in Special Revenues was due to the ARPA funds the City received and that the City is not restricted to return any of the interest. Mr. Cowin added that there are dollars set aside sitting in Capital Reserves and the Enterprise Fund and the cash will be going quick due to the projects lined up.

Mr. Joyner also reviewed the investment earnings from 2020 to present. This included discussing what occurred at the height of covid, which was a significant decrease in the

City's investment earnings. Whereas now, the City's investment earnings are increasing as the Fed has continually raised interest rates.

Council Member Smiley inquired as to whether or not the current Committee's role is to provide guidance for the City's investments (due to the former Investment Committee being merged with the Audit Committee). Mr. Joyner confirmed that the Investment Policy has always been set by Council and the City's investments are always brought before Council not at a Board level. The former Board was acting more as advisement for what the City should take to Council related to the City's investments.

Mr. Joyner shared how the City has an RFP in the works with a more active engagement investment firm.

Council Member Smiley opened the floor for the Committee to ask staff questions related to the Investment Update. No questions were brought forth, the meeting proceeded to the next agenda item.

5. FY 2022 OPEB Report

Mr. Joyner reviewed the FY 22 OPEB Report highlights for the Committee. Including how OPEB is a liability for future benefits. This liability is important and does have an impact, but it does not have a direct impact on current year budgets.

6. Next Meeting, Wednesday, September 18, 2023

The Committee, staff, and auditors discussed what the focal point of the next meeting would be. It was decided that the upcoming meeting would be a routine audit update, but was tentatively set.

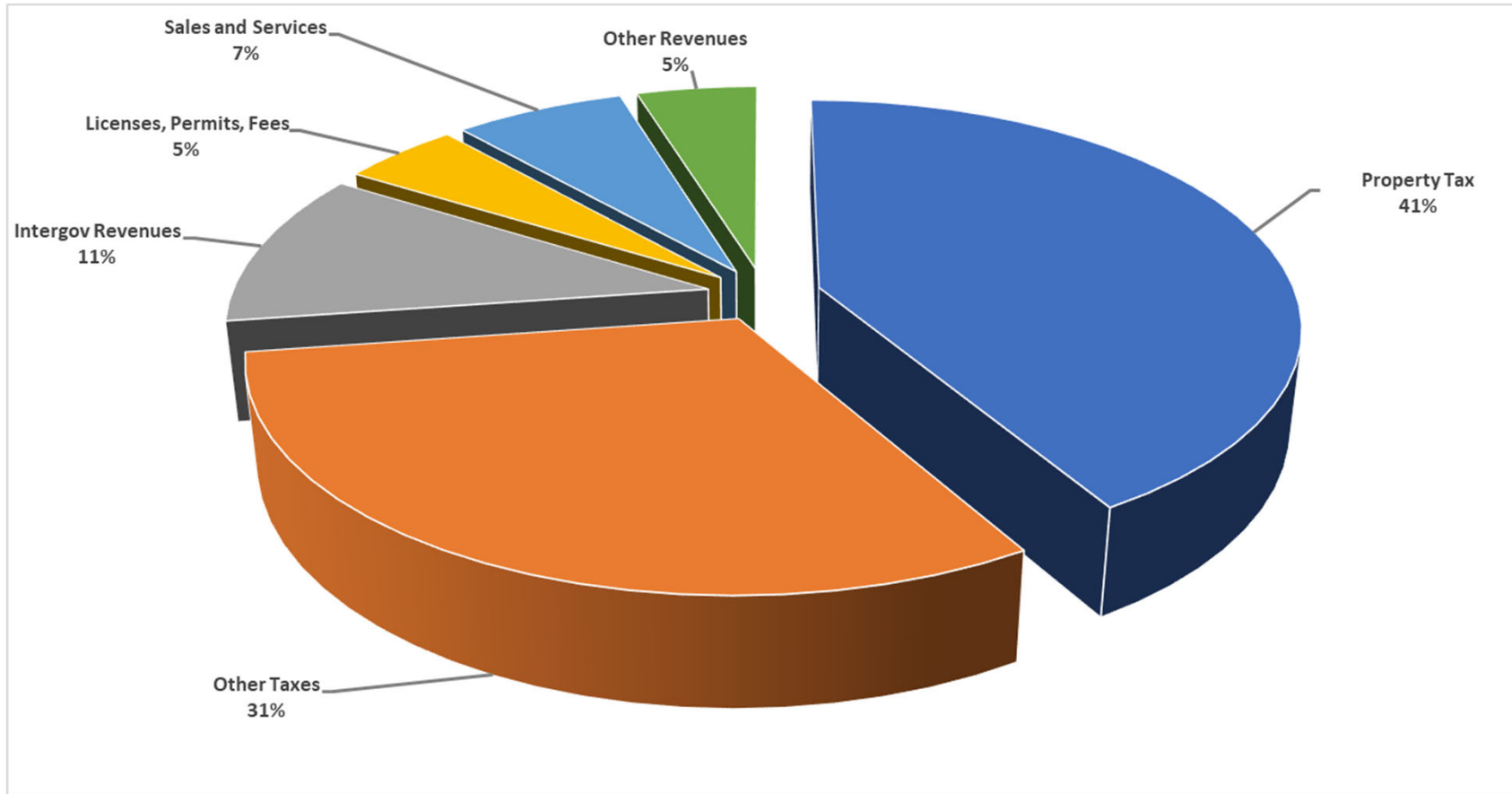
Council Member Smiley verified with IT Director, Matthew Haga, whether or not all internal controls were compliant from the IT spectrum. Mr. Haga confirmed that from the IT perspective all internal controls were in place and reviewed on an annual basis.

Meeting was adjourned.

GENERAL FUND SUMMARY

Total Revenues	\$ 104,979,416
Total Expense	98,289,610
	<hr/>
Net	\$ 6,689,806
	<hr/>

GENERAL FUND REVENUE BY TYPE



- **72% of Revenue From Sales Tax and Property Tax**

GENERAL FUND REVENUES

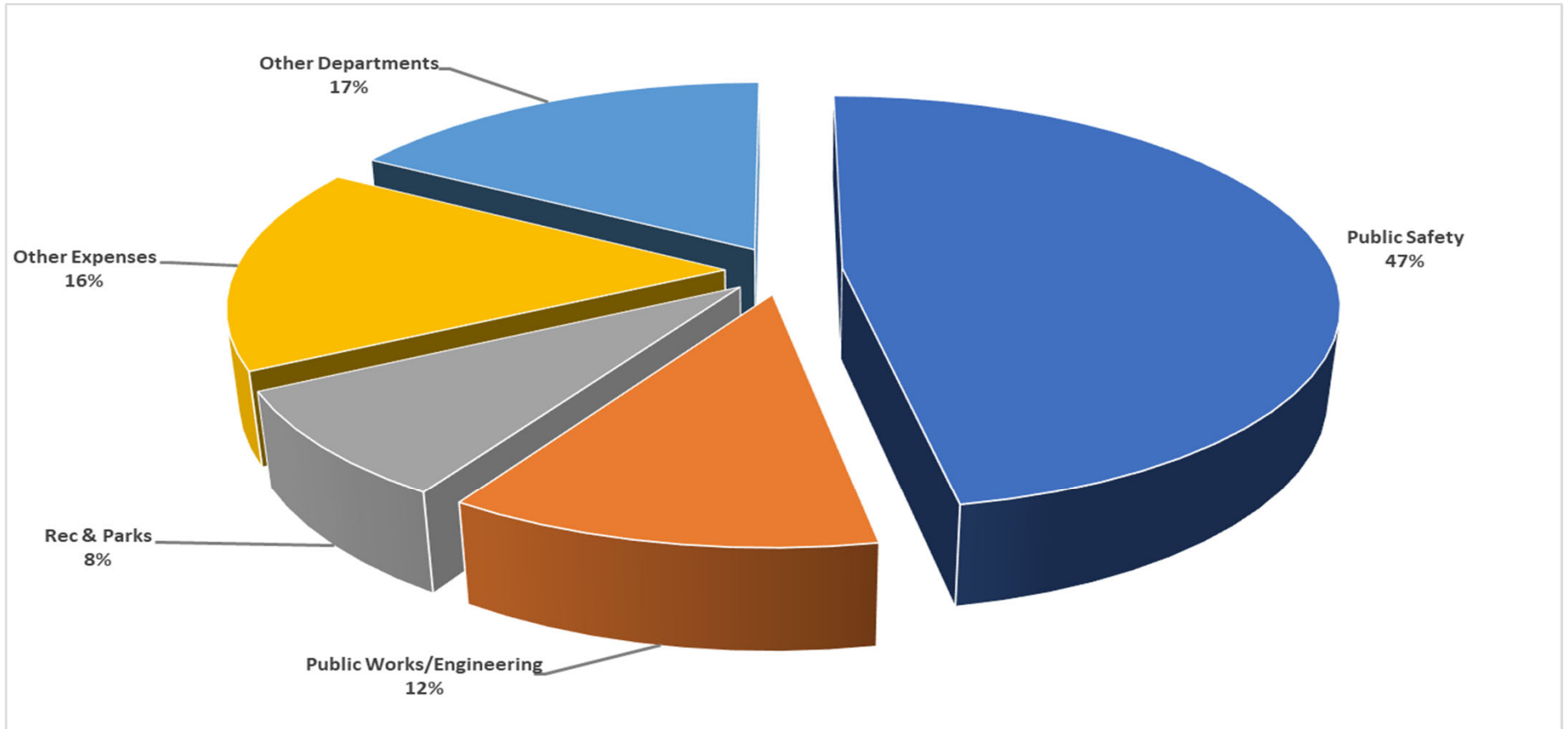
	<u>Original</u>	<u>Revised</u>	<u>Actual</u>	<u>Difference</u>
Ad Valorem Taxes	\$ 39,776,459	\$ 39,776,459	\$ 40,644,881	\$ 868,422
Other Taxes	27,905,188	28,698,891	30,555,012	1,856,121
Unrestricted Intergovernmental	7,285,521	7,285,521	7,409,542	124,021
Restricted Intergovernmental	2,589,525	3,026,723	3,388,891	362,168
Licenses, Permits, and Fees	3,655,774	3,655,774	4,564,110	908,336
Sales and Services	4,956,822	5,220,526	6,627,068	1,406,542
Investment Earnings	742,690	791,448	3,330,835	2,539,387
Other Revenues	1,064,285	1,278,074	1,367,648	89,574
Transfers from Other Funds	7,039,308	7,039,308	7,091,429	52,121
Total	<u>\$ 95,015,572</u>	<u>\$ 96,772,724</u>	<u>\$ 104,979,416</u>	<u>\$ 8,206,692</u>

GENERAL FUND REVENUES

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- **Other Taxes (SALES TAX) increased 8.3% in FY 2023!**
- **Investment Earnings driven by rapid interest rate increases.**

GENERAL FUND EXPENSE BY TYPE



GENERAL FUND EXPENSES

	<u>Original</u>	<u>Revised</u>	<u>Actual</u>	<u>Difference</u>
General Government	\$ 14,205,203	\$ 14,081,772	\$ 13,774,661	\$ (307,111)
Public Safety	45,116,927	47,363,309	46,297,257	(1,066,052)
Public Works	10,721,672	12,412,010	11,615,610	(796,400)
Cultural and Recreational	7,936,842	8,551,896	8,248,774	(303,122)
Economic & Physical Development	3,393,321	3,542,489	3,339,304	(203,185)
Transfers to Other Funds	13,691,607	15,698,962	15,014,004	(684,958)
Contingency	100,000	12,766	-	(12,766)
Total	<u>\$ 95,165,572</u>	<u>\$ 101,663,204</u>	<u>\$ 98,289,610</u>	<u>\$ (3,373,594)</u>

- Finished the Fiscal Year Under Budget in all Expenses Categories**

CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF NET POSITION

Exhibit A

JUNE 30, 2023

	Governmental	Business-Type	
	Activities	Activities	Total
Assets:			
Cash and investments	\$ 64,372,343	\$ 144,562,804	\$ 208,935,147
Taxes receivable, net	256,066	-	256,066
Accounts receivable, net	6,878,342	27,798,233	34,676,575
Interest receivable	44,965	-	44,965
Lease Receivable	2,837,834	3,074,420	5,912,254
Due from other governments	6,346,107	2,808,256	9,154,363
Inventories	5,896	16,976,582	16,982,478
Prepaid items	403,212	895,035	1,298,247
Internal balances	971,702	(971,702)	-
Restricted cash and investments	38,512,749	22,316,775	60,829,524
Notes receivable	-	87,118	87,118
Investment in joint venture	30,195,154	-	30,195,154
Capital assets:			
Non-depreciable	87,275,814	38,196,894	125,472,708
Right to use subscription asset, net of amortization	2,106,271	326,440	2,432,711
Right to use leased asset, net of amortization	82,930	543,672	626,602
Depreciable, net	156,947,191	548,071,377	705,018,568
Total assets	397,236,576	804,685,904	1,201,922,480
Deferred Outflows of Resources:			
Pension deferrals	21,665,607	17,839,363	39,504,970
OPEB deferrals	26,239,667	11,970,130	38,209,797
Unamortized bond refunding charges	155,262	976,265	1,131,527
Total deferred outflows of resources	48,060,536	30,785,758	78,846,294
Liabilities:			
Accounts payable and accrued liabilities	8,586,660	20,605,580	29,192,240
Accrued interest payable	173,347	1,674,980	1,848,327
Due to other governments	-	2,649	2,649
Other liabilities	135,134	-	135,134
Unearned revenue	23,792,106	-	23,792,106
Liabilities payable from restricted assets:			
Customer deposits	-	6,600,033	6,600,033
Long-term liabilities:			
Due within one year	7,896,457	12,842,663	20,739,120
Due in more than one year	133,366,660	295,228,629	428,595,289
Total liabilities	173,950,364	336,954,534	510,904,898
Deferred Inflows of Resources:			
Leases	2,812,149	2,995,629	5,807,778
Pension deferrals	2,420,980	415,439	2,836,419
OPEB deferrals	34,234,203	18,949,308	53,183,511
Total deferred inflows of resources	39,467,332	22,360,376	61,827,708
Net Position:			
Net investment in capital assets	205,856,663	361,560,881	567,417,544
Restricted for:			
Stabilization by State statute	21,357,376	-	21,357,376
Restricted for streets	121,390	-	121,390
General government	140,806	-	140,806
Economic development	2,001,105	-	2,001,105
Public safety	1,125,493	-	1,125,493
Cultural and recreational	4,085,700	-	4,085,700
Debt Service	1,341,923	-	1,341,923
Insurance	-	-	-
Unrestricted	(4,151,040)	114,595,871	110,444,831
Total net position	\$ 231,879,416	\$ 476,156,752	\$ 708,036,168

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF ACTIVITIES

Exhibit B

YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 29,558,075	\$ 4,851,674	\$ 466,876	\$ -	\$ (24,239,525)	\$ -	\$ (24,239,525)
Public safety	37,577,140	6,916,771	38,720	-	(30,621,649)	-	(30,621,649)
Transportation	12,783,579	331,619	-	2,642,080	(9,809,880)	-	(9,809,880)
Environmental protection	-	-	-	-	-	-	-
Cultural and recreational	13,656,560	3,091,300	1,159,174	6,066,819	(3,339,267)	-	(3,339,267)
Economic and physical development	8,429,086	-	5,608,590	1,459,195	(1,361,301)	-	(1,361,301)
Interest and fees	827,928	-	-	-	(827,928)	-	(827,928)
Total governmental activities	<u>102,832,368</u>	<u>15,191,364</u>	<u>7,273,360</u>	<u>10,168,094</u>	<u>(70,199,550)</u>	<u>-</u>	<u>(70,199,550)</u>
Business-Type Activities:							
Electric	174,439,315	174,101,376	-	-	-	(337,939)	(337,939)
Water	26,919,982	26,459,370	-	2,467,315	-	2,006,703	2,006,703
Sewer	27,569,104	25,599,294	-	3,614,690	-	1,644,880	1,644,880
Gas	44,471,304	47,000,287	-	-	-	2,528,983	2,528,983
Public transportation	2,965,771	64,060	2,179,341	-	-	(722,370)	(722,370)
Stormwater utility	7,812,809	8,703,045	-	2,022,273	-	2,912,509	2,912,509
Sanitation	8,329,111	8,761,229	-	11,050	-	443,168	443,168
Total business-type activities	<u>292,507,396</u>	<u>290,688,661</u>	<u>2,179,341</u>	<u>8,115,328</u>	<u>-</u>	<u>8,475,934</u>	<u>8,475,934</u>
Total primary government	<u>\$ 395,339,764</u>	<u>\$ 305,880,025</u>	<u>\$ 9,452,701</u>	<u>\$ 18,283,422</u>	<u>(70,199,550)</u>	<u>8,475,934</u>	<u>(61,723,616)</u>
General Revenues:							
Ad valorem taxes					40,666,593	-	40,666,593
Sales and use taxes					23,147,136	-	23,147,136
Cable TV franchise tax					704,599	-	704,599
Medicaid hold harmless payment					6,448,630	-	6,448,630
Rental vehicle, gross receipts					254,647	-	254,647
Utilities franchise tax					6,920,722	-	6,920,722
Beer and wine tax					419,924	-	419,924
Other taxes and licenses					749,366	-	749,366
Investment earnings					1,903,057	3,098,167	5,001,224
Total general revenues					<u>81,214,674</u>	<u>3,098,167</u>	<u>84,312,841</u>
Transfers					<u>7,728,320</u>	<u>(7,728,320)</u>	<u>-</u>
Total general revenues and transfers					<u>88,942,994</u>	<u>(4,630,153)</u>	<u>84,312,841</u>
Change in net position					18,743,444	3,845,781	22,589,225
Net position, beginning of year					<u>213,135,972</u>	<u>472,310,971</u>	<u>685,446,943</u>
Net position, end of year					<u>\$ 231,879,416</u>	<u>\$ 476,156,752</u>	<u>\$ 708,036,168</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
GOVERNMENTAL FUNDS
BALANCE SHEET

Exhibit C

JUNE 30, 2023

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 31,170,501	\$ 18,629,028	\$ 49,799,529
Taxes receivable, net	256,066	-	256,066
Accounts receivable, net	1,690,573	4,778,615	6,469,188
Interest receivable	-	4,963	4,963
Lease receivable	2,837,834	-	2,837,834
Due from other funds	3,474,008	-	3,474,008
Due from other governments	6,287,592	58,515	6,346,107
Inventories	5,896	-	5,896
Prepaid items	38,750	150,330	189,080
Restricted cash and investments	1,266,300	37,246,449	38,512,749
Total assets	\$ 47,027,520	\$ 60,867,900	\$ 107,895,420
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	4,750,380	\$ 1,359,024	\$ 6,109,404
Due to other funds	-	2,430,293	2,430,293
Unearned federal revenue	-	23,792,106	23,792,106
Other liabilities	135,133	-	135,133
Restricted accounts payable and accrued liabilities	-	-	-
Total liabilities	4,885,513	27,581,423	32,466,936
Deferred Inflows of Resources:			
Property taxes receivable	256,066	-	256,066
Lease receivable	2,837,834	-	2,837,834
Other receivables	2,352,428	287,084	2,639,512
Total deferred inflows of resources	5,446,328	287,084	5,733,412
Fund Balances:			
Nonspendable:			
Prepaid items and inventories	53,317	150,330	203,647
Restricted:			
Stabilization by State statute	11,623,208	9,734,168	21,357,376
Restricted for general government	140,806	-	140,806
Restricted for streets	-	121,390	121,390
Restricted for public safety	1,125,493	3,061,741	4,187,234
Restricted for economic development	-	2,001,105	2,001,105
Restricted for cultural and recreational	-	4,085,700	4,085,700
Restricted for debt service	-	1,341,923	1,341,923
Committed:			
Committed for catastrophic losses	2,253,019	-	2,253,019
Committed for general government	-	-	-
Committed for culture and recreational	-	713,092	713,092
Committed for public safety	-	473,436	473,436
Committed for economic development	-	6,537,304	6,537,304
Committed for capital outlay	-	3,318,315	3,318,315
Assigned:			
Assigned for subsequent year's expenditures	500,000	113,691	613,691
Assigned for cultural and recreational	-	-	-
Unassigned	20,999,836	1,347,198	22,347,034
Total fund balance	36,695,679	32,999,393	69,695,072
Total liabilities, deferred inflows of resources, and fund balances	\$ 47,027,520	\$ 60,867,900	\$ 107,895,420

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
GOVERNMENTAL FUNDS
BALANCE SHEET

Exhibit C

JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Ending fund balance - governmental funds	\$ 69,695,072
Capital assets used in governmental activities are not financial and, therefore, are not reported in the funds.	227,380,096
Lease and subscription assets net of amortization are not reported in the funds	2,189,198
Investment in joint venture reported in governmental activities is not reported in the funds.	30,195,154
Net LGERS pension liability is not reported in the funds.	(29,686,953)
Deferred outflows of resources related to pensions are not reported in the funds	21,120,094
Deferred outflows of resources related to OPEB are not reported in the funds	25,497,116
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred outflows of resources.	2,895,579
Lease and subscription liabilities are not reported in the funds	(2,119,433)
Accrued interest related to leases is not recorded in the funds	65,686
Assets and liabilities of the Internal Service Funds used by management to account for health, vehicle, and fleet maintenance costs are included in governmental activities in the Statement of Net Position.	27,482,131
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(47,451,999)
Total LEOSA Pension Liabilities	(9,716,266)
Net OPEB Liability	(49,984,206)
Deferred inflows of resources related to pensions are not reported in the funds.	(2,398,350)
Deferred inflows of resources related to OPEB are not reported in the funds.	(33,265,418)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	155,262
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(173,347)</u>
Net position of governmental activities	<u>\$ 231,879,416</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA

Exhibit D

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2023

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 40,644,881	\$ -	\$ 40,644,881
Other taxes	30,555,012	680,470	31,235,482
Unrestricted intergovernmental	7,409,542	-	7,409,542
Restricted intergovernmental	3,388,891	6,393,199	9,782,090
Licenses, permits, and fees	4,564,110	-	4,564,110
Sales and services	6,627,068	-	6,627,068
Investment earnings	3,330,835	1,754,865	5,085,700
Other revenues	1,367,648	1,679,852	3,047,500
Restricted other revenues	-	1,755,227	1,755,227
Total revenues	<u>97,887,987</u>	<u>12,263,613</u>	<u>110,151,600</u>
Expenditures:			
Current:			
General government	13,774,661	20,870	13,795,531
Public safety	46,297,257	3,632,611	49,929,868
Public works	11,615,610	4,108,003	15,723,613
Cultural and recreational	8,248,774	8,983,050	17,231,824
Economic and physical development	3,339,304	5,874,293	9,213,597
Debt Service:			
Principal retirement	-	4,874,120	4,874,120
Interest and fees	-	1,411,148	1,411,148
Total expenditures	<u>83,275,606</u>	<u>28,904,095</u>	<u>112,179,701</u>
Revenues over (under) expenditures	<u>14,612,381</u>	<u>(16,640,482)</u>	<u>(2,028,101)</u>
Other Financing Sources (Uses):			
Transfers from other funds	7,091,429	11,377,370	18,468,799
Transfers to other funds	(15,014,004)	2,326,443	(12,687,561)
Premium received on long-term debt issued	-	-	-
Bond proceeds	-	2,520,869	2,520,869
Total other financing sources (uses)	<u>(7,922,575)</u>	<u>16,224,682</u>	<u>8,302,107</u>
Net change in fund balance	6,689,806	(415,800)	6,274,006
Fund Balance:			
Fund balance, beginning of year – July 1	<u>30,005,873</u>	<u>33,415,193</u>	<u>63,421,066</u>
Fund balance, end of year – June 30	<u>\$ 36,695,679</u>	<u>\$ 32,999,393</u>	<u>\$ 69,695,072</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA

GOVERNMENTAL FUNDS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different due to the following items:

Net change in fund balances - total governmental funds	\$	6,274,006
Capital outlays are reported as expenditures in the governmental fund statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.		16,764,852
Other capital contributions are not reported in the governmental fund statement.		6,066,819
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.		(6,768,240)
Net effect of lease and subscription assets and liabilities are reported in the statement of Activities but not the funds statement.		90,053
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. This adjustment represents the amount of change related to revenues to the "availability" criteria.		(188,456)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		26,051
Pension expense		(5,935,398)
OPEB plan expense		(855,660)
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.		3,057,743
Benefit payments paid and administrative expense for the Law Enforcement Officers' Special Separation Allowance, net of related deferred inflows are not included on the Statement of Activities.		(330,721)
Proceeds from the issuance of long-term debt are reported as other financing sources in the governmental funds statement. However, in the Statement of Activities, it is an increase in liabilities.		(2,500,000)
Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		703,281
Principal repayments on long-term debt are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.		4,874,120
Loss on disposal of capital assets is reported in the Statement of Activities but not the funds statement.		(369,854)
Deferred charges on refunding reported in governmental activities are not reported in the funds.		(120,061)
Changes in the investment in joint venture asset is reported as investment income in the entity-wide financial statements but not reported in the governmental funds.		(3,182,643)
The Internal Service Funds are used by management to charge the costs of health, vehicle, and fleet maintenance. The net revenue of the Internal Service Funds is determined to be governmental-type.		<u>1,137,552</u>
Changes in net position of governmental activities	\$	<u>18,743,444</u>

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2023

	General Fund			
	Budget		Actual Amounts	Variance Positive/ Negative
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 39,776,459	\$ 39,776,459	\$ 40,644,881	\$ 868,422
Other taxes	27,905,188	28,698,891	30,555,012	1,856,121
Unrestricted intergovernmental	7,285,521	7,285,521	7,409,542	124,021
Restricted intergovernmental	2,589,525	3,026,723	3,388,891	362,168
Licenses, permits, and fees	3,655,774	3,655,774	4,564,110	908,336
Sales and services	4,956,822	5,220,526	6,627,068	1,406,542
Investment earnings	742,690	791,448	3,330,835	2,539,387
Other revenues	1,064,285	1,278,074	1,367,648	89,574
Total revenues	<u>87,976,264</u>	<u>89,733,416</u>	<u>97,887,987</u>	<u>8,154,571</u>
Expenditures:				
Current:				
General government	14,205,203	14,081,772	13,774,661	307,111
Public safety	45,116,927	47,363,309	46,297,257	1,066,052
Public works	10,721,672	12,412,010	11,615,610	796,400
Cultural and recreational	7,936,842	8,551,896	8,248,774	303,122
Economic and physical development	3,393,321	3,542,489	3,339,304	203,185
Total expenditures	<u>81,373,965</u>	<u>85,951,476</u>	<u>83,275,606</u>	<u>2,675,870</u>
Revenues over (under) expenditures	<u>6,602,299</u>	<u>3,781,940</u>	<u>14,612,381</u>	<u>10,830,441</u>
Other Financing Sources (Uses):				
Transfers from other funds	7,039,308	7,039,308	7,091,429	52,121
Transfers to other funds	(13,691,607)	(15,698,962)	(15,014,004)	684,958
Contingency	(100,000)	(12,766)	-	12,766
Appropriated fund balance	150,000	4,890,480	-	(4,890,480)
Total other financing sources (uses)	<u>(6,602,299)</u>	<u>(3,781,940)</u>	<u>(7,922,575)</u>	<u>(4,140,635)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>6,689,806</u>	<u>\$ 6,689,806</u>
Fund Balance:				
Fund balance, beginning of year – July 1			<u>30,005,873</u>	
Fund balance, end of year – June 30			<u>\$ 36,695,679</u>	

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION

Exhibit G

JUNE 30, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Assets:					
Current Assets:					
Cash and cash equivalents	\$ 13,814,459	\$ 4,237,882	\$ 4,665,891	\$ 6,049,296	\$ 13,345,022
Investments	25,408,717	7,677,190	6,818,370	9,550,722	
Accounts receivable, net	16,782,072	2,577,275	2,665,469	2,387,984	1,445,053
Lease receivable	152,846	132,407	56,458	61,562	-
Due from other governments	1,529,178	458,750	536,843	283,485	-
Due from other funds	-	-	-	-	-
Inventories	13,457,518	1,661,632	258,848	1,598,584	-
Restricted cash	4,816,470	1,121,646	2,129	659,788	-
Prepaid items	670,349	72,949	47,833	91,554	-
Total current assets	76,631,609	17,939,731	15,051,841	20,682,975	14,790,075
Noncurrent Assets:					
Cash and cash equivalents, restricted	10,820,468	2,086,512	2,725,163	84,599	-
Investments	24,170,628	7,183,149	6,449,537	9,001,018	-
Notes receivable	-	87,118	-	-	-
Lease receivable, non-current	1,074,493	654,455	313,716	627,603	-
Land improvements and construction in progress	14,496,231	2,858,118	14,954,579	4,026,055	1,861,911
Right to use leased asset, net of amortization	69,428	119,207	45,100	32,973	-
Right to use subscription asset, net of amortization	429,739	29,074	29,074	55,785	-
Other capital assets, net	149,419,038	145,395,054	157,961,357	51,188,350	42,941,625
Total noncurrent assets	200,480,025	158,412,687	182,478,526	65,016,383	44,803,536
Total assets	277,111,634	176,352,418	197,530,367	85,699,358	59,593,611
Deferred Outflows of Resources:					
Pension deferrals	6,445,377	3,458,496	3,301,292	2,515,272	773,886
OPEB deferrals	3,726,981	1,999,845	1,908,944	1,454,432	1,051,217
Unamortized bond refunding charges	186,956	369,585	341,690	24,411	53,623
Total deferred outflows of resources	10,359,314	5,827,926	5,551,926	3,994,115	1,878,726
Liabilities:					
Current Liabilities:					
Accounts payable and accrued expenses	14,804,468	1,251,611	2,069,667	2,209,203	14,126
Accrued interest payable	795,521	270,382	394,114	214,963	-
Due to other governments	1,484	450	371	344	-
Due to other funds	-	-	-	-	-
Due to City of Greenville	111,276	54,808	49,210	38,159	-
Unearned revenue	-	-	-	-	-
Current portion of compensated absences	936,312	481,900	462,868	423,999	-
Current portion of long-term leases	34,788	66,932	21,598	15,085	-
Current portion of long-term subscriptions	149,836	11,071	11,071	20,322	-
Current maturities of long-term debt	1,765,943	3,158,633	2,704,278	488,866	1,838,597
Liabilities Payable from Restricted Assets:					
Customer deposits	4,816,470	1,121,646	2,129	659,788	-
Total current liabilities	23,416,098	6,417,433	5,715,306	4,070,729	1,852,723
Noncurrent Liabilities:					
Compensated absences payable	350,602	160,448	178,275	184,890	-
Noncurrent portion of long-term leases	24,237	68,221	19,434	14,105	-
Noncurrent portion of long-term subscriptions	283,715	17,732	17,732	35,464	-
Net pension liability	9,718,237	5,214,665	4,977,635	3,792,486	1,203,825
Net OPEB liability	13,905,583	7,461,534	7,122,375	5,426,570	2,060,792
Noncurrent portion of long-term debt	75,356,166	63,112,891	45,698,085	17,770,656	25,300,523
Total noncurrent liabilities	99,638,540	76,035,491	58,013,536	27,224,171	28,565,140
Total liabilities	123,054,638	82,452,924	63,728,842	31,294,900	30,417,863
Deferred Inflows of Resources:					
Leases	1,206,250	760,358	357,757	671,264	-
Pension deferrals	134,291	72,058	68,783	52,406	32,104
OPEB deferrals	6,228,697	3,342,227	3,190,306	2,430,712	1,371,496
Total deferred inflows of resources	7,569,238	4,174,643	3,616,846	3,154,382	1,403,600
Net Position:					
Net investment in capital assets	97,807,175	82,487,675	125,365,727	37,067,675	17,664,416
Unrestricted	59,039,897	13,065,102	10,370,878	18,176,516	11,986,458
Total net position	\$ 156,847,072	\$ 95,552,777	\$ 135,736,605	\$ 55,244,191	\$ 29,650,874

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION

Exhibit G

JUNE 30, 2023

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 6,190,923	\$ 48,303,473	\$ 14,572,814
Investments	-	49,454,999	-
Accounts receivable, net	1,940,380	27,798,233	409,154
Lease receivable	880	404,153	-
Due from other governments	-	2,808,256	-
Due from other funds	-	-	42,743
Inventories	-	16,976,582	-
Restricted cash	-	6,600,033	-
Prepaid items	12,350	895,035	214,132
Total current assets	<u>8,144,533</u>	<u>153,240,764</u>	<u>15,238,843</u>
Noncurrent Assets:			
Cash and cash equivalents, restricted	-	15,716,742	-
Investments	-	46,804,332	-
Notes receivable	-	87,118	-
Lease receivable, non-current	-	2,670,267	-
Land improvements and construction in progress	-	38,196,894	210,885
Right to use leased asset, net of amortization	59,732	326,440	-
Right to use subscription asset, net of amortization	-	543,672	-
Other capital assets, net	1,165,953	548,071,377	16,632,024
Total noncurrent assets	<u>1,225,685</u>	<u>652,416,842</u>	<u>16,842,909</u>
Total assets	<u>9,370,218</u>	<u>805,657,606</u>	<u>32,081,752</u>
Deferred Outflows of Resources:			
Pension deferrals	1,345,040	17,839,363	545,513
OPEB deferrals	1,828,711	11,970,130	742,550
Unamortized bond refunding charges	-	976,265	-
Total deferred outflows of resources	<u>3,173,751</u>	<u>30,785,758</u>	<u>1,288,063</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	256,505	20,605,580	2,477,253
Accrued interest payable	-	1,674,980	-
Due to other governments	-	2,649	-
Due to other funds	718,249	718,249	114,756
Due to City of Greenville	-	253,453	-
Unearned revenue	-	-	-
Current portion of compensated absences	193,094	2,498,173	-
Current portion of long-term leases	-	138,403	-
Current portion of long-term subscriptions	-	192,300	-
Current maturities of long-term debt	57,470	10,013,787	-
Liabilities Payable from Restricted Assets:			
Customer deposits	-	6,600,033	-
Total current liabilities	<u>1,225,318</u>	<u>42,697,607</u>	<u>2,592,009</u>
Noncurrent Liabilities:			
Compensated absences payable	74,481	948,696	-
Noncurrent portion of long-term leases	-	125,997	-
Noncurrent portion of long-term subscriptions	-	354,643	-
Net pension liability	2,092,292	26,999,140	1,455,684
Net OPEB liability	3,584,978	39,561,832	848,576
Noncurrent portion of long-term debt	-	227,238,321	-
Total noncurrent liabilities	<u>5,751,751</u>	<u>295,228,629</u>	<u>2,304,260</u>
Total liabilities	<u>6,977,069</u>	<u>337,926,236</u>	<u>4,896,269</u>
Deferred Inflows of Resources:			
Leases	-	2,995,629	-
Pension deferrals	55,797	415,439	22,630
OPEB deferrals	2,385,870	18,949,308	968,785
Total deferred inflows of resources	<u>2,441,667</u>	<u>22,360,376</u>	<u>991,415</u>
Net Position:			
Net investment in capital assets	1,168,213	361,560,881	16,842,909
Unrestricted	1,957,020	114,595,871	10,639,222
Total net position	<u>\$ 3,125,233</u>	<u>\$ 476,156,752</u>	<u>\$ 27,482,131</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF REVENUES EXPENSES AND CHANGE IN
FUND NET POSITION

Exhibit H

YEAR ENDED JUNE 30, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Operating Revenues:					
Charges for services	\$ 171,214,255	\$ 25,132,520	\$ 24,801,665	\$ 46,581,876	\$ 8,695,784
Other operating revenues	513,880	66,635	70,283	41,725	7,261
Total operating revenues	<u>171,728,135</u>	<u>25,199,155</u>	<u>24,871,948</u>	<u>46,623,601</u>	<u>8,703,045</u>
Operating Expenses:					
Administrative and general	14,089,941	5,207,433	5,116,654	4,882,242	183,447
Operations and maintenance	21,077,612	14,326,347	13,159,530	8,056,077	6,356,368
Purchased power and gas	123,403,756	-	-	27,999,251	-
Depreciation and amortization	13,227,844	6,520,256	7,890,476	2,919,514	1,012,253
Claims and payments to third-party administrators	-	-	-	-	-
Total operating expenses	<u>171,799,153</u>	<u>26,054,036</u>	<u>26,166,660</u>	<u>43,857,084</u>	<u>7,552,068</u>
Operating income (loss)	<u>(71,018)</u>	<u>(854,881)</u>	<u>(1,294,712)</u>	<u>2,766,517</u>	<u>1,150,977</u>
Nonoperating Revenues (Expenses):					
Investment earnings	1,731,008	459,462	446,354	461,343	-
Federal grants	-	-	-	-	-
Other nonoperating revenues	2,373,241	1,260,215	727,346	376,686	-
Other nonoperating expenses	(28)	-	-	-	-
Interest expense	(2,640,134)	(865,946)	(1,402,444)	(614,220)	(260,741)
Loss on disposal of capital assets	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>1,464,087</u>	<u>853,731</u>	<u>(228,744)</u>	<u>223,809</u>	<u>(260,741)</u>
Income (loss) before transfers and contributions	<u>1,393,069</u>	<u>(1,150)</u>	<u>(1,523,456)</u>	<u>2,990,326</u>	<u>890,236</u>
Transfers In (Out) and Capital Contributions:					
Capital contributions	-	2,467,315	3,614,690	-	2,022,273
Transfers from other funds	-	-	-	-	-
Transfers to other funds	(5,388,913)	-	-	(1,702,516)	(1,158,775)
Total transfers in (out) and capital contributions:	<u>(5,388,913)</u>	<u>2,467,315</u>	<u>3,614,690</u>	<u>(1,702,516)</u>	<u>863,498</u>
Change in net position	(3,995,844)	2,466,165	2,091,234	1,287,810	1,753,734
Net Position:					
Beginning of year – July 1	<u>160,842,916</u>	<u>93,086,612</u>	<u>133,645,371</u>	<u>53,956,381</u>	<u>27,897,140</u>
End of year – June 30	<u>\$ 156,847,072</u>	<u>\$ 95,552,777</u>	<u>\$ 135,736,605</u>	<u>\$ 55,244,191</u>	<u>\$ 29,650,874</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF REVENUES EXPENSES AND CHANGE IN
FUND NET POSITION

Exhibit H

YEAR ENDED JUNE 30, 2023

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:			
Charges for services	\$ 8,666,059	\$ 285,092,159	\$ 21,078,100
Other operating revenues	<u>159,230</u>	<u>859,014</u>	<u>487,832</u>
Total operating revenues	<u>8,825,289</u>	<u>285,951,173</u>	<u>21,565,932</u>
Operating Expenses:			
Administrative and general	120,069	29,599,786	491,829
Operations and maintenance	10,826,634	73,802,568	7,342,612
Purchased power and gas	-	151,403,007	-
Depreciation and amortization	348,866	31,919,209	3,079,795
Claims and payments to third-party administrators	-	-	<u>11,460,059</u>
Total operating expenses	<u>11,295,569</u>	<u>286,724,570</u>	<u>22,374,295</u>
Operating income (loss)	<u>(2,470,280)</u>	<u>(773,397)</u>	<u>(808,363)</u>
Nonoperating Revenues (Expenses):			
Investment earnings	-	3,098,167	-
Federal grants	2,179,341	2,179,341	-
Other nonoperating revenues	-	4,737,488	-
Other nonoperating expenses	-	(28)	-
Interest expense	687	(5,782,798)	-
Loss on disposal of capital assets	-	-	<u>(1,167)</u>
Total nonoperating revenues (expenses)	<u>2,180,028</u>	<u>4,232,170</u>	<u>(1,167)</u>
Income (loss) before transfers and contributions	<u>(290,252)</u>	<u>3,458,773</u>	<u>(809,530)</u>
Transfers In (Out) and Capital Contributions:			
Capital contributions	11,050	8,115,328	-
Transfers from other funds	771,894	771,894	2,009,742
Transfers to other funds	<u>(250,010)</u>	<u>(8,500,214)</u>	<u>(62,660)</u>
Total transfers in (out) and capital contributions:	<u>532,934</u>	<u>387,008</u>	<u>1,947,082</u>
Change in net position	242,682	3,845,781	1,137,552
Net Position:			
Beginning of year – July 1	<u>2,882,551</u>	<u>472,310,971</u>	<u>26,344,579</u>
End of year – June 30	<u>\$ 3,125,233</u>	<u>\$ 476,156,752</u>	<u>\$ 27,482,131</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Cash Flows from Operating Activities:					
Cash received from customers	\$ 173,628,152	\$ 24,959,776	\$ 24,398,355	\$ 47,001,903	\$ 8,552,824
Other operating receipts	1,845,907	954,446	70,325	341,974	-
Cash paid to vendors	(148,773,399)	(12,345,770)	(10,944,614)	(35,864,647)	(4,135,358)
Cash paid to employees	(13,756,635)	(7,224,515)	(7,023,924)	(6,034,055)	(1,967,048)
Payments received on loans	-	48,734	-	-	-
Net cash provided (used) by operating activities	<u>12,944,025</u>	<u>6,392,671</u>	<u>6,500,142</u>	<u>5,445,175</u>	<u>2,450,418</u>
Cash Flows from Noncapital Financing Activities:					
Repayment of principal of long-term debt	-	-	-	-	-
Interest and other financing costs	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	(5,388,913)	-	-	(1,702,516)	(1,158,775)
Noncapital contributions	5,000	-	-	-	-
Repayments (to)/from other funds	-	-	-	-	-
Federal and State grants	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>(5,383,913)</u>	<u>-</u>	<u>-</u>	<u>(1,702,516)</u>	<u>(1,158,775)</u>
Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(20,397,729)	(10,240,075)	(9,525,694)	(3,773,517)	-
Loss on disposal of capital assets	-	-	-	-	-
Capital grants/cash capital contributions	-	-	386,630	-	-
Lease liabilities issued	24,440	18,059	11,637	11,152	-
subscription liabilities issued	587,641	40,099	40,099	76,602	-
Capital related receipts from customers	-	421,711	494,827	-	-
Proceeds from issuance of long-term debt	19,584,105	5,691,405	4,710,178	-	-
Debt issuance costs	(285,233)	(45,822)	(68,511)	-	-
Principal payments on leases	(32,924)	(64,019)	(20,187)	(13,900)	-
Principal payments on subscriptions	(154,090)	(11,296)	(11,296)	(20,816)	-
Repayment of principal of long-term debt	(1,654,211)	(1,154,273)	(2,677,155)	(458,634)	(1,846,291)
Interest and other lease related expenses	(2,021)	(5,485)	(1,416)	(958)	-
Interest and other subscription related expenses	(7,625)	(569)	(569)	(1,040)	-
Interest and other debt related expenses	(2,641,837)	(968,698)	(1,822,641)	(706,343)	(260,741)
Net cash provided (used) by capital and related financing activities	<u>(4,979,484)</u>	<u>(6,318,963)</u>	<u>(8,484,098)</u>	<u>(4,887,454)</u>	<u>(2,107,032)</u>
Cash Flow from Investing Activities:					
Purchase of investments	(47,460,788)	(14,225,347)	(12,700,961)	(17,759,012)	-
Proceeds from sale and maturity of investments	58,115,562	15,526,231	15,735,200	20,040,443	-
Interest received on investments	2,058,610	556,491	534,136	582,879	-
Net cash provided (used) by investing activities	<u>12,713,384</u>	<u>1,857,375</u>	<u>3,568,375</u>	<u>2,864,310</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	15,294,012	1,931,083	1,584,419	1,719,515	(815,389)
Cash and Cash Equivalents:					
Beginning of year – July 1	<u>14,157,385</u>	<u>5,514,957</u>	<u>5,808,764</u>	<u>5,074,168</u>	<u>14,160,411</u>
End of year – June 30	<u>\$ 29,451,397</u>	<u>\$ 7,446,040</u>	<u>\$ 7,393,183</u>	<u>\$ 6,793,683</u>	<u>\$ 13,345,022</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2023

	Major Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Stormwater Fund
Reconciliation of Operating Income (Loss) to					
Net Cash Provided by Operating Activities:					
Operating income (loss)	(71,018)	(854,881)	(1,294,712)	2,766,517	\$ 1,150,977
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	13,227,844	6,520,256	7,890,476	2,919,514	1,012,253
Miscellaneous income	2,367,424	839,029	232,728	376,926	-
Change in assets, liabilities, deferred outflows and deferred inflows:					
(Increase) decrease in accounts receivable	1,368,039	(50,939)	(155,006)	312,629	(150,221)
(Increase) decrease in lease receivable	(82,740)	145,562	68,923	70,288	-
(Increase) decrease in notes receivable	-	48,734	-	-	-
(Increase) decrease in due from other governments	(375,744)	5,945	(186,435)	(103,452)	-
Change in due to/from other funds	18,494	14,202	35,101	32,390	-
(Increase) decrease in inventories	(4,466,947)	(132,685)	14,967	(464,112)	-
(Increase) decrease in prepaids	(154,610)	(12,126)	25,333	(8,685)	-
Increase (decrease) in net pension liability	7,111,905	3,816,146	3,642,685	2,775,379	912,183
(Increase) decrease in deferred inflow of resources for leases	72,447	(151,972)	(74,127)	(79,006)	-
(Increase) decrease in deferred inflow of resources for pensions	(3,737,742)	(2,005,618)	(1,914,454)	(1,458,631)	(424,607)
(Increase) decrease in deferred inflow of resources for OPEB	(1,656,413)	(888,806)	(848,407)	(646,405)	117,324
Increase (decrease) in deferred outflow of resources for pensions	(2,404,163)	(1,290,040)	(1,231,402)	(938,212)	(333,629)
Increase (decrease) in deferred outflow of resources for OPEB	1,116,679	599,193	571,957	435,777	111,544
Increase (decrease) in accounts payable	(14,290)	(46,290)	17,976	(686,503)	3,733
Increase (decrease) in customer deposits	468,128	(205,405)	(353,188)	64,125	-
Increase (decrease) in compensated absences payable	108,465	35,067	43,084	57,800	-
Increase (decrease) in unearned revenue	-	(18,600)	(10,080)	-	-
Increase (decrease) in net OPEB liability	48,267	25,899	24,723	18,836	50,862
Net cash provided (used) by operating activities	<u>\$ 12,944,025</u>	<u>\$ 6,392,671</u>	<u>\$ 6,500,142</u>	<u>\$ 5,445,175</u>	<u>\$ 2,450,419</u>
Noncash Investing, Capital, and Financing Activities:					
Capital contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of loss on refunding	-	-	-	-	23,542
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,542</u>
Reconciliation of Cash and Cash Equivalents:					
Cash and investments, unrestricted	\$ 13,814,459	\$ 4,237,882	\$ 4,665,891	\$ 6,049,296	\$ 13,345,022
Cash and investments, restricted	15,636,938	3,208,158	2,727,292	744,387	-
Total cash and cash equivalents	<u>\$ 29,451,397</u>	<u>\$ 7,446,040</u>	<u>\$ 7,393,183</u>	<u>\$ 6,793,683</u>	<u>\$ 13,345,022</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2023

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:			
Cash received from customers	\$ 8,837,389	\$ 287,378,399	\$ 21,226,538
Other operating receipts	-	3,212,652	-
Cash paid to vendors	(6,618,778)	(218,682,566)	(17,585,508)
Cash paid to employees	(3,545,561)	(39,551,738)	(1,577,566)
Payments received on loans	-	48,734	-
Net cash provided (used) by operating activities	<u>(1,326,950)</u>	<u>32,405,481</u>	<u>2,063,464</u>
Cash Flows from Noncapital Financing Activities:			
Repayment of principal of long-term debt	(104,866)	(104,866)	-
Interest and other financing costs	685	685	-
Transfers from other funds	771,894	771,894	2,009,742
Transfers to other funds	(250,010)	(8,500,214)	-
Noncapital contributions	-	5,000	-
Repayments (to)/from other funds	639,464	639,464	(856,327)
Federal and State grants	1,144,734	1,144,734	-
Net cash provided (used) by noncapital financing activities	<u>2,201,901</u>	<u>(6,043,303)</u>	<u>1,153,415</u>
Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(43,937,015)	(5,642,670)
Loss on disposal of capital assets	-	-	(1,167)
Capital grants/cash capital contributions	11,050	397,680	-
Lease liabilities issued	-	65,288	-
subscription liabilities issued	-	744,441	-
Capital related receipts from customers	-	916,538	-
Proceeds from issuance of long-term debt	-	29,985,688	-
Debt issuance costs	-	(399,566)	-
Principal payments on leases	-	(131,030)	-
Principal payments on subscriptions	-	(197,498)	-
Repayment of principal of long-term debt	-	(7,790,564)	-
Interest and other lease related expenses	-	(9,880)	-
Interest and other subscription related expenses	-	(9,803)	-
Interest and other debt related expenses	-	(6,400,260)	-
Net cash provided (used) by capital and related financing activities	<u>11,050</u>	<u>(26,765,981)</u>	<u>(5,643,837)</u>
Cash Flow from Investing Activities:			
Purchase of investments	-	(92,146,108)	-
Proceeds from sale and maturity of investments	-	109,417,436	-
Interest received on investments	-	3,732,116	-
Net cash provided (used) by investing activities	<u>-</u>	<u>21,003,444</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	886,001	20,599,641	(2,426,958)
Cash and Cash Equivalents:			
Beginning of year – July 1	<u>5,304,922</u>	<u>50,020,607</u>	<u>16,999,772</u>
End of year – June 30	<u>\$ 6,190,923</u>	<u>\$ 70,620,248</u>	<u>\$ 14,572,814</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Exhibit I

YEAR ENDED JUNE 30, 2023

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to			
Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (2,470,280)	\$ (773,397)	\$ (808,363)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	348,866	31,919,209	3,079,795
Miscellaneous income	-	3,816,107	-
Change in assets, liabilities, deferred outflows and deferred inflows:			
(Increase) decrease in accounts receivable	12,100	1,336,602	(339,394)
(Increase) decrease in lease receivable	-	202,033	-
(Increase) decrease in notes receivable	-	48,734	-
(Increase) decrease in due from other governments	-	(659,686)	-
Change in due to/from other funds	-	100,187	-
(Increase) decrease in inventories	-	(5,048,777)	-
(Increase) decrease in prepaids	-	(150,088)	-
Increase (decrease) in net pension liability	1,581,019	19,839,317	628,386
(Increase) decrease in deferred inflow of resources for leases	-	(232,658)	-
(Increase) decrease in deferred inflow of resources for pensions	(744,856)	(10,285,908)	(322,188)
(Increase) decrease in deferred inflow of resources for OPEB	192,029	(3,730,678)	21,444
Increase (decrease) in deferred outflow of resources for pensions	(573,234)	(6,770,680)	(213,118)
Increase (decrease) in deferred outflow of resources for OPEB	205,231	3,040,381	135,743
Increase (decrease) in accounts payable	31,688	(693,686)	(56,321)
Increase (decrease) in customer deposits	-	(26,340)	-
Increase (decrease) in compensated absences payable	21,348	265,764	-
Increase (decrease) in unearned revenue	-	(28,680)	-
Increase (decrease) in net OPEB liability	69,139	237,726	(62,520)
Net cash provided (used) by operating activities	<u>\$ (1,326,950)</u>	<u>\$ 32,405,482</u>	<u>\$ 2,063,464</u>
Noncash Investing, Capital, and Financing Activities:			
Capital contribution	\$ -	\$ -	\$ -
Amortization of loss on refunding	-	23,542	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 23,542</u>	<u>\$ -</u>
Reconciliation of Cash and Cash Equivalents:			
Cash and investments, unrestricted	\$ 6,190,923	\$ 48,303,473	\$ 14,572,814
Cash and investments, restricted	-	22,316,775	-
Total cash and cash equivalents	<u>\$ 6,190,923</u>	<u>\$ 70,620,248</u>	<u>\$ 14,572,814</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF GREENVILLE, NORTH CAROLINA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

Exhibit J

JUNE 30, 2023

	Pension Trust Funds
Assets:	
Restricted assets:	
Cash and cash equivalents	5,450,226
Investments:	
BlackRock MSCI ACWI EQ Index Non-lendable Fund	11,298,092
NC Non Pension Fixed Income	<u>781,307</u>
Total assets	<u><u>17,529,625</u></u>
Net Position:	
Net position restricted for postemployment benefits other than pensions	<u>\$ 17,529,625</u>

Draft

CITY OF GREENVILLE, NORTH CAROLINA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Exhibit K

YEAR ENDED JUNE 30, 2023

	<u>Pension Trust Funds</u>
Additions:	
Employer contributions	\$ 5,558,983
Total contributions	<u>5,558,983</u>
Investment income:	
Interest	65,133
Net appreciation in fair value of investments	1,507,022
Less investment expense	<u>(866)</u>
Net investment income	<u>1,571,289</u>
Total additions	<u>7,130,272</u>
Deductions:	
Benefits	<u>4,358,983</u>
Total deductions	<u>4,358,983</u>
Change in net position	2,771,289
Net position restricted for postemployment benefits other than pensions:	
Net position, beginning of year	<u>14,758,336</u>
Net position, ending of year	<u>\$ 17,529,625</u>

Draft