



Comprehensive Annual Financial Report

FOR FISCAL YEAR ENDED JUNE 30, 2014



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OUR MISSION

The City of Greenville's mission is to provide all citizens with high-quality services in an open, inclusive, professional manner, ensuring a community of excellence now and in the future.

OUR VALUES

INTEGRITY

We will be truthful, dependable, and fair in all actions.

RESPECT

We will value each person for their thoughts, opinions, and diversity.

PROFESSIONALISM

We will be professional and efficient in our work.

FAIRNESS AND EQUITY

We will practice fairness and equity in all decisions.

TEAMWORK

We will work together in a shared responsibility of service.

ACCOUNTABILITY

We will be accountable for our actions and decisions to all we serve.

COMMITMENT TO SERVICE AND EXCELLENCE

We will strive for excellence and be committed to providing high-quality services to our customers/citizens.



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INTRODUCTION

FY 2014 Comprehensive Annual Financial Report





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CITY MANAGER'S OFFICE

November 25, 2014

To the Honorable Mayor and Members of the City Council and the Citizens of the City of Greenville, North Carolina:

It is our pleasure to submit the Comprehensive Annual Financial Report for the City of Greenville, North Carolina, for the Fiscal Year ended June 30, 2014. While Greenville regularly strives to be a transparent organization, State law requires that all general-purpose local governments publish a complete set of financial statements annually. These statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report complies with these requirements.

This report is our representation of the City's financial position and results of operations as of and for the fiscal year ended June 30, 2014. We are also responsible for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls should not exceed their anticipated benefits, the City's controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, to the best of our knowledge and belief, this financial report is complete, accurate, and reliable in all material respects.

As indicated previously, the City is required by State law to have an annual independent financial audit. A compliance audit on federal and state financial assistance is also required under the Federal Single Audit Act of 1984 and the State Single Audit Implementation Act. Martin Starnes & Associates, CPAs, P.A., a certified public accounting firm, conducted the audits and concluded in an unmodified opinion that the financial statements present fairly in conformity with GAAP, in all material respects, the financial position and changes in financial position for the City of Greenville, North Carolina, as of June 30, 2014. The Report of the Independent Auditor is located at the beginning of the financial section of this report. The results of the compliance "Single Audit" show no material internal control or material violations of laws relative to federal or state programs. These reports are available in the "Single Audit" section of this report.

As a part of the annual financial presentation, we are required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City

Founded in 1771 as Martinsborough (named for the Royal Governor Josiah Martin, and later renamed for General Nathanael Greene), Greenville sits on the banks of the Tar River as the economic, education, and medical capital of Eastern North Carolina. With a population of 89,130 and growing, Greenville remains the 10th largest city in North Carolina and is affectionately referred to as the "Hub of Eastern North Carolina." Greenville serves as the county seat for Pitt County and comprises roughly 50% of the County's population within its 35 square miles.

The City operates under a council-manager form of government. The seven-member City Council is the policy-making and legislative body of City government. The Council enacts local laws and ordinances, adopts the annual budget and financial plan for the operations of the City, and authorizes contracts for the City. The Mayor is the presiding officer of the Council and signs all documents authorized by Council.

Five of the seven Council members are elected from individual districts, and two members, including the Mayor, are elected at-large. A Mayor Pro-Tem, who will assume mayoral duties in the absence of the Mayor, is selected from the members of the newly elected Council body. Each of the Council members, including the Mayor, serves two-year terms and is elected on a biannual basis. The Council also appoints the City Manager, City Attorney, City Clerk, and members of the volunteer boards and commissions. The City Manager is responsible for implementing Council policies, City ordinances, managing daily operations, and appointing department directors.

The Greenville City Council is required to adopt a budget by July 1st of each year. The City is empowered to levy a property tax on both real and personal property located within its boundaries. The City's budget ordinance creates a legal limit on spending authorizations and serves as the foundation for its financial planning control. As City Manager, I am authorized by the budget ordinance to make certain limited transfers within funds to facilitate budget execution consistent with Council intent.

The City provides a full range of services. These services include police and fire protection, planning and zoning, community and economic development, recreational activities and parks, refuse, recycling, and other sanitation services, stormwater and drainage, fixed-route transit services, regional transportation planning services, general administrative and technological services, and the construction and maintenance of City streets, sidewalks, and other associated infrastructure. Certain planning and utility services are provided outside the City's municipal boundary in its extraterritorial area to provide for orderly growth.

Local Economy

At the heart of Greenville are two large, very significant economic generators – East Carolina University (ECU) and Vidant Medical Center. Their presence and growth have allowed Greenville to grow into a prosperous “uni-med” community. In the educational area, ECU is one of the largest universities in the University of North Carolina system with more than 27,000 students and contributes to the employment of roughly 9,100 people in the education field. Vidant Medical Center anchors a medical community that employs around 7,000 health care professionals in Greenville and has a serving reach of 29 counties across Eastern North Carolina.

ECU's Main Campus offers more than 4.8 million square feet of academic, research, and residential space. The Health Sciences Campus includes the Brody School of Medicine, the East Carolina Heart Institute, the Leo Jenkins Cancer Center, and the Allied Health Center--composed of the College of Nursing, Laupus Medical Library, and the College of Allied Health Sciences. ECU's School of Dental Medicine, which opened in 2011, is also housed at the Health Sciences Campus, but has clinics spread around the region to provide dental care to underserved communities. Additionally, ECU houses the West Campus, which is the home of the North Carolina Agromedicine Institute, partners for Health and Safety in Agriculture, Forestry, and Fisheries.

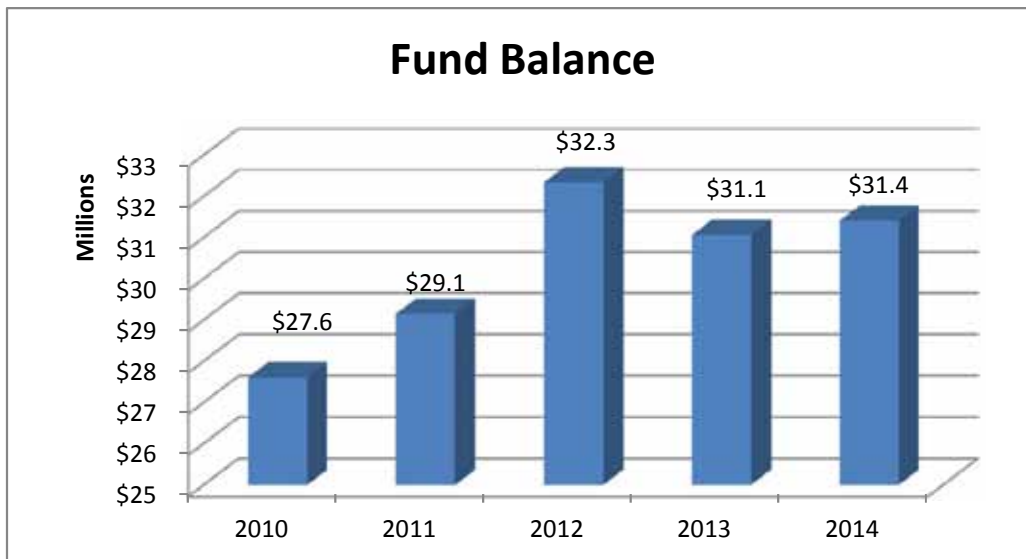
Pitt Community College (PCC) is one of the top community colleges in the state, earning “Exceptional Institutional Performance” status – only one of 11 in the state to have earned that distinction. PCC currently offers over 60 curriculum programs, 44 Associate degree programs, 22 diploma programs and 18 University Transfer programs. Additionally, Miller-Motte College provides private career education and is accredited by the Southern Association of Colleges and Schools.

An off-shoot to being a “uni-med” community is the bio-med businesses which thrive in the uni-med environment. Several medical innovations have been developed in Greenville including robotic heart valve replacement surgery and an implant to help patients overcome stuttering. Greenville is also home to a very important bio-pharmaceutical cluster, providing significant employment to our residents and the surrounding area. Patheon Pharmaceuticals is an important component of this cluster.

Much of the manufacturing in Greenville is located outside of the city limits, but inside the extra-territorial jurisdiction (ETJ). This provides stable employment for Greenville's residents, but does not provide the property tax base which would help Greenville provide city services. DSM Dyneema produces components in ropes, cables, and nets for the fishing and shipping industry; NACCO Materials Handling Group designs, engineers, and manufactures materials handling equipment; ASMO produces front wiper motor linkages, rear wiper motors, arms, and blades and radiator fan motors for its North American customers; and Grady-White Boats has a legendary reputation for designing and producing outstanding fiberglass boats.

Economic Impact to City

Working through FY 2014's budget brought about different priorities than those considered during FY 2013. The prior year's challenge was to sustain services to the citizens of Greenville at the same level of excellence. The main concerns were cost reduction and management decisions to address the response to the 2012 Pitt County property tax revaluation. Rather than adopting a revenue-neutral tax rate which would have increased the tax rate from 52 cents per \$100 of valuation to approximately 56 cents per \$100, the City Council retained the current 52 cents per \$100, and adjustments were made to departmental budgets and to the Capital Improvement Program to support maintaining the existing tax rate. In FY 2014, the new concerns were how to catch up on the Capital Improvement projects that were deferred based on decisions from the past. As a result, it was the City Council's desire to invest approximately \$4.0 million in street improvements. Additionally, there were other projects that were of importance, resulting in Council approving \$7.0 million from Fund Balance to address these projects. Other sources, such as sales tax, utilities franchise tax, and building fees continued to reflect the slow economic recovery as predicted by the State. This is evident by the relatively flat year-end results when comparing FY 2014 to FY 2013. Based on revenues of \$74.4 million and expenses of \$74.1 million, the City's General Fund did not have to use any of the fund balance that was appropriated for use during the year.



The City of Greenville maintains a healthy total Fund Balance of approximately \$31.4 million and continues to exceed the 14% unassigned fund balance policy established by City Council. Further, the City of Greenville has maintained a relatively low level of debt with total governmental backed debt accounting for approximately \$36 million. Total City debt is \$153 million.

As of June 30, 2014, the City of Greenville maintained strong bond ratings with Standard and Poors and Moody's of AA and Aa2, respectively.

Long-Term Financial Planning and Major Initiatives

Having the first year of property tax revaluation impact behind us, the City continues to concentrate on how to provide the same level of service considering the prediction of continued economic stagnation in the local economy and the unknown future of State-distributed revenue. To accommodate some of this unknown, while continuing to focus on capital improvements within the City limits, FY 2015's budget includes a two cents increase in property tax. The additional two cents added to the tax base is anticipated to generate \$1,194,000 less a 1.5% collection fee for a total of \$1,176,090. With the additional funding, the City Council funded the establishment of a new Facility Improvement Program. This program is originated to fund some of the deferred maintenance that has accumulated on City facilities and establishes a process for routine maintenance.

As we move forward toward 2015 and beyond, we are optimistic that more resources will become available for the City. Further, it is the intent of the City Council and City staff to continue to review and resolve issues related to revenues, service delivery efficiencies, deferred capital maintenance, and new major capital investment to successfully position Greenville and the surrounding area to continue to maintain its position as the "Hub and the Heart of Eastern North Carolina!"

Awards Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Greenville for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the 24th consecutive year that Greenville has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for the 25th consecutive year.

In addition, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year July 1, 2012 to June 30, 2014. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

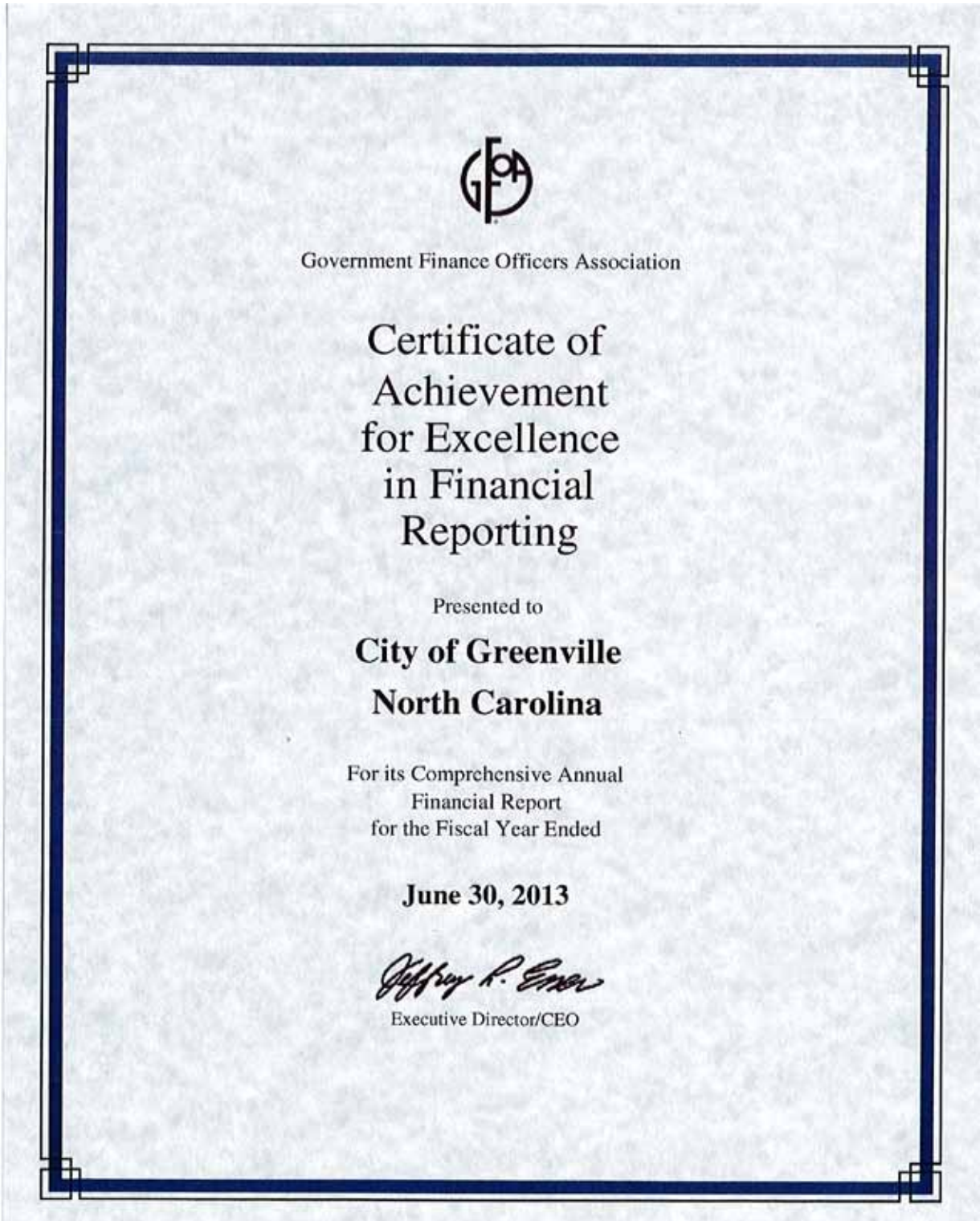
We recognize the City's responsibility for the contents of this report and would like to express our appreciation for the cooperation and assistance of our independent auditors, Martin Starnes & Associates, CPAs, P.A., in its preparation. We wish to express our appreciation to all members of the Financial Services Department for their cooperation and assistance with this project as well as other assignments. We also express our thanks to the Mayor and members of the City Council for making possible the excellent financial position of the City, and for their interest and support in planning and conducting the financial affairs of the City in conformance with the highest standards of professionalism in the management of the City of Greenville's finances.

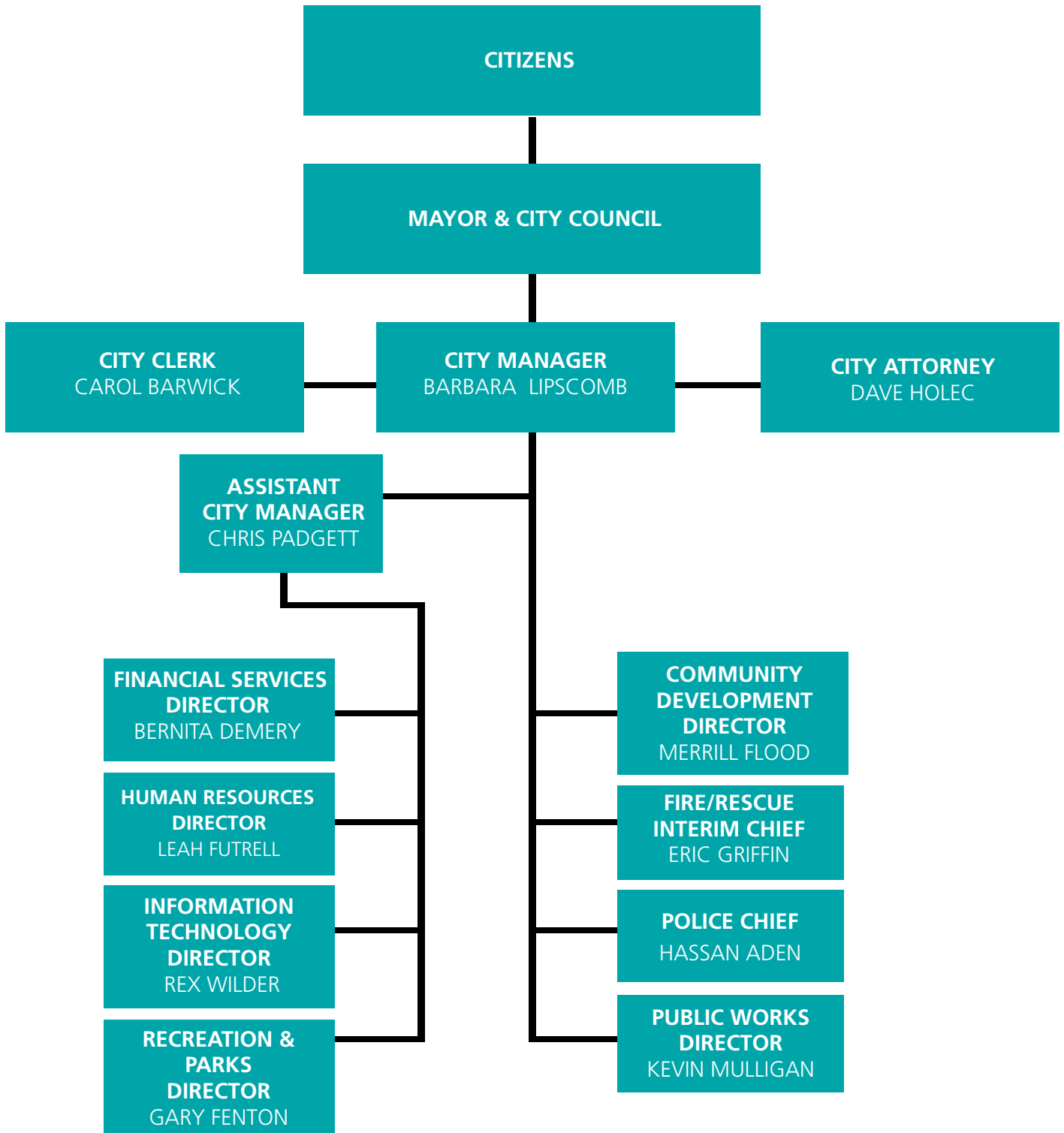
As required by North Carolina General Statute 159-34, a copy of this report will be filed with the Secretary of the North Carolina Local Government Commission. In addition, a copy will be sent to the City Clerk to be available for public inspection.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Barbara Lipscomb". The signature is written in a cursive, flowing style.

Barbara Lipscomb, ICMA-CM, MRP, CPM
City Manager





CITY OFFICIALS



Mayor Allen Thomas



Mayor Pro-tem Calvin Mercer
Council Member at-Large



Council Member
Kandie Smith
District 1



Council Member
Rose Glover
District 2



Council Member
Marion Blackburn
District 3



Council Member
Rick Smiley
District 4



Council Member
Richard Croskey
District 5



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FINANCIAL SECTION

FY 2014 Comprehensive Annual Financial Report



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Greenville
Greenville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Toll Free Both Locations 1-800-948-0585 ♦ Website: www.martinstarnes.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, North Carolina, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Schedule of Employer Contributions, and the Other Post-Employment Benefits Schedule of Funding Progress and Schedule of Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Greenville's basic financial statements. The introductory information, combining and individual fund financial statements, budgetary schedules, other schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of Americas. In our opinion, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory information and the statistical section have not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2014 on our consideration of the City of Greenville’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Greenville’s internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
November 25, 2014



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Management's Discussion and Analysis

As management of the City of Greenville, we offer readers of the City's financial statements this narrative and analysis of the financial activities for the fiscal year ended June 30, 2014. We encourage readers to read the information presented in conjunction with the preceding transmittal letter and the additional information that we have included in the City's financial statements, which follow this narrative.

Financial Highlights:

Highlights of the City's fiscal year ended June 30, 2014 include:

- The assets and deferred outflows of resources of the City of Greenville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$531,386,813 (net position). Of this amount, \$117,194,851 can be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$11,121,904. The City's net position changed due to Governmental Activities and Business-Type Activities by \$5,133,324 and \$5,988,580, respectively. The Governmental Activities increase is primarily due to the issuance of debt via an Installment Agreement to construct an Uptown City Parking debt in the amount of \$4,997,000. The business-type activities increased due to positive operating revenues.
- The City of Greenville's governmental funds reported combined ending fund balances of \$44,111,176, an increase of \$3,725,431 in comparison with the prior year. This increase is largely due to debt issuance as indicated above. Approximately 74% of the total fund balance within the General Fund, or \$23,351,631, is available for spending at the government's discretion. Of this amount, 51% is considered unassigned fund balance. The Governmental Fund Unassigned fund balance increased \$5,399,131 as a result of City management's decision to closer manage their expenses during the year and delaying certain projects to a later time. Approximately 38% of the total amount, or \$16,883,272, is non-spendable or restricted.
- Unassigned fund balance for the General Fund was \$16,108,088, or 22%, of total General Fund expenditures (including transfers out) for the fiscal year. Overall, the fund balance, from current year's activity, for the General Fund increased by \$345,338, when compared to prior year. This increase can be directly linked to the positive impact of the new Tax and Tags program for Motor Vehicle taxes in North Carolina. Receipts for this change began to come in the month of August. Additionally, management's decision to defer certain projects also influenced net results. Overall, the revenue increased at a faster rate than expenses, having increases of six percent and four percent, respectively.
- The City of Greenville's total debt, including the Greenville Utilities Commission managed debt (excluding Law Enforcement Officer Separation Allowance, OPEB, and Compensated Absences liabilities,) had a net decrease of \$3.4 million during the current fiscal year due, largely to the pay down of debt within the business-type activities as managed by GUC.
- In May of 2014, the City of Greenville entered into an Installment Agreement to construct a parking debt for \$4.9 million. The term of this agreement is 15 years. In addition, in preparation for the City's implementation of a full "front yard" service for sanitation pickup, the City issued \$315,000 to new carts.

In addition, the City recognized the following accomplishments:

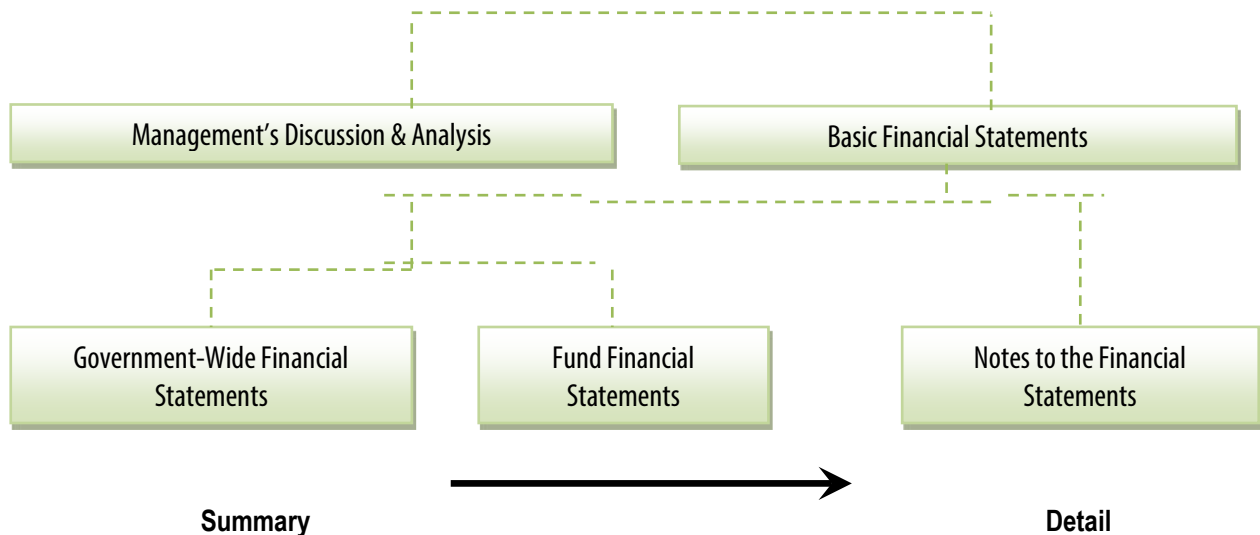
- The City of Greenville maintained its AA rating indicating very strong capacity to meet its financial obligations. The Local Government Commission recommends that cities maintain at least 8% of their operating budget in reserves (available for spending). Greenville has a policy of maintaining at least 14% of budgeted expenses within the unassigned category and currently has a reserve ratio of 21%, which is equivalent to almost two and a half months of regular operational expenses. These reserves provide stability during uncertain economic times ensuring core services can be maintained without having to increase taxes.
- The City received an unmodified or “clean” opinion from the independent auditing firm, Martin Starnes & Associates. An unmodified opinion denotes the highest level of assurance of compliance with accounting standards and practices and of internal controls with no material weaknesses or significant deficiencies.
- For the 24th consecutive year, the GFOA of the United States and Canada has bestowed the highest form of recognition of governmental accounting and financial reporting, the Certificate of Achievement for Excellence in Financial Reporting, to the City of Greenville.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Greenville’s basic financial statements. The City’s basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader’s understanding of the financial condition of the City of Greenville.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements (Exhibits C through K) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **Supplemental Information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes can also be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how it has changed. Net position is the difference between the City's total assets and deferred outflows and resources and total liabilities and deferred inflows and resources. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the City's basic services, such as general administration, public safety, transportation, environmental protection, cultural and recreational activities, and economic and physical development. Property taxes, other taxes, charges for services, and Federal and State grant funds finance most of these activities. The business-type activities are those that function as an enterprise and rely principally on user fees to support those services. These include the electric, water, sewer, gas, transportation, stormwater utility, sanitation, and golf course services (which were closed into the General Fund during the current year) offered by the City of Greenville. The government-wide financial statements are on Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements, beginning with Exhibit C, provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Greenville, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City of Greenville can be divided into the three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end, that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting, which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Greenville adopts an annual budget for its General Fund, as required by the General Statutes. Biennially, the City also approves a financial operating plan that includes a two-year budget and five years Capital Improvement Program. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the City Council concerning which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance those current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the City Council; 2) the final budget as amended by the City Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – The City of Greenville has two different kinds of proprietary funds: enterprise and internal service.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Greenville uses enterprise funds to account for its electric, water, sewer, gas, transportation, sanitation, and stormwater utility. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Internal Service Funds are accounting devices used to accumulate and allocate costs internally among the functions of the City of Greenville and Greenville Utilities Commission. The City of Greenville currently has three functioning internal service funds. The City uses internal service funds to account for its fleet maintenance program, health insurance, and the management and purchase of replacement vehicles. Because these operations benefit predominantly governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to report assets that are held in a trustee or agency capacity for others and, therefore, cannot be used to support other government activities. The City of Greenville has the Other Post-Employee Benefits (OPEB) Trust Fund to account for resources that are held in a trust for the employees.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow Exhibit K of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Greenville's progress in funding its obligation to provide pension benefits for the law enforcement officers through the special separation allowance. Required supplementary information can be found following the notes section of this report.

Interdependence with Other Entities

The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign government and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

The following is a summary of net position as of June 30, 2014 (as shown in Exhibit A) with comparative data for June 30, 2013.

**City of Greenville's Net position
Figure 2**

	Government Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 64,380,555	\$ 59,427,742	\$ 122,886,149	\$ 125,027,036	\$ 187,266,704	\$ 184,454,778
Investment in joint venture	19,549,525	17,973,735	-	-	19,549,525	17,973,735
Capital assets, non-depreciable	75,433,998	74,121,477	50,026,157	51,672,221	125,460,155	125,793,698
Capital assets, net	99,639,405	98,453,768	318,242,895	313,866,278	417,882,300	412,320,046
Deferred outflows of resources	<u>1,076,346</u>	<u>1,183,981</u>	<u>1,166,979</u>	<u>1,360,672</u>	<u>2,243,325</u>	<u>2,544,653</u>
Total Assets and deferred outflows of resources	<u>260,079,829</u>	<u>251,160,703</u>	<u>492,322,180</u>	<u>491,926,207</u>	<u>752,402,009</u>	<u>743,086,910</u>
Long-term liabilities outstanding	58,792,317	55,430,054	130,776,402	135,054,617	189,568,719	190,484,671
Other liabilities	8,250,916	7,669,667	23,193,950	24,508,342	31,444,866	32,178,009
Deferred inflows of resources	<u>1,611</u>	<u>159,321</u>	<u>-</u>	<u>-</u>	<u>1,611</u>	<u>159,321</u>
Total liabilities and deferred inflows of resources	<u>67,044,844</u>	<u>63,259,042</u>	<u>153,970,352</u>	<u>159,562,959</u>	<u>221,015,196</u>	<u>222,822,001</u>
Net position:						
Investments in capital assets, net						
investment in capital assets	144,768,954	140,381,852	258,006,505	251,119,747	402,775,459	391,501,599
Restricted	11,416,503	10,880,162	-	-	11,416,503	10,880,162
Unrestricted	<u>36,849,528</u>	<u>36,639,647</u>	<u>80,345,323</u>	<u>81,243,501</u>	<u>117,194,851</u>	<u>117,883,148</u>
Total net position	<u>\$193,034,985</u>	<u>\$187,901,661</u>	<u>\$338,351,828</u>	<u>\$332,363,248</u>	<u>\$531,386,813</u>	<u>\$520,264,909</u>

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of the City of Greenville's government-wide activities exceeded its liabilities and deferred inflows at the close of the fiscal year by \$531,386,813 (net position). The City's net position increased by \$11,121,904 for the fiscal year ended June 30, 2014, when compared to prior year. However, the largest portion (75%) reflects the City's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Greenville's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City of Greenville's net position, \$11,416,503 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$117,194,851 can be used to meet the City's ongoing obligations to citizens and creditors (unrestricted).

Several particular aspects of the City's financial operations positively influenced the total unrestricted governmental net position:

- Continued low cost of debt through the City's bond rating. The City entered into an Installment Agreement at a rate of 3.25% for 15 years, and a seven year installment agreement over seven years for sanitation carts.
- Property tax collection percentage of 98.57%.

At the end of the current fiscal year, the City of Greenville is able to report positive balances in both governmental and business-type net position for the City as a whole. The same situation held true for the prior fiscal year as detailed in the changes in net position.

City of Greenville's Changes in Net position
Figure 3

	Government Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Charges for services	\$ 10,265,722	\$ 9,740,867	\$ 283,347,849	\$ 274,184,179	\$ 293,613,571	\$ 283,925,046
Operating grants and contributions	3,540,461	4,522,778	901,365	889,979	4,441,826	5,412,757
Capital grants and contributions	3,214,122	3,975,379	1,162,335	1,212,759	4,376,457	5,188,138
General revenues:						
Ad valorem taxes	31,914,967	30,445,847	-	-	31,914,967	30,445,847
Other taxes	11,730,864	11,893,015	-	-	11,730,864	11,893,015
Other	12,827,053	10,572,329	209,146	227,528	13,036,199	10,799,857
Total Revenues	73,493,189	71,150,215	285,620,695	276,514,445	359,113,884	347,664,660
Expenses						
General governmental	19,960,224	21,602,710	-	-	19,960,224	21,602,710
Public safety	28,939,261	29,711,884	-	-	28,939,261	29,711,884
Transportation	7,462,526	7,593,094	-	-	7,462,526	7,593,094
Cultural and recreation	3,203,720	3,688,000	-	-	3,203,720	3,688,000
Economic and physical development	13,496,846	14,501,140	-	-	13,496,846	14,501,140
Interest and fees	894,001	826,340	-	-	894,001	826,340
Electric	-	-	195,184,455	192,057,666	195,184,455	192,057,666
Water	-	-	16,236,718	15,856,698	16,236,718	15,856,698
Sewer	-	-	17,333,548	16,837,578	17,333,548	16,837,578
Gas	-	-	32,518,729	26,188,583	32,518,729	26,188,583
Public Transportation	-	-	2,458,660	2,499,439	2,458,660	2,499,439
Stormwater Utility	-	-	2,944,950	2,903,761	2,944,950	2,903,761
Sanitation	-	-	7,358,342	6,791,739	7,358,342	6,791,739
Total Expense	73,956,578	77,923,168	274,035,402	263,135,464	347,991,980	341,058,632
Increase in net position before transfers	(463,389)	(6,772,953)	11,585,293	13,378,981	11,121,904	6,606,028
Transfers	5,596,713	4,907,563	(5,596,713)	(4,907,563)	-	-
Increase in net position	5,133,324	(1,865,390)	5,988,580	8,471,418	11,121,904	6,606,028
Net position, July 1	187,901,661	171,793,316	332,363,248	323,891,830	520,264,909	495,685,146
Restatement	-	17,973,735	-	-	-	17,973,735
Beginning of year restated	187,901,661	189,767,051	332,363,248	323,891,830	520,264,909	513,658,881
Net position, June 30	\$ 193,034,985	\$ 187,901,661	\$ 338,351,828	\$ 332,363,248	\$ 531,386,813	\$ 520,264,909

Governmental Activities: Governmental activities increased the City's net position by \$5,133,324. Of total net position, governmental activities accounted for \$193,034,985, or 36%. Key elements of this increase are as follows:

- Property tax increased approximately 6% due in large to the Tax and Tag program that began during the year. This change required citizens to pay their property tax at the same time as renewing their tags. All other revenue remained relatively the same.
- The impact of the \$4,997,000 towards the end the fiscal year also has an impact on the increase. \$4.5 million remained unspent as of the end of the year.

Business-type Activities: The Greenville Utilities Commission has net position of \$331,766,866 as of June 30, 2014. This represents 98.1% of the total business-type activities net position amount. Of this amount, \$77,924,256 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors. This represents an unrestricted fund balance of 29.0% of total Commission expenses for the fiscal year. Overall, business-type activities increased the City of Greenville's net position by \$5,988,580, of which the Commission contributes \$5,955,200 of that change. This makes up almost 100% of the total business-type activities increase in net position. The key element of this increase was the

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positive operating income. Charges for services increased by \$9,504,161, or 3.7%. The Electric Fund accounts for 53.4% of this increase, which resulted primarily from an increase in customer consumption.

Financial Analysis of the City's Funds

As noted earlier, the City of Greenville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the City of Greenville's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Greenville's financing requirements. Specifically, unassigned fund balance can be a useful measure of the City's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City of Greenville. At the end of the current fiscal year, available fund balance of the General Fund was \$23,351,631, while total fund balance was \$31,412,547. As a measure of the General Fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures (including transfers out). Available fund balance represents 31% of total General Fund expenditures, while total fund balance represents 42% of that same amount. The Council for the City has determined that the City shall maintain an unassigned balance of 14% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the City. Currently, the 14% in unassigned fund balance equals almost two months of operational expenses. As of June 30, 2014, the governmental funds of the City of Greenville reported a combined fund balance of \$44,111,176, which is a nine percent increase from prior year due to issuance of new debt, which is offset by the spend down of bond proceeds.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on a monthly basis. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund budget increased revenues and other financing sources by \$1,318,461. When compared to the adjustments proposed last year, this is a 66% decrease. The reason for this decrease can be given to the City Manager's office making recommendations during the budget time, which included the projects that would be top priority for the year, with minimal flexibility or need for adjustments. This fiscal year's budget included an original fund balance appropriation of \$7,047,025 to offset higher priority capital projects.

The General Fund's operational revenues exceeded expenditures by \$801,255 (before other financing sources), increasing over 100% from the change experienced in FY 2013. General Fund total revenues increased six percent, with operating revenue increasing three percent. Operational expenditures increased \$1,613,173, or 2.0%. Inclusive of other financing sources, General Fund revenues exceeded expenditures by \$345,338, increasing over 100% from FY 2013's net result.

While the budget amendments for the year amounted to approximately \$1.3 million, actual operating revenues remained within budget by a 3.0% margin. With the implementation of the Tax and Tags program, property tax increased 6% as compared to prior year. All other operational revenue remained relatively flat. Sales Tax (the second largest revenue for the City) gross receipts remained relatively flat to prior year. Restricted Intergovernmental revenues decreased 9.0% percent due to a decrease in grant revenues recognized within the General Fund. With interest rates beginning to stabilize, investment earnings increased over 100%.

General Fund expenditures increased 4% in comparison to the prior year. Overall, all expenditure categories variances were less than 6.0%; however the most significant changes were in Community Development and Other Financing Uses. During FY 2014, the Inspections Division was moved from the Public Works Department to the Community Development Department, which explains its variance of 36.0%. Also, during the current year, there was a one-time transfer to establish a Capital Project Fund for the City's ERP implementation that was set to begin during the year. This transfer was in the amount of \$2,500,000. Capital Improvement costs also remained flat with an annual decrease of 5.0%; however this category continues to be significantly under budget as a result of management making the choice to delay capital projects. Overall, there was no unusual or significant activity noted within General Fund expenditures during FY 2014.

Proprietary Funds: The City of Greenville’s proprietary funds provide the same type of information found in the business-type activities of the government-wide statements, but in more detail. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Greenville’s business-type activities.

Capital Asset and Debt Administration

Capital Assets: The City of Greenville’s investment in capital assets for its governmental and business-type activities as of June 30, 2014 totals \$543,342,455 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Major capital asset events for the City during the year include the following:

- COPS Law Enforcement Technology totaling \$3.3 M
- Drew Steele Center totaling \$1.3 M
- Dream Park totaling \$415,684

Utilities Commission major capital asset events included:

- Distribution substations improvements totaling \$973,811
- Electric distribution line improvements and extensions totaling \$5,174,422
- Water main improvements and extensions totaling \$346,961
- Construction activities for the Sterling Pointe and Westside wastewater pump stations and force mains totaling \$3,704,198
- Sewer main improvements and extensions totaling \$2,260,916
- Wastewater treatment plant improvements totaling \$181,615
- Natural gas main improvements and extensions totaling \$945,398
- Construction activities at the liquefied natural gas plant totaling \$517,295

Additional information on the City’s capital assets can be found in the notes of this report.

City of Greenville’s Capital Assets
Figure 4

	Government Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2012
Land	\$ 40,773,921	\$ 40,665,813	\$ 3,595,641	\$ 3,501,273	\$ 44,369,562	\$ 44,167,086
Right-of-way easement	7,419,133	7,295,133	51,382	67,815	7,470,515	7,362,948
Construction in progress	27,240,944	26,160,531	46,379,134	48,103,133	73,620,078	74,263,664
Buildings/plants	58,041,949	56,537,462	137,601,535	125,621,489	195,643,484	182,158,951
Other improvements	8,848,922	8,081,460	-	-	8,848,922	8,081,460
Infrastructure	79,216,738	78,071,299	7,531,963	183,681	86,748,701	78,254,980
Machinery and equipment	18,955,021	19,835,788	6,639,407	7,250,013	25,594,428	27,085,801
Land rights	-	-	2,720,730	509,484	2,720,730	509,484
Furniture and office equipment	-	-	9,926,074	10,030,221	9,926,074	10,030,221
Vehicles and equipment	16,904,331	12,594,046	22,110,192	30,350,675	39,014,523	42,944,721
Distribution systems	-	-	412,176,745	400,326,488	412,176,745	400,326,488
Transmission systems	-	-	33,097,055	35,680,899	33,097,055	35,680,899
Subtotal	257,400,959	249,241,532	681,829,858	661,625,171	939,230,817	910,866,703
Accumulated depreciation	(82,327,556)	(76,666,287)	(313,560,806)	(296,086,672)	(395,888,362)	(372,752,959)
Capital assets, net	<u>\$ 175,073,403</u>	<u>\$ 172,575,245</u>	<u>\$ 368,269,052</u>	<u>\$ 365,538,499</u>	<u>\$ 543,342,455</u>	<u>\$ 538,113,744</u>

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Long-term Debt: As of June 30, 2014, the City of Greenville had total debt outstanding of \$152,616,081 (excluding compensated absences, Other Post-Employment Benefits (OPEB), and Law Enforcement Officer (LEO) Separation Allowance. Of this, \$34,923,759 is debt government backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured by fees collected by the enterprise funds.

**City of Greenville's Outstanding Debt
General Obligation and Revenue Bonds
Figure 5**

	Government Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 10,222,476	\$ 11,050,937	\$ 4,207,524	\$ 4,404,062	\$ 14,430,000	\$ 15,454,999
Special obligation (revenue) bonds	3,165,000	3,570,000	72,136,399	79,645,700	75,301,399	83,215,700
Installment purchase contracts	23,192,045	20,302,822	315,000	-	23,507,045	20,302,822
Other Debt (GUC)	-	-	39,377,637	37,027,085	39,377,637	37,027,085
Total	\$ 36,579,521	\$ 34,923,759	\$ 116,036,560	\$ 121,076,847	\$ 152,616,081	\$ 156,000,606

Total net debt (excluding compensated absences, Other Post-Employment Benefits (OPEB), and Law Enforcement Officer (LEO) Separation Allowance) has decreased by \$3.4 million (2.0%) during the current fiscal year. The majority of this change is due to GUC's retirement of debt. For GUC, the key factor in this decrease was the retirement of \$11,229,452 of existing debt, which exceeded the addition of new debt totaling \$6,179,392 and the net decrease in discounts and premiums totaling \$108,689.

As previously mentioned, as of June 30, 2014, the City maintained strong bond ratings with Standard and Poor's and Moody's, of AA and Aa2, respectively. The City of Greenville is one of a select few cities in eastern North Carolina that maintains this high financial rating from both major rating agencies. This achievement was a primary factor in keeping interest costs low on the City's outstanding debt. The Commission obtained an upgrade this year to Aa3 with a stable outlook due to their stable service area, consistent operating/capital financial performance, and competitive rates.

North Carolina General Statutes restrict the amount of general obligation debt that a unit of government can issue to eight percent of the total assessed value of taxable property located within that unit's boundaries. The legal debt margin for the City of Greenville is approximately \$334M. The City has no authorized, but unissued, debt as of June 30, 2014.

Additional information regarding the City of Greenville's long-term debt can be found in the notes section to the financial statements of this report.

Economic Factors and Next Year's Budgets and Rates

Budgeting for FY 2014 continued to be a challenge for the City as the recovery from the economic downturn did not manifest as anticipated. The City has grown from a population of 68,000 in 2004 to 89,130, which represents an increase of 31%.

When reviewing and evaluating the existing economic condition, the Federal Reserve is indicated that the economy may strengthen slightly as we go into the next year. While it appears that the recovery is rather slow, it is clear that the City will still have to function with caution going into FY 2015 because forecasting assumptions and methodologies continue to be unreliable. Forecasters can no longer look to historical trends to guide their projections.

The City continues to face challenges posed by the economy, declining State support for City services, and limited revenue enhancements. Additionally, with the Tax and Tags program for Motor Vehicles being relatively new, staff will have to continue to monitor this source in order to get comfortable with levels and be able to establish a method to conduct projections on. Amid these and other pressures, expectations are for the City of Greenville to continue to closely monitor expenses as needed in an effort to deliver services more efficiently and more broadly in different ways and continue to grow. As a result,

the budget for fiscal year 2014-2015 includes an increased effort to utilize existing resources to meet current demands. Due to the large number of construction projects and the extensive number of anticipated and approved programs that will challenge the City's organizational capacity, the FY 2015 budget and FY 2016 financial plan have been designed to generally continue current service and programmatic levels, while also addressing the goals adopted by the City Council as part of the City of Greenville 2014-2015 Strategic Plan. To do this, the proposed General Fund budget includes property tax revenues based on a tax rate of \$.54 per \$100 of property valuation. This rate is a \$.02 increase that will be used to address numerous ongoing facility needs by fully funding the newly created Facilities Improvement Fund.

The Utilities Commission's 2014-2015 budget was developed to control costs and position the Utilities Commission for long-term sustainability, while continuing to provide the high level of service expected by its customers. Focusing on these fundamentals will provide the foundation for providing safe and reliable services to its customers for the future. The Utilities Commission's budget for FY 2015 was developed to provide rate payers with the lowest reasonable rates and still provide excellent customer service.

Budget Highlights for the Fiscal Year Ending June 30, 2014

Governmental Activities: The General Fund is the City's primary general government operating fund and is budgeted at \$78,550,087 for FY 2015, which is 7.4% less than the prior year's adopted amount of \$84,803,595. Moreover, the FY 2015 original budget is right at a 5.0% increase over FY 2014 actuals. There is no denying that although the economy shows some signs of recovery, management had to approach the FY 2015 budget with the same caution as the previous year. Some of the considerations/strategies that were used are as follows:

- Two cent increase in the property tax per \$100 valuation
- Implementation of the Facilities Improvement Plan
- Continued emphasis on capital investments and infrastructure improvements
- Strategically shifting existing resources to the most urgent priorities throughout the year
- Planning for the unknown impact of the elimination of Privilege License revenue throughout the State.

Below is a forecast for major sources of the City's General Fund revenues. The following sources make up approximately 65% of the revenue stream:

Property Taxes

Prior to the 2008-2009 economic recession, property tax growth averaged six percent annually. As a result of the recession, growth slowed significantly from FY 2010 – FY 2012, and the City realized a reduction in property tax revenue in FY 2013. In FY 2015, assessed values are projected to grow to \$6.1 billion, equating to two percent growth in revenues. The additional two cents added to the tax rate is anticipated to generate \$1,194,000, less a 1.5% collection fee, for a total of \$1,176,090. Total property tax collections for FY 2015, therefore, are anticipated to be \$32.9 million.

Sales Tax

This revenue source is projected to generate 20% of total General Fund revenues in FY 2015. Sales Tax is historically difficult to project because it is a State-collected and distributed revenue. Changes in the distribution formula, distribution errors that required repayment, and variations in the timing of refunds and reallocations prevent prior years from being reliable indicators of future year distributions. Additionally, the 2013 Tax Reform Act broadens the tax base for applicable sales tax. Improvements in the economy will impact the sales tax revenue as well. For these reasons, 1% growth for both the FY 2015 budget.

Intergovernmental Revenue

Intergovernmental revenue sources, excluding sales tax, are revenues received from other government entities, such as Federal, State, other local governments, or grants from an agency of those governments. Intergovernmental Revenues represent 16.0% of General Fund revenues. The two largest sources of intergovernmental revenues, Utility Franchise Tax and Powell Bill receipts, comprise 7.0% and 3.0%, respectively.

The City's share of the Utility Franchise Tax was primarily based on the actual receipts from electric service sold within the municipal boundaries (a small and declining portion comes from telephone service in the municipality). The electric component of this revenue source is highly sensitive to the weather. The revenue base for Utility Franchise Tax previously

was a 3.2% tax. As previously stated, the 2013 Tax Reform law eliminates the State and local franchise taxes on electricity and natural gas and applies the combined general sales tax rate of 7% to the sale of both. The legislation provides municipalities with 44.0% of the State sales tax on electricity and 20% of the State sales tax on natural gas collected. Each municipality will get a quarterly distribution equal to the amount of electricity and natural gas franchise taxes it receives for the same quarter during FY 2014. After such distribution, any remaining funds would be divided among cities and towns based on a percentage of ad valorem value.

Over the past five years, Utility Franchise taxes have experienced a 3.65% increase. Some of the increases in the past five years have been driven by increases in rates. The City came slightly under budget FY 2014; projections for FY 2015 are based on 2.0% growth.

Revenues from the State Powell Bill allocation are based upon collections on motor vehicle fuels and motor vehicle sales. The distribution to municipalities is based on a formula that uses population as 75.0% of the allocation and the number of City-maintained street miles as 25.0% of the calculation at July 1 of each fiscal year. The mileage rate and the per capita distribution rate change annually. These State-shared revenues are restricted to street and sidewalk construction and maintenance purposes and are tracked in a separate fund, Powell Bill. Fluctuations in State population and the size and number of streets drive this revenue. Revenues from this source are projected to be relatively flat in FY 2015.

Appropriated Fund Balance

A final revenue that should be noted is appropriated fund balance. This revenue source has several components that should be discussed individually. Of the \$1,964,421 of appropriated fund balance included in the FY 2015 budget, \$150,000 is for contingency and \$1,814,421 represents reappropriated funds to be used on projects that were not completed in FY 2014.

Below are highlights of the City's General Fund expenditures:

Personnel

Salaries and benefits represent 64.0% of the total General Fund budget. This is not unusual, as the General Fund is primarily geared towards service delivery, which depends heavily on personnel. At \$50.6 million for FY 2015, personnel expenses are projected to increase \$1.6 million over the FY 2014 original budget. This increase is misleading, however, because the FY 2014 original budget also included a \$738,000 transfer from the General Fund for health insurance. Correcting for this transfer, the increase in personnel costs in FY 2015 is just over \$911,000. This increase is primarily due to a proposed market pay adjustment (see below) and additional health insurance costs.

The FY 2015 budget includes a 1.5% market pay adjustment and the FY 2016 financial plan a 1.25% market pay adjustment. The Joint City-GUC Pay and Benefits Committee recommended a 2.5% market increase for FY 2015; however, available resources did not allow the implementation of this recommendation. A merit-based increase was not considered, as the City is scheduled to revamp its performance evaluation system in FY 2015, and it was not deemed appropriate to consider a merit-based increase until this process is complete.

There are no new positions proposed in the FY 15 budget. The budget does, however, include multiple reclassifications or position allocation modifications. Most of the reclassifications are a result of the efficiency studies conducted for the Human Resources and Financial Services Departments, while the others were requested by the department directors as a means of better meeting departmental needs. The net fiscal impact associated with these modifications is less than \$25,000. Additional changes may be initiated as departments shift responsibilities of the employees to meet and/or enhance service needs.

Operations

Overall, the operating expenses for FY 2015 are projected at \$15.5million, a decrease of \$915,000, or 6.0%, from the original FY 2014 budget. This reduction was the result of significant work by management and the departments to identify areas for reduction that would not adversely impact service delivery. The specific reductions come from multiple areas within all departments including contracted services, equipment maintenance, fuel, printing, and advertising. It should be noted that fixed costs in several areas outside of the departments' control increased, thus, making the reductions made by the departments even greater than the 6.0% provided above. Additionally, the General Fund has been able to recoup overhead costs from other funds.

Business-type Activities: As previously mentioned, the largest component in the City’s business-type activities is held by the Greenville Utilities Commission (GUC). Like organizations nationwide, the Utilities Commission is dealing with increased costs as the country begins to emerge from the economic recession. Rising costs for fuel, energy, supplies, materials, and insurance make it necessary to be judicious with expenditure controls, efficient with staffing and work practices. Budget highlights for FY 2014-2015 are as follows:

- Annual turnover or transfer of \$6,485,183 to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Activity from the minor Business-Type Activities includes the following:

Stormwater Fund Fee Increase

The Stormwater Utility is an enterprise fund established to implement the City’s Stormwater Management Program. Revenues are generated through a stormwater fee to support program efforts. In 2013, staff worked to develop a plan to address stormwater needs City wide. This approach included basin modeling which is currently underway, a significant investment in the Town Creek Culvert, and increasing the stormwater fees over multiple years to fund the numerous system needs. The plan, which was accepted by the City Council, calls for a \$.50 per ERU per month rate increase in the fiscal year. The FY 2015 budget for this fund totals \$4.8 million.

Proposed Stormwater Rates	
FY 14 Current	FY 15
Rate	Adopted
(Per ERU per Month)	(Per ERU per Month)
\$3.35	\$3.85

Sanitation Services Fee Increase

The City provides sanitation service including garbage, recycling, and yard waste collection weekly. The Sanitation Fund is an enterprise fund that has required General Fund subsidies in recent years, primarily as a result of inefficient collection practices. To address this concern, in 2013, the City Council adopted a multi-year plan that modernizes the City’s collection practices, including the elimination of backyard service on July 1, 2017, and proposes a rate structure to make this service provision fully self-supporting. The adopted plan calls for a \$1.25 per month rate increase in FY 2015.

Requests for Information

This report is designed to provide an overview of the City’s finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be emailed directly to Bernita Demery, the Director of Financial Services at bdemery@greenvillenc.gov.



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BASIC FINANCIAL STATEMENTS

FY 2014 Comprehensive Annual Financial Report





Find yourself in good company

Exhibit A

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF NET POSITION
JUNE 30, 2014**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 47,744,243	\$ 75,325,428	\$ 123,069,671
Taxes receivable, net	637,693	-	637,693
Accounts receivable, net	3,858,552	29,836,758	33,695,310
Interest receivable	1,636	-	1,636
Due from other governments	2,726,996	1,466,723	4,193,719
Inventories	15,661	6,137,484	6,153,145
Prepaid items	400,513	6,350	406,863
Internal balances	658,687	(658,687)	-
Restricted cash and investments	8,336,574	10,326,021	18,662,595
Notes receivable	-	446,072	446,072
Investment in joint venture	19,549,525	-	19,549,525
Capital assets:			
Non-depreciable	75,433,998	50,026,157	125,460,155
Depreciable, net	99,639,405	318,242,895	417,882,300
Total assets	<u>259,003,483</u>	<u>491,155,201</u>	<u>750,158,684</u>
Deferred Outflows of Resources:			
Unamortized bond refunding charges	1,076,346	1,166,979	2,243,325
Total deferred outflows of resources	<u>1,076,346</u>	<u>1,166,979</u>	<u>2,243,325</u>
Liabilities:			
Accounts payable and accrued liabilities	6,451,748	18,569,071	25,020,819
Accrued interest payable	135,669	730,002	865,671
Other liabilities	931,847	-	931,847
Advances from grantors	438,624	-	438,624
Prepaid business licenses	293,028	-	293,028
Unearned revenue	-	306,361	306,361
Liabilities payable from restricted assets:			
Customer deposits	-	3,588,516	3,588,516
Long-term liabilities:			
Due within one year	5,791,275	13,010,141	18,801,416
Due in more than one year	53,001,042	117,766,261	170,767,303
Total liabilities	<u>67,043,233</u>	<u>153,970,352</u>	<u>221,013,585</u>
Deferred Inflows of Resources:			
Prepaid taxes	1,611	-	1,611
Total deferred inflows of resources	<u>1,611</u>	<u>-</u>	<u>1,611</u>
Net Position:			
Net investment in capital assets	144,768,954	258,006,505	402,775,459
Restricted for:			
Stabilization by State statute	8,228,400	-	8,228,400
Restricted for streets	2,296,305	-	2,296,305
General government	84,163	-	84,163
Public safety	706,036	-	706,036
Cultural and recreational	101,599	-	101,599
Unrestricted	36,849,528	80,345,323	117,194,851
Total net position	<u>\$ 193,034,985</u>	<u>\$ 338,351,828</u>	<u>\$ 531,386,813</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

<u>Functions/Programs:</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental activities:				
General government	\$ 20,985,132	\$ 4,828,600	\$ 198,475	\$ -
Public safety	28,186,450	4,149,941	258,150	447,768
Transportation	7,243,827	180,267	-	2,449,585
Cultural and recreational	3,150,322	1,087,897	1,023,759	-
Economic and physical development	13,496,846	19,017	2,060,077	316,769
Interest and fees	894,001	-	-	-
Total governmental activities	<u>73,956,578</u>	<u>10,265,722</u>	<u>3,540,461</u>	<u>3,214,122</u>
Business-Type Activities:				
Electric	195,184,455	202,307,934	-	400,000
Water	16,236,718	16,526,164	-	-
Sewer	17,333,548	18,218,245	-	167,728
Gas	32,518,729	35,480,784	-	-
Public transportation	2,458,660	330,323	901,365	523,984
Stormwater utility	2,944,950	3,670,013	-	-
Sanitation fund	7,358,342	6,814,386	-	70,623
Total business-type activities	<u>274,035,402</u>	<u>283,347,849</u>	<u>901,365</u>	<u>1,162,335</u>
Total primary government	<u>\$ 347,991,980</u>	<u>\$ 293,613,571</u>	<u>\$ 4,441,826</u>	<u>\$ 4,376,457</u>

General Revenues:

Ad valorem taxes
 Sales and use taxes
 Cable TV franchise tax
 Medicaid hold harmless payment
 Rental vehicle , gross receipts
 Utilities franchise tax
 Beer and wine tax
 Other taxes & licenses
 Investment earnings
 Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position - ending

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

Exhibit B

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (15,958,057)	\$ -	\$ (15,958,057)
(23,330,591)	-	(23,330,591)
(4,613,975)	-	(4,613,975)
(1,038,666)	-	(1,038,666)
(11,100,983)	-	(11,100,983)
(894,001)	-	(894,001)
<u>(56,936,273)</u>	<u>-</u>	<u>(56,936,273)</u>
-	7,523,479	7,523,479
-	289,446	289,446
-	1,052,425	1,052,425
-	2,962,055	2,962,055
-	(702,988)	(702,988)
-	725,063	725,063
-	(473,333)	(473,333)
<u>-</u>	<u>11,376,147</u>	<u>11,376,147</u>
<u>(56,936,273)</u>	<u>11,376,147</u>	<u>(45,560,126)</u>
31,914,967	-	31,914,967
11,730,864	-	11,730,864
903,072	-	903,072
3,074,050	-	3,074,050
119,582	-	119,582
5,413,757	-	5,413,757
376,811	-	376,811
901,401	-	901,401
2,038,380	209,146	2,247,526
56,472,884	209,146	56,682,030
<u>5,596,713</u>	<u>(5,596,713)</u>	<u>-</u>
<u>62,069,597</u>	<u>(5,387,567)</u>	<u>56,682,030</u>
5,133,324	5,988,580	11,121,904
<u>187,901,661</u>	<u>332,363,248</u>	<u>520,264,909</u>
<u>\$ 193,034,985</u>	<u>\$ 338,351,828</u>	<u>\$ 531,386,813</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014**

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 27,702,854	\$ 8,680,935	\$ 36,383,789
Taxes receivable, net	637,693	-	637,693
Accounts receivable, net	2,611,513	1,083,310	3,694,823
Interest receivable	-	1,636	1,636
Due from other funds	2,265,635	-	2,265,635
Due from other governments	2,423,158	45,697	2,468,855
Inventories	15,661	-	15,661
Prepaid items	199,565	52,817	252,382
Restricted cash and investments	3,002,341	5,334,233	8,336,574
Total assets	<u>\$ 38,858,420</u>	<u>\$ 15,198,628</u>	<u>\$ 54,057,048</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,538,317	\$ 602,166	\$ 4,140,483
Due to other funds	118,162	711,276	829,438
Advances from grantors	-	438,624	438,624
Prepaid business licenses	293,028	-	293,028
Other liabilities	931,847	-	931,847
Total liabilities	<u>4,881,354</u>	<u>1,752,066</u>	<u>6,633,420</u>
Deferred Inflows of Resources:			
Property taxes receivable	637,693	-	637,693
Prepaid property taxes	1,611	-	1,611
Loans receivable	-	747,933	747,933
Other receivables	1,925,215	-	1,925,215
Total deferred inflows of resources:	<u>2,564,519</u>	<u>747,933</u>	<u>3,312,452</u>
Fund Balances			
Non-spendable			
Prepaid items and inventories	215,226	52,817	268,043
Restricted:			
Stabilization by State Statute			
Restricted for general government	7,845,690	382,710	8,228,400
Restricted for streets	-	84,163	84,163
Restricted for public safety	2,296,305	-	2,296,305
Restricted for economic development	706,036	-	706,036
Restricted for culture and recreation	-	5,198,726	5,198,726
Committed:		101,599	101,599
Committed for catastrophic losses	2,276,781	-	2,276,781
Committed for general government	-	1,979,076	1,979,076
Committed for culture and recreation	-	619,909	619,909
Committed for public safety	-	139,764	139,764
Committed for economic development	-	3,008,382	3,008,382
Committed for capital outlays	-	656,255	656,255
Committed for debt service	-	442,800	442,800
Assigned:			
Assigned for subsequent years expenditures	1,964,421	36,117	2,000,538
Assigned for culture and recreation	-	485,780	485,780
Unassigned	16,108,088	(489,469)	15,618,619
Total fund balance	<u>31,412,547</u>	<u>12,698,629</u>	<u>44,111,176</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	<u>Total</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Total fund balances - modified accrual (see above)	\$ 44,111,176
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	175,073,403
Investment in joint venture asset reported in governmental activities is not reported in the funds.	19,549,525
Other long-term assets are not available to pay for current expenditures and, therefore, are deferred inflows of resources.	3,310,841
Assets and liabilities of the Internal Service Fund used by management to account for health, vehicle, and fleet maintenance costs are included in governmental activities in the Statement of Net Position.	8,841,680
Long-term liabilities, compensated absences, unfunded other post-employment benefits, and unfunded pension obligation are not due and payable in the current period and, therefore, are not reported in the funds.	(58,792,317)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	1,076,346
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(135,669)</u>
Net position of governmental activities	<u>\$ 193,034,985</u>

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

Exhibit D

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 32,255,697	\$ -	\$ 32,255,697
Other taxes	15,827,568	844,781	16,672,349
Unrestricted intergovernmental	5,847,188	-	5,847,188
Restricted intergovernmental	3,229,642	3,194,681	6,424,323
Licenses, permits, and fees	2,288,539	-	2,288,539
Sales and services	5,180,449	-	5,180,449
Investment earnings	457,877	4,713	462,590
Other revenues	1,384,983	330,260	1,715,243
Total revenues	<u>66,471,943</u>	<u>4,374,435</u>	<u>70,846,378</u>
Expenditures:			
Current:			
General government	9,405,258	926,171	10,331,429
Public safety	35,642,132	429,837	36,071,969
Public works	8,129,886	-	8,129,886
Cultural and recreational	2,234,844	2,513,579	4,748,423
Economic and physical development	7,429,094	3,156,102	10,585,196
Capital outlay	3,590,692	-	3,590,692
Reimbursement of indirect cost	(1,111,218)	-	(1,111,218)
Contribution to OPEB Trust	350,000	-	350,000
Debt Service:			
Principal retirement	-	3,341,784	3,341,784
Interest and fees	-	894,001	894,001
Total expenditures	<u>65,670,688</u>	<u>11,261,474</u>	<u>76,932,162</u>
Revenues over (under) expenditures	<u>801,255</u>	<u>(6,887,039)</u>	<u>(6,085,784)</u>
Other Financing Sources (Uses):			
Transfers from other funds	8,001,114	8,025,490	16,026,604
Transfers to other funds	(8,457,031)	(2,755,904)	(11,212,935)
Long term debt issued	-	4,997,546	4,997,546
Total other financing sources (uses)	<u>(455,917)</u>	<u>10,267,132</u>	<u>9,811,215</u>
Net change in fund balance	<u>345,338</u>	<u>3,380,093</u>	<u>3,725,431</u>
Fund Balance:			
Fund balance, beginning of year - July 1	31,067,209	9,318,536	40,385,745
Fund balance, end of year - June 30	<u>\$ 31,412,547</u>	<u>\$ 12,698,629</u>	<u>\$ 44,111,176</u>

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

Exhibit E

CITY OF GREENVILLE, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

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	\$ 3,725,431
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.	5,909,270
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(6,525,263)
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.	(226,016)
Expenses related to other post-employment benefits, compensated absences and law enforcement officer's separation allowance that do not require current financial resources are not reported as expenditures in the governmental fund statement.	(1,706,501)
Proceeds from issuance of long-term debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, it is not a revenue, rather it is an increase in liabilities.	(4,997,546)
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.	(83,406)
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.	3,341,784
Gain (loss) on disposal of capital assets is reported in the Statement of Activities but not the funds statement.	(62,432)
Deferred charges on refunding reported in governmental activities are not reported in the funds.	(107,635)
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.	1,575,790
The Internal Service Fund is 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>4,289,848</u>
Changes in net position of governmental activities	<u>\$ 5,133,324</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**GENERAL FUND - BUDGET AND ACTUAL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2014**

	General Fund			
	Budget		Actual Amounts	Variance Over/Under
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 31,673,302	\$ 31,673,302	\$ 32,255,697	\$ 582,395
Other taxes	16,023,568	16,023,568	15,827,568	(196,000)
Unrestricted intergovernmental	6,029,578	6,029,578	5,847,188	(182,390)
Restricted intergovernmental	3,216,305	3,835,281	3,229,642	(605,639)
Licenses, permits, and fees	2,685,397	2,685,397	2,288,539	(396,858)
Sales and services	5,749,380	5,749,380	5,180,449	(568,931)
Investment earnings	1,416,062	1,416,062	457,877	(958,185)
Other revenues	1,349,875	1,526,172	1,384,983	(141,189)
Total revenues	<u>68,143,467</u>	<u>68,938,740</u>	<u>66,471,943</u>	<u>(2,466,797)</u>
Expenditures:				
Current:				
General government	10,535,046	10,619,842	9,405,258	1,214,584
Public safety	36,585,300	36,707,083	35,642,132	1,064,951
Public works	10,161,840	9,422,194	8,129,886	1,292,308
Economic development	1,917,798	2,720,039	2,234,844	485,195
Cultural and recreational	7,505,763	7,645,814	7,429,094	216,720
Capital outlay	6,612,413	7,134,678	3,590,692	3,543,986
Reimbursement of indirect cost	(1,014,572)	(1,014,572)	(1,111,218)	96,646
Contribution to OPEB Trust	350,000	350,000	350,000	-
Total expenditures	<u>72,653,588</u>	<u>73,585,078</u>	<u>65,670,688</u>	<u>7,914,390</u>
Revenues over (under) expenditures	<u>(4,510,121)</u>	<u>(4,646,338)</u>	<u>801,255</u>	<u>5,447,593</u>
Other Financing Sources (Uses):				
Transfers from other funds	8,327,383	8,364,297	8,001,114	(363,183)
Transfers to other funds	(13,083,400)	(13,066,326)	(8,457,031)	4,609,295
Contingency	(200,000)	(747,538)	-	747,538
Appropriated fund balance	9,466,138	10,095,905	-	(10,095,905)
Total other financing sources (uses)	<u>4,510,121</u>	<u>4,646,338</u>	<u>(455,917)</u>	<u>(5,102,255)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>345,338</u>	<u>\$ 345,338</u>
Fund Balance:				
Fund balance, beginning of year - July 1			<u>31,067,209</u>	
Fund balance, end of year - June 30			<u>\$ 31,412,547</u>	

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



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CITY OF GREENVILLE, NORTH CAROLINA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Assets:				
Current assets:				
Cash and cash equivalents	\$ 31,629,117	\$ 2,766,323	\$ 3,932,365	\$ 23,387,760
Accounts receivable, net	22,266,494	1,873,438	2,032,874	1,825,283
Notes receivable, net				
Due from other governments	905,701	136,686	317,509	106,827
Due from other funds	118,162	-	-	-
Intrafund loans	-	-	-	-
Inventories	4,688,312	629,916	201,884	617,372
Restricted cash	2,734,118	509,507	1,648	343,243
Prepaid items	-	-	-	-
Total current assets	62,341,904	5,915,870	6,486,280	26,280,485
Non-Current assets:				
Cash and cash equivalents, restricted	927,923	2,944,878	2,337,503	527,201
Investments	5,100,213	627,134	751,400	3,532,946
Notes receivable	-	446,072	-	-
Land improvements and construction in progress	11,969,848	4,148,539	30,367,240	3,491,635
Other capital assets, net	81,350,448	86,789,494	114,989,398	26,476,031
Total non-current assets	99,348,432	94,956,117	148,445,541	34,027,813
Total assets	161,690,336	100,871,987	154,931,821	60,308,298
Deferred Outflows of Resources				
Unamortized bond refunding charges	348,968	414,073	197,115	206,823
Total deferred outflows of resources	348,968	414,073	197,115	206,823
Liabilities:				
Current liabilities:				
Accounts payable and accrued expenses	15,723,601	621,620	415,619	1,449,850
Accrued interest payable	148,572	217,938	306,446	57,046
Due to other governments	-	-	-	-
Due to other funds	73,864	17,499	17,499	-
Unearned revenue	-	-	-	-
Unearned revenue	-	120,181	186,180	-
Current portion of compensated absences	710,219	313,622	324,279	264,242
Current maturities of long-term debt	2,745,501	2,910,306	4,184,728	1,174,310
Liabilities payable from restricted assets:				
Customer deposits	2,734,118	509,507	1,648	343,243
Total current liabilities	22,135,875	4,710,673	5,436,399	3,288,691
Non-current liabilities:				
Compensated absences payable	52,860	97,142	69,316	62,383
Non-current portion of other post-employment benefits	5,133,093	2,202,490	1,851,027	1,663,415
Non-current portion of long-term debt	17,812,450	26,756,925	49,615,545	6,314,271
Total non-current liabilities	22,998,403	29,056,557	51,535,888	8,040,069
Total liabilities	45,134,278	33,767,230	56,972,287	11,328,760
Net Position:				
Net investment in capital assets	74,039,236	63,650,662	92,939,603	23,213,109
Unrestricted	42,865,790	3,868,168	5,217,046	25,973,252
Total net position	\$ 116,905,026	\$ 67,518,830	\$ 98,156,649	\$ 49,186,361

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

Exhibit G

<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$ 3,598,170	\$ 65,313,735	\$ 11,360,454
1,838,669	29,836,758	163,729
-	1,466,723	258,141
-	118,162	3,572
-	-	-
-	6,137,484	-
6,350	3,588,516	-
<u>5,443,189</u>	<u>6,350</u>	<u>148,131</u>
	<u>106,467,728</u>	<u>11,934,027</u>
-	6,737,505	-
-	10,011,693	-
-	446,072	-
48,895	50,026,157	-
<u>8,637,524</u>	<u>318,242,895</u>	<u>12,629,281</u>
<u>8,686,419</u>	<u>385,464,322</u>	<u>12,629,281</u>
<u>14,129,608</u>	<u>491,932,050</u>	<u>24,563,308</u>
-	1,166,979	-
-	<u>1,166,979</u>	-
358,381	18,569,071	2,311,265
-	730,002	-
-	-	-
667,987	776,849	781,082
-	-	-
-	306,361	-
141,395	1,753,757	-
241,445	11,256,290	-
-	3,588,516	-
<u>1,409,208</u>	<u>36,980,846</u>	<u>3,092,347</u>
60,598	342,299	-
1,793,761	12,643,786	-
<u>4,281,079</u>	<u>104,780,270</u>	-
<u>6,135,438</u>	<u>117,766,355</u>	-
<u>7,544,646</u>	<u>154,747,201</u>	<u>3,092,347</u>
4,478,895	258,321,505	12,629,281
2,106,067	80,030,323	8,841,680
<u>\$ 6,584,962</u>	<u>\$ 338,351,828</u>	<u>\$ 21,470,961</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Operating Revenues:				
Charges for services	\$ 200,421,499	\$ 16,168,008	\$ 17,868,959	\$ 35,317,705
Other operating revenues	699,404	98,063	101,204	97,094
Total operating revenues	<u>201,120,903</u>	<u>16,266,071</u>	<u>17,970,163</u>	<u>35,414,799</u>
Operating Expenses:				
Administrative and general	8,639,044	2,958,365	2,916,171	2,979,650
Operations and maintenance	13,276,819	8,186,959	8,031,633	4,419,533
Purchased power and gas	164,909,937	-	-	23,200,393
Depreciation and amortization	7,596,737	3,943,050	4,992,943	1,648,696
Claims and payments to third party administrators	-	-	-	-
Total operating expenses	<u>194,422,537</u>	<u>15,088,374</u>	<u>15,940,747</u>	<u>32,248,272</u>
Operating Income (Loss)	<u>6,698,366</u>	<u>1,177,697</u>	<u>2,029,416</u>	<u>3,166,527</u>
Non-Operating Revenues (Expenses):				
Investment earnings	96,737	36,009	11,886	63,443
Restricted intergovernmental revenues	-	-	-	-
Other non-operating revenues	1,187,031	260,093	248,082	65,985
Other non-operating expenses	-	-	-	-
Interest expense	(761,918)	(1,148,344)	(1,392,801)	(270,457)
Total non-operating revenue (expenses)	<u>521,850</u>	<u>(852,242)</u>	<u>(1,132,833)</u>	<u>(141,029)</u>
Income (Loss) Before Transfers and Contributions	7,220,216	325,455	896,583	3,025,498
Transfers In (Out) and Capital Contributions:				
Capital contributions	400,000	-	167,728	-
Transfers from other funds	-	-	-	-
Transfers to other funds	(4,833,702)	-	-	(1,246,578)
Total transfers in (out) and capital contributions:	<u>(4,433,702)</u>	<u>-</u>	<u>167,728</u>	<u>(1,246,578)</u>
Change in Net Position	<u>2,786,514</u>	<u>325,455</u>	<u>1,064,311</u>	<u>1,778,920</u>
Net Position:				
Beginning of year - July 1	114,118,512	67,193,375	97,092,338	47,407,441
End of year - June 30	<u>\$ 116,905,026</u>	<u>\$ 67,518,830</u>	<u>\$ 98,156,649</u>	<u>\$ 49,186,361</u>

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

Exhibit H

	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$	10,738,592	\$ 280,514,763	\$ 19,720,925
	<u>76,129</u>	<u>1,071,894</u>	<u>285,865</u>
	<u>10,814,721</u>	<u>281,586,657</u>	<u>20,006,790</u>
	126,758	17,619,988	537,361
	12,188,802	46,103,746	4,857,154
	-	188,110,330	-
	254,313	18,435,739	1,213,927
	<u>-</u>	<u>-</u>	<u>9,891,544</u>
	<u>12,569,873</u>	<u>270,269,803</u>	<u>16,499,986</u>
	<u>(1,755,152)</u>	<u>11,316,854</u>	<u>3,506,804</u>
	1,071	209,146	-
	-	-	-
	-	1,761,191	-
	-	-	-
	<u>(192,079)</u>	<u>(3,765,599)</u>	<u>-</u>
	<u>(191,008)</u>	<u>(1,795,262)</u>	<u>-</u>
	(1,946,160)	9,521,592	3,506,804
	1,495,972	2,063,700	-
	588,487	588,487	783,044
	<u>(104,920)</u>	<u>(6,185,200)</u>	<u>-</u>
	<u>1,979,539</u>	<u>(3,533,013)</u>	<u>783,044</u>
	<u>33,379</u>	<u>5,988,579</u>	<u>4,289,848</u>
	<u>6,551,583</u>	<u>332,363,249</u>	<u>17,181,113</u>
\$	<u>6,584,962</u>	<u>\$ 338,351,828</u>	<u>\$ 21,470,961</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Cash Flows From Operating Activities:				
Cash received from customers	\$ 200,251,420	\$ 16,113,654	\$ 17,787,614	\$ 35,343,806
Other operating receipts	1,565,678	69,970	465,481	35,645
Cash paid to vendors	(177,009,531)	(5,811,935)	(5,769,115)	(25,698,062)
Cash paid to employees	(9,744,303)	(5,124,946)	(4,997,257)	(4,710,479)
Payments received on loans	-	30,414	-	-
Net cash provided (used) by operating activities	<u>15,063,264</u>	<u>5,277,157</u>	<u>7,486,723</u>	<u>4,970,910</u>
Cash Flows From Non-Capital Financing Activities:				
Transfers from other funds	-	-	-	-
Transfers to other funds	(4,829,460)	-	-	(1,246,578)
Advances to/from other funds	-	-	-	-
Net cash provided (used) by non-capital financing activities	<u>(4,829,460)</u>	<u>-</u>	<u>-</u>	<u>(1,246,578)</u>
Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(9,526,428)	(1,274,854)	(8,194,934)	(2,443,646)
Capital grants/cash capital contributions	400,000	-	167,728	-
Capital related receipts from customers	-	168,715	213,046	-
Proceeds from issuance of long-term debt	-	135,336	6,044,056	-
Repayment of principal of long-term debt	(2,663,883)	(2,836,377)	(4,591,850)	(1,137,342)
Interest and other debt related expenses	(743,936)	(1,209,276)	(1,699,736)	(252,321)
Net cash provided (used) by capital and related financing activities	<u>(12,534,247)</u>	<u>(5,016,456)</u>	<u>(8,061,690)</u>	<u>(3,833,309)</u>
Cash Flow From Investing Activities:				
Purchase of investments	(3,903,061)	(452,958)	(519,616)	(2,625,186)
Interest received on investments	82,681	34,332	9,920	53,854
Net cash provided (used) by investing activities	<u>(3,820,380)</u>	<u>(418,626)</u>	<u>(509,696)</u>	<u>(2,571,332)</u>
Net increase (decrease) in cash and cash equivalents/investments	(6,120,823)	(157,925)	(1,084,663)	(2,680,309)
Cash and Cash Equivalents:				
Beginning of year – July 1	<u>41,411,981</u>	<u>6,378,633</u>	<u>7,356,179</u>	<u>26,938,513</u>
End of year – June 30	<u>\$ 35,291,158</u>	<u>\$ 6,220,708</u>	<u>\$ 6,271,516</u>	<u>\$ 24,258,204</u>

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

Exhibit I
Page 1 of 2

Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 9,985,562	\$ 279,482,056	\$ 20,081,399
-	2,136,774	-
(6,087,757)	(220,376,400)	(13,630,729)
(6,370,903)	(30,947,888)	(1,324,178)
-	30,414	-
<u>(2,473,098)</u>	<u>30,324,956</u>	<u>5,126,492</u>
588,487	588,487	783,044
(104,920)	(6,180,958)	-
<u>890,305</u>	<u>890,305</u>	<u>232,035</u>
<u>1,373,872</u>	<u>(4,702,166)</u>	<u>1,015,079</u>
(193,416)	(21,633,278)	(4,390,510)
1,495,972	2,063,700	-
-	381,761	-
315,000	6,494,392	-
(196,539)	(11,425,991)	-
<u>(192,079)</u>	<u>(4,097,348)</u>	<u>-</u>
<u>1,228,938</u>	<u>(28,216,764)</u>	<u>(4,390,510)</u>
-	(7,500,821)	-
1,071	181,858	-
<u>1,071</u>	<u>(7,318,963)</u>	<u>-</u>
130,783	(9,912,937)	1,751,061
<u>3,467,387</u>	<u>85,552,693</u>	<u>9,609,393</u>
<u>\$ 3,598,170</u>	<u>\$ 75,639,756</u>	<u>\$ 11,360,454</u>

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

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Major Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Gas Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 6,698,366	\$ 1,177,697	\$ 2,029,416	\$ 3,166,527
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	7,596,737	3,943,050	4,992,943	1,648,696
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(927,542)	(135,258)	(132,699)	(54,252)
(Increase) decrease in notes receivable	-	30,414	-	-
(Increase) decrease in due from other governments	302,501	(16,259)	413,912	(49,313)
Change in due to/from other funds	78,312	17,499	17,499	-
(Increase) decrease in inventories	553,207	(31,542)	(77,706)	(118,674)
(Increase) decrease in prepaids	21,610	6,012	5,774	4,587
Increase (decrease) in accounts payable	(722,112)	32,113	64,809	149,407
Increase (decrease) in customer deposits	55,893	15,442	523	2,232
Increase (decrease) in compensated absences payable	(211,410)	25,898	9,097	18,547
Increase (decrease) in OPEB liability	(2,070)	158,463	161,959	137,167
Increase (decrease) in unearned revenue	432,741	(37,750)	(33,840)	-
Miscellaneous income (expense)	1,187,031	91,378	35,036	65,986
 Net cash provided by (used in) operating activities	 <u>\$ 15,063,264</u>	 <u>\$ 5,277,157</u>	 <u>\$ 7,486,723</u>	 <u>\$ 4,970,910</u>

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

Exhibit I
Page 2 of 2

Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ (1,755,151)	\$ 11,316,855	\$ 2,339,115
254,313	18,435,739	2,381,616
(848,563)	(2,098,314)	(292,479)
-	30,414	-
19,403	670,244	367,088
-	113,310	-
-	325,285	-
(6,000)	31,983	2,829
42,630	(433,153)	328,323
-	74,090	-
(40,210)	(198,078)	-
(139,520)	315,999	-
-	361,151	-
-	1,379,431	-
<u>\$ (2,473,098)</u>	<u>\$ 30,324,956</u>	<u>\$ 5,126,492</u>

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

Exhibit J
CITY OF GREENVILLE, NORTH CAROLINA
**STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2014**

	OPEB Trust Fund
Assets:	
Restricted cash and cash equivalents	\$ 2,374,554
Total assets	<u>\$ 2,374,554</u>
 Net Position:	
Assets held in trust for OPEB benefits	<u>\$ 2,374,554</u>

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

Exhibit K

CITY OF GREENVILLE, NORTH CAROLINA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	OPEB Trust Fund
Additions:	
Employer contributions	\$ 1,760,781
Investment income:	
Net appreciation (depreciation) in fair value of investments	448,780
Total additions	<u>2,209,561</u>
 Deductions:	
Benefits	1,526,750
Administrative expense	3,114
Total deductions	<u>1,529,864</u>
 Change in net position	679,697
 Net position, beginning	<u>1,694,857</u>
 Net position, ending	<u>\$ 2,374,554</u>

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



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NOTES TO FINANCIAL STATEMENTS

FY 2014 Comprehensive Annual Financial Report





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Note 1. Summary of Significant Accounting Policies and Reporting Entity

Summary of significant accounting policies: The City of Greenville, North Carolina (the “City”), is located in the coastal plains area of the State and has a population of 89,130. The City, as authorized by its charter, operates its own police and fire departments, provides sanitation and street maintenance services, manages a transit system, and maintains public parks and recreation facilities, among other services for its citizens. In addition, the City provides electric, water, sewer, and gas utilities for the incorporated area through the Greenville Utilities Commission (the “Commission”), which is not a separate legal entity. Electricity is purchased from North Carolina Eastern Municipal Power Agency, and gas is purchased from Piedmont Natural Gas Corporation and gas marketers.

The accounting policies of the City of Greenville conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting entity: The City of Greenville is a municipal corporation that is governed by an elected Mayor and a six-member Council. As required by generally accepted accounting principles, the City’s financial statements include the operations of all funds, agencies, boards, commissions, and authorities for which the City is financially accountable. The City has no component units. The Commission, which is governed by an eight-member Board of Commissioners, was established in 1905 to operate and administer the utility enterprise funds of the City of Greenville, North Carolina.

Basis of presentation:

Government-wide statements: The Statement of Net Position and the Statement of Activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements: The fund financial statements provide information about the City’s funds, including a fiduciary fund. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The City reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, public works, parks and recreation, and general government services.

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The City reports the following major enterprise funds:

Electric Fund - This fund is used to account for the operation of providing power to residents.

Water Fund - This fund is used to account for the operation of providing water to residents.

Sewer Fund - This fund is used to account for the operation of providing sewer services to residents.

Gas Fund - This fund is used to account for the operation of providing natural gas to residents.

Additionally, the City reports the following non-major funds, by type:

Non-major Enterprise Funds - The nonmajor enterprise funds are used to account for the operation of providing various City services to residents. The City maintains three nonmajor enterprise funds: Public Transportation Fund, Stormwater Utility Fund, and Sanitation Fund. The relating financial statements have been presented solely to account for the closing transfer.

Special Revenue Funds - The special revenue funds account for specific revenue sources (other than expendable trusts and agency funds or major capital projects) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City maintains twelve special revenue funds: the Community Development Fund, Sheppard Memorial Library Fund, Housing Trust Fund, Small Business Loan Fund, League of Municipalities Conference Fund, Lead Based Paint Hazard Grant Fund, CDBG Recovery Grant Project Fund, Byrne-JAG Grant Recovery Fund, Energy Efficiency Recovery Grant Fund, COPS Hiring Recovery Grant Fund, Centralized Grant Fund, and Hurricane Irene FEMA Grant Fund.

Capital Projects Funds - The capital project funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). As of June 30, 2014, the City has twenty-three capital project funds that were open during the fiscal year, covering various construction projects: Cemetery Development Fund, Affordable Housing Project Fund, West Greenville Revitalization Fund, Center City Revitalization Fund, Stantonsburg Road/10th Street Connector Fund, South Tar River Greenway Fund, Way Finding Community Development Fund, Thomas Langston Road Extension Project Fund, Intermodal Transportation Center Project Fund, Employee Parking Lot Expansion Project Fund, Convention Center Expansion Project Fund, Community Oriented Policing Service Project Fund, Technology for Public Safety Project Fund, Emergency Operations Center Project Fund, Drew Steele Center Fund, Capital Reserve Fund, King George Bridget Project Fund, Green Mill Greenway Project Fund, Dream Park Capital Project Fund, Energy Savings Equipment Project Fund, Downtown Parking Deck Fund, ERP Capital Project Fund, and CVA Expansion Phase III Capital Project Fund.

Debt Service Fund - The Debt Service Fund accounts for the payment of the City's debt obligations, excluding Greenville Utility Commission's ("Commission") debt. The Commission's debt is paid from their respective funds.

Internal Service Funds - Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The City of Greenville has three internal service funds: the Health Insurance Fund, the Vehicle Replacement Fund, and the Fleet Maintenance Fund.

OPEB Trust Fund - The City maintains the North Carolina OPEB Trust Fund. This fund is used to track all contributions to the State-managed Other Post-Employment Benefits Trust Fund. Funds are placed in the irrevocable trust for retiree health benefit costs.

Measurement focus and basis of accounting:

In accordance with North Carolina General Statutes, all funds of the City are maintained during the year using the modified accrual basis of accounting.

Government-wide, proprietary, and fiduciary fund financial statements: The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City considers all revenues available if they are collected within 60 days after year-end, except for property taxes. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the City, are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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Budgetary procedures and budgetary accounting: The City Manager and departments of the City of Greenville prepare the annual budget for City operations on a biennial basis. As required by the North Carolina Budget and Fiscal Control Act, the City Council adopts an annual budget ordinance for all governmental and proprietary fund types except funds authorized by project ordinance. All annual appropriations lapse at the fiscal year-end. All capital project funds, except the Capital Reserve Fund, and all special revenue funds, except the Sheppard Memorial Library, are budgeted under project ordinances spanning more than one fiscal year. The City's three internal service funds operate under a financial plan that was adopted by the governing board at the time the City's budget ordinance was approved, as is required by the General Statutes. All budget ordinances are prepared on the modified accrual basis of accounting as required by the Act. The budget ordinance must be accepted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Budgeting control is exercised over aggregated funds at the departmental level for governmental funds, and for all other funds, the budget is adopted at the fund level. All amendments must be approved by the City Council. Individual amendments were not material in relation to the original appropriations.

Accounting estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates embodied in these financial statements are estimated lives of capital assets, Other Post-Employment Benefit plan liabilities, incurred but not reported health insurance liabilities, and allowance for uncollectible accounts.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity:

Deposits and investments: All deposits of the City are made in Board-designated official depositories and are secured as required by State law [G.S. 159-31]. The City may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed Federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The City's investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT-Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT-Term Portfolio's securities are also valued at fair value.

In accordance with State law, the City has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

General Statute 159-30.1 allows the City to establish an Other Postemployment Benefit (OPEB) Trust managed by the staff of the Department of the State Treasurer and operated in accordance with State laws and regulations. It is not registered with the SEC and G.S. 159-30(g) allows the City to make contributions to the Trust. The State Treasurer in her discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments detailed in G.S. 147-69.2(b)(1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer's Short-Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1, the long-term investment fund (LTIF) consisting of investment grade corporate securities, treasuries, and agencies, and BlackRock's Global Ex-US alpha Tilts Fund B and BlackRock's Russell 3000 Alpha Tilts Fund B authorized under G.S. 147-69.2(b)(8).

Cash and cash equivalents: The City and the Commission separately pool money from several funds to facilitate disbursement and investment and to maximize investment income. Each fund owns a pro rata interest in the depository, and interest earned as a result of pooling is distributed to the appropriate funds based on their equity in the pool. Therefore, all cash and investments of the City's funds are essentially demand deposits and are considered cash and cash equivalents. Certain certificates of deposit for the Commission, which have a maturity of over one year, do not qualify as cash equivalents. The amount of unspent capacity fee revenue is shown as a restricted asset for the Commission because its use is completely restricted to

capacity related capital investment and/or debt service on capacity related capital financing.

Restricted assets: The City issues general obligation, revenue bonds, and installment debt for capital projects. The amount of unexpended debt proceeds is shown as restricted assets because the use of the proceeds is completely restricted to the purpose for which the debt was originally issued. Revenue bond proceeds are placed with a trustee for safekeeping and dispersion as needed. Customer deposits held by the City or Commission before any services are supplied are restricted to the service for which the deposit was collected. Certain unexpended grant revenues are classified as restricted assets since their use is restricted for the purpose of the grant. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing, or widening of local streets per G.S. 136-41.1 through 136-41.4.

City of Greenville Restricted Cash:	
Governmental Activities:	
General Fund:	
Streets	\$ 2,296,305
Public safety	706,036
Nonmajor governmental funds:	
Unexpended debt proceeds	5,198,726
Unexpended grant proceeds	135,507
Total Governmental Activities	\$ 8,336,574
Greenville Utilities Commission Restricted Cash:	
Customer deposits	3,588,516
Unexpended bond proceeds	4,607,034
Unexpended capacity fees	2,130,471
Total Business-Type Activities	\$ 10,326,021

Ad valorem taxes receivable: In accordance with State law (GS 105-347 and G.S. 159-13(a)), the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. As allowed by State law, the City has established a Schedule of Discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts. Uncollected taxes receivable are written off at the end of ten years in accordance with North Carolina General Statutes.

Utility service revenues - unbilled usage: An estimated amount has been recorded for utility services provided, but not billed, as of the end of the year and is included in accounts receivable, net of uncollectible amounts.

Allowance for doubtful accounts: An allowance for doubtful accounts is maintained for ad valorem taxes receivable, rescue fees receivable, and other receivables, which historically experience uncollectible accounts. An allowance for doubtful accounts is also maintained for Enterprise Fund customer receivables. This amount is estimated by analyzing the percentage of receivables that were written off in prior years. All other receivables are generally collectible and any doubtful accounts are considered immaterial.

Inventories and prepaid items: Inventories consist of major items held for consumption by the governmental funds and for all Enterprise Fund materials and supplies. Inventories are valued at cost using the first-in, first-out ("FIFO") method, which approximates market. Disbursements for inventory-type items of the City are considered to be expenditures at the time of use ("consumption method" of accounting). Supplies transferred to and consumed by the individual departments are considered a reduction of the inventory and an expenditure of the user department.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements and expensed as the items are used.

Capital assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and are defined by the government as assets with an initial individual cost of more than a certain amount and estimated useful life in excess of two years. The

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capitalization threshold for assets is \$5,000. Maintenance and repairs are charges to expense as incurred. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated tangible capital assets are recorded at estimated fair market value at the date of donation. Commencing with the fiscal year ended 2010, donated intangible assets which have an indefinite life, such as street right-of-ways or utility easements have been recorded at the estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. All assets are depreciated using a method which approximates the straight-line method. Interest expense is capitalized on business- type construction in progress to the extent that it exceeds income.

The estimated useful lives are as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land and other improvements	10 years
Buildings	30 - 33 years
Equipment	3 - 20 years
Distribution systems	20 - 50 years
Infrastructure	50 years

The rate structure of the Public Transportation Fund is inadequate to generate sufficient revenues to cover the acquisition and future expansion of its property and equipment. It, therefore, must seek capital grants from Federal, State, and local sources. The estimated useful lives of transportation capital assets, which are depreciated using the straight-line method, are as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Plant and structures	30 years
Buses	10 years
Furniture, fixtures, machinery, and equipment	5 to 8 years

Deferred outflows/inflows of resources: In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City only has one item that qualifies for reporting in this category – deferred charge on refunding reported in the government-wide Statement of Net Position. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has only four items that meet the criterion for this category – prepaid taxes, property taxes receivable, loans receivable, and other receivables.

Long-term obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. For business-type activities, the debt service requirements are being financed by the revenues of these funds. The full taxing power of the City is pledged to make payments if applicable fund revenues should be insufficient.

Compensated absences: The vacation policy of the City provides for the accumulation of earned vacation leave to full-time employees based upon the number of years of service with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and salary-related payments are recorded as the leave is earned. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The City's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net position/fund balances:

Net Position: Net position in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through State statute.

Fund balances: In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable fund balance: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepaid Items: portion of fund balance that is not an available resource because it represents certain payments to vendors applicable to future accounting periods and is, therefore, not in spendable form.

Inventories: portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted fund balance: This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law. The City's restricted fund balance consists of the following:

Restricted for stabilization by State statute: portion of fund balance which is not available for appropriation under State law [G.S. 159-8(a)].

Restricted for general government: portion of fund balance that is restricted by revenue source for energy savings equipment expenditures. The revenue source is unexpended debt proceeds in the Energy Savings Equipment Capital Project Fund.

Restricted for streets: portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Restricted for public safety: portion of fund balance that is restricted by revenue source for public safety expenditures. These revenue sources include unexpended Federal Forfeiture and Controlled Substance funds in the General Fund.

Restricted for public works: Portion of fund balance that is restricted by revenue source or loan documents for construction of streets, sidewalks and capital assistance for transportation.

Restricted for economic development: portion of fund balance that is restricted by revenue sources for economic development construction expenses. The revenue sources include unexpended bond proceeds in the Downtown Parking Deck Capital Project Fund and the Center City Revitalization Capital Project Fund.

Restricted for culture and recreation: portion of fund balance that is restricted for the benefit of third parties and held for specific purposes in the Sheppard Memorial Library Permanent Fund.

Committed fund balance: This classification represents the portion of fund balance that can only be used for specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. The City's committed fund balance consists of the following:

Committed for general government: portion of fund balance that is committed by the City Council for expenses for the City's ERP Capital Project Fund.

Committed for cultural and recreational: portion of fund balance that is committed by the City Council for cultural and recreational construction expenses in various special revenue and capital project funds.

Committed for public safety: portion of fund balance that is committed by the City Council for law enforcement equipment and operational activities in various special revenue and capital project funds.

Committed for economic development: portion of fund balance that is committed by the City Council for economic development construction and activities in various special revenue and capital project funds.

Committed for capital outlays: portion of fund balance committed by the City Council for the construction of specific assets held in the Capital Reserve Fund. Specific Council action is required to transfer funds out of this fund.

Committed for debt service: portion of fund balance committed by the City Council to pay for future debt expenditures accounted for in the City's Debt Service Fund. Specific council action is required to transfer funds out of this fund.

Assigned fund balance: portion of fund balance that the City of Greenville intends to use for specific purposes. The City's assigned fund balance consists of the following:

Assigned for subsequent year's expenditures: portion of total fund balance that is appropriated in the next year's budget that is not classified as restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to modify the appropriations by resource or appropriations in certain circumstances.

Assigned for cultural and recreational: portion of total fund balance that has been budgeted by the Council for library operations.

Unassigned fund balance: portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The City has a revenue spending guideline for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, Federal funds, State funds, local non-City funds, and City funds. For the purposes of the fund balance classifications, the expenditures are to be spent from restricted fund balance first, followed in order by committed, assigned and, lastly, unassigned fund balances. The Finance Officer may deviate from this order if it is in the best interest of the City.

The City of Greenville has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that unassigned fund balance is at least 14% of the total annual operating budget. The City Council may, from time-to-time, appropriate unassigned fund balances that will reduce unassigned fund balances below the 14% threshold for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the City of Greenville. In such circumstances, the City Council will adopt a plan to restore the unassigned fund balance to, or above, the threshold within 36 months from the date of the appropriation. If restoration cannot be accomplished within such time period without severe hardship to the City, then the City Council will establish a different but appropriate time period.

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance – General Fund	\$ 31,412,547
Less:	
Inventories	15,661
Prepaid items	199,565
Stabilization by State statute	7,845,690
Total available fund balance	<u>\$ 23,351,631</u>

The City of Greenville has \$2,470,599 of outstanding encumbrances in the General Fund as of June 30, 2014, which represents amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Note 2. Stewardship, Compliance, and Accountability

1. Non-Compliance with North Carolina General Statutes

In the current year, there were violations of the General Statutes regarding appropriated fund balance in the Fleet Maintenance Internal Service Fund and the Convention Expansion Capital Project Fund. North Carolina General Statutes prohibits appropriated fund balance in any fund to exceed the sum of the prior fiscal year cash and investments minus the sum of prior fiscal year liabilities, encumbrances, unearned revenues, and deferred inflows arriving from cash receipts. Management has put procedures in place to further monitor all aspects of the City's fund budgets.

2. Deficit Fund Balance or Net Position of Individual Funds

The following individual funds had a deficit fund balance or net position at June 30, 2014:

<u>Nonmajor Special Revenue Funds:</u>		<u>Management Plans to Address Deficit</u>
CDBG Recovery Grant Project	\$ (288)	Close project, reimburse by transfer
Hurricane Irene FEMA Grant	(180,591)	Reimbursement from grant
<u>Nonmajor Capital Projects:</u>		
Community Oriented Policing Service Project	(262,968)	Reimbursement by grant
Dream Park Capital Project Fund	(1,330)	Reimbursement by grant
<u>Nonmajor Enterprise Funds:</u>		
Sanitation Fund	(1,043,245)	Future charges by customers
<u>Internal Service Funds:</u>		
Fleet Maintenance Fund	(558,052)	Future charges based on adequate system capture of costs

3. Contractual Violations

Upon review of the Electronic Municipal Market Access System (EMMA), the City did not submit the required annual financial information as required by the continuing discloser terms of their bond documents by the January 31, 2014 deadline. The failure to file timely is a breach of the contract which was signed when the debt was issued. It is also considered a material event. Management will ensure that the EMMA required annual financial information is filed before the January 31st annual deadline.

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Note 3. Detailed Notes on All Funds

Assets

Deposits

All of the deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the Federal depository insurance coverage level are collateralized with securities held by the City's agent in its name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in their name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City under the Pooling Method, the potential exists for undercollateralization, and this risk may increase during periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2014, the City's deposits had a carrying amount of \$25,938,381 and a bank balance of \$19,027,210. Of the bank balance, \$1,250,000 was covered by Federal depository insurance, and the remainder of \$17,777,210 was covered by collateral held under the Pooling Method. The City's cash on hand at June 30, 2014 consisted of various petty cash funds totaling \$7,710.

At June 30, 2014, the Utilities Commission's deposits had a carrying amount of \$70,587,386 and a bank balance of \$70,741,349. Of the bank balance, \$1,099,760 was covered by Federal depository insurance, and \$69,641,589 was covered by collateral held under the pooling method. The Utilities Commission's deposits include checking accounts, money market accounts and \$3,000,000 in certificates of deposit which are reported as long-term investments on the statement of net position. The Utilities Commission's cash on hand at June 30, 2014 consisted of various petty cash funds totaling \$4,300.

Investments

At June 30, 2014, the investments and related maturities of the City were as follows:

Investment Type	Fair Value	Less Than			
		Six Months	6-12 Months	1-3 Years	3+ Years
NC Capital Management Trust -					
Cash Portfolio	\$ 9,011,089	\$ 9,011,089	\$ -	\$ -	\$ -
US Treasury Notes	5,174,481	-	-	-	5,174,481
Government Agency – FHLB	3,146,192	-	-	1,080,659	2,065,533
Government Agency – FHLMC	9,697,383	-	-	2,963,586	6,733,797
Government Agency – FNMA	6,703,751	-	1,965,856	3,568,723	1,169,172
Total investments	<u>\$ 33,732,896</u>	<u>\$ 9,011,089</u>	<u>\$ 1,965,856</u>	<u>\$ 7,612,968</u>	<u>\$ 15,142,983</u>

At June 30, 2014, the Utilities Commission had the following investments and maturities:

Investment Type	Fair Value	Less Than			
		Six Months	6-12 Months	1-3 Years	3+ Years
Bank Certificates of Deposit	\$ 3,000,000	\$ 2,500,000	\$ -	\$ -	\$ 500,000
US Government Agencies	7,011,692	-	-	-	7,011,692
NC Capital Management Trust - Cash Portfolio	5,192,415	5,192,415	-	-	-
NC Capital Management Trust - Term Portfolio	100,197	100,197	-	-	-
Total investments	<u>\$ 15,304,304</u>	<u>\$ 7,792,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,511,692</u>

Interest rate risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s formal investment policy specifically limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates. The policy states investments shall be limited to maturities not exceeding five years from the settlement date.

Credit risk: The City’s investment policy limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The policy expressly prohibits investment of stripped instruments (“Derivative Security”) and repurchase agreements. The investment in the Federal Home Loan Bank is rated AAA by Standard and Poor’s and Aaa by Moody’s Investors Service. The investment in US Treasury Notes are rated AAA by Standard and Poor’s and Aaa by Moody’s Investors Service. The investment in Federal Home Loan Mortgage Corporation are rated AA+ by Standard and Poor’s and Aaa by Moody’s Investors Service. The investment in Federal National Mortgage Association are rated AA+ by Standard and Poor’s and Aaa by Moody’s Investors Service. The City’s investment in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor’s as of June 30, 2014.

Custodial credit risk: The City’s investment policy explicitly states that all securities purchased by the City shall be held in third-party safekeeping by the bank designated as the primary agent. A detailed receipt shall be issued by the primary agent (bank) for each security transaction, as well as a monthly report detailing all securities held by the Trust Department of this bank. Additionally, all trades, where applicable, will be executed by delivery versus payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. A third-party custodian, as evidenced by safekeeping receipts, will hold securities.

Concentration of credit risk: The City’s and the Commission’s investment policy limits the amount of the total portfolio that can be invested in any one type of investment or with a single financial institution. Investments making up more than 5% of the City’s investments are as follows:

Issuer	Amount	% of Investments
US Treasury Notes	\$ 5,174,481	20.9%
Federal Home Loan Bank	3,146,192	12.7%
Federal Home Loan Mortgage Corporation	9,697,383	39.2%
Federal National Mortgage Association	6,703,751	27.1%

Concentration of credit risk (“Commission”): The Utilities Commission’s investment policy limits the amount of the total portfolio that can be invested in any one type of investment to the following percentages: US Treasuries – 100%; US Agencies – 100%; Capital Management Trust – 100%; Money Market Accounts – 100%; Certificates of Deposit – 70%; Banker’s Acceptances – 45%; Commercial Paper – 50%; NC and Local Government Securities with AAA rating or better – 20%. In addition, the Utilities Commission’s investment policy limits the total amount that can be invested in any one agency, institution, or entity.

OPEB Trust Fund (City excluding the Commission): At June 30, 2014, the City’s OPEB Trust Fund had \$2,374,554 invested in the State Treasurer’s Local Government Other Post-Employment Benefits (“OPEB”) Fund pursuant to G.S. 159-30.1. The State Treasurer’s OPEB Fund may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the State Treasurer’s OPEB Fund was

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invested as follows: State Treasurer’s Short Term Investment Fund (STIF) 22%, State Treasurer’s Long-Term Investment Fund (LTIF) 9.0%, and BlackRock’s Global Ex-US Alpha Tilts Fund B and BlackRock’s Russell 3000 Alpha Tilts Fund B 69% (the equities were split with 75.0% in domestic securities and 25.0% in international securities).

Interest rate risk: The City does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer’s Short-Term Investment Fund (“STIF”) is unrated and had a weighted average maturity of 1.3 years at June 30, 2014. The State Treasurer’s Long-Term Investment Fund (“LTIF”) is unrated and had a weighted average maturity of 16.3 years at June 30, 2014.

Credit risk: The City does not have a formal investment policy regarding credit risk for the OPEB Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer’s STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments. The LTIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The State Treasurer’s LTIF is invested in treasuries, agencies, and corporate bonds with longer term maturities.

At June 30, 2014 the Utilities Commission OPEB Trust had \$1,418,591 invested in the State Treasurer’s Local Government Other Post-Employment Benefits (OPEB) Trust pursuant to G.S. 159-30.1. The State Treasurer’s OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the Utilities Commission’s OPEB Trust was invested as follows: State Treasurer’s Short Term Investment Fund (STIF) 22.0%, which is reported as cash and cash equivalents; State Treasurer’s Long-Term Investment Fund (LTIF) 9.0% and BlackRock’s Global Ex-US Alpha Tilts Fund B and BlackRock’s Russell 3000 Alpha Tilts Fund B 69.0% (the equities were split with 75.0% in domestic securities and 25% in international securities).

Interest Rate Risk: The Utilities Commission does not have a formal investment interest rate policy for the OPEB Trust Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer’s Short-Term Investment Fund (STIF) is unrated and had a weighted average maturity of 1.3 years at June 30, 2014. The State Treasurer’s Long-Term Investment Fund (LTIF) is unrated and had a weighted average maturity of 16.3 years at June 30, 2014.

Credit Risk: The Utilities Commission does not have a formal investment policy regarding credit risk for the OPEB Trust Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer’s STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments. The LTIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The State Treasurer’s LTIF is invested in treasuries, agencies, and corporate bonds with longer term maturities.

Receivables – Allowances for Doubtful Accounts

Receivables at the government-wide level at June 30, 2014 were as follows:

	<u>Amount</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>
Governmental Activities:			
Taxes receivable	\$ 1,472,813	\$ 835,120	\$ 637,693
Accounts receivable:			-
Rescue fees receivable	3,288,166	1,704,378	1,583,788
Lot cutting fees receivable	523,834	-	523,834
Parking violations receivable	295,563	-	295,563
Loans receivable	747,933	-	747,933
Other receivables	707,434	-	707,434
Due from other governments	<u>2,726,996</u>	<u>-</u>	<u>2,726,996</u>
Total governmental activities	<u>\$ 9,762,739</u>	<u>\$ 2,539,498</u>	<u>\$ 7,223,241</u>
Business-Type Activities:			
Greenville Utilities Commission	\$ 37,314,533	\$ 9,316,444	\$ 27,998,089
Other nonmajor enterprise	<u>2,744,513</u>	<u>905,844</u>	<u>1,838,669</u>
Total business-type activities	<u>\$ 40,059,046</u>	<u>\$ 10,222,288</u>	<u>\$ 29,836,758</u>

Capital Assets

Primary government: Capital asset activity for the primary government for the year ended June 30, 2014 was as follows:

	<u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>June 30, 2014</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 40,665,813	\$ 108,108	\$ -	\$ -	\$ 40,773,921
Right-of-way easements	7,295,133	124,000	-	-	7,419,133
Construction in progress	<u>26,160,531</u>	<u>2,558,063</u>	<u>(62,432)</u>	<u>(1,415,218)</u>	<u>27,240,944</u>
Total capital assets not being depreciated	<u>74,121,477</u>	<u>2,790,171</u>	<u>(62,432)</u>	<u>(1,415,218)</u>	<u>75,433,998</u>
Capital assets being depreciated:					
Buildings	56,537,462	156,487	-	1,348,000	58,041,949
Improvements	8,081,460	767,462	-	-	8,848,922
Infrastructure	78,071,299	1,145,439	-	-	79,216,738
Machinery and equipment	<u>19,835,788</u>	<u>1,049,711</u>	<u>(1,997,696)</u>	<u>67,218</u>	<u>18,955,021</u>
Total capital assets being depreciated	<u>162,526,009</u>	<u>3,119,099</u>	<u>(1,997,696)</u>	<u>1,415,218</u>	<u>165,062,630</u>
Less accumulated depreciation for:					
Buildings	(25,479,114)	(2,181,041)	-	-	(27,660,155)
Improvements	(5,365,944)	(575,513)	-	-	(5,941,457)
Infrastructure	(19,890,533)	(1,550,516)	-	-	(21,441,049)
Machinery and equipment	<u>(19,639,814)</u>	<u>(1,050,504)</u>	<u>1,997,696</u>	<u>-</u>	<u>(18,692,622)</u>
Total accumulated depreciation	<u>(70,375,405)</u>	<u>(5,357,574)</u>	<u>1,997,696</u>	<u>-</u>	<u>(73,735,283)</u>
Total capital assets being depreciated, net	<u>92,150,604</u>				<u>91,327,347</u>
Governmental activities capital assets, net	<u>\$ 166,272,081</u>				<u>\$ 166,761,345</u>
Internal Service Fund:					
Reported in governmental activities:					
Vehicles	\$ 12,594,046	4,390,510	(80,225)	-	\$ 16,904,331
Less accumulated depreciation	<u>(6,290,882)</u>	<u>(2,381,616)</u>	<u>80,225</u>	<u>-</u>	<u>(8,592,273)</u>
Total capital assets, net	<u>\$ 6,303,164</u>	<u>\$ 2,008,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,312,058</u>

Beginning accumulated depreciation balances have been restated above by \$3,149,534 for Governmental Activities and the Vehicle Replacement Internal Service Fund. See prior period adjustment information at Note 10.

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Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 857,949
Public safety	597,638
Cultural and recreational	2,187,163
Transportation – related to infrastructure	1,714,824
Total	<u>\$ 5,357,574</u>
General government – Internal Service Fund	<u>\$ 2,381,616</u>

A summary of changes in the City's capital assets used in business-type activities follows. This schedule represents business-type activity capital assets managed by the City, excluding the Commission.

	Balance July 1, 2013	Additions	Deletions	Transfers	Balance June 30, 2014
Business-Type Activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 7,279,153	\$ -	\$ -	\$ (7,230,258)	\$ 48,895
Capital assets being depreciated:					
Machinery and equipment	7,250,013	75,392	(685,998)	-	6,639,407
Infrastructure	183,681	118,024	-	7,230,258	7,531,963
Total capital assets being depreciated	<u>7,433,694</u>	<u>193,416</u>	<u>(685,998)</u>	<u>7,230,258</u>	<u>14,171,370</u>
Less accumulated depreciation for:					
Machinery and equipment	(5,959,081)	(244,515)	685,998	-	(5,517,598)
Infrastructure	(6,450)	(9,798)	-	-	(16,248)
Total accumulated depreciation	<u>(5,965,531)</u>	<u>(254,313)</u>	<u>685,998</u>	<u>-</u>	<u>(5,533,846)</u>
Total capital assets being depreciated, net	<u>1,468,163</u>				<u>8,637,524</u>
Business-type activity capital assets, net	<u>\$ 8,747,316</u>				<u>\$ 8,686,419</u>

Capital asset activity for the Commission for the year ended June 30, 2014, was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2014</u>
Capital assets not being depreciated:					
Land	\$ 3,501,273	\$ -	\$ -	\$ 94,368	\$ 3,595,641
Easements	67,815	3,761	-	(20,194)	51,382
Construction in progress	40,823,979	14,047,861	-	(8,541,601)	46,330,239
Total	<u>44,393,067</u>	<u>14,051,622</u>	<u>-</u>	<u>(8,467,427)</u>	<u>49,977,262</u>
Capital assets being depreciated:					
Land improvements	509,484	-	-	2,211,246	2,720,730
Buildings	125,621,489	-	-	(125,621,489)	-
General plant	-	-	-	12,690,606	12,690,606
Utility plant	-	19,957	-	124,890,972	124,910,929
Furniture and office equipment	2,971,601	-	-	(2,971,601)	-
Computer software	7,058,620	420	-	-	7,059,040
Vehicles and equipment	30,350,675	888,269	(275,607)	(8,853,145)	22,110,192
Distribution systems	400,326,488	5,922,686	-	3,859,753	410,108,927
Transmission systems	35,680,899	25,223	-	(2,609,067)	33,097,055
Computer hardware	-	10,280	-	2,856,754	2,867,034
Fiber optics	-	54,419	-	2,013,399	2,067,818
Total	<u>602,519,256</u>	<u>6,921,254</u>	<u>(275,607)</u>	<u>8,467,428</u>	<u>617,632,331</u>
Less accumulated depreciation for:					
Land improvements	418,444	11,543	-	536,727	966,714
Buildings	52,229,051	-	-	(52,229,051)	-
General plant	-	329,594	-	5,558,951	5,888,545
Utility plant	-	3,719,334	-	47,466,345	51,185,679
Furniture and office equipment	2,481,690	-	-	(2,481,690)	-
Computer software	6,192,229	679,334	-	-	6,871,563
Vehicles and equipment	20,050,229	1,446,759	(275,606)	(2,175,080)	19,046,302
Distribution systems	189,415,217	10,706,727	-	459,662	200,581,606
Transmission systems	19,334,281	1,010,634	-	(313,088)	20,031,827
Computer hardware	-	174,111	-	2,370,093	2,544,204
Fiber optics	-	103,390	-	807,130	910,520
Total	<u>290,121,141</u>	<u>18,181,426</u>	<u>(275,606)</u>	<u>(1)</u>	<u>308,026,960</u>
Total capital assets being depreciated, net	<u>312,398,115</u>				<u>309,605,371</u>
Net capital assets	<u>\$ 356,791,182</u>				<u>\$ 359,582,633</u>

Depreciation expense is charged to the Electric, Water, Sewer, and Gas Funds. Amounts charged to the four funds for the year ended June 30, 2014 totaled \$7,596,737, \$3,943,050, \$4,992,943, and \$1,648,696, respectively.

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Construction Commitments (Commission)

The Utilities Commission has active construction projects as of June 30, 2014. At year-end, the Utilities Commission's commitments with contractors are as follows:

Project Name	Spent-to-Date	Remaining Commitments
Electric distribution system	\$ 4,964,192	\$ 116,791
Water treatment and distribution system	278,432	1,095
Sewer treatment and collection system	25,757,329	1,511,873
Natural gas distribution system	769,029	2,497,021
Total	\$ 31,768,982	\$ 4,126,780

Liabilities

Accounts Payable and Accrued Liabilities

Payables at the government-wide level at June 30, 2014 were as follows:

Type of Payable	Governmental Activities	Business-Type Activities
Trade payables	\$ 3,630,718	\$ 17,060,610
Accrued salaries and fringes	2,424,292	1,452,950
Other accrued expenses	396,738	55,511
Total	\$ 6,451,748	\$ 18,569,071

Pension Plan Obligations

Local Government Employees' Retirement System

Plan description: The City of Greenville and the Commission contribute to the State-wide Local Governmental Employees' Retirement System ("LGERS"), a cost-sharing, multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding policy: Plan members are required to contribute 6% of their annual covered salary. The City is required to contribute at an actuarially determined rate. For the City, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.74% and 7.22%, respectively, of annual covered payroll. The contribution requirements of members and of the City of Greenville are established and may be amended by the North Carolina General Assembly. The City's contributions to LGERS for the years ended June 30, 2014, 2013, and 2012 were \$1,914,301, \$1,831,779, and \$1,919,382, respectively. The Utilities Commission's contributions to LGERS for the years ended June 30, 2014, 2013, and 2012 were \$1,766,776, \$1,772,873, and \$1,568,583, respectively. The contributions made by the City and the Commission equaled the required contributions for each year.

Law Enforcement Officers Special Separation Allowance

Plan description: The City of Greenville administers a public employee retirement system (the “Separation Allowance”), a single-employer defined benefit pension plan that provides retirement benefits to the City’s qualified sworn law enforcement officers. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2013, the Separation Allowance’s membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to, but not yet receiving, benefits	22
Active plan members	186
Total	<u>208</u>

A separate report is not issued for the plan.

Summary of Significant Accounting Policies

Basis of accounting: The City has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method used to value investments: No funds are set aside to pay benefits and administration costs. These expenditures are paid as they become due.

Contributions: The annual required contribution for the current year was determined as part of the December 31, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.25% to 7.85% per year. Item (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The UAAL is being amortized as a level dollar on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

Annual pension cost and net pension obligation: The City’s annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Employer annual required contribution	\$ 541,383
Interest on net pension obligation	104,407
Adjustment to annual required contribution	(170,127)
Annual pension cost	<u>475,663</u>
Employer contributions made for fiscal year ending June 30, 2014	322,169
Increase (decrease) in net pension obligation	<u>153,494</u>
Net pension obligation:	
Beginning of year – July 1	2,088,146
End of year – June 30	<u>\$ 2,241,640</u>

Three-Year Trend			
Fiscal Year Ended	Annual Pension Cost (APC)	APC Contributed	Net Pension Obligation
2012	\$ 474,450	59.65%	\$ 1,923,050
2013	488,195	66.18%	2,088,146
2014	475,663	67.73%	2,241,640

Funded status and funding progress: As of December 31, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (“UAAL”) was \$5,105,153. The covered payroll (annual payroll of active employees covered by the plan) was \$10,225,560, and the ratio of the UAAL to the covered payroll was 49.93%.

The Schedule of Funding Progress, presented as required supplementary information following the Notes to the Financial Statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing, over time, relative to the actuarial accrued liability for benefits.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan description: The City contributes to the Supplemental Retirement Income Plan (“Plan”), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (“CAFR”) for the State of North Carolina. The State’s CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding policy: Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to 5% of each officer’s salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$1,360,932, which consisted of \$746,056 from the City and \$614,876 from the law enforcement officers.

Firemen and Rescue Squad Workers’ Pension Fund

Plan description: The State of North Carolina contributes, on behalf of the City of Greenville, to the Firemen’s and Rescue Squad Workers’ Pension Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers who have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Firemen’s and Rescue Squad Workers’ Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State’s CAFR includes financial statements and required supplementary information for the Firemen’s and Rescue Squad Workers’ Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy: Plan members are required to contribute \$10 per month to the Fund. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the Fund. Contribution requirements of plan members and the State of North Carolina are established and may be amended by the North Carolina General Assembly.

Post-Employment Benefits

Deferred compensation plan: The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation in the plan is at the option of the employee.

Investments are managed by the plan’s trustee under one of four investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

Other Post-Employment Benefits – Healthcare Benefits Plan (City Except Commission)

Plan description: The City administers a single-employer defined benefit plan for post-retirement healthcare and life insurance benefits for retired or disabled employees. An employee is eligible for retirement when he/she reaches 50 years of age and has completed 20 years of service or reaches age 60 and has completed five years of service. Also, an employee is eligible for disability retirement when he/she has completed five years of service. Upon service, early or disability retirement as approved by the North Carolina Local Government Employees’ Retirement System, and upon meeting the criteria established by the City, employees with a minimum of five continuous years of service with the City are eligible to continue insurance coverage. Healthcare and prescription drugs are provided in the City’s retiree healthcare plan. A retiree life insurance benefit of \$7,000 is provided to those retirees who were hired prior to August 1, 1975. The City obtains post-65 healthcare and life insurance coverage through a private insurer and is self-funding the health insurance coverage for pre-65 retirees up to \$200,000 per person per year. The City Council may amend the benefit provisions. A separate report is not issued for the plan.

Membership of the plan consisted of the following at December 31, 2013, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	225	-
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	557	186
Total	<u>782</u>	<u>186</u>

Funding Policy: The City’s obligation to contribute to the post-retirement benefit plan is established and may be amended by the City Council. Members hired prior to July 1, 2011 who retire with at least 20 years of service contribute 5% of the estimated cost for pre-65 healthcare coverage for the retiree. Members hired prior to July 1, 2011, who retire with less than 20 years of service, contribute 100% of the estimated cost for pre-65 healthcare coverage for the retiree. Retirees who elect to have dependent healthcare coverage contribute 100% of the estimated cost of the coverage. Participating retired employees hired prior to July 1, 2011 with a minimum of 20 years of service shall have their coverage transferred to a Medicare Supplemental plan after qualifying for Medicare with the City continuing to pay the same dollars towards the premium cost as it pays for retirees under the base plan. For retired employees hired on or after July 1, 2011 with a minimum of 20 years of service, the contribution rate for post-65 benefits consists of a \$250 monthly stipend defined contribution amount. The City pays 50% of the total life insurance premium cost for those retirees who have that benefit. Members hired on or after July 1, 2011 who retire with less than 20 years of service will not be eligible for post-retirement coverage.

The contribution rates for pre-65 benefits for members hired on or after July 1, 2011 will be based on the member’s age at retirement and their length of service as detailed below.

Years of Service	Age at Retirement	
	55 - 59	60+
20 - 24	50%	65%
25+	75%	90%

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For members who retire, the City pays the percentage of medical costs as described in the previous section under a City resolution that can be amended by the City Council. The City's members pay the current active employee rate for dependent coverage, if the retiree elects to purchase the coverage.

The current ARC is 8.41 % of annual covered payroll. For the current year, the City contributed \$1,946,032, or 5.29%, of annual covered payroll. Per a City resolution, the City is required to contribute an increase of \$50,000 each year to a maximum of \$500,000 for all future years and \$250 stipend for post-65 coverage with tiered structure for pre-65 coverage. The City is self-insured up to certain limits and purchases re-insurance for additional coverage from a private carrier. Contributions by employees for the fiscal year ended June 30, 2014 were \$1,484,999 and included dependent coverage. The City's obligation to contribute to the plan is established and may be amended by the City Council.

Summary of Significant Accounting Policies: The plan's financial statements are prepared using the accrual basis of accounting. Plan members contributions are recognized in the period in which the contributions are due, which is when the related benefit payments are made and discretionary pre-funded amounts are recognized when contributed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The City participates in the State Treasurer's Local Government Other Post-Employment Benefits ("OPEB") Fund pursuant to G.S. 147-69.4, and under a City resolution, the City provides contributions to the State OPEB Plan. Short-term money market debt instruments, deposits, and repurchase agreements are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price. Administration costs of the State OPEB Fund are financed through investment earnings. The City's participation in the State OPEB Fund is reported as the OPEB Trust Fiduciary Fund in the City's financial statements.

Annual OPEB cost and net OPEB obligation: The City's annual Other Post-Employment Benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the City's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the post-employment healthcare benefits:

Annual required contribution	\$ 3,093,128
Interest on net OPEB obligation	1,220,280
Adjustments to annual required contribution	(956,761)
Annual OPEB cost (expense)	3,356,647
Contributions made	1,946,032
Increase (decrease) in net OPEB obligation	1,410,615
Net OPEB obligation, beginning of year	17,432,573
Net OPEB obligation, end of year	<u>\$ 18,843,188</u>
The net OPEB obligation is allocated as follows:	
Governmental activities	\$ 17,049,427
Nonmajor enterprise funds:	
Public Transportation Fund	313,473
Stormwater Utility Fund	539,870
Sanitation Fund	940,418
Total	<u>\$ 18,843,188</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 3,580,513	27.90%	\$ 15,015,637
2013	3,580,513	32.50%	17,432,573
2014	3,356,647	59.98%	18,843,188

Funded status and funding progress: As of December 31, 2013, the most recent actuarial valuation date, the plan was 6.3% funded. The actuarial accrued liability for benefits was \$35,843,760, and the actuarial value of assets was \$2,257,955, resulting in an unfunded actuarial accrued liability (UAAL) of \$33,585,805. The covered payroll (annual payroll of active employees covered by the plan) was \$36,818,894, and the ratio of the UAAL to the covered payroll was 91.2%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the Notes to the Financial Statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.0% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 7.75% to 5.0% annually. Both rates included a 3.0% inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 28 years.

Other Post-employment benefits - Healthcare Benefits Plan ("Commission")

Plan Description: The Utilities Commission administers a single-employer defined benefit plan for post-retirement healthcare and life insurance benefits for retired or disabled employees. An employee is eligible for retirement when he/she reaches 50 years of age and has completed 20 years of service or reaches age 60 and has completed five years of service. Also, an employee is eligible for disability retirement when he/she has completed five years of service. Upon service, early or disability retirement as approved by the North Carolina Local Government Employees' Retirement System and upon meeting the criteria established by the Commission, employees with a minimum of 5 continuous years of service with the Commission if hired before July 1, 2011 or with a minimum of 20 continuous years of service with the Utilities Commission if hired on or after July 1, 2011, are eligible to continue insurance coverage. Healthcare and prescription drugs are provided in the Commission's retiree healthcare plan. A retiree life insurance benefit of \$7,000 is provided to those retirees who were hired prior to August 1, 1975. The Commission obtains post-65 healthcare coverage and life insurance coverage through a private insurer and self-funds the healthcare coverage for pre-65 retirees up to \$200,000 per person per year. A separate report was not issued for the plan.

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Membership of the post-retirement benefit plan consisted of the following at December 31, 2013, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	143
Active members	415
Total	558

Funding Policy: The Utilities Commission's obligation to contribute to the post-retirement benefit plan is established and may be amended by the Board of Commissioners. Members hired prior to July 1, 2011 who retire with at least 20 years of service contribute 5% of the estimated cost for pre-65 healthcare coverage for the retiree. Members hired prior to July 1, 2011 who retire with less than 20 years of service contribute 100% of the estimated cost for pre-65 healthcare coverage for the retiree. Retirees who elect to have dependent healthcare coverage contribute 100% of the estimated cost of coverage. Participating retired employees hired prior to July 1, 2011 with a minimum of 20 years of service shall have their coverage transferred to a Medicare supplemental plan after qualifying for Medicare, with the Utilities Commission continuing to pay the same dollars toward the premium cost as it pays for retirees under the base plan. For retired employees hired on or after July 1, 2011 with a minimum of 20 years of service the contribution rate for post-65 benefits consists of a \$250 monthly stipend defined contribution amount. The Utilities Commission pays 50% of the total life insurance premium cost for those retirees who have that benefit. Members hired on or after July 1, 2011 who retire with less than 20 years of service will not be eligible for post-retirement coverage. The contribution rates for pre-65 benefits for members hired on or after July 1, 2011 will be based on the member's age at retirement and their length of service as detailed below:

Years of Service	Age at Retirement	
	55 - 59	60+
20 - 24	50%	65%
25+	75%	90%

The current annual required contribution rate (ARC) is 7.5% of annual covered payroll. For FY 2014, the Utilities Commission contributed \$1,030,101, or 4.3% of annual covered payroll. Contributions by members for the fiscal year ended June 30, 2014 were \$204,064 and included dependent coverage and a portion of member coverage. The Utilities Commission is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board.

Summary of Significant Accounting Policies: The plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations. Short-term money market debt instruments, deposits, and repurchase agreements are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price. Administration costs of the plan are financed through investment earnings.

Annual OPEB Cost and Net OPEB Obligation: The Utilities Commission’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Utilities Commission’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Utilities Commission’s net OPEB obligation for the post-retirement benefits:

Annual required contribution	\$ 1,779,995
Interest on net OPEB obligation	697,179
Adjustment to annual required contribution	(556,743)
Annual OPEB cost (expense)	<u>1,920,431</u>
Contributions made	(1,030,101)
Increase (decrease) in net OPEB obligation	<u>890,330</u>
Net OPEB obligation – beginning of year	9,959,695
Net OPEB obligation – end of year	<u><u>\$ 10,850,025</u></u>

The Utilities Commission’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended June 30, 2012, 2013, and 2014 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 2,437,811	46.802%	\$ 9,053,741
2013	1,906,842	52.489%	9,959,695
2014	1,920,431	53.639%	10,850,025

Funded Status and Funding Progress: As of December 31, 2013, the most recent actuarial valuation date, the plan was 6.4% funded. The actuarial accrued liability for benefits was \$21,018,546, and the actuarial value of assets was \$1,350,501, resulting in an unfunded actuarial accrued liability (UAAL) of \$19,668,045. The covered payroll (annual payroll of active employees covered by the plan) was \$22,816,616, and the ratio of the UAAL to the covered payroll was 86.2%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the Notes to the Financial Statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations. In the December 31, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included (a) 7.00% investment rate of return, which included an inflation component of 3.00% and (b) 7.75% - 5.00% pre-Medicare medical cost trend rate and 5.75% - 5% post-Medicare medical cost trend rate with 2019 the year of ultimate trend rate. The actuarial value of assets was determined using the market value of assets. The unfunded actuarial accrued liability (UAAL) is being amortized as level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 28 years.

The financial statements for the Commission’s Other Post-Employment Benefits Trust Fund can be found in the separately issued financial statements for the Greenville Utilities Commission for the year ended June 30, 2014.

Other Employment Benefits

The City has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees’ Retirement System (“Death Benefit Plan”), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the system, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee’s 12 highest month’s salary in a row during the 24 months prior to the employee’s death, but the benefit may not exceed \$50,000 or be less than \$25,000. All death benefit payments are made from the Death Benefit Plan. The City has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The City considers these contributions to be immaterial.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources at year-end are comprised of unamortized bond refunding charges.

Deferred inflows of resources at year-end are comprised of the following:

	Unavailable Revenue	Unearned Revenue
Property taxes receivable (General Fund)	\$ 637,693	\$ -
Prepaid property taxes (General Fund)	-	1,611
Loans receivable (nonmajor governmental funds)	747,933	-
Other receivables (General Fund)	1,925,215	-
Total	<u>\$ 3,310,841</u>	<u>\$ 1,611</u>

Long-Term Obligations

Changes in long-term debt: The following is a summary of changes in the long-term obligations of the City for the year ended June 30, 2014:

	Balance			Balance	
	July 1, 2013	Additions	Retirements	June 30, 2014	Current Portion
Governmental Activities:					
General obligation bonds	\$ 11,050,937	\$ -	\$ (828,461)	\$ 10,222,476	\$ 828,461
Special obligation revenue bonds	3,570,000	-	(405,000)	3,165,000	420,000
Installment purchase contracts	20,302,822	4,997,546	(2,108,323)	23,192,045	2,497,604
LEO separation allowance	2,088,146	475,663	(322,169)	2,241,640	-
OPEB accrued liability	15,499,292	1,550,135	-	17,049,427	-
Compensated absences	2,918,857	2,481,028	(2,478,156)	2,921,729	2,045,210
Total governmental activities	\$ 55,430,054	\$ 9,504,372	\$ (6,142,109)	\$ 58,792,317	\$ 5,791,275
Business-Type Activities:					
Managed by the City:					
General obligation bonds	\$ 4,404,063	\$ -	\$ (196,539)	\$ 4,207,524	\$ 196,539
Installment purchase contracts	-	315,000	-	315,000	45,000
OPEB accrued liability	1,933,281	-	(139,520)	1,793,761	-
Compensated absences	242,203	205,873	(246,083)	201,993	141,395
Total	6,579,547	520,873	(582,142)	6,518,278	382,934
Managed by the Commission:					
Revenue bonds	79,645,700	-	(7,509,301)	72,136,399	7,735,400
Other types of debt	36,029,680	6,179,392	(3,720,151)	38,488,921	3,279,445
Discounts and premiums	997,405	-	(108,689)	888,716	-
OPEB	9,959,695	890,330	-	10,850,025	-
Compensated absences	1,842,591	3,120,797	(3,069,325)	1,894,063	1,612,362
Total	128,475,071	10,190,519	(14,407,466)	124,258,124	12,627,207
Total business-type activities	\$ 135,054,618	\$ 10,711,392	\$ (14,989,608)	\$ 130,776,402	\$ 13,010,141

The net pension obligation typically has been liquidated by the General Fund. Compensated absences typically have been liquidated in the General Fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. The City has also issued revenue bonds and pledges the income derived from the acquired or constructed assets to pay debt service.

General Fund Obligation Bonds:	Governmental Funds	Enterprise Funds
Serviced by the City:		
1998 Public Improvement, Series 1998, \$3,525,00 original issue, due in semi-annual installments of \$100,000 to \$300,000 through 2017, plus interest from 4.3% to 4.5%	\$ 725,000	\$ -
2003 Public Improvement, Series 2003, \$1,250,000 original issue, due in annual installments of \$65,000 to \$70,000 through 2021, plus interest from 3.0% to 4.5%	480,000	-
2006 Public Improvement, Series 2006, \$12,715,000 original issue, due in annual installments of \$135,000 to \$540,000 through 2031, plus interest from 4.125% to 5.0%	6,287,476	4,207,524
2011 Public Improvement, Series 2011, \$3,225,000 original issue due in annual installments of \$160,000 to \$165,000 through 2031, plus interest from 2.0% to 4.0%	<u>2,730,000</u>	<u>-</u>
Total General Fund obligation bonds	<u><u>\$ 10,222,476</u></u>	<u><u>\$ 4,207,524</u></u>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending	Governmental Funds			Enterprise Funds		
	Principal	Interest	Total	Principal	Interest	Total
June 30						
2015	\$ 828,461	\$ 394,835	\$ 1,223,296	\$ 196,539	\$ 177,339	\$ 373,878
2016	825,467	360,682	1,186,149	194,534	167,562	362,096
2017	783,214	327,059	1,110,273	286,787	155,529	442,316
2018	727,087	296,775	1,023,862	332,913	141,493	474,406
2019	730,082	268,833	998,915	334,919	127,719	462,638
2020-2024	3,589,116	912,679	4,501,795	1,780,884	418,689	2,199,573
2025-2029	2,419,049	246,606	2,665,655	1,080,948	69,039	1,149,987
2030-2031	320,000	12,800	80,178	-	-	-
Totals	<u><u>\$ 10,222,476</u></u>	<u><u>\$ 2,820,269</u></u>	<u><u>\$ 12,790,123</u></u>	<u><u>\$ 4,207,524</u></u>	<u><u>\$ 1,257,370</u></u>	<u><u>\$ 5,002,256</u></u>

Special Obligation Revenue Bonds: A summary of the City’s special obligation revenue bonds is as follows:

2011 Refunding Special Obligation Revenue Bonds, \$4,290,000 original issue, due in annual installments of \$325,000 to \$490,000 through 2021, plus interest at 2.89%	<u>\$ 3,165,000</u>
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Annual debt service requirements to maturity for the City's special obligation revenue bonds are as follows:

Year Ending	Principal	Interest	Total
June 30			
2015	\$ 420,000	\$ 85,400	\$ 505,400
2016	425,000	73,189	498,189
2017	440,000	60,690	500,690
2018	450,000	47,830	497,830
2019	465,000	34,608	499,608
2020-2021	965,000	28,104	993,104
Total	<u>\$ 3,165,000</u>	<u>\$ 329,821</u>	<u>\$ 3,494,821</u>

The City has pledged net occupancy tax revenues and other replacement revenues to repay these revenue bonds, of which \$3,165,000 is currently outstanding. Proceeds from the bonds refinanced the previous 2001 Series Bonds, for which the proceeds were for the construction, furnishing, and equipping of a Convention Center. The bonds are payable solely from proceeds from Occupancy Tax Collections and are payable through 2021. Annual principal and interest payments on the debt are expected to require 4% of gross Occupancy Tax. The total principal and interest remaining to be paid on the bonds is \$3,494,821. Principal and interest paid for the current year refunded bonds, debt service revenues from occupancy tax, and total Occupancy Tax were \$508,173, \$1,111,478, and \$1,689,561, respectively.

Installment purchase contracts: A summary of the installment purchase contracts serviced by the City is as follows:

Governmental Activities:	
2012 Installment Purchase Contract, \$19,950,000 original issue, due in semi-annual installments of \$500,000 to \$1,040,000 through 2025, plus interest at 1.59%	\$ 15,600,000
2012 Installment Purchase Contract, \$2,591,372 original issue, due in quarterly installments of \$29,987 to \$61,004 through 2029, plus interest at 2.42%	2,594,499
2013 Installment Purchase Contract, \$4,997,546 original issue, due in semi-annual installments of \$169,292 to \$255,014 through 2029, plus interest at 3.25%	<u>4,997,546</u>
Total governmental activities	<u>\$ 23,192,045</u>
Business-Type Activities:	
Sanitation Fund:	
2013 Installment Purchase Contract, \$315,000 original issue, due in semi-annual installments of \$45,000 to \$51,831 through 2020, plus interest at 2.53%	<u>\$ 315,000</u>

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Annual debt service requirements to maturity for the City's installment purchase contracts are as follows:

Year Ending	Governmental Activities			
	June 30	Principal	Interest	Total
2015	\$	2,497,604	\$ 452,320	\$ 2,949,924
2016		2,464,554	399,280	2,863,834
2017		2,371,752	354,561	2,726,313
2018		2,324,205	310,777	2,634,982
2019		2,276,922	267,647	2,544,569
2020-2023		6,960,414	342,898	7,303,312
2024-2028		3,841,786	91,404	3,933,190
2029		454,808	1,105	455,913
Total	\$	<u>23,192,045</u>	\$ <u>2,219,992</u>	\$ <u>25,412,037</u>

Year Ending	Business-Type Activities			
	June 30	Principal	Interest	Total
2015	\$	45,000	\$ 6,831	\$ 51,831
2016		45,000	5,693	50,693
2017		45,000	4,554	49,554
2018		45,000	3,416	48,416
2019		45,000	2,277	47,277
2020-2023		90,000	1,139	91,139
Total	\$	<u>315,000</u>	\$ <u>23,910</u>	\$ <u>338,910</u>

Debt Serviced by the Electric Fund

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Electric Fund. The Utilities Commission has pledged future electric customer revenues and other unrestricted revenues including revenues of the Water, Sewer, and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$19,097,782 is currently outstanding. The bonds are payable solely from net revenues and are payable through FY 2034. Annual principal and interest payments on the bonds are expected to require less than 16 percent of net revenues, or less than 2 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$23,626,998. Principal and interest paid for the current year, total customer net revenues and total revenues were \$2,511,338, \$14,727,844 and \$202,410,467, respectively.

Revenue bonds outstanding at year end are as follows:

Description	Amount
Series 2001 Refunding Revenue Bonds with an original issue amount of \$2,840,154, issued to refund a portion of the Series 1994 Revenue Bonds, due in annual installments with varying interest rates from 4.25% to 6.0%, final payment will be made on September 1, 2016	\$ 988,401
Series 2005 Revenue Bonds with an original issue amount of \$2,607,909, due in annual installments with an interest rate of 3.43%, final payment will be made on September 1, 2025	1,770,118
Series 2008A Revenue Bonds with an original issue amount of \$3,903,762, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on November 1, 2033	3,903,762
Series 2008A Refunding Revenue Bonds with an original issue amount of \$1,084,583, issued to refund a portion of the Series 1998 Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2018	641,387
Series 2008A Refunding Revenue Bonds with an original issue amount of \$605,347, issued to refund a portion of the Series 2000A Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2020	409,443
Series 2008B Taxable Revenue Bonds with an original issue amount of \$4,130,000, due in annual installments with varying interest rates from 5.3% to 5.78%, final payment will be made on November 1, 2018	2,350,000
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,902,210, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	3,155,808
Series 2013 Refunding Revenue Bonds with an original issue amount of \$283,932 issued to refund the Series 2003B Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2018	207,791
Series 2013 Refunding Revenue Bonds with an original issue amount of \$6,182,959, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027	5,671,072
Total	\$ 19,097,782

Annual debt service requirements to maturity for the Utilities Commission's Electric Fund revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 1,868,062	\$ 644,304	\$ 2,512,366
2016	1,926,492	571,821	2,498,313
2017	1,998,344	494,807	2,493,151
2018	1,699,088	423,946	2,123,034
2019	1,699,311	361,065	2,060,376
2020-2024	5,364,097	1,229,782	6,593,879
2025-2029	2,928,585	604,386	3,532,971
2030-2034	1,613,803	199,105	1,812,908
Total	\$ 19,097,782	\$ 4,529,216	\$ 23,626,998

Other Types of Debt

The Commission utilizes installment purchase contracts to provide financing for the acquisition of heavy equipment for the Electric Fund. Installment purchase contracts are secured by the equipment financed. Installment purchase contracts outstanding at year-end are as follows:

Description	Amount
Series 2010 installment purchase contract with an original loan amount of \$514,460 and an interest rate of 2.56%, due in annual installments with a final payment due on April 26, 2015	\$ 107,933
Series 2011 installment purchase contract with an original loan amount of \$848,231 and an interest rate of 1.97%, due in annual installments with a final payment due on April 18, 2016	348,769
Series 2012 installment purchase contract with an original loan amount of \$834,344 and an interest rate of 1.34%, due in annual installments with a final payment due on May 16, 2015	281,825
Series 2013 installment purchase contract with an original loan amount of \$945,064 and an interest rate of 0.88%, due in annual installments with a final payment due on May 16, 2016	632,799
Total	\$ 1,371,326

Annual debt service requirements to maturity for the Utilities Commission’s Electric Fund installment purchase contracts are as follows:

Year Ending	Principal	Interest	Total
June 30			
2015	\$ 877,440	\$ 19,041	\$ 896,481
2016	493,886	6,297	500,183
Total	\$ 1,371,326	\$ 25,338	\$ 1,396,664

Take or Pay Contract: The Utilities Commission has a long-term take-or-pay all requirements contract with the North Carolina Eastern Municipal Power Agency (NCEMPA) for the delivery of wholesale electric power. NCEMPA is a joint agency formed by 32 municipal entities, including the Utilities Commission, which has ownership interests in two coal-fired and three nuclear-fueled generation plants (initial project). The Utilities Commission, through its agreement with NCEMPA, has the right to 16.1343% of initial project output and is obligated to pay its relative share of operating costs and debt service for the initial project. The Utilities Commission is obligated to pay its share of the operating costs and debt service regardless of the ability of NCEMPA to provide electricity or to meet the Utilities Commission’s need for electricity. This contract constitutes an obligation of the Electric Enterprise Fund to make payments from operating revenues. The Electric Enterprise Fund’s share of this obligation is not recorded as a liability on the accompanying basic financial statements; however, it is included as a component of its power supply expenses. The Utilities Commission’s share of initial project’s debt obligations at June 30, 2014 was approximately \$301.6 million. As of the date of this report, NCEMPA is satisfying its obligations from its own operations and, accordingly, no provision for contingent liability is reported in the Utilities Commission’s financial statements.

The Utilities Commission, together with the other 31 members of NCEMPA, has entered into negotiations with Duke Energy Progress regarding the sale of its ownership interest in the generating plants. The intent of the negotiations is to divest NCEMPA of its ownership interests in the generating plants and to use the proceeds to offset the debt associated with the generating assets. The negotiations were ongoing as of the audit report date.

Debt Serviced by Water Fund

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Water Fund. The Utilities Commission has pledged future water customer revenues and other unrestricted revenues including revenues of the Electric, Sewer and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$22,781,832 is currently outstanding. The bonds are payable solely from net revenues and are payable through FY 2034. Annual principal and interest payments on the bonds are expected to require less than 62 percent of net revenues or less than 21 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,988,686. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$3,358,549, \$5,279,210 and \$16,392,560, respectively.

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Revenue bonds outstanding at year end are as follows:

Description	Amount
Series 2001 Refunding Revenue Bonds with an original issue amount of \$1,538,624, issued to refund a portion of the Series 1994 Revenue Bonds, due in annual installments with varying interest rates from 4.25% to 6.0%, final payment will be made on September 1, 2016	\$ 535,456
Series 2005 Revenue Bonds with an original issue amount of \$1,356,029, due in annual installments with an interest rate of 3.43%, final payment will be made on September 1, 2025	920,405
Series 2008A Refunding Revenue Bonds with an original issue amount of \$2,378,250, issued to refund a portion of the Series 1998 Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2018	1,406,420
Series 2008A Refunding Revenue Bonds with an original issue amount of \$11,924,653, issued to refund a portion of the Series 2000A Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2020	8,065,557
Series 2008A Revenue Bonds with an original issue amount of \$10,641,133, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2033	9,360,073
Series 2010 Refunding Revenue Bonds with an original issue amount of \$1,695,666, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	1,371,325
Series 2013 Refunding Revenue Bonds with an original issue amount of \$141,966, issued to refund the Series 2003B Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2018	103,896
Series 2013 Refunding Revenue Bonds with an original issue amount of \$696,400, issued to refund the 2.55% Drinking Water State Revolving Fund Loan, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2015	229,000
Series 2013 Refunding Revenue Bonds with an original issue amount of \$1,204,100, issued to refund the 2.87% Drinking Water State Revolving Fund Loan, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2018	789,700
Total	<u>\$ 22,781,832</u>

Annual debt service requirements to maturity for the Utilities Commission’s Water Fund revenue bonds are as follows:

Year Ending				
June 30	Principal	Interest	Total	
2015	\$ 2,392,151	\$ 957,217	\$ 3,349,368	
2016	2,236,867	869,547	3,106,414	
2017	2,327,560	774,015	3,101,575	
2018	2,230,679	671,347	2,902,026	
2019	2,104,586	569,800	2,674,386	
2020-2024	5,551,862	1,829,161	7,381,023	
2025-2029	2,714,875	1,116,400	3,831,275	
2030-2034	3,223,252	419,367	3,642,619	
Total	\$ 22,781,832	\$ 7,206,854	\$ 29,988,686	

Other Types of Debt

The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation’s public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and resources, rivers, lakes, reservoirs, springs, and ground water wells. Congress established the Drinking Water State Revolving Fund loan program in the 1996 amendments to provide financial assistance to public water systems to comply with the SDWA. The states are required to provide 20 percent matching funds. To fund drinking water capital projects that protect public health, the State of North Carolina makes loans at one-half of the market rate for a period of up to 20 years.

The Utilities Commission’s drinking water loans outstanding at year end are as follows:

Description	Amount
2.205% Drinking Water State Revolving Fund loan issued in 2004 to finance an inter-basin transfer analysis and the construction of a major water main, \$4,014,597 authorized and \$3,884,913 drawn to date, due in annual installments of \$194,246 with a final payment on May 1, 2030	\$ 3,107,930
2.50% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$460,425 authorized and \$460,425 drawn to date, due in annual installments of \$23,021 with a final payment on May 1, 2033	437,404
2.50% Drinking Water State Revolving Fund loan issued in 2010 to finance the construction of a new water main, \$300,055 authorized and \$269,492 drawn to date, due in annual installments of \$13,475 with a final payment on May 1, 2030	215,594
2.01% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$1,442,000 authorized and \$1,156,160 drawn to date, due in annual installments of \$57,808 with a final payment on May 1, 2033	1,226,921
Total	\$ 4,987,849

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Annual debt service requirements to maturity for the Utilities Commission's Water Fund Drinking Water State Revolving Fund loans are as follows:

Year Ending	Principal	Interest	Total
June 30			
2015	\$ 295,316	\$ 109,516	\$ 404,832
2016	295,316	103,022	398,338
2017	295,316	96,529	391,845
2018	295,316	90,036	385,352
2019	295,316	83,542	378,858
2020-2024	1,476,582	320,308	1,796,890
2025-2029	1,476,582	157,972	1,634,554
2030-2033	558,105	23,355	581,460
Total	\$ 4,987,849	\$ 984,280	\$ 5,972,129

The American Recovery and Reinvestment Act of 2009 (ARRA) was passed by Congress to create and save jobs, spur economic activity and invest in long-term economic growth, and to foster unprecedented levels of accountability and transparency in government spending. A portion of the Recovery funds were distributed to states based on funding formulas. The North Carolina Department of Environment and Natural Resources received over \$65 million to fund drinking water capital projects that protect public health. The State of North Carolina has made these funds available to local governments in the form of principal forgiveness loans and zero percent interest loans through the State Revolving Fund program. The Utilities Commission's ARRA loans outstanding at year-end are as follows:

Description	Amount
ARRA loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$2,942,152 authorized and \$2,942,152 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$73,554 with a final payment on May 1, 2030	\$ 1,176,861
ARRA loan issued in 2009 to partially finance improvements to water storage tank, \$48,982 authorized and \$44,782 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$1,120 with a final payment on May 1, 2031	19,032
Total	\$ 1,195,893

Annual debt service requirements to maturity for the Utilities Commission’s Water Fund ARRA loans are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 74,673	\$ -	\$ 74,673
2016	74,673	-	74,673
2017	74,673	-	74,673
2018	74,673	-	74,673
2019	74,673	-	74,673
2020-2024	373,367	-	373,367
2024-2029	373,367	-	373,367
2030-2031	75,794	-	75,794
Total	\$ 1,195,893	\$ -	\$ 1,195,893

The Utilities Commission utilizes installment purchase contracts to provide financing for the acquisition of heavy equipment for the Water Fund. Installment purchase contracts are secured by the equipment financed. Installment purchase contracts outstanding at year end are as follows:

Description	Amount
Series 2010 installment purchase contract with an original loan amount of \$125,459 and an interest rate of 2.56%, due in annual installments with a final payment due on April 26, 2015	\$ 26,321
Series 2011 installment purchase contract with an original loan amount of \$98,022 and an interest rate of 1.97%, due in annual installments with a final payment due on April 18, 2016	40,304
Series 2012 installment purchase contract with an original loan amount of \$179,575 and an interest rate of 1.34%, due in annual installments with a final payment due on May 16, 2015	60,657
Series 2013 installment purchase contract with an original loan amount of \$123,706 and an interest rate of 0.88%, due in annual installments with a final payment due on May 16, 2016	82,831
Total	\$ 210,113

Annual debt service requirements to maturity for the Utilities Commission’s Water Fund installment purchase contract are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 148,166	\$ 3,017	\$ 151,183
2016	61,947	771	62,718
Total	\$ 210,113	\$ 3,788	\$ 213,901

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Debt Serviced by Sewer Fund

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Sewer Fund. The Utilities Commission has pledged future sewer customer revenues and other unrestricted revenues including revenues of the Electric, Water, and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$23,070,373 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2034. Annual principal and interest payments on the bonds are expected to require less than 46 percent of net revenues, or less than 19 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,857,396. Principal and interest paid for the current year, total customer net revenues and total revenues were \$3,295,143, \$7,184,318 and \$18,023,112, respectively.

Revenue bonds outstanding at year-end are as follows:

Description	Amount
Series 2001 Refunding Revenue Bonds with an original issue amount of \$1,667,119, issued to refund a portion of the Series 1994 Revenue Bonds, due in annual installments with varying interest rates from 4.25% to 6.0%, final payment will be made on September 1, 2016	\$ 580,173
Series 2005 Revenue Bonds with an original issue amount of \$4,036,062, due in annual installments with an interest rate of 3.43%, final payment will be made on September 1, 2025	2,739,477
Series 2008A Refunding Revenue Bonds with an original issue amount of \$4,219,963, issued to refund a portion of the Series 1998 Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2018	2,495,550
Series 2008A Revenue Bonds with an original issue amount of \$10,300,362, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2033	9,199,565
Series 2010 Refunding Revenue Bonds with an original issue amount of \$2,172,644, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	1,757,068
Series 2013 Refunding Revenue Bonds with an original issue amount of \$2,235,254, issued to refund the Series 2003B Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2018	1,635,840
Series 2013 Refunding Revenue Bonds with an original issue amount of \$6,292,200, issued to refund the 2.57% Clean Water State Revolving Fund Loan, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2020	4,662,700
Total	\$ 23,070,373

Annual debt service requirements to maturity for the Utilities Commission’s Sewer Fund revenue bonds are as follows:

Year Ending			
June 30	Principal	Interest	Total
2015	\$ 2,463,051	\$ 814,186	\$ 3,277,237
2016	2,514,104	741,179	3,255,283
2017	2,573,023	661,905	3,234,928
2018	2,419,068	582,353	3,001,421
2019	2,046,302	506,601	2,552,903
2020-2024	4,694,405	1,894,929	6,589,334
2025-2029	3,098,028	1,151,414	4,249,442
2030-2034	3,262,392	434,456	3,696,848
Total	\$ 23,070,373	\$ 6,787,023	\$ 29,857,396

Other Types of Debt

The 1987 amendments to the Federal Clean Water Act replaced the Construction Grants program with the Clean Water State Revolving Fund Program (CWSRF). Under the CWSRF, Congress provides the states with grant funds to establish revolving loan programs to assist in the funding of wastewater treatment facilities and projects associated with estuary and non-point source programs. The states are required to provide 20 percent matching funds. In North Carolina, these funds are made available to units of local government at one-half of the market rate for a period of up to 20 years. The Utilities Commission’s CWSRF loans outstanding at year-end are as follows:

Description	Amount
2.48% Clean Water State Revolving Fund loan issued in 2008 to finance upgrades to the electrical and SCADA systems at the wastewater treatment plant, \$13,851,680 authorized and \$13,317,613 drawn to date, due in annual installments of \$665,881 with a final payment on May 1, 2030	\$ 11,009,303
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$9,241,586 authorized and \$6,505,279 drawn to date, due in annual installments of \$325,264 with a final payment on May 1, 2032	6,627,041
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$13,987,369 authorized and \$6,908,971 drawn to date, due in annual installments of \$345,448 with a final payment on May 1, 2033	11,207,738
Total	\$ 28,844,082

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Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund Clean Water State Revolving Fund loans are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 1,387,945	\$ 619,108	\$ 2,007,053
2016	1,660,997	676,628	2,337,625
2017	1,660,997	635,679	2,296,676
2018	1,660,997	594,730	2,255,727
2019	1,660,997	553,780	2,214,777
2020-2024	8,304,984	2,154,658	10,459,642
2025-2029	8,304,984	1,130,920	9,435,904
2030-2033	4,202,181	218,839	4,421,020
Total	\$ 28,844,082	\$ 6,584,342	\$ 35,428,424

The Utilities Commission entered into an inter-local agreement with the Town of Bethel to provide wastewater treatment services for the Town, which has its own wastewater collection system. The Utilities Commission and the Town of Bethel each financed portions of the infrastructure constructed to connect the Town of Bethel's collection system to the Utilities Commission's system. Under the terms of the inter-local agreement, ownership of the portion of the infrastructure financed by the Town of Bethel was transferred to the Utilities Commission at the time the treatment service began and the Utilities Commission is paying the Town of Bethel for the asset over a term of 20 years. At June 30, 2014, \$1,362,435 of the inter-local agreement remained outstanding. The inter-local agreement carries an effective interest rate of 5.53% and is payable in annual installments of \$151,382 with a final principal payment on May 1, 2023.

Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund inter-local agreement are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 151,382	\$ 102,763	\$ 250,453
2016	151,382	99,071	246,761
2017	151,382	95,379	243,069
2018	151,382	91,687	239,377
2019	151,382	87,995	235,685
2020-2024	605,525	322,285	927,810
Total	\$ 1,362,435	\$ 799,180	\$ 2,143,155

The Utilities Commission utilizes installment purchase contracts to provide financing for the acquisition of heavy equipment for the Sewer Fund. Installment purchase contracts are secured by the equipment financed. Installment purchase contracts outstanding at year-end are as follows:

Description	Amount
Series 2010 installment purchase contract with an original loan amount of \$297,034 and an interest rate of 2.56%, due in annual installments with a final payment due on April 26, 2015	\$ 62,318
Series 2011 installment purchase contract with an original loan amount of \$180,653 and an interest rate of 1.97%, due in annual installments with a final payment due on April 18, 2016	74,279
Series 2012 installment purchase contract with an original loan amount of \$101,055 and an interest rate of 1.34%, due in annual installments with a final payment due on May 16, 2015	34,134
Series 2013 installment purchase contract with an original loan amount of \$147,377 and an interest rate of 0.88%, due in annual installments with a final payment due on May 16, 2016	98,681
Total	\$ 269,412

Annual debt service requirements to maturity for the Utilities Commission’s Sewer Fund installment purchase contract are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 182,350	\$ 4,398	\$ 186,748
2016	87,062	1,182	88,244
Total	<u>\$ 269,412</u>	<u>\$ 5,580</u>	<u>\$ 274,992</u>

Debt Serviced by Gas Fund

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion, and improvement projects within the Gas Fund. The Utilities Commission has pledged future gas customer revenues and other unrestricted revenues including revenues of the Electric, Water, and Sewer Funds, net of specified operating expenses, to repay revenue bonds, of which \$7,186,412 is currently outstanding. The bonds are payable solely from net revenues and are payable through FY 2034. Annual principal and interest payments on the bonds are expected to require less than 25 percent of net revenues, or less than 4 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$8,318,749. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,223,273, \$4,952,390, and \$35,528,190, respectively.

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Revenue bonds outstanding at year end are as follows:

Description	Amount
Series 2001 Refunding Revenue Bonds with an original issue amount of \$2,244,103, issued to refund a portion of the Series 1994 Revenue Bonds, due in annual installments with varying interest rates from 4.25% to 6.0%, final payment will be made on September 1, 2016	\$ 780,969
Series 2008A Refunding Revenue Bonds with an original issue amount of \$1,237,204, issued to refund a portion of the Series 1998 Revenue Bonds, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2018	871,600
Series 2008 A Revenue Bonds with an original issue amount of \$1,029,743, due in annual installments with varying interest rates from 3.5% to 5.0%, final payment will be made on November 1, 2033	731,642
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,234,480, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	2,615,799
Series 2013 Refunding Revenue Bonds with an original issue amount of \$1,123,849, issued to refund the Series 2003B Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2018	822,473
Series 2013 Refunding Revenue Bonds with an original issue amount of \$1,487,041, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027	1,363,929
Total	\$ 7,186,412

Annual debt service requirements to maturity for the Utilities Commission's Gas Fund revenue bonds are as follows:

Year Ending	Principal	Interest	Total
June 30			
2015	\$ 1,012,136	\$ 212,506	\$ 1,224,642
2016	1,041,536	178,175	1,219,711
2017	1,077,473	141,270	1,218,743
2018	819,965	110,333	930,298
2019	628,602	86,942	715,544
2020-2024	1,757,636	249,332	2,006,968
2025-2029	548,512	114,707	663,219
2030-2034	300,552	39,072	339,624
Total	\$ 7,186,412	\$ 1,132,337	\$ 8,318,749

Other Types of Debt (Commission)

The Utilities Commission utilizes installment purchase contracts to provide financing for the acquisition of heavy equipment for the Gas Fund. Installment purchase contracts are secured by the equipment financed. Installment purchase contracts outstanding at year-end are as follows:

Description	Amount
Series 2010 installment purchase contract with an original loan amount of \$334,828 and an interest rate of 2.56%, due in annual installments with final payment due on April 26, 2015	\$ 70,247
Series 2011 installment purchase contract with an original loan amount of \$180,474 and an interest rate of 1.97% due in annual installments with a final payment due on April 18, 2016	74,206
Series 2012 installment purchase contract with an original loan amount of \$22,026 and an interest rate of 1.34%, due in annual installments with a final payment due on May 16, 2015	7,440
Series 2013 installment purchase contract with an original loan amount of \$143,251 and an interest rate of 0.88%, due in annual installments with a final payment due on May 16, 2016	95,918
Total	<u>\$ 247,811</u>

Annual debt service requirements to maturity for the Utilities Commission’s Gas Fund installment purchase contract are as follows:

Year Ending	Principal	Interest	Total
June 30			
2015	\$ 162,174	\$ 4,217	\$ 166,391
2016	85,637	1,169	86,806
Total	<u>\$ 247,811</u>	<u>\$ 5,386</u>	<u>\$ 253,197</u>

Rate Covenants (Commission)

The Utilities Commission's debt issuances are authorized and secured by the Bond Order adopted on August 11, 1994, and amended and restated as of April 13, 2000. Section 501 of the Bond Order contains covenants as to rates, fees, and charges and requires the debt service coverage ratio to be no less than 125% for parity indebtedness (revenue bonds) and no less than 100% for other types of debt. The Utilities Commission has been in compliance with the covenants contained in Section 501 of the Bond Order since its adoption. The debt service coverage ratio calculation for the fiscal year ended June 30, 2014 is as follows:

Operating revenues	\$ 270,771,936
Operating expenses ¹	<u>(238,628,174)</u>
Operating income	32,143,762
Non-operating revenues (expenses)	
Miscellaneous revenue ²	1,379,350
Interest income ²	<u>203,043</u>
Income available for debt service	<u>\$ 33,726,155</u>
Parity debt service (principal and interest paid)	<u>\$ 10,388,303</u>
Parity debt service coverage ratio	<u>325%</u>
Subordinate and other debt service (principal and interest paid)	<u>\$ 4,746,418</u>
Total subordinate and other debt service coverage ratio	<u>492%</u>
¹ Excludes depreciation expense of \$18,181,426 and unfunded OPEB expenses of \$890,330 in accordance with rate covenants.	
² Excludes restricted revenues and revenues received in the capital projects funds in accordance with rate covenants.	

Arbitrage (Commission)

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the Utilities Commission must rebate to the Federal government "arbitrage profits" earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At June 30, 2014, the Utilities Commission had no arbitrage liabilities.

Unearned Revenue (Commission)

Unearned revenue totaling \$120,181 in the Water Fund and \$186,180 in the Sewer Fund consists of connection fees that were paid in advance for services that have not yet been installed. The fees paid in advance will be recognized as revenue by the Utilities Commission at the time the service is installed.

The City of Greenville issues any debt required by the Commission. As of June 30, 2014, the legal debt margin for the City was \$334,176,982.

Net Investment in Capital Assets

Net investment in capital assets, at June 30, 2014 is computed as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net of accumulated depreciation	\$ 175,073,403	\$ 368,269,052
Less capital debt:		
Gross debt	36,579,521	116,036,560
Less:		
Unamortized bond refunding charges	(1,076,346)	(1,166,979)
Unexpended debt proceeds	(5,198,726)	(4,607,034)
Net capital debt	<u>30,304,449</u>	<u>110,262,547</u>
Capital assets, net of related debt	<u>\$ 144,768,954</u>	<u>\$ 258,006,505</u>

Interfund Balances and Activity

Due to/From Other Funds

Balances due to/from other funds at June 30, 2014 consist of the following:

	<u>Payable Fund</u>							
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Major Electric Enterprise Fund</u>	<u>Major Water Enterprise Fund</u>	<u>Major Sewer Enterprise Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service Funds</u>	
Receivable Fund								
General Fund	\$ -	\$ 707,704	\$ 73,864	\$ 17,499	\$ 17,499	\$ 667,987	\$ 781,082	\$ 2,265,635
Major Electric Enterprise Fund	118,162	-	-	-	-	-	-	118,162
Internal service funds	-	3,572	-	-	-	-	-	3,572
Total	<u>\$ 118,162</u>	<u>\$ 711,276</u>	<u>\$ 73,864</u>	<u>\$ 17,499</u>	<u>\$ 17,499</u>	<u>\$ 667,987</u>	<u>\$ 781,082</u>	<u>\$ 2,387,369</u>

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Interfund Transfers

Transfers to/from other funds at June 30, 2014 consist of the following:

Transfers In	Transfers Out						Total
	Major General Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Major Electric	Major Gas	Internal Service Funds	
Major General Fund	\$ -	\$ 1,815,914	\$ 104,920	\$ 4,833,702	\$ 1,246,578	\$ -	\$ 8,001,114
Nonmajor governmental funds	7,085,500	939,990	-	-	-	-	8,025,490
Nonmajor enterprise funds	588,487	-	-	-	-	-	588,487
Internal service funds	783,044	-	-	-	-	-	783,044
Total	\$ 8,457,031	\$ 2,755,904	\$ 104,920	\$ 4,833,702	\$ 1,246,578	\$ -	\$ 17,398,135

Transfers consisted primarily of transfers from the Electric Fund and Gas Fund to the General Fund for turnover and street lighting; transfers from the General Fund to nonmajor governmental funds to cover operating, debt service, and capital expenditures by those funds; transfers from the General Fund to the nonmajor enterprise funds and Internal Service Fund for operations; transfers from the nonmajor enterprise funds to nonmajor governmental funds for storm water repairs; and transfers from the nonmajor governmental funds and nonmajor enterprise funds to the General Fund and to cover capital expenditures. The General Fund transferred \$2,500,000 during the year to establish a capital project fund for the new ERP System Installation. Other transfers into the General Fund from Capital Project funds were to close projects out for the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To mitigate the financial impact of any losses, the City has established a program to manage its financial risks through a self-funded arrangement in combination with purchased insurance. Liability exposures and workers' compensation claims are addressed in the self-funded program. Excess insurance (specific stop-loss coverage) is purchased through third-party sources to cover catastrophic losses that exceed our self-insured retention funding. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in the past three fiscal years. Commercial coverage is carried by the City for property and liability coverage. The City's retention is on a per claim basis as follows:

Coverages	Liability Coverage Limits
Blanket property and personal property	\$ 77,494,695
Crime	4,550,000
Excess liability (general, auto, public officials*, law enforcement, firefighters, errors and omission, employer's liability)	6,000,000
Workers' compensation	Statutory
Workers' compensation employers' liability	1,000,000
Public officials' legal liability	250,000
Public employees' blanket bond	1,000,000
Public officials' bonds – Director of Financial Services	250,000

*An additional policy is offered for public officials. It falls under the excess liability, which has \$250,000 retention and a coverage limit of \$5,000,000.

Due to the City being in an area close to a river, it is susceptible to flood damage; therefore, the City carries flood insurance through American Bankers Company for two of its off-site locations. The City has coverage of \$500,000 on the building and \$172,000 on the contents, deductible of \$5,000 at River Park North. Coverage is also maintained at the Bradford Creek Golf Course at \$500,000 on the clubhouse and \$150,000 on the contents. Premiums for both locations are \$2,679

The City and Commission expanded its risk management program to account for and finance its uninsured risk of a loss in health insurance. Under this program the City and Commission fund coverage up to a maximum of \$250,000 per person per year. The City purchases commercial insurance for amounts incurred in excess of the self-funded claims limits. The City and the Commission participate in this program and make payments to CIGNA Healthcare of North Carolina, Inc., the third-party administrator, based on the actuary estimates of the amounts needed to pay claims and to establish a reserve for catastrophic losses. Amounts withheld from employees and the City's operating funds are available to pay claims, claims reserve, and the administrative costs of the program.

For the City (except for Commission), the claims liability of \$1,569,400 reported in the Health Insurance Internal Service Fund at June 30, 2014 is based upon the requirements of Government Accounting Standards Board Statement No. 10, which requires that the liability for claims be reported if information prior to the issuance of the financial statements indicate it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims liability since inception are as follows:

	2014	2013
Unpaid claims, beginning	\$ 1,834,800	\$ 932,000
Incurred claims and administrative costs	10,428,905	12,704,716
Claim and administrative payments	(9,089,072)	(11,801,916)
Unpaid claims, ending	<u>\$ 3,174,633</u>	<u>\$ 1,834,800</u>

For the Commission, the medical claims liability of \$596,152 at June 30, 2014 is based upon the requirements of Government Accounting Standards Board Statement No. 10, which requires that the liability for claims be reported if information prior to the issuance of the financial statements indicate it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the balances of medical claims liabilities during the fiscal years ended June 30, 2014 and 2013 are as follows:

	2014	2013
Unpaid claims, beginning	\$ 766,000	\$ 666,000
Incurred claims	4,479,634	5,103,734
Claim payments	(4,649,482)	(5,003,734)
Unpaid claims, ending	<u>\$ 596,152</u>	<u>\$ 766,000</u>

Risk management (Commission): The Commission is exposed to various risks of loss. The Commission carries commercial coverage for these risks of loss. Through this coverage, the Commission obtains general liability and auto liability coverage of \$1 million per occurrence with a general aggregate of \$3 million, property coverage up to \$227 million for real and personal property, workers' compensation coverage up to the statutory limits, and umbrella liability of \$10 million.

The Commission carries flood insurance on certain properties considered to be at risk for loss due to flooding. This coverage is underwritten by the National Flood Insurance Program.

Workers' compensation, general liability, and auto liability: A limited risk management program to provide workers' compensation benefits to City employees is accounted for in the General Fund. The General Fund is reimbursed premium costs by other funds. The interfund premiums are based upon the claims experience of the insured funds and are used to reduce the amount of claims expenditure reported in the General Fund. An excess coverage insurance policy provides for individual claims in excess of \$600,000. The program is accounted for in the General Fund, and premium costs are reimbursed by other funds. The "commercial general liability" and the "auto liability protection" are part of the excess liability policy.

Total reserves are \$224,783.

	<u>2014</u>	<u>2013</u>
Unpaid claims, beginning	\$ 185,505	\$ 490,502
Incurred claims and administrative costs	185,733	334,408
Claim and administrative payments	(146,455)	(639,405)
Unpaid claims, ending	<u>\$ 224,783</u>	<u>\$ 185,505</u>

All reserves and estimated claims reported, but not paid, are accrued and reported within the General Fund.

Fidelity bonding of finance officer and tax collector: In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The Finance Officer for the City of Greenville and the Tax Collector for Pitt County are bonded for \$250,000 each. For all other individuals who handle or have in their custody more than \$100 of the City's funds at any time, or who have access to inventories for the City, are bonded under a blanket bond of \$250,000 per incident.

The Commission's employees that have access to \$100 or more at any given time of the Commission's funds are bonded under a blanket bond for \$500,000. The Chief Financial Officer is individually bonded for \$50,000.

Note 4. On-Behalf Payments for Fringe Benefits and Salaries

For the fiscal year ended June 30, 2014, the City of Greenville has recognized on-behalf payments for pension contributions made by the State as a revenue and an expenditure of \$19,317 for the 54 employed firemen who perform firefighting duties for the City's fire department. The employees elected to be members of the Firemen and Rescue Worker's Pension Fund, a cost-sharing, multiple-employer public employee retirement system established and administered by the State of North Carolina. The Plan is funded by a \$10 monthly contribution paid by each member, investment income, and a State appropriation.

Also, the City has recognized as a revenue and an expenditure, on-behalf payments for fringe benefits and salaries of \$12,396 for the salary supplement and stipend benefits paid to eligible firemen by the local Board of Trustees of the Firemen's Relief Fund during the fiscal year ended June 30, 2014. Under State law the local Board of Trustees for the Fund receives an amount each year, which the Board may use at its own discretion for eligible firemen or their departments.

Note 5. Jointly Governed Organizations

Pitt-Greenville Convention and Visitors Authority: The City Council appoints five members of the eleven-member Board of the Pitt-Greenville Convention and Visitors Authority (the "Authority"). The City's accountability is to approve the annual budget along with Pitt County. The City does not contribute funds to the Authority. The Authority's operating funds are derived from a hotel and motel occupancy tax levied by Pitt County. The City has no other fiscal responsibility for the Authority.

North Carolina Eastern Municipal Power Agency: The City, in conjunction with 32 other local governments, is a member of the North Carolina Eastern Municipal Power Agency (the "Agency"). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation, and transmission facilities. Each participating government appoints one commissioner to the Agency's governing Board. The 32 members who receive power from the Agency have signed power sales agreements to purchase a specified share of the power generated by the

Agency. The Greenville Utilities Commission has the right to 16.13% of the combined generating capacity of the agency and is obligated to pay its relative share of the agency's debt. This contract constitutes an obligation of our Enterprise Fund, the Greenville Utilities Commission, to make debt service payments from operating revenues. It is not included as an obligation, but is included as a component of its power supply expenses. The Commission's share of the Agencies debt at June 30, 2014 was approximately \$301.6 million.

Note 6. Joint Ventures

Convention Center: The City is a participant with Pitt County in a joint venture to purchase and develop property to be used as a convention center. Upon dissolution, the assets would be shared in proportion to each sponsor's original contribution. The City's initial contribution totaled \$1,200,000 which represents three-fifths of the total contribution. In April 2003, the City issued \$6.8 million of Special Obligation Revenue Bonds for the construction of the Convention Center. The balance of \$4,292,944 of the bonds was refunded during fiscal year 2012 to a lower interest rate. This debt will be repaid through the collection of hotel and motel occupancy tax. Other than the repayment of the debt, the City has no responsibility for the operations of the Center. The Convention Center opened in May 2003 and is operated by an independent management firm. Pitt County, not the City, is responsible for the operating and maintenance costs of the Center.

Pitt-Greenville Airport Authority: The City is a participant with Pitt County (the "County") and other participants in a joint venture to operate Pitt-Greenville Airport Authority (the "Authority") for the joint benefit of all participants. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor's original contribution. The City's initial contribution totaled \$3,250 which represents one-half of the total contribution. The Authority is governed by an eight-member Board; four from the City and four from the County. All participants are obligated to contribute funds on an annual basis, as needed, to enable the Authority to operate the airport. The City contributed \$36,330 to the Authority during the fiscal year ended June 30, 2014. The City has a fifty percent equity interest in the joint venture; therefore, an equity interest of \$19,549,525 has been reflected in the government-wide financial statements at June 30, 2014. Complete financial statements for the Authority can be obtained from the Authority's Administrative Office at Airport Road, P.O. Box 671, Greenville, North Carolina, 27835.

Note 7. Related Organizations

Greenville Housing Authority: The Mayor appoints the seven-member Board of the Greenville Housing Authority. The City's accountability does not extend beyond making these appointments.

Note 8. Claims and Judgments

At June 30, 2014, the City, including the Commission, was a defendant to various lawsuits. In the opinion of the City's management and the City attorney, the ultimate effect of these legal matters will not have a material adverse effect on the City's financial position.

Note 9. Federal and State Assisted Programs

The City has received proceeds from several Federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Note 10. Prior Period Adjustment

Prior year errors were discovered in the Vehicle Replacement Internal Service Fund accumulated depreciation balance. The effect of such errors resulted in an overstatement of capital assets in the prior year by \$3,149,534. As of June 30, 2014, net position for the Vehicle Replacement Internal Service Fund has been restated by \$3,149,534.



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REQUIRED SUPPLEMENTAL STATEMENTS

FY 2014 Comprehensive Annual Financial Report



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Schedule A-1

CITY OF GREENVILLE, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/ b)	Covered Payroll c	UAAL as a Percentage Covered Payroll (b - a) /c
12/31/2013	\$ -	\$ 5,105,153	\$ 5,105,153	0.00%	\$ 10,225,560	49.93%
12/31/2012	-	4,945,095	4,945,095	0.00%	10,000,760	49.45%
12/31/2011	-	4,637,204	4,637,204	0.00%	10,091,048	45.95%
12/31/2010	-	4,451,753	4,451,753	0.00%	10,542,874	42.23%
12/31/2009	-	4,960,374	4,960,374	0.00%	10,274,344	48.28%
12/31/2008	-	3,766,789	3,766,789	0.00%	9,205,403	40.92%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2014	\$ 541,383	59.51%
2013	511,717	63.14%
2012	491,169	57.62%
2011	521,156	59.13%
2010	396,315	75.95%
2009	357,105	85.00%

Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest valuation follows:

Valuation date	12/31/2013	
Actuarial cost method	Projected unit credit	
Amortization method	Level dollar closed	
Remaining amortization period	17 years	
Asset valuation method	Market value	
Actuarial assumptions:		
Investment rate of return *	5.00%	* Includes inflation at 3.00%
Projected salary increases *	4.25% - 7.85%	
Cost of living adjustments	N/A	

CITY OF GREENVILLE, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS – CITY PLAN
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit		Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
		Actuarial Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)			
12/31/2013	\$ 2,257,955	\$ 35,843,760	\$ 33,585,805	6.30%	\$ 36,818,894	91.20%
12/31/2011	1,137,911	32,964,864	31,826,953	3.50%	37,453,447	85.00%
12/31/2009	542,117	39,371,279	38,829,162	1.40%	37,779,784	102.80%
12/31/2008	250,000	43,474,907	43,224,907	0.60%	35,295,193	122.50%
12/31/2007	-	48,322,035	48,322,035	0.00%	32,836,798	147.20%
12/31/2005	-	47,415,875	47,415,875	0.00%	29,022,160	163.40%

Schedule of Employer Contributions

Year Ended June 30	Annual	
	Required Contribution	Percentage Contributed
2014	\$ 3,093,128	62.91%
2013	3,449,243	33.73%
2012	3,449,243	58.41%
2011	3,324,572	31.52%
2010	3,921,273	16.54%
2009	3,712,651	16.08%

Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest valuation follows:

Valuation date	12/31/2013	
Actuarial cost method	Projected unit credit	
Amortization method	Level percent of pay closed	
Remaining amortization period	28 years	
Asset valuation method	Market value	
Actuarial assumptions:		
Investment rate of return *	7.00%	* Includes inflation at 3.00%
Medical cost trend rate	7.75% - 5.00%	
Year of ultimate trend rate	2019	

Schedule A-3

CITY OF GREENVILLE, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS – GREENVILLE UTILITIES COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2013	\$ 1,350,501	\$ 21,018,546	\$ 19,668,045	6.40%	\$ 22,816,616	86.20%
12/31/2012	815,597	21,180,825	20,365,228	3.85%	23,730,460	85.82%
12/31/2011	446,178	20,924,265	20,478,087	2.13%	24,081,113	85.04%
12/31/2009	-	30,330,748	30,330,748	0.00%	23,104,504	131.28%
12/31/2008	-	31,995,113	31,995,113	0.00%	22,345,440	143.18%
12/31/2005	-	35,860,373	35,860,373	0.00%	19,489,354	184.00%

Schedule of Employer Contributions

Year Ending June 30	Annual Required Contribution	Percentage Contributed
2014	\$ 1,779,995	57.87%
2013	1,769,981	56.55%
2012	2,395,223	47.63%
2011	2,308,649	57.30%
2010	2,512,284	28.44%
2009	2,512,284	17.39%
2008	3,229,052	12.72%

Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest valuation follows.

Valuation date	12/31/2013	
Actuarial cost method	Projected unit credit	
Amortization method	Level percentage of pay, closed	
Remaining amortization period	28 years	
Amortization factor	17.5451	
Asset valuation method	Market value of assets	
Actuarial assumptions:		
Investment rate of return*	7.00%	* Includes inflation at 3.00%
Medical trend assumptions:		
Pre-Medicare trend rate	7.75% - 5.00%	
Post-Medicare trend rate	5.75% - 5.00%	
Year of ultimate trend rate	2019	

Schedule A-4

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF AD VALOREM TAXES RECEIVABLE
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014**

<u>Fiscal Year</u>	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2014</u>
2014-2013	\$ -	\$ 31,657,568	\$ 31,205,438	\$ 452,130
2013-2012	809,946	-	549,362	260,584
2012-2011	240,052	-	94,630	145,422
2011-2010	145,722	-	32,433	113,289
2010-2009	110,323	-	15,571	94,752
2009-2008	116,495	-	7,649	108,846
2008-2007	80,671	-	4,728	75,943
2007-2006	93,428	-	6,386	87,042
2006-2005	71,068	-	2,995	68,073
2005-2004	68,516	-	1,784	66,732
2004-2003	80,530	-	80,530	-
	<u>\$ 1,816,751</u>	<u>\$ 31,657,568</u>	<u>\$ 32,001,506</u>	<u>1,472,813</u>
Less: Allowance for uncollectible accounts - General Fund				<u>835,120</u>
Ad Valorem Taxes Receivable Net - General Fund				<u>\$ 637,693</u>
<u>Reconciliation with Revenues:</u>				
Ad Valorem Taxes - General Fund				\$ 32,255,697
Reconciling Items:				
Amount written off per statute				(80,530)
Interest collected				(255,602)
Tax Refunds				-
Discounts				-
Miscellaneous				81,941
Total collections and credits				<u>\$ 32,001,506</u>

Schedule A-5

CITY OF GREENVILLE, NORTH CAROLINA

**ANALYSIS OF CURRENT TAX LEVY
CITY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2014**

	City-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 6,165,392,852	0.52	\$ 32,060,043	\$ 27,454,154	\$ 4,605,889
Penalties	-		14,174	14,174	-
Total	<u>6,165,392,852</u>		<u>32,074,217</u>	<u>27,468,328</u>	<u>4,605,889</u>
Discoveries:					
Current year taxes	7,712,983	0.52	40,107	39,394	713
Penalties	-		1,845	1,845	-
Total	<u>7,712,983</u>		<u>41,952</u>	<u>41,239</u>	<u>713</u>
Abatements	<u>(88,192,542)</u>		<u>(458,601)</u>	<u>(419,852)</u>	<u>(38,749)</u>
Total property valuation	<u>\$ 6,084,913,293</u>				
Net Levy			31,657,568	27,089,715	4,567,853
Uncollected taxes as of June 30, 2014			<u>(452,130)</u>	<u>(265,917)</u>	<u>(186,213)</u>
Current year's taxes collected			<u>\$ 31,205,438</u>	<u>\$ 26,823,798</u>	<u>\$ 4,381,640</u>
Current levy collection percentage			<u>98.57%</u>	<u>99.02%</u>	<u>95.92%</u>
Prior year collection percentage			<u>97.18%</u>	<u>98.79%</u>	<u>82.80%</u>



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GOVERNMENTAL FUND FINANCIAL STATEMENTS
FY 2014 Comprehensive Annual Financial Report



General Fund

The General Fund accounts for the revenues and expenditures in operating the general government functions of a nonproprietary nature. This fund receives ad valorem tax revenues, state shared revenues, licenses, permits and fees. The major operating activities include general government, police, fire, public works, parks and recreation, as well as other governmental service functions.

CITY OF GREENVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013

	<u>2014</u>		<u>Variance</u> <u>Over/Under</u>	<u>2013</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Ad Valorem Taxes:				
Taxes		\$ 32,506,000		\$ 30,636,793
Interest and penalties		229,021		184,568
Tax discounts		(365,886)		(404,962)
Tax refunds		(113,438)		(140,513)
Total ad valorem taxes	<u>\$ 31,673,302</u>	<u>32,255,697</u>	<u>\$ 582,395</u>	<u>30,275,886</u>
Other Taxes:				
Local options sales tax		5,590,877		5,789,231
Cable TV franchise tax		903,072		919,187
One-half percent sales tax		6,139,987		6,103,784
Medicaid Hold Harmless payment		3,074,050		2,779,426
Rental vehicle - gross receipts		119,582		118,679
Total other taxes	<u>16,023,568</u>	<u>15,827,568</u>	<u>(196,000)</u>	<u>15,710,307</u>
Unrestricted Intergovernmental:				
Other unrestricted revenues		56,620		92,095
Utilities franchise tax		5,413,757		5,441,125
Beer and wine tax		376,811		343,423
Total unrestricted intergovernmental	<u>6,029,578</u>	<u>5,847,188</u>	<u>(182,390)</u>	<u>5,876,643</u>
Restricted Intergovernmental:				
NC DOT traffic control lights		183,737		338,656
Housing Authority Drug Grant		117,076		111,088
Special Federal, State, and Local Grants		72,465		156,081
Section 104F Planning Grant		389,216		173,862
Law Enforcement Block Grant		2,825		14,939
Other restricted intergovernmental revenue		198,475		247,298
File and Rescue SAFER Grant		-		155,288
Powell Bill – State allocation payment		2,265,848		2,364,198
Total restricted intergovernmental	<u>3,835,281</u>	<u>3,229,642</u>	<u>(605,639)</u>	<u>3,561,410</u>
Licenses, Permits, and Fees:				
Privilege licenses		488,325		601,335
Inspection fees		769,488		776,267
State fire protection		393,938		396,706
Planning department fees		96,606		82,388
Police department fees		299,768		337,141
Fire and rescue department fees		169,824		169,780
Other permits and fees		70,590		93,311
Total licenses, permits, and fees	<u>2,685,397</u>	<u>2,288,539</u>	<u>(396,858)</u>	<u>2,456,928</u>

CITY OF GREENVILLE, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Sales and Services:				
Rescue fees		3,099,049		3,263,257
Recreation department programs and fees		1,106,914		1,138,645
Utilities street cuts		180,267		189,900
Rents and concessions		216,188		210,832
Other sales and services		578,031		681,716
Total sales and services	5,749,380	5,180,449	(568,931)	5,484,350
Investment earnings	1,416,062	457,877	(958,185)	62,362
Other Revenues:				
Parking violation penalty		187,362		192,902
Other revenues		1,197,621		602,692
Total other revenues	1,526,172	1,384,983	(141,189)	795,594
Total Revenues	68,938,740	66,471,943	(2,466,797)	64,223,480
Expenditures:				
General Government:				
Mayor and City Council	388,957	372,245	16,712	297,960
City Manager	1,307,015	1,103,392	203,623	1,003,757
City Clerk	273,769	234,498	39,271	232,301
City Attorney	453,843	431,871	21,972	444,252
Human Resources	2,715,853	2,412,600	303,253	2,147,256
Financial Services	2,390,652	2,207,037	183,615	2,228,036
Information Technology	3,089,753	2,643,615	446,138	2,781,371
Total general government	10,619,842	9,405,258	1,214,584	9,134,933
Public Safety:				
Fire and rescue	13,486,568	12,763,569	722,999	12,518,984
Police	23,220,515	22,878,563	341,952	22,226,337
Total public safety	36,707,083	35,642,132	1,064,951	34,745,321
Public Works:				
Other public works	7,999,519	6,999,407	1,000,112	7,366,992
Streets	1,422,675	1,130,479	292,196	993,730
Total public works	9,422,194	8,129,886	1,292,308	8,360,722
Economic and Physical Development:				
Community development	2,720,039	2,234,844	485,195	1,633,906
Total economic and physical development	2,720,039	2,234,844	485,195	1,633,906

CITY OF GREENVILLE, NORTH CAROLINA
**GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Cultural and Recreational:				
Recreation	7,645,814	7,429,094	216,720	7,111,553
Total cultural and recreational	<u>7,645,814</u>	<u>7,429,094</u>	<u>216,720</u>	<u>7,111,553</u>
Capital outlay	<u>7,134,678</u>	<u>3,590,692</u>	<u>3,543,986</u>	<u>3,785,652</u>
Reimbursement of indirect cost	<u>(1,014,572)</u>	<u>(1,111,218)</u>	<u>96,646</u>	<u>(1,014,572)</u>
Contribution to OPEB trust	<u>350,000</u>	<u>350,000</u>	<u>-</u>	<u>300,000</u>
Total expenditures	<u>73,585,078</u>	<u>65,670,688</u>	<u>7,914,390</u>	<u>64,057,515</u>
Revenues over (under) expenditures	<u>(4,646,338)</u>	<u>801,255</u>	<u>5,447,593</u>	<u>165,965</u>
Other Financing Sources (Uses):				
Transfers from other funds:				
Greenville Utilities Commission turnover	5,704,968	5,359,687	(345,281)	5,037,771
Greenville Utilities Commission, lighting reimbur:	738,495	720,593	(17,902)	695,705
Other funds	1,920,834	1,920,834	-	174,920
Transfers to other funds	(13,066,326)	(8,457,031)	4,609,295	(7,349,834)
Contingency	(747,538)	-	747,538	-
Appropriated fund balance	<u>10,095,905</u>	<u>-</u>	<u>(10,095,905)</u>	<u>-</u>
Total other financing sources (uses)	<u>4,646,338</u>	<u>(455,917)</u>	<u>(5,102,255)</u>	<u>(1,441,438)</u>
Net change in fund balance	<u>\$ -</u>	<u>345,338</u>	<u>\$ 345,338</u>	<u>(1,275,473)</u>
Fund Balance:				
Fund balance, beginning of year – July 1		<u>31,067,209</u>		<u>32,342,682</u>
Fund balance, end of year – June 30		<u>\$ 31,412,547</u>		<u>\$ 31,067,209</u>



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NON-MAJOR GOVERNMENTAL FUNDS

FY 2014 Comprehensive Annual Financial Report



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Schedule B-1

CITY OF GREENVILLE, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014**

	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total
Assets:				
Cash and cash equivalents	\$ 1,265,700	\$ 442,800	\$ 6,972,435	\$ 8,680,935
Accounts receivable, net	732,850	-	350,460	1,083,310
Interest receivable	1,636	-	-	1,636
Due from other governments	45,697	-	-	45,697
Prepaid items and deposits	52,817	-	-	52,817
Restricted cash and investments	135,507	-	5,198,726	5,334,233
Total assets	<u>\$ 2,234,207</u>	<u>\$ 442,800</u>	<u>\$ 12,521,621</u>	<u>\$ 15,198,628</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 108,974	\$ -	\$ 493,192	\$ 602,166
Advances from grantors	167,842	-	270,782	438,624
Due to other funds	448,750	-	262,526	711,276
Total liabilities	<u>725,566</u>	<u>-</u>	<u>1,026,500</u>	<u>1,752,066</u>
Deferred Inflows of Resources:				
Loans receivable	403,107	-	344,826	747,933
Total deferred inflows of resources:	<u>403,107</u>	<u>-</u>	<u>344,826</u>	<u>747,933</u>
Fund Balances:				
Nonspendable:				
Prepaid items	52,817	-	-	52,817
Restricted:				
Stablization by State statute	377,076	-	5,634	382,710
Restricted for general government	-	-	84,163	84,163
Restricted for economic development	-	-	5,198,726	5,198,726
Restricted for culture and recreation	101,599	-	-	101,599
Committed:				
Comitted for general government	-	-	1,979,076	1,979,076
Committed for cultural and recreational	-	-	619,909	619,909
Committed for public safety	-	-	139,764	139,764
Committed for economic development	277,230	-	2,731,152	3,008,382
Committed for capital outlays	-	-	656,255	656,255
Committed for debt service	-	442,800	-	442,800
Assigned:				
Assigned for subsequent year's expenditures	36,117	-	-	36,117
Assigned for cultural and recreational	485,780	-	-	485,780
Unassigned	(225,085)	-	(264,384)	(489,469)
Total fund balances	<u>1,105,534</u>	<u>442,800</u>	<u>11,150,295</u>	<u>12,698,629</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,234,207</u>	<u>\$ 442,800</u>	<u>\$ 12,521,621</u>	<u>\$ 15,198,628</u>

CITY OF GREENVILLE, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Revenues:				
Other taxes	\$ -	\$ 565,728	\$ 279,053	\$ 844,781
Restricted intergovernmental	2,430,144	-	764,537	3,194,681
Investment earnings	1,271	143	3,299	4,713
Other revenues	290,250	-	40,010	330,260
Total revenues	<u>2,721,665</u>	<u>565,871</u>	<u>1,086,899</u>	<u>4,374,435</u>
Expenditures:				
Current:				
General government	-	-	926,171	926,171
Cultural and recreational	2,377,141	-	136,438	2,513,579
Public safety	134,870	-	294,967	429,837
Economic and physical development	2,002,599	-	1,153,503	3,156,102
Principal retirement	-	3,341,784	-	3,341,784
Interest and fees	-	894,001	-	894,001
Total expenditures	<u>4,514,610</u>	<u>4,235,785</u>	<u>2,511,079</u>	<u>11,261,474</u>
Revenues over (under) expenditures	<u>(1,792,945)</u>	<u>(3,669,914)</u>	<u>(1,424,180)</u>	<u>(6,887,039)</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	-	4,997,546	4,997,546
Transfers from other funds	1,517,748	3,169,893	3,337,849	8,025,490
Transfers to other funds	(173,063)	-	(2,582,841)	(2,755,904)
Total other financing sources (uses)	<u>1,344,685</u>	<u>3,169,893</u>	<u>5,752,554</u>	<u>10,267,132</u>
Net change in fund balances	(448,260)	(500,021)	4,328,374	3,380,093
Fund Balances:				
Fund balances, beginning of year – July 1	<u>1,553,794</u>	<u>942,821</u>	<u>6,821,921</u>	<u>9,318,536</u>
Fund balances, end of year – June 30	<u>\$ 1,105,534</u>	<u>\$ 442,800</u>	<u>\$ 11,150,295</u>	<u>\$ 12,698,629</u>

Non-Major Special Revenue Funds

Community Development Fund - established to account for United States Department of Housing and Urban Development (HUD) block grant and home program grant proceeds allocated to the City for community development programs.

Sheppard Memorial Library - established to account for funds to provide the residents of the City of Greenville and Pitt County with a free public library.

Housing Trust Fund - established to account for Department of Housing and Urban Development (HUD) grant proceeds allocated to the City for distribution as home buyer assistance loans to first time home purchasers.

Small Business Loan Program - established to account for proceeds from area banks for distribution as loans to small businesses meeting criteria established by the loan committee.

League of Municipalities Conference Fund - established to account for donations, from partners and sponsors, and expenditures to fund conference activity.

Lead Based Paint Hazard Grant - used to remove lead paint from dwellings purchased through the Community Development Block Grant for resale.

Community Development Block Grant (CDBG) Recovery Grant Project - established to account for Department of Housing and Urban Development grant proceeds allocated to the City for costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings.

Byrne-JAG Grant Recovery Fund - established to account for Department of Justice grant proceeds allocated to City to improve police services and reduce crime through the purchase of updated technology and to enhance community oriented policing services.

Energy Efficiency Recovery Grant - established to account for Department of Energy grant proceeds allocated to the City to reduce the City's carbon footprint through energy efficiency and conservation.

Community Development Block Grant (CDBG) Recovery Grant Project - established to account for Department of Justice grant proceeds allocated to the City to hire or rehire police officers.

Centralized Grant - established to account for Department of Crime Control and Public Safety grant proceeds allocated to the City for costs associated with neighborhood policing initiatives as well as other grants which may be awarded to the City.

Hurricane Irene FEMA Grant - established to account for the FEMA grant proceeds allocated to the City for costs associated with the clean-up and recovery efforts in response to Hurricane Irene.

Find yourself in good company
CITY OF GREENVILLE, NORTH CAROLINA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	Community Development Fund	Sheppard Memorial Library	Housing Trust Fund	Small Business Loan Program	League of Municipalities Conference
Assets:					
Cash and cash equivalents	\$ 218,309	\$ 733,358	\$ 43,743	\$ -	\$ -
Accounts receivable, net	611,311	-	9,115	20,785	-
Interest receivable	-	1,636	-	-	-
Due from other governments	-	45,697	-	-	-
Prepaid items	-	52,817	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	<u>\$ 829,620</u>	<u>\$ 833,508</u>	<u>\$ 52,858</u>	<u>\$ 20,785</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 95,426	\$ 8,066	\$ 45	\$ -	\$ -
Advances from grantors	-	-	-	-	-
Due to other funds	<u>154,723</u>	<u>101,796</u>	<u>-</u>	<u>12,366</u>	<u>-</u>
Total liabilities	<u>250,149</u>	<u>109,862</u>	<u>45</u>	<u>12,366</u>	<u>-</u>
Deferred Inflows of Resources:					
Loans receivable	<u>371,916</u>	<u>-</u>	<u>8,940</u>	<u>8,419</u>	<u>-</u>
Total deferred inflows of resources:	<u>371,916</u>	<u>-</u>	<u>8,940</u>	<u>8,419</u>	<u>-</u>
Fund Balances:					
Nonspendable:					
Prepaid items	-	52,817	-	-	-
Restricted:					
Stabilization by State statute	239,395	47,333	175	12,366	-
Restricted for cultural and recreational	-	101,599	-	-	-
Committed:					
Committed for economic and physical development	-	-	43,698	-	-
Assigned:					
Assigned for subsequent year's expenditures	-	36,117	-	-	-
Assigned for cultural and recreational	-	485,780	-	-	-
Unassigned	<u>(31,840)</u>	<u>-</u>	<u>-</u>	<u>(12,366)</u>	<u>-</u>
Total fund balances	<u>207,555</u>	<u>723,646</u>	<u>43,873</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 829,620</u>	<u>\$ 833,508</u>	<u>\$ 52,858</u>	<u>\$ 20,785</u>	<u>\$ -</u>

Schedule C-1

<u>Lead Based Paint Hazard Grant</u>	<u>CDBG Recovery Grant Project</u>	<u>Byrne-JAG Grant Recovery Grant</u>	<u>Energy Efficiency Recovery Grant</u>	<u>COPS Hiring Recovery Grant</u>	<u>Centralized Grant</u>	<u>Hurricane Irene FEMA Grant</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,290	\$ -	\$ 1,265,700
-	-	-	13,832	-	77,807	-	732,850
-	-	-	-	-	-	-	1,636
-	-	-	-	-	-	-	45,697
-	-	-	-	-	-	-	52,817
-	-	-	135,507	-	-	-	135,507
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,339</u>	<u>\$ -</u>	<u>\$ 348,097</u>	<u>\$ -</u>	<u>\$ 2,234,207</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,423	\$ 1,014	\$ 108,974
-	-	-	-	-	167,842	-	167,842
-	288	-	-	-	-	179,577	448,750
-	288	-	-	-	172,265	180,591	725,566
-	-	-	13,832	-	-	-	403,107
-	-	-	13,832	-	-	-	403,107
-	-	-	-	-	-	-	52,817
-	-	-	-	-	77,807	-	377,076
-	-	-	-	-	-	-	101,599
-	-	-	-	-	-	-	-
-	-	-	135,507	-	98,025	-	277,230
-	-	-	-	-	-	-	36,117
-	-	-	-	-	-	-	485,780
-	(288)	-	-	-	-	(180,591)	(225,085)
-	(288)	-	135,507	-	175,832	(180,591)	1,105,534
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,339</u>	<u>\$ -</u>	<u>\$ 348,097</u>	<u>\$ -</u>	<u>\$ 2,234,207</u>

CITY OF GREENVILLE, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	Community Development Fund	Sheppard Memorial Library	Housing Trust Fund	Small Business Loan Program	League of Municipalities Conference
Revenues:					
Restricted intergovernmental	\$ 1,340,601	\$ 1,023,759	\$ -	\$ -	\$ -
Investment earnings	-	1,271	-	-	-
Other revenues	<u>118,662</u>	<u>171,038</u>	<u>550</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,459,263</u>	<u>1,196,068</u>	<u>550</u>	<u>-</u>	<u>-</u>
Expenditures:					
Current:					
Cultural and recreational	-	2,377,141	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Economic and physical development	<u>1,702,581</u>	<u>-</u>	<u>2,460</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,702,581</u>	<u>2,377,141</u>	<u>2,460</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>(243,318)</u>	<u>(1,181,073)</u>	<u>(1,910)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers from other funds	190,124	1,149,486	-	-	7,664
Transfers to other funds	<u>(88,697)</u>	<u>-</u>	<u>-</u>	<u>(80,431)</u>	<u>-</u>
Total other financing sources (uses)	<u>101,427</u>	<u>1,149,486</u>	<u>-</u>	<u>(80,431)</u>	<u>7,664</u>
Net change in fund balances	(141,891)	(31,587)	(1,910)	(80,431)	7,664
Fund Balances:					
Fund balance, beginning of year – July 1	<u>349,446</u>	<u>755,233</u>	<u>45,783</u>	<u>80,431</u>	<u>(7,664)</u>
Fund balance, end of year – June 30	<u>\$ 207,555</u>	<u>\$ 723,646</u>	<u>\$ 43,873</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule C-2

<u>Lead Based Paint Hazard Grant</u>	<u>CDBG Recovery Grant Project</u>	<u>Byrne-JAG Grant Recovery Grant</u>	<u>Energy Efficiency Recovery Grant</u>	<u>COPS Hiring Recovery Grant</u>	<u>Centralized Grant</u>	<u>Hurricane Irene FEMA Grant</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 65,784	\$ -	\$ -	\$ 2,430,144
-	-	-	-	-	-	-	1,271
-	-	-	-	-	-	-	290,250
-	-	-	-	65,784	-	-	2,721,665
-	-	-	-	-	-	-	2,377,141
-	-	-	-	134,870	-	-	134,870
-	-	-	-	-	-	-	-
-	-	-	123,993	-	168,631	4,934	2,002,599
-	-	-	123,993	134,870	168,631	4,934	4,514,610
-	-	-	(123,993)	(69,086)	(168,631)	(4,934)	(1,792,945)
-	-	-	-	81,474	89,000	-	1,517,748
(2,176)	-	(1,759)	-	-	-	-	(173,063)
(2,176)	-	(1,759)	-	81,474	89,000	-	1,344,685
(2,176)	-	(1,759)	(123,993)	12,388	(79,631)	(4,934)	(448,260)
2,176	(288)	1,759	259,500	(12,388)	255,463	(175,657)	1,553,794
\$ -	\$ (288)	\$ -	\$ 135,507	\$ -	\$ 175,832	\$ (180,591)	\$ 1,105,534

CITY OF GREENVILLE, NORTH CAROLINA

**COMMUNITY DEVELOPMENT AND HOME FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	Project Authorization	Prior Years	Current Year	Total
Revenues:				
CDBG & Home Entitlement Program:				
Property owners matching fund	\$ 146,083	\$ 40,371	\$ 2,200	\$ 42,571
Federal grant , HUD	27,702,876	8,721,994	1,338,401	10,060,395
Consortium members	34,000	13,666	-	13,666
Loan payments	550,454	248,042	21,965	270,007
Interest income	153,215	25	-	25
Sale of acquired property	<u>227,930</u>	<u>336,694</u>	<u>96,697</u>	<u>433,391</u>
Total revenues	<u>28,814,558</u>	<u>9,360,792</u>	<u>1,459,263</u>	<u>10,820,055</u>
Expenditures:				
CDBG & Home Entitlement Program:				
Administration	6,390,188	1,709,775	500,560	2,210,335
Rehabilitation – third-party owned dwellings	10,486,671	3,400,868	781,772	4,182,640
Rehabilitation – rental	202,716	62,875	-	62,875
Outside agency funding	2,026,833	227,021	125,569	352,590
Acquisition dilapidated	1,282,822	108,719	216,277	324,996
Code enforcement	310,815	178,110	-	178,110
Conversion program	253,000	-	-	-
Small area revitalization	787,830	5,000	-	5,000
Demolition grants	344,259	17,970	-	17,970
Secondary mortgage	1,407,970	460,295	15,325	475,620
Economic Development Study , West Grn./Meadowbrook	626,255	178,549	45,000	223,549
Neighborhood input grants	2,964	-	-	-
Concentrated needs	1,772,299	-	-	-
Sewer Oakgrove	25,482	-	-	-
Other expenses	58,010	58,010	-	58,010
Relocation	116,920	34,478	12,003	46,481
Contribution to other consortium members	4,797,737	3,537,592	6,075	3,543,667
Capital outlay	<u>12,403</u>	<u>11,834</u>	<u>-</u>	<u>11,834</u>
Total expenditures	<u>30,905,174</u>	<u>9,991,096</u>	<u>1,702,581</u>	<u>11,693,677</u>
Revenues over (under) expenditures	<u>(2,090,616)</u>	<u>(630,304)</u>	<u>(243,318)</u>	<u>(873,622)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Transfers from other funds	3,417,505	1,647,250	190,124	1,837,374
Transfers to other funds	<u>(1,326,889)</u>	<u>(667,500)</u>	<u>(88,697)</u>	<u>(756,197)</u>
Total other financing sources (uses)	<u>2,090,616</u>	<u>979,750</u>	<u>101,427</u>	<u>1,081,177</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 349,446</u>	<u>(141,891)</u>	<u>\$ 207,555</u>
Fund Balance:				
Beginning of year – July 1			<u>349,446</u>	
End of year – June 30			<u>\$ 207,555</u>	

Schedule C-4

CITY OF GREENVILLE, NORTH CAROLINA

**SHEPPARD MEMORIAL LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Pitt County	\$ 543,343	\$ 543,343	\$ -
Town of Winterville	161,620	161,620	-
Town of Bethel	29,000	29,000	-
Pitt County for Town of Bethel and Winterville	6,000	6,000	-
State aid	184,113	184,113	-
LSTA Grant	100,000	99,683	(317)
Fees	121,008	127,089	6,081
Interest earnings	1,000	1,271	271
Housing authority	10,692	10,692	-
Miscellaneous	<u>32,500</u>	<u>33,257</u>	<u>757</u>
Total revenues	<u>1,189,276</u>	<u>1,196,068</u>	<u>6,792</u>
Expenditures:			
Current:			
Cultural and recreational:			
Salaries and benefits	1,452,658	1,394,570	58,088
LSTA grant	100,000	100,000	-
Other operating expenditures	406,411	413,663	(7,252)
Maintenance and repairs	242,460	233,958	8,502
Capital outlay	<u>302,301</u>	<u>234,950</u>	<u>67,351</u>
Total expenditures	<u>2,503,830</u>	<u>2,377,141</u>	<u>126,689</u>
Revenues over (under) expenditures	<u>(1,314,554)</u>	<u>(1,181,073)</u>	<u>133,481</u>
Other Financing Sources (Uses):			
Transfers in – City of Greenville	1,149,486	1,149,486	-
Appropriated fund balance	<u>165,068</u>	<u>-</u>	<u>(165,068)</u>
Total other financing sources (uses)	<u>1,314,554</u>	<u>1,149,486</u>	<u>(165,068)</u>
Net change in fund balance	<u>\$ -</u>	<u>(31,587)</u>	<u>\$ (31,587)</u>
Fund Balances:			
Beginning of year – July 1		<u>755,233</u>	
End of year – June 30		<u>\$ 723,646</u>	

Schedule C-5
CITY OF GREENVILLE, NORTH CAROLINA
**HOUSING TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Grants	\$ 320,500	\$ 178,576	\$ -	\$ 178,576
Investment earnings	4,265	12,473	-	12,473
Loan payments	<u>7,210</u>	<u>26,833</u>	<u>550</u>	<u>27,383</u>
Total revenues	<u>331,975</u>	<u>217,882</u>	<u>550</u>	<u>218,432</u>
Expenditures:				
Small area revitalization	19,332	19,978	-	19,978
Rehabilitation	221,113	215,374	-	215,374
Loans made	<u>212,530</u>	<u>57,747</u>	<u>2,460</u>	<u>60,207</u>
Total expenditures	<u>452,975</u>	<u>293,099</u>	<u>2,460</u>	<u>295,559</u>
Revenues over (under) expenditures	(121,000)	(75,217)	(1,910)	(77,127)
Other Financing Sources (Uses):				
Transfers from other funds	<u>121,000</u>	<u>121,000</u>	<u>-</u>	<u>121,000</u>
Total other financing sources (uses)	<u>121,000</u>	<u>121,000</u>	<u>-</u>	<u>121,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 45,783</u>	(1,910)	<u>\$ 43,873</u>
Fund Balance:				
Beginning of year – July 1			<u>45,783</u>	
End of year – June 30			<u>\$ 43,873</u>	

Schedule C-6

CITY OF GREENVILLE, NORTH CAROLINA

**SMALL BUSINESS LOAN PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Other revenues:				
Bank contribution	\$ 546,029	\$ 448,243	\$ -	\$ 448,243
Loan payments	377,362	483,385	-	483,385
Application fees	2,000	15,408	-	15,408
Investment earnings	1,706	5,817	-	5,817
Total revenues	<u>927,097</u>	<u>952,853</u>	<u>-</u>	<u>952,853</u>
Expenditures:				
Administration	2,000	658	-	658
Payments to banks	328,068	488,784	-	488,784
Loans made	475,000	448,242	-	448,242
Loan loss reserve	142,500	6,209	-	6,209
Total expenditures	<u>947,568</u>	<u>943,893</u>	<u>-</u>	<u>943,893</u>
Revenues over (under) expenditures	<u>(20,471)</u>	<u>8,960</u>	<u>-</u>	<u>8,960</u>
Other Financing Sources (Uses):				
Appropriated fund balance	29,431	-	-	-
Transfers from other funds	142,500	142,500	-	142,500
Transfers to other funds	(151,460)	(71,029)	(80,431)	(151,460)
Total other financing sources (uses)	<u>20,471</u>	<u>71,471</u>	<u>(80,431)</u>	<u>(8,960)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 80,431</u>	<u>(80,431)</u>	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>80,431</u>	
End of year – June 30			<u>\$ -</u>	

Schedule C-7
CITY OF GREENVILLE, NORTH CAROLINA
**LEAGUE OF MUNICIPALITIES CONFERENCE
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Other – donations	\$ 150,000	\$ 85,970	\$ -	\$ 85,970
Total revenues	<u>150,000</u>	<u>85,970</u>	<u>-</u>	<u>85,970</u>
Expenditures:				
Administration	30,000	9,085	-	9,085
Contracted services	80,000	74,018	-	74,018
Supplies and materials	<u>69,394</u>	<u>39,925</u>	<u>-</u>	<u>39,925</u>
Total expenditures	<u>179,394</u>	<u>123,028</u>	<u>-</u>	<u>123,028</u>
Revenues over (under) expenditures	(29,394)	(37,058)	-	(37,058)
Other Financing Sources (Uses):				
Transfers from other funds	<u>29,394</u>	<u>29,394</u>	<u>7,664</u>	<u>37,058</u>
Total other financing sources (uses)	<u>29,394</u>	<u>29,394</u>	<u>7,664</u>	<u>37,058</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (7,664)</u>	7,664	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>(7,664)</u>	
End of year – June 30			<u>\$ -</u>	

Schedule C-8

CITY OF GREENVILLE, NORTH CAROLINA

**LEAD BASED PAINT HAZARD GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Recovery lead-based paint grant	\$ 1,922,370	\$ 1,650,580	\$ -	\$ 1,650,580
Total revenues	<u>1,922,370</u>	<u>1,650,580</u>	<u>-</u>	<u>1,650,580</u>
Expenditures:				
Administration	216,894	193,856	-	193,856
Operations	<u>1,705,476</u>	<u>1,454,548</u>	<u>-</u>	<u>1,454,548</u>
Total expenditures	<u>1,922,370</u>	<u>1,648,404</u>	<u>-</u>	<u>1,648,404</u>
Revenues over (under) expenditures	<u>-</u>	<u>2,176</u>	<u>-</u>	<u>2,176</u>
Other Financing Sources (Uses):				
Appropriated fund balance	2,176	-	-	-
Transfer to other funds	<u>(2,176)</u>	<u>-</u>	<u>(2,176)</u>	<u>(2,176)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,176)</u>	<u>(2,176)</u>
	<u>\$ -</u>	<u>\$ 2,176</u>	<u>(2,176)</u>	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>2,176</u>	
End of year – June 30			<u>\$ -</u>	

Schedule C-9
CITY OF GREENVILLE, NORTH CAROLINA
**CDBG RECOVERY GRANT PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
CDBG recovery grant	\$ 216,580	\$ 216,580	\$ -	\$ 216,580
Total revenues	<u>216,580</u>	<u>216,580</u>	<u>-</u>	<u>216,580</u>
Expenditures:				
Administration	21,650	21,386	-	21,386
Public service	30,000	29,302	-	29,302
Operations	164,930	166,180	-	166,180
Total expenditures	<u>216,580</u>	<u>216,868</u>	<u>-</u>	<u>216,868</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (288)</u>	<u>-</u>	<u>\$ (288)</u>
Fund Balance:				
Beginning of year – July 1			<u>(288)</u>	
End of year – June 30			<u>\$ (288)</u>	

Schedule C-10

CITY OF GREENVILLE, NORTH CAROLINA

**BYRNE-JAG GRANT RECOVERY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Byrne-JAG recovery grant	\$ 490,323	\$ 490,323	\$ -	\$ 490,323
Investment earnings	-	33	-	33
Total revenues	<u>490,323</u>	<u>490,356</u>	<u>-</u>	<u>490,356</u>
Expenditures:				
Operating	63,193	61,331	-	61,331
Capital outlay	427,130	427,266	-	427,266
Total expenditures	<u>490,323</u>	<u>488,597</u>	<u>-</u>	<u>488,597</u>
Revenues over (under) expenditures	-	1,759	-	1,759
Other Financing Sources (Uses):				
Transfer to other funds	<u>(1,759)</u>	-	<u>(1,759)</u>	-
Total other financing sources (uses)	<u>(1,759)</u>	<u>-</u>	<u>(1,759)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,759</u>	<u>(1,759)</u>	<u>\$ 1,759</u>
Fund Balance:				
Beginning of year – July 1			<u>1,759</u>	
End of year – June 30			<u>\$ -</u>	

Schedule C-11
CITY OF GREENVILLE, NORTH CAROLINA
**ENERGY EFFICIENCY RECOVERY GRANT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Energy efficiency recovery grant	\$ 777,600	\$ 492,972	\$ -	\$ 492,972
Investment income	-	17	-	17
Total revenues	<u>777,600</u>	<u>492,989</u>	<u>-</u>	<u>492,989</u>
Expenditures:				
Administration	25,000	1,773	-	1,773
Operations	752,600	231,716	123,993	355,709
Total expenditures	<u>777,600</u>	<u>233,489</u>	<u>123,993</u>	<u>357,482</u>
Revenues over (under) expenditures	<u>-</u>	<u>259,500</u>	<u>(123,993)</u>	<u>135,507</u>
Other Financing Sources (Uses):				
Transfers from other funds	275,000	275,000	-	275,000
Transfers to other funds	<u>(275,000)</u>	<u>(275,000)</u>	<u>-</u>	<u>(275,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 259,500</u>	<u>(123,993)</u>	<u>\$ 135,507</u>
Fund Balance:				
Beginning of year – July 1			<u>259,500</u>	
End of year – June 30			<u>\$ 135,507</u>	

Schedule C-12

CITY OF GREENVILLE, NORTH CAROLINA

**COPS HIRING RECOVERY PROGRAM GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
COPS hiring recovery grant	\$ 1,239,280	\$ 1,582,872	\$ 65,784	\$ 1,648,656
Investment income	-	1	-	1
Total revenues	<u>1,239,280</u>	<u>1,582,873</u>	<u>65,784</u>	<u>1,648,657</u>
Expenditures:				
Operations	<u>1,730,131</u>	<u>1,595,261</u>	<u>134,870</u>	<u>1,730,131</u>
Total expenditures	<u>1,730,131</u>	<u>1,595,261</u>	<u>134,870</u>	<u>1,730,131</u>
Revenues over (under) expenditures	(490,851)	(12,388)	(69,086)	(81,474)
Other Financing Sources (Uses):				
Transfers from other funds	<u>490,851</u>	-	<u>81,474</u>	<u>81,474</u>
Total other financing sources (uses)	<u>490,851</u>	-	<u>81,474</u>	<u>81,474</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (12,388)</u>	12,388	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>(12,388)</u>	
End of year – June 30			<u>\$ -</u>	

Schedule C-13
CITY OF GREENVILLE, NORTH CAROLINA
**CENTRALIZED GRANT PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 1,547,971	\$ 746,387	\$ -	\$ 746,387
Investment income	-	1	-	1
Other revenue	-	2,100	-	2,100
Total revenues	<u>1,547,971</u>	<u>748,488</u>	<u>-</u>	<u>748,488</u>
Expenditures:				
Operating	1,401,963	561,127	157,131	718,258
Capital outlay	<u>305,294</u>	<u>11,184</u>	<u>11,500</u>	<u>22,684</u>
Total expenditures	<u>1,707,257</u>	<u>572,311</u>	<u>168,631</u>	<u>740,942</u>
Revenues over (under) expenditures	(159,286)	176,177	(168,631)	7,546
Other Financing Sources (Uses):				
Transfers from other funds	<u>159,286</u>	<u>79,286</u>	<u>89,000</u>	<u>168,286</u>
Total other financing sources (uses)	<u>159,286</u>	<u>79,286</u>	<u>89,000</u>	<u>168,286</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 255,463</u>	(79,631)	<u>\$ 175,832</u>
Fund Balance:				
Beginning of year – July 1			<u>255,463</u>	
End of year – June 30			<u>\$ 175,832</u>	

Schedule C-14

CITY OF GREENVILLE, NORTH CAROLINA

**HURRICANE IRENE FEMA GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
FEMA grant funds	\$ 1,264,112	\$ 987,261	\$ -	\$ 987,261
NCEM grant funds	538,688	338,389	-	338,389
Other revenues	-	267,188	-	267,188
Total revenues	<u>1,802,800</u>	<u>1,592,838</u>	<u>-</u>	<u>1,592,838</u>
Expenditures:				
Debris removal	1,044,544	1,053,634	4,934	1,058,568
Property and casualty loss	500,000	456,590	-	456,590
Total expenditures	<u>1,544,544</u>	<u>1,510,224</u>	<u>4,934</u>	<u>1,515,158</u>
Revenues over (under) expenditures	258,256	82,614	(4,934)	77,680
Other Financing Sources (Uses):				
Transfers from other funds	<u>(258,256)</u>	<u>(258,271)</u>	<u>-</u>	<u>(258,271)</u>
Total other financing sources (uses)	<u>(258,256)</u>	<u>(258,271)</u>	<u>-</u>	<u>(258,271)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (175,657)</u>	(4,934)	<u>\$ (180,591)</u>
Fund Balance:				
Beginning of year – July 1			<u>(175,657)</u>	
End of year – June 30			<u>\$ (180,591)</u>	

Capital Project Fund

The purpose of the Capital Project Fund is to account for the financial resources related to the acquisition of capital assets. The budget shown in the accompanying supplementary information is adopted for the life of the project. Proprietary fund capital projects are not reflected in the Capital Project Funds, but in the respective enterprise funds. During June 30, 2014, the City had the following projects, showing activity, in the Capital Project Funds:

Cemetery Development Project - established to account for funds to be used for the purchase and renovation of land for cemetery use.

Affordable House Project - established to account for the funds that will increase opportunities for working families to become homeowners.

West Greenville Revitalization - This project involves revitalization of the West Greenville neighborhood. The City has undertaken an aggressive neighborhood revitalization project, committing all of its entitled Community Development Block Grant (CDBG) and HOME Funds for the next eight years.

Center City Revitalization - established to fund potential projects under discussion include a Performing Arts Center, a hotel/alumni center, land acquisitions for joint university/city projects, infrastructure improvements and joint use parking structures.

Stantonsburg Road/ 10th Street Connector - involves the extension of Tenth Street on new locations to Stantonsburg Road at Memorial Drive with a grade separation at the CSX Railroad near Dickinson Avenue.

South Tar River Greenway - involves the planning, design, and construction of a joint use bikeway/greenway along the south side of the Tar River.

Wayfinding Community Development Project - used around the City purchase and creation of city signage within city limits.

Thomas Langston Road Extension Project - established as part of the 2004 bond referendum for transportation improvements.

Intermodal Transportation Center Project - established to account for funds used to provide for feasibility study, design, and construction of an Intermodal Transportation Center serving all transportation needs.

Employee Parking Lot Expansion Project - established to account for funds used to expand and improve the employee parking lot located south of the Police-Fire/Rescue Headquarters building on the Pitt Street-Greene Street Connector.

Convention Center Expansion - established to account for funds used to construct the addition of 150 parking spaces along with other improvements.

Community Oriented Policing Service Project - established to account for funds used to purchase a radio system that supports interoperability among Greenville Police, Pitt County Sheriff's Office, and other public safety agencies in Pitt County.

Technology for Public Safety Project - established to account for funds used to purchase a public safety software system.

Emergency Operation Center - established to account for funds used in the construction of a new emergency operations center.

Drew Steele Center - established to account for funds to renovate the Elm Street Gym and create the Drew Steele Center, which will be a modern, accessible, multi-use recreation facility, open to all, but will serve as the focal point for the development of City services and programs for those with special needs.

Capital Project Fund (Continued)

Capital Reserve Fund - used to accumulate funds to be used for future capital improvements. These improvements consist of construction and other capital projects.

King George Bridge Capital Project - established to account for funds used to replace the obsolete bridge on King George road in the Brook Valley neighborhood.

Green Mill Greenway Project - established to account for funds used to extend the Green Mill Greenway from its current end on Charles Boulevard to Evans Park on Arlington Boulevard.

Dream Park Capital Project - established to account for funds used to design and construct a community park and sprayground in the West Greenville community.

Energy Savings Equipment Project - established to account for funds used to provide improvements to City facilities to make them more energy efficient.

Downtown Parking Deck - established to account for funds used to design and construct a parking deck in the City's Up-town area.

Enterprise Resource Planning (ERP) - established to track the transactions needed for the City to transition its Financial Management system to the Munis system.

CVA Expansion Phase III - established to account for funds used to update and expand the Greenville Convention Center and position it to compete with other facilities of its kind.

CITY OF GREENVILLE, NORTH CAROLINA

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	Cemetery Development Fund	Affordable Housing Project	West Greenville Revitalization	Center City Revitalization	Stantonsburg Road/10th St Connector	South Tar River Greenway	Way Finding Community Development	Thomas Langston Road Extension Project	Intermodal Transportation Center Project
Assets:									
Cash and cash equivalents	\$ -	\$ 475,303	\$ 249,646	\$ 278,463	\$ 408,474	\$ 14,069	\$ 47,871	\$ 125,857	\$ 607,079
Accounts receivable, net	-	344,826	399	-	-	-	-	-	4,787
Restricted cash and investments	-	-	-	644,375	-	-	-	-	-
Total assets	\$ -	\$ 820,129	\$ 250,045	\$ 922,838	\$ 408,474	\$ 14,069	\$ 47,871	\$ 125,857	\$ 611,866
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Accounts payable and accrued liabilities	\$ -	\$ 33,804	\$ 7,242	\$ 1,533	\$ -	\$ -	\$ -	\$ 65,743	\$ -
Advances from grantors	-	-	-	-	-	9,369	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	33,804	7,242	1,533	-	9,369	-	65,743	-
Deferred Inflows of Resources:									
Loans receivable	-	344,826	-	-	-	-	-	-	-
Total deferred inflows of resources:	-	344,826	-	-	-	-	-	-	-
Fund Balances:									
Restricted:									
Stabilization by State statute	-	-	399	-	-	-	-	-	4,787
Restricted for general government	-	-	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	644,375	-	-	-	-	-
Committed for general government	-	-	-	-	-	-	-	-	-
Committed for cultural and recreational	-	-	-	-	-	4,700	-	-	-
Committed for public safety	-	-	-	-	-	-	-	-	-
Committed for economic development	-	441,499	242,404	276,930	408,474	-	47,871	60,114	607,079
Committed for capital outlays	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	-	441,499	242,803	921,305	408,474	4,700	47,871	60,114	611,866
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 820,129	\$ 250,045	\$ 922,838	\$ 408,474	\$ 14,069	\$ 47,871	\$ 125,857	\$ 611,866

Schedule D-1

Employee Parking Lot Expansion Project	Convention Center Expansion Project	Community Oriented Policing Service Project	Technology for Public Safety Project	Emergency Operations Center Project	Drew Steele Center	Capital Reserve Fund	King George Bridge Capital Project	Green Mill Greenway Project	Dream Park Capital Project	Energy Savings Equipment Project	Downtown Parking Deck	ERP Capital Project	CVA Expansion Phase III	Total
\$ 122	\$ 71,194	\$ -	\$ 241,084	\$ 28,553	\$ 1,802	\$ 656,255	\$ 220,989	\$ 780,093	\$ -	\$ 84,163	\$ 24,880	\$ 2,179,731	\$ 476,807	\$ 6,972,435
-	-	-	-	362	-	-	-	13	58	-	15	-	-	350,460
-	-	-	-	-	-	-	-	-	-	-	4,554,351	-	-	5,198,726
<u>\$ 122</u>	<u>\$ 71,194</u>	<u>\$ -</u>	<u>\$ 241,084</u>	<u>\$ 28,915</u>	<u>\$ 1,802</u>	<u>\$ 656,255</u>	<u>\$ 220,989</u>	<u>\$ 780,106</u>	<u>\$ 58</u>	<u>\$ 84,163</u>	<u>\$ 4,579,246</u>	<u>\$ 2,179,731</u>	<u>\$ 476,807</u>	<u>\$ 12,521,621</u>
\$ 122	\$ -	\$ 1,830	\$ 129,873	\$ -	\$ 1,802	\$ -	\$ -	23,473	\$ -	\$ -	\$ 24,895	\$ 200,655	\$ 2,220	\$ 493,192
-	-	-	-	-	-	-	119,989	141,424	-	-	-	-	-	270,782
-	-	261,138	-	-	-	-	-	-	1,388	-	-	-	-	262,526
<u>122</u>	<u>-</u>	<u>262,968</u>	<u>129,873</u>	<u>-</u>	<u>1,802</u>	<u>-</u>	<u>119,989</u>	<u>164,897</u>	<u>1,388</u>	<u>-</u>	<u>24,895</u>	<u>200,655</u>	<u>2,220</u>	<u>1,026,500</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-	344,826
-	-	-	-	-	-	-	-	-	-	-	-	-	-	344,826
-	-	-	-	362	-	-	-	13	58	-	15	-	-	5,634
-	-	-	-	-	-	-	-	-	-	84,163	-	-	-	84,163
-	-	-	-	-	-	-	-	-	-	-	4,554,351	-	-	5,198,726
-	-	-	-	-	-	-	-	-	-	-	-	1,979,076	-	1,979,076
-	-	-	-	-	-	-	-	615,209	-	-	-	-	-	619,909
-	-	-	111,211	28,553	-	-	-	-	-	-	-	-	-	139,764
-	71,194	-	-	-	-	-	101,000	-	-	-	-	-	474,587	2,731,152
-	-	-	-	-	-	656,255	-	-	-	-	-	-	-	656,255
-	-	(262,968)	-	-	-	-	-	(13)	(1,388)	-	(15)	-	-	(264,384)
<u>-</u>	<u>71,194</u>	<u>(262,968)</u>	<u>111,211</u>	<u>28,915</u>	<u>-</u>	<u>656,255</u>	<u>101,000</u>	<u>615,209</u>	<u>(1,330)</u>	<u>84,163</u>	<u>4,554,351</u>	<u>1,979,076</u>	<u>474,587</u>	<u>11,150,295</u>
<u>\$ 122</u>	<u>\$ 71,194</u>	<u>\$ -</u>	<u>\$ 241,084</u>	<u>\$ 28,915</u>	<u>\$ 1,802</u>	<u>\$ 656,255</u>	<u>\$ 220,989</u>	<u>\$ 780,106</u>	<u>\$ 58</u>	<u>\$ 84,163</u>	<u>\$ 4,579,246</u>	<u>\$ 2,179,731</u>	<u>\$ 476,807</u>	<u>\$ 12,521,621</u>

CITY OF GREENVILLE, NORTH CAROLINA

 NONMAJOR CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2014

	Cemetery Development Fund	Affordable Housing Project	West Greenville Revitalization	Center City Revitalization	Stantonsburg Road/ 10th Street Connector	South Tar River Greenway	Way Finding Community Development	Thomas Langston Road Extension Project	Intermodal Transportation Center Project	Employee Parking Lot Expansion Project
Revenues:										
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 255,879	\$ 23,411	\$ -
Other taxes and licenses	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	1,343	1,542	4	-	-	363	-	-
Other revenues	-	103,219	(63,209)	-	-	-	-	-	-	-
Total revenues	-	103,219	(61,866)	1,542	4	-	-	256,242	23,411	-
Expenditures:										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Cultural and recreational	-	-	-	-	-	-	-	-	-	-
Economic and physical development	9,131	121,745	48,734	438,624	-	-	2,964	-	25,014	-
Total expenditures	9,131	121,745	48,734	438,624	-	-	2,964	-	25,014	-
Revenues over (under) expenditures	(9,131)	(18,526)	(110,600)	(437,082)	4	-	(2,964)	256,242	(1,603)	-
Other Financing Sources (Uses):										
Long-term debt issued	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	-	-
Transfer to other funds	-	-	-	-	-	-	-	-	-	(3,548)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(3,548)
Net change in fund balances	(9,131)	(18,526)	(110,600)	(437,082)	4	-	(2,964)	256,242	(1,603)	(3,548)
Fund Balances:										
Beginning of year – July 1	9,131	460,025	353,403	1,358,387	408,470	4,700	50,835	(196,128)	613,469	3,548
End of year – June 30	\$ -	\$ 441,499	\$ 242,803	\$ 921,305	\$ 408,474	\$ 4,700	\$ 47,871	\$ 60,114	\$ 611,866	\$ -

Schedule D-2

Convention Center Expansion Project	Community Oriented Policing Service Project	Technology for Public Safety Project	Emergency Operations Center Project	Drew Steele Center	Capital Reserve Fund	King George Bridge Capital Project	Green Mill Greenway Project	Dream Park Capital Project	Energy Savings Equipment Project	Downtown Parking Deck	ERP Capital Project	CVA Expansion Phase III	Total
\$ -	\$ -	\$ -	\$ 447,768	\$ -	\$ -	\$ -	\$ 37,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 764,537
201,076	-	-	-	-	-	-	-	-	-	-	-	77,977	279,053
-	-	-	-	-	-	-	-	-	47	-	-	-	3,299
-	-	-	-	-	-	-	-	-	-	-	-	-	40,010
201,076	-	-	447,768	-	-	-	37,479	-	47	-	-	77,977	1,086,899
-	-	-	-	-	-	-	-	-	405,247	-	520,924	-	926,171
-	-	183,160	111,807	-	-	-	-	-	-	-	-	-	294,967
-	-	-	-	-	-	-	136,438	-	-	-	-	-	136,438
4,472	-	-	-	1,894	-	-	-	54,340	-	443,195	-	3,390	1,153,503
4,472	-	183,160	111,807	1,894	-	-	136,438	54,340	405,247	443,195	520,924	3,390	2,511,079
196,604	-	(183,160)	335,961	(1,894)	-	-	(98,959)	(54,340)	(405,200)	(443,195)	(520,924)	74,587	(1,424,180)
-	-	-	-	-	-	-	-	-	-	4,997,546	-	-	4,997,546
-	-	-	-	-	415,487	-	12,556	9,806	-	-	2,500,000	400,000	3,337,849
(790,487)	-	-	-	(9,806)	(1,779,000)	-	-	-	-	-	-	-	(2,582,841)
(790,487)	-	-	-	(9,806)	(1,363,513)	-	12,556	9,806	-	4,997,546	2,500,000	400,000	5,752,554
(593,883)	-	(183,160)	335,961	(11,700)	(1,363,513)	-	(86,403)	(44,534)	(405,200)	4,554,351	1,979,076	474,587	4,328,374
665,077	(262,968)	294,371	(307,046)	11,700	2,019,768	101,000	701,612	43,204	489,363	-	-	-	6,821,921
\$ 71,194	\$ (262,968)	\$ 111,211	\$ 28,915	\$ -	\$ 656,255	\$ 101,000	\$ 615,209	\$ (1,330)	\$ 84,163	\$ 4,554,351	\$ 1,979,076	\$ 474,587	\$ 11,150,295

Schedule D-3
CITY OF GREENVILLE, NORTH CAROLINA
**CEMETERY DEVELOPMENT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Special Federal/State/local grants	\$ 107,520	\$ 107,521	\$ -	\$ 107,521
Interest earnings	12,243	12,344	-	12,344
Total revenues	<u>119,763</u>	<u>119,865</u>	<u>-</u>	<u>119,865</u>
Expenditures:				
Capital improvements	404,763	395,734	9,131	404,865
Total expenditures	<u>404,763</u>	<u>395,734</u>	<u>9,131</u>	<u>404,865</u>
Revenues over (under) expenditures	<u>(285,000)</u>	<u>(275,869)</u>	<u>(9,131)</u>	<u>(285,000)</u>
Other Financing Sources (Uses):				
Bonds issued	75,000	75,000	-	75,000
Transfer to General Fund	(10,000)	(10,000)	-	(10,000)
Transfer from General Fund	220,000	220,000	-	220,000
Total other financing sources (uses)	<u>285,000</u>	<u>285,000</u>	<u>-</u>	<u>285,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 9,131</u>	(9,131)	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>9,131</u>	
End of year – June 30			<u>\$ -</u>	

Schedule D-4

CITY OF GREENVILLE, NORTH CAROLINA

**AFFORDABLE HOUSING CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Interest earnings	\$ 180,500	\$ 190,930	\$ -	\$ 190,930
Loan payments	492,100	270,078	21,272	291,350
Sale of property	<u>1,706,000</u>	<u>1,714,049</u>	<u>81,947</u>	<u>1,795,996</u>
Total revenues	<u>2,378,600</u>	<u>2,175,057</u>	<u>103,219</u>	<u>2,278,276</u>
Expenditures:				
Bond administration cost	6,349	6,349	-	6,349
Home ownership	2,421,151	2,132,693	3,422	2,136,115
Land banking	1,083,000	845,929	118,323	964,252
Rehabilitation	<u>393,100</u>	<u>255,536</u>	<u>-</u>	<u>255,536</u>
Total expenditures	<u>3,903,600</u>	<u>3,240,507</u>	<u>121,745</u>	<u>3,362,252</u>
Revenues over (under) expenditures	<u>(1,525,000)</u>	<u>(1,065,450)</u>	<u>(18,526)</u>	<u>(1,083,976)</u>
Other Financing Sources (Uses):				
Bonds issued	1,000,000	1,000,475	-	1,000,475
Transfer from General Fund	<u>525,000</u>	<u>525,000</u>	<u>-</u>	<u>525,000</u>
Total other financing sources (uses)	<u>1,525,000</u>	<u>1,525,475</u>	<u>-</u>	<u>1,525,475</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 460,025</u>	(18,526)	<u>\$ 441,499</u>
Fund Balance:				
Beginning of year – July 1			<u>460,025</u>	
End of year – June 30			<u>\$ 441,499</u>	

Schedule D-5

CITY OF GREENVILLE, NORTH CAROLINA

**WEST GREENVILLE REVITALIZATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Other income	\$ 439,817	\$ 431,062	\$ -	\$ 431,062
Sales and services	382,020	486,365	(63,209)	423,156
Interest earnings	203,058	124,525	1,343	125,868
Total revenues	<u>1,024,895</u>	<u>1,041,952</u>	<u>(61,866)</u>	<u>980,086</u>
Expenditures:				
Acquisition	2,830,367	2,625,107	5,168	2,630,275
Demolition	404,279	404,280	6,327	410,607
Construction	605,175	580,175	-	580,175
Infrastructure	1,404,015	1,321,164	37,065	1,358,229
Development financing	194,266	193,661	-	193,661
Relocation assistance	268,518	269,149	-	269,149
Owner occupied rehabilitation	213,035	213,617	174	213,791
Furnishings	44,968	44,968	-	44,968
Bond administration	60,272	60,271	-	60,271
Total expenditures	<u>6,024,895</u>	<u>5,712,392</u>	<u>48,734</u>	<u>5,761,126</u>
Revenues over (under) expenditures	<u>(5,000,000)</u>	<u>(4,670,440)</u>	<u>(110,600)</u>	<u>(4,781,040)</u>
Other Financing Sources (Uses):				
Premium received on debt issue	-	23,843	-	23,843
Bonds issued	5,000,000	5,000,000	-	5,000,000
Total other financing sources (uses)	<u>5,000,000</u>	<u>5,023,843</u>	<u>-</u>	<u>5,023,843</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 353,403</u>	<u>(110,600)</u>	<u>\$ 242,803</u>
Fund Balance:				
Beginning of year – July 1			<u>353,403</u>	
End of year – June 30			<u>\$ 242,803</u>	

Schedule D-6

CITY OF GREENVILLE, NORTH CAROLINA

**CENTER CITY REVITALIZATION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Restricted intergovernmental	\$ 32,500	\$ 25,250	\$ -	\$ 25,250
Interest earnings	<u>273,013</u>	<u>275,388</u>	<u>1,542</u>	<u>276,930</u>
Total revenues	<u>305,513</u>	<u>300,638</u>	<u>1,542</u>	<u>302,180</u>
Expenditures:				
Acquisition	935,000	869,133	-	869,133
Infrastructure	3,851,015	2,700,263	378,624	3,078,887
Construction	223,112	88,107	-	88,107
Development financing	269,896	239,895	60,000	299,895
Bond administration	<u>51,394</u>	<u>69,757</u>	<u>-</u>	<u>69,757</u>
Total expenditures	<u>5,330,417</u>	<u>3,967,155</u>	<u>438,624</u>	<u>4,405,779</u>
Revenues over (under) expenditures	<u>(5,024,904)</u>	<u>(3,666,517)</u>	<u>(437,082)</u>	<u>(4,103,599)</u>
Other Financing Sources (Uses):				
Premium received on debt issue	24,904	24,904	-	24,904
Bonds issued	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>
Total other financing sources (uses)	<u>5,024,904</u>	<u>5,024,904</u>	<u>-</u>	<u>5,024,904</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,358,387</u>	(437,082)	<u>\$ 921,305</u>
Fund Balance:				
Beginning of year – July 1			<u>1,358,387</u>	
End of year – June 30			<u>\$ 921,305</u>	

Schedule D-7
CITY OF GREENVILLE, NORTH CAROLINA
**STANTONSBURG ROAD / 10TH STREET CONNECTOR
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Restricted intergovernmental revenue	\$ 4,000,000	\$ 3,050,002	\$ -	\$ 3,050,002
Interest earnings	22,000	2,225	4	2,229
Other income	-	44,850	-	44,850
Total revenues	<u>4,022,000</u>	<u>3,097,077</u>	<u>4</u>	<u>3,097,081</u>
Expenditures:				
Bond administration cost	22,000	55,610	-	55,610
Engineering	6,000,000	5,601,734	-	5,601,734
Total expenditures	<u>6,022,000</u>	<u>5,657,344</u>	<u>-</u>	<u>5,657,344</u>
Revenues over (under) expenditures	<u>(2,000,000)</u>	<u>(2,560,267)</u>	<u>4</u>	<u>(2,560,263)</u>
Other Financing Sources (Uses):				
Transfers from other funds	-	943,000	-	943,000
Bonds issued	2,000,000	2,025,737	-	2,025,737
Total other financing sources (uses)	<u>2,000,000</u>	<u>2,968,737</u>	<u>-</u>	<u>2,968,737</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 408,470</u>	<u>4</u>	<u>\$ 408,474</u>
Fund Balance:				
Beginning of year – July 1			<u>408,470</u>	
End of year – June 30			<u>\$ 408,474</u>	

Schedule D-8

CITY OF GREENVILLE, NORTH CAROLINA

**SOUTH TAR RIVER GREENWAY PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 1,480,000	\$ 1,435,516	\$ -	\$ 1,435,516
Other income	-	3,700	-	3,700
Total revenues	<u>1,480,000</u>	<u>1,439,216</u>	<u>-</u>	<u>1,439,216</u>
Expenditures:				
Construction	1,268,000	1,265,284	-	1,265,284
Engineering	163,000	171,113	-	171,113
Right of way	50,000	(881)	-	(881)
Total expenditures	<u>1,481,000</u>	<u>1,435,516</u>	<u>-</u>	<u>1,435,516</u>
Revenues over (under) expenditures	<u>(1,000)</u>	<u>3,700</u>	<u>-</u>	<u>3,700</u>
Other Financing Sources (Uses):				
Transfers from other funds	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total other financing sources (uses)	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 4,700</u>	<u>-</u>	<u>\$ 4,700</u>
Fund Balance:				
Beginning of year – July 1			<u>4,700</u>	
End of year – June 30			<u>\$ 4,700</u>	

Schedule D-9
CITY OF GREENVILLE, NORTH CAROLINA
**WAY FINDING COMMUNITY DEVELOPMENT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Interest earnings	\$ 2,536	\$ 2,537	\$ -	\$ 2,537
Expenditures:				
Construction	271,142	220,308	2,964	223,272
Total expenditures	<u>271,142</u>	<u>220,308</u>	<u>2,964</u>	<u>223,272</u>
Revenues over (under) expenditures	<u>(268,606)</u>	<u>(217,771)</u>	<u>(2,964)</u>	<u>(220,735)</u>
Other Financing Sources (Uses):				
Transfers to other funds	(40,000)	(40,000)	-	(40,000)
Transfers from other funds	<u>308,606</u>	<u>308,606</u>	<u>-</u>	<u>308,606</u>
Total other financing sources (uses)	<u>268,606</u>	<u>268,606</u>	<u>-</u>	<u>268,606</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 50,835</u>	(2,964)	<u>\$ 47,871</u>
Fund Balance:				
Beginning of year – July 1			<u>50,835</u>	
End of year – June 30			<u>\$ 47,871</u>	

Schedule D-10

CITY OF GREENVILLE, NORTH CAROLINA

**THOMAS LANGSTON ROAD EXTENSION PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 705,968	\$ 52,667	\$ 255,879	\$ 308,546
Interest earnings	11,440	5,994	363	6,357
Other income	-	104,167	-	104,167
Total revenues	<u>717,408</u>	<u>162,828</u>	<u>256,242</u>	<u>419,070</u>
Expenditures:				
Engineering	615,299	508,976	-	508,976
Bond administration expense	36,803	38,886	-	38,886
Construction	3,328,745	3,075,912	-	3,075,912
Total expenditures	<u>3,980,847</u>	<u>3,623,774</u>	<u>-</u>	<u>3,623,774</u>
Revenues over (under) expenditures	<u>(3,263,439)</u>	<u>(3,460,946)</u>	<u>256,242</u>	<u>(3,204,704)</u>
Other Financing Sources (Uses):				
Bonds issued	2,896,803	2,896,803	-	2,896,803
Transfers from other funds	366,636	368,015	-	368,015
Total other financing sources (uses)	<u>3,263,439</u>	<u>3,264,818</u>	<u>-</u>	<u>3,264,818</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (196,128)</u>	256,242	<u>\$ 60,114</u>
Fund Balance:				
Beginning of year – July 1			<u>(196,128)</u>	
End of year – June 30			<u>\$ 60,114</u>	

Schedule D-11
CITY OF GREENVILLE, NORTH CAROLINA
**INTERMODAL TRANSPORTATION CENTER PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal Transit Administration Grant	\$ 950,500	\$ 319,348	\$ 23,411	\$ 342,759
Interest earnings	-	113	-	113
Total revenues	<u>950,500</u>	<u>319,461</u>	<u>23,411</u>	<u>342,872</u>
Expenditures:				
Construction	<u>1,685,618</u>	<u>358,827</u>	<u>25,014</u>	<u>383,841</u>
Total expenditures	<u>1,685,618</u>	<u>358,827</u>	<u>25,014</u>	<u>383,841</u>
Revenues over (under) expenditures	(735,118)	(39,366)	(1,603)	(40,969)
Other Financing Sources (Uses):				
Transfers from other funds	<u>735,118</u>	<u>652,835</u>	-	<u>652,835</u>
Total other financing sources (uses)	<u>735,118</u>	<u>652,835</u>	-	<u>652,835</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 613,469</u>	(1,603)	<u>\$ 611,866</u>
Fund Balance:				
Beginning of year – July 1			<u>613,469</u>	
End of year – June 30			<u>\$ 611,866</u>	

Schedule D-12

CITY OF GREENVILLE, NORTH CAROLINA

**EMPLOYEE PARKING LOT EXPANSION PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND ,
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Interest earnings	\$ 1,486	\$ 1,487	\$ -	\$ 1,487
Total revenues	<u>1,486</u>	<u>1,487</u>	<u>-</u>	<u>1,487</u>
Expenditures:				
Renovations	168,880	165,332	-	165,332
Total expenditures	<u>168,880</u>	<u>165,332</u>	<u>-</u>	<u>165,332</u>
Revenues over (under) expenditures	<u>(167,394)</u>	<u>(163,845)</u>	<u>-</u>	<u>(163,845)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	3,548	-	-	-
Sale of property	175,500	175,500	-	175,500
Transfers from other funds	266,894	266,893	-	266,893
Transfers to other funds	<u>(278,548)</u>	<u>(275,000)</u>	<u>(3,548)</u>	<u>(278,548)</u>
Total other financing sources (uses)	<u>167,394</u>	<u>167,393</u>	<u>(3,548)</u>	<u>163,845</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,548</u>	<u>(3,548)</u>	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>3,548</u>	
End of year – June 30			<u>\$ -</u>	

Schedule D-13

CITY OF GREENVILLE, NORTH CAROLINA

**CONVENTION CENTER EXPANSION PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 30,000	\$ 30,000	\$ -	\$ 30,000
Occupancy taxes	1,062,202	1,616,737	201,076	1,817,813
Interest earnings	-	1,070	-	1,070
Other revenue	-	45,342	-	45,342
Total revenues	<u>1,092,202</u>	<u>1,693,149</u>	<u>201,076</u>	<u>1,894,225</u>
Expenditures:				
Allocation to Convention & Visitor Authority	495,354	223,566	-	223,566
Construction	2,766,119	2,573,777	4,472	2,578,249
Total expenditures	<u>3,261,473</u>	<u>2,797,343</u>	<u>4,472</u>	<u>2,801,815</u>
Revenues over (under) expenditures	<u>(2,169,271)</u>	<u>(1,104,194)</u>	<u>196,604</u>	<u>(907,590)</u>
Other Financing Sources (Uses):				
Transfers from other funds	1,769,271	1,769,271	-	1,769,271
Transfer to other funds	(390,487)	-	(790,487)	(790,487)
Appropriated fund balance	790,487	-	-	-
Total other financing sources (uses)	<u>2,169,271</u>	<u>1,769,271</u>	<u>(790,487)</u>	<u>978,784</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 665,077</u>	<u>(593,883)</u>	<u>\$ 71,194</u>
Fund Balance:				
Beginning of year – July 1			<u>665,077</u>	
End of year – June 30			<u>\$ 71,194</u>	

Schedule D-14

CITY OF GREENVILLE, NORTH CAROLINA

**COMMUNITY ORIENTED POLICING SERVICES (COPS) PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal and State grants	\$ 3,308,159	\$ 3,033,284	\$ -	\$ 3,033,284
Interest earnings	-	1,862	-	1,862
Total revenues	<u>3,308,159</u>	<u>3,035,146</u>	<u>-</u>	<u>3,035,146</u>
Expenditures:				
Administration	2,369,790	2,280,964	-	2,280,964
Capital outlay	<u>1,600,000</u>	<u>1,678,781</u>	<u>-</u>	<u>1,678,781</u>
Total expenditures	<u>3,969,790</u>	<u>3,959,745</u>	<u>-</u>	<u>3,959,745</u>
Revenues over (under) expenditures	<u>(661,631)</u>	<u>(924,599)</u>	<u>-</u>	<u>(924,599)</u>
Other Financing Sources (Uses):				
Transfers from other funds	<u>661,631</u>	<u>661,631</u>	<u>-</u>	<u>661,631</u>
Total other financing sources (uses)	<u>661,631</u>	<u>661,631</u>	<u>-</u>	<u>661,631</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (262,968)</u>	<u>-</u>	<u>\$ (262,968)</u>
Fund Balance:				
Beginning of year – July 1			<u>(262,968)</u>	
End of year – June 30			<u>\$ (262,968)</u>	

Schedule D-15

CITY OF GREENVILLE, NORTH CAROLINA

**NEW TECHNOLOGY FOR PUBLIC SAFETY PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Interest earnings	\$ -	\$ 6,184	\$ -	\$ 6,184
Other revenue	-	120	-	120
Total revenues	<u>-</u>	<u>6,304</u>	<u>-</u>	<u>6,304</u>
Expenditures:				
Testing	2,093,957	1,886,427	129,873	2,016,300
Capital outlay	710,043	547,576	53,287	600,863
Total expenditures	<u>2,804,000</u>	<u>2,434,003</u>	<u>183,160</u>	<u>2,617,163</u>
Revenues over (under) expenditures	<u>(2,804,000)</u>	<u>(2,427,699)</u>	<u>(183,160)</u>	<u>(2,610,859)</u>
Other Financing Sources (Uses):				
Transfers to other funds	(680,000)	(761,930)	-	(761,930)
Transfers from other funds	3,484,000	3,484,000	-	3,484,000
Total other financing sources (uses)	<u>2,804,000</u>	<u>2,722,070</u>	<u>-</u>	<u>2,722,070</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 294,371</u>	(183,160)	<u>\$ 111,211</u>
Fund Balance:				
Beginning of year – July 1			<u>294,371</u>	
End of year – June 30			<u>\$ 111,211</u>	

Schedule D-16

CITY OF GREENVILLE, NORTH CAROLINA

**EMERGENCY OPERATIONS CENTER
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Homeland Security Grant	\$ 600,000	\$ 152,232	\$ 447,768	\$ 600,000
Total revenues	<u>600,000</u>	<u>152,232</u>	<u>447,768</u>	<u>600,000</u>
Expenditures:				
Construction	<u>1,048,700</u>	<u>907,978</u>	<u>111,807</u>	<u>1,019,785</u>
Total expenditures:	<u>1,048,700</u>	<u>907,978</u>	<u>111,807</u>	<u>1,019,785</u>
Revenues over (under) expenditures	(448,700)	(755,746)	335,961	(419,785)
Other Financing Sources (Uses):				
Transfers from other funds	<u>448,700</u>	<u>448,700</u>	<u>-</u>	<u>448,700</u>
Total other financing sources (uses)	<u>448,700</u>	<u>448,700</u>	<u>-</u>	<u>448,700</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (307,046)</u>	335,961	<u>\$ 28,915</u>
Fund Balance:				
Beginning of year – July 1			<u>(307,046)</u>	
End of year – June 30			<u>\$ 28,915</u>	

Schedule D-17

CITY OF GREENVILLE, NORTH CAROLINA

**DREW STEELE CENTER
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
PARTF Grant	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Investment earnings	-	60	-	60
Other revenue - donations	500,000	467,547	-	467,547
Total revenues	<u>1,000,000</u>	<u>967,607</u>	<u>-</u>	<u>967,607</u>
Expenditures:				
Construction	1,442,349	1,398,256	1,894	1,400,150
Total expenditures	<u>1,442,349</u>	<u>1,398,256</u>	<u>1,894</u>	<u>1,400,150</u>
Revenues over (under) expenditures	<u>(442,349)</u>	<u>(430,649)</u>	<u>(1,894)</u>	<u>(432,543)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	9,806	-	-	-
Transfers from other funds	467,349	467,349	-	467,349
Transfers to other funds	(34,806)	(25,000)	(9,806)	(34,806)
Total other financing sources (uses)	<u>442,349</u>	<u>442,349</u>	<u>(9,806)</u>	<u>432,543</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 11,700</u>	(11,700)	<u>\$ -</u>
Fund Balance:				
Beginning of year – July 1			<u>11,700</u>	
End of year – June 30			<u>\$ -</u>	

Schedule D-18

CITY OF GREENVILLE, NORTH CAROLINA

**CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Other Financing Sources (Uses):			
Appropriated fund balance	1,779,000	-	(1,779,000)
Transfers from other funds	415,487	415,487	-
Transfers to other funds	<u>(2,194,487)</u>	<u>(1,779,000)</u>	<u>415,487</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,363,513)</u>	<u>(1,363,513)</u>
 Net change in fund balance	 <u>\$ -</u>	 <u>(1,363,513)</u>	 <u>\$ (1,363,513)</u>
 Fund Balance:			
Beginning of year - July 1		<u>2,019,768</u>	
 End of year - June 30		 <u>\$ 656,255</u>	

Schedule D-19
CITY OF GREENVILLE, NORTH CAROLINA
**KING GEORGE BRIDGE
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal Highway Administration Grant	\$ 403,999	\$ 244	\$ -	\$ 244
Total revenues	<u>403,999</u>	<u>244</u>	<u>-</u>	<u>244</u>
Expenditures:				
Construction	504,999	244	-	244
Total expenditures:	<u>504,999</u>	<u>244</u>	<u>-</u>	<u>244</u>
Revenues over (under) expenditures	(101,000)	-	-	-
Other Financing Sources (Uses):				
Transfers from other funds	101,000	101,000	-	101,000
Total other financing sources (uses)	<u>101,000</u>	<u>101,000</u>	<u>-</u>	<u>101,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 101,000</u>	<u>\$ -</u>	<u>\$ 101,000</u>
Fund Balance:				
Beginning of year - July 1			<u>101,000</u>	
End of year - June 30			<u>\$ 101,000</u>	

Schedule D-20

CITY OF GREENVILLE, NORTH CAROLINA

**GREEN MILL GREENWAY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Federal Highway Administration Grant	\$ 2,332,009	\$ 108,188	\$ 37,479	\$ 145,667
Other revenue - donations	-	50,000	-	50,000
Total revenues	<u>2,332,009</u>	<u>158,188</u>	<u>37,479</u>	<u>195,667</u>
Expenditures:				
Construction	<u>2,983,857</u>	<u>158,188</u>	<u>136,438</u>	<u>294,626</u>
Total expenditures:	<u>2,983,857</u>	<u>158,188</u>	<u>136,438</u>	<u>294,626</u>
Revenues over (under) expenditures	(651,848)	-	(98,959)	(98,959)
Other Financing Sources (Uses):				
Transfers from other funds	<u>651,848</u>	<u>701,612</u>	<u>12,556</u>	<u>714,168</u>
Total other financing sources (uses)	<u>651,848</u>	<u>701,612</u>	<u>12,556</u>	<u>714,168</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 701,612</u>	(86,403)	<u>\$ 615,209</u>
Fund Balance:				
Beginning of year - July 1			<u>701,612</u>	
End of year - June 30			<u>\$ 615,209</u>	

Schedule D-21
CITY OF GREENVILLE, NORTH CAROLINA
**DREAM PARK CAPITAL PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Expenditures:				
Construction	\$ 819,647	\$ 766,637	\$ 54,340	\$ 820,977
Total expenditures:	<u>819,647</u>	<u>766,637</u>	<u>54,340</u>	<u>820,977</u>
Revenues over (under) expenditures	(819,647)	(766,637)	(54,340)	(820,977)
Other Financing Sources (Uses):				
Transfers from other funds	<u>819,647</u>	<u>809,841</u>	<u>9,806</u>	<u>819,647</u>
Total other financing sources (uses)	<u>819,647</u>	<u>809,841</u>	<u>9,806</u>	<u>819,647</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 43,204</u>	(44,534)	<u>\$ (1,330)</u>
Fund Balance:				
Beginning of year - July 1			<u>43,204</u>	
End of year - June 30			<u>\$ (1,330)</u>	

Schedule D-22

CITY OF GREENVILLE, NORTH CAROLINA

**ENERGY SAVINGS EQUIPMENT PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ -	\$ 727	\$ 47	\$ 774
Total revenues	<u>-</u>	<u>727</u>	<u>47</u>	<u>774</u>
Expenditures:				
Administration	-	20,000	-	20,000
Construction	<u>2,591,373</u>	<u>2,082,736</u>	<u>405,247</u>	<u>2,487,983</u>
Total expenditures:	<u>2,591,373</u>	<u>2,102,736</u>	<u>405,247</u>	<u>2,507,983</u>
Revenues over (under) expenditures	(2,591,373)	(2,102,009)	(405,200)	(2,507,209)
Other Financing Sources (Uses):				
Long-term debt issued	<u>2,591,373</u>	<u>2,591,372</u>	-	<u>2,591,372</u>
Total other financing sources (uses)	<u>2,591,373</u>	<u>2,591,372</u>	-	<u>2,591,372</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 489,363</u>	(405,200)	<u>\$ 84,163</u>
Fund Balance:				
Beginning of year - July 1			<u>489,363</u>	
End of year - June 30			<u>\$ 84,163</u>	

Schedule D-23
CITY OF GREENVILLE, NORTH CAROLINA
**UPTOWN PARKING DECK
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Expenditures:				
Construction	\$ 4,997,546	\$ -	\$ 443,195	\$ 443,195
Total expenditures:	<u>4,997,546</u>	<u>-</u>	<u>443,195</u>	<u>443,195</u>
Revenues over (under) expenditures	<u>(4,997,546)</u>	<u>-</u>	<u>(443,195)</u>	<u>(443,195)</u>
Other Financing Sources (Uses):				
Long-term debt issued	4,997,546	-	4,997,546	4,997,546
Total other financing sources (uses)	<u>4,997,546</u>	<u>-</u>	<u>4,997,546</u>	<u>4,997,546</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	4,554,351	<u>\$ 4,554,351</u>
Fund Balance:				
Beginning of year - July 1			<u>-</u>	
End of year - June 30			<u>\$ 4,554,351</u>	

Schedule D-24

CITY OF GREENVILLE, NORTH CAROLINA

**ERP CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Expenditures:				
General government:				
ERP system and implementation	\$ 2,500,000	\$ -	\$ 520,924	\$ 520,924
Total expenditures:	<u>2,500,000</u>	<u>-</u>	<u>520,924</u>	<u>520,924</u>
Revenues over (under) expenditures	<u>(2,500,000)</u>	<u>-</u>	<u>(520,924)</u>	<u>(520,924)</u>
Other Financing Sources (Uses):				
Transfers from other funds	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>
Total other financing sources (uses)	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,979,076	<u>\$ 1,979,076</u>
Fund Balance:				
Beginning of year - July 1			<u>-</u>	
End of year - June 30			<u>\$ 1,979,076</u>	

Schedule D-25
CITY OF GREENVILLE, NORTH CAROLINA
**CVA EXPANSION PHASE III
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Occupancy taxes	\$ -	\$ -	\$ 77,977	\$ 77,977
Total revenues	<u>-</u>	<u>-</u>	<u>77,977</u>	<u>77,977</u>
Expenditures:				
Construction	\$ 4,480,000	\$ -	\$ 3,390	\$ 3,390
Total expenditures:	<u>4,480,000</u>	<u>-</u>	<u>3,390</u>	<u>3,390</u>
Revenues over (under) expenditures	<u>(4,480,000)</u>	<u>-</u>	<u>74,587</u>	<u>74,587</u>
Other Financing Sources (Uses):				
Transfers from other funds	400,000	-	400,000	400,000
Long-term debt issued	<u>4,080,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>4,480,000</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	474,587	<u>\$ 474,587</u>
Fund Balance:				
Beginning of year - July 1			<u>-</u>	
End of year - June 30			<u>\$ 474,587</u>	



DEBT SERVICE FUND

FY 2014 Comprehensive Annual Financial Report

Debt Service Fund

The Debt Service Fund accounts for the payment of the City's debt.

Schedule E-1

CITY OF GREENVILLE, NORTH CAROLINA

**NONMAJOR DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	2014		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Other taxes	\$ 508,173	\$ 565,728	\$ 57,555
Investment earnings	-	143	143
Total revenues	<u>508,173</u>	<u>565,871</u>	<u>57,698</u>
Expenditures:			
Current:			
Principal retirement	3,577,233	3,341,784	235,449
Interest and fees	<u>926,527</u>	<u>894,001</u>	<u>32,526</u>
Total expenditures	<u>4,503,760</u>	<u>4,235,785</u>	<u>267,975</u>
Revenues over (under) expenditures	<u>(3,995,587)</u>	<u>(3,669,914)</u>	<u>325,673</u>
Other Financing Sources (Uses):			
Transfers from other funds	<u>3,995,587</u>	<u>3,169,893</u>	<u>(825,694)</u>
Total other financing sources (uses)	<u>3,995,587</u>	<u>3,169,893</u>	<u>(825,694)</u>
Net change in fund balance	<u>\$ -</u>	<u>(500,021)</u>	<u>\$ (500,021)</u>
Fund Balance:			
Beginning of year - July 1		<u>942,821</u>	
End of year - June 30		<u>\$ 442,800</u>	



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PROPRIETARY FUND FINANCIAL STATEMENTS

FY 2014 Comprehensive Annual Financial Report





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Enterprise Funds

Enterprise Funds are established to account for enterprise operations that are financed and operated in a manner similar to private business. The intent is that the cost of providing goods and services to the general public will be recovered primarily through user charges.

Major Funds

Electric Fund - established to account for the enterprise operation of providing power to the residents of the City.

Water Fund - established to account for the enterprise operation of providing water to the residents of the City.

Sewer Fund - established to account for the enterprise operation of providing sewer services to the residents of the City.

Gas Fund - established to account for the enterprise operation of providing natural gas to the residents of the City.

Non-Major Funds

Public Transportation Fund - established to account for the user charges, fees, federal contributions, and all operating costs associated with the operation of the transit system of the City.

Stormwater Utility Fund - established to account for the operations of the Stormwater Utility operated through the Public Works Department of the City.

This fund has four affiliating capital project funds.

Stormwater Drainage Project - established to account for funds used in correcting drainage problems throughout the City. This is considered an enterprise fund capital project.

Stormwater Drainage Maintenance Improvement Project - established to account for funds used in the correction and maintenance of drainage issues for the southwest corridor of the City.

Town Creek Culvert Project - established to account for funds used to invest in rehabilitation or new system.

Watershed Master Plan Project - established to account for funds used to develop master plans designed to manage the stormwater drainage system more efficiently.

Sanitation Fund - established to account for the user charges, fees, and all operating costs associated with sanitation collection and maintenance operation of the City.

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP) –
ELECTRIC OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Rates and charges	\$ 197,669,271	\$ 199,134,647	\$ 1,465,376	\$ 194,108,566
Fees and charges	1,171,752	1,179,942	8,190	1,130,987
U.G. temp service charges	105,975	106,910	935	102,255
Miscellaneous	592,515	699,404	106,889	504,564
Total operating revenues	<u>199,539,513</u>	<u>201,120,903</u>	<u>1,581,390</u>	<u>195,846,372</u>
Non-operating revenues:				
Interest on investments	97,056	102,578	5,522	116,277
FEMA/insurance reimbursements	51,027	51,027	-	-
Miscellaneous	718,059	1,135,959	417,900	1,833,388
Total non-operating revenues	<u>866,142</u>	<u>1,289,564</u>	<u>423,422</u>	<u>1,949,665</u>
Total revenues	<u>200,405,655</u>	<u>202,410,467</u>	<u>2,004,812</u>	<u>197,796,037</u>
Expenditures:				
Electric Fund:				
Maintenance and repairs		3,287,428		4,022,220
Other operating expenses		187,939,333		183,835,516
Capital outlay		5,161,721		6,023,435
Debt service		3,407,819		2,944,957
Total expenditures	<u>201,551,746</u>	<u>199,796,301</u>	<u>1,755,445</u>	<u>196,826,128</u>
Excess of revenues over (under) expenditures	<u>(1,146,091)</u>	<u>2,614,166</u>	<u>3,760,257</u>	<u>969,909</u>
Other Financing Sources (Uses):				
Installment purchase	1,146,091	-	(1,146,091)	945,064
Intrafund transfers	-	(1,220,000)	(1,220,000)	(1,466,366)
Total other financing sources (uses)	<u>1,146,091</u>	<u>(1,220,000)</u>	<u>(2,366,091)</u>	<u>(521,302)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,394,166</u>	<u>\$ 1,394,166</u>	<u>\$ 448,607</u>

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP) –
ELECTRIC OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		2013
	Budget	Actual	Variance Over/Under
Reconciliation to full accrual basis from modified accrual basis:			
Revenues over expenditures		\$ 1,394,166	\$ 448,607
Budgetary appropriations – capital		5,161,721	6,023,435
Budgetary appropriations – debt principal		2,663,883	1,937,570
Depreciation		(7,596,737)	(7,361,238)
Debt issued		-	(945,064)
Amortization of bond premium and discount		(35,761)	(25,927)
Changes in accrued interest payable		17,779	29,348
Changes in unrealized gains/losses on investments		5,538	-
Intra-fund transfers		1,220,000	1,466,366
Changes in OPEB liability		(432,741)	(421,334)
Revenue recognized in capital projects		388,666	(9,485)
Total reconciling items		<u>1,392,348</u>	<u>693,671</u>
Changes in net position		<u>\$ 2,786,514</u>	<u>\$ 1,142,278</u>

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP) –
 WATER OPERATING FUND - MAJOR ENTERPRISE FUND
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 15,686,494	\$ 15,819,721	\$ 133,227	\$ 15,410,078
Fees and charges	328,551	348,287	19,736	383,665
Miscellaneous	99,455	98,063	(1,392)	90,114
Total operating revenues	<u>16,114,500</u>	<u>16,266,071</u>	<u>151,571</u>	<u>15,883,857</u>
Non-Operating Revenues:				
Interest on investments	34,023	35,122	1,099	39,154
Miscellaneous	78,261	91,367	13,106	214,947
Total non-operating revenues	<u>112,284</u>	<u>126,489</u>	<u>14,205</u>	<u>254,101</u>
Total revenues	<u>16,226,784</u>	<u>16,392,560</u>	<u>165,776</u>	<u>16,137,958</u>
Expenditures:				
Water Fund				
Maintenance and repairs		1,096,630		997,583
Other operating expenses		9,890,231		9,521,700
Capital outlay		457,191		1,067,936
Debt service		4,045,653		4,061,237
Total expenditures	<u>16,492,460</u>	<u>15,489,705</u>	<u>1,002,755</u>	<u>15,648,456</u>
Excess of revenues over (under) expenditures	<u>(265,676)</u>	<u>902,855</u>	<u>1,168,531</u>	<u>489,502</u>
Other Financing Sources (Uses):				
Installment purchase	265,676	-	(265,676)	123,706
Intra-fund transfers	-	(804,000)	(804,000)	(492,562)
Total other financing sources (uses)	<u>265,676</u>	<u>(804,000)</u>	<u>(1,069,676)</u>	<u>(368,856)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 98,855</u>	<u>\$ 98,855</u>	<u>\$ 120,646</u>

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP) –
WATER OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		2013
	Budget	Actual	Actual
		Variance Over/Under	
Reconciliation to Full Accrual Basis from Modified Accrual Basis:			
Revenues over expenditures		\$ 98,855	\$ 120,646
Budgetary appropriations – capital		457,191	1,067,936
Budgetary appropriations – debt principal		2,836,377	2,654,902
Depreciation		(3,943,050)	(3,750,841)
Debt issued		-	(123,706)
Amortization of bond premium and discount		(8,177)	(7,585)
Capitalization of bond interest		-	17,479
Intra-fund transfers		804,000	492,562
Changes in accrued interest payable		69,109	(22,841)
Changes in unrealized gains/losses on investments		681	-
Changes in OPEB liability		(158,463)	(167,292)
Revenue recognized in capital projects		168,932	222,637
Total reconciling items		226,600	383,251
Changes in net position		\$ 325,455	\$ 503,897

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES, BUDGET, AND ACTUAL (NON-GAAP) -
SEWER OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 17,390,355	\$ 17,539,513	\$ 149,158	\$ 17,124,153
Fees and charges	316,411	329,446	13,035	363,627
Miscellaneous	103,580	101,204	(2,376)	90,648
Total operating revenues	17,810,346	17,970,163	159,817	17,578,428
Non-Operating Revenues:				
Interest on investments	17,438	17,923	485	20,694
Miscellaneous	34,551	35,026	475	70,958
Total non-operating revenues	51,989	52,949	960	91,652
Total revenues	17,862,335	18,023,112	160,777	17,670,080
Expenditures:				
Sewer Fund				
Maintenance and repairs		1,077,259		987,916
Other operating expenses		9,708,586		9,623,018
Capital outlay		565,937		977,268
Debt service		6,291,586		5,429,025
Total expenditures	18,474,702	17,643,368	831,334	17,017,227
Excess of revenues over (under) expenditures	(612,367)	379,744	992,111	652,853
Other Financing Sources (Uses):				
Installment purchase	612,367	-	(612,367)	147,377
Intra-fund transfers in	-	-	-	-
Intra-fund transfers	-	(300,000)	(300,000)	(455,162)
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	612,367	(300,000)	(912,367)	(307,785)
Revenues and other financing sources over expenditures and other financing uses	\$ -	\$ 79,744	\$ 79,744	\$ 345,068

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES, BUDGET, AND ACTUAL (NON-GAAP) -
SEWER OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		2013
	Budget	Actual	Actual
Reconciliation to full accrual basis from modified accrual basis:			
Revenues over (under) expenditures		\$ 79,744	\$ 345,068
Budgetary appropriations - capital		565,937	977,268
Budgetary appropriations - debt principal		4,591,850	3,820,046
Depreciation		(4,992,943)	(4,758,787)
Debt issued		-	(147,377)
Amortization of bond premium and discount		(13,704)	(4,381)
Capitalization of bond interest		339,101	322,916
Changes in accrued interest payable		(18,462)	(3,449)
Changes in unrealized gains/losses on investments		816	-
Intra-fund transfers		300,000	455,162
Changes in OPEB liability		(161,959)	(173,964)
Revenue recognized in capital projects		373,931	603,973
Total reconciling items		984,567	1,091,407
Changes in net position		\$ 1,064,311	1,436,475

CITY OF GREENVILLE, NORTH CAROLINA
**SCHEDULE OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL (Non-GAAP) -
 GAS OPERATING FUND - MAJOR ENTERPRISE FUND
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Revenues:				
Operating Revenues:				
Rates and charges	\$ 36,694,904	\$ 35,181,326	\$ (1,513,578)	\$ 31,513,234
Fees and charges	134,215	136,379	2,164	135,445
Miscellaneous	98,682	97,094	(1,588)	87,753
Total operating revenues	<u>36,927,801</u>	<u>35,414,799</u>	<u>(1,513,002)</u>	<u>31,736,432</u>
Non-Operating Revenues:				
Interest on investments	43,649	47,420	3,771	54,216
Miscellaneous	59,841	65,971	6,130	83,446
Total non-operating revenues	<u>103,490</u>	<u>113,391</u>	<u>9,901</u>	<u>137,662</u>
Total revenues	<u>37,031,291</u>	<u>35,528,190</u>	<u>(1,503,101)</u>	<u>31,874,094</u>
Expenditures:				
Gas Fund				
Maintenance and repairs		386,070		552,911
Other operating expenses		31,322,916		24,570,694
Capital outlay		740,166		1,194,407
Debt service		1,389,663		1,344,461
Total expenditures	<u>37,151,359</u>	<u>33,838,815</u>	<u>3,312,544</u>	<u>27,662,473</u>
Excess of revenues over (under) expenditures	<u>(120,068)</u>	<u>1,689,375</u>	<u>1,809,443</u>	<u>4,211,621</u>
Other Financing Sources (Uses):				
Installment purchase	120,068	-	(120,068)	143,251
Intrafund transfers	(4,000,000)	(1,500,000)	2,500,000	(3,985,849)
Appropriated fund balance	4,000,000	-	(4,000,000)	(3,985,849)
Total other financing sources (uses)	<u>120,068</u>	<u>(1,500,000)</u>	<u>(1,620,068)</u>	<u>(3,842,598)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 189,375</u>	<u>\$ 189,375</u>	<u>\$ 369,023</u>

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL (Non-GAAP) -
GAS OPERATING FUND - MAJOR ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2013**

	2014		2013
	Budget	Actual	Actual
Reconciliation to Full Accrual Basis From Modified Accrual Basis:			
Revenues over (under) expenditures		\$ 189,375	\$ 369,023
Budgetary appropriations – capital		740,166	1,194,407
Budgetary appropriations – debt principal		1,137,342	975,913
Depreciation		(1,648,696)	(1,694,506)
Debt proceeds		-	(143,251)
Amortization of bond premium and discount		(27,363)	(20,594)
Changes in accrued interest payable		9,226	15,166
Changes in unrealized gains/losses on investments		3,837	-
Intrafund transfers		1,500,000	3,985,849
Changes in OPEB liability		(137,167)	(143,364)
Revenue recognized in capital projects		12,200	8,959
Total reconciling items		<u>1,589,545</u>	<u>4,178,579</u>
Changes in net position		<u>\$ 1,778,920</u>	<u>\$ 4,547,602</u>

CITY OF GREENVILLE, NORTH CAROLINA

**NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF FUND NET POSITION
JUNE 30, 2014**

	Public Transportation Fund	Stormwater Utility Fund	Sanitation Fund	Total
Assets:				
Current Assets:				
Cash and cash equivalents	\$ 214,328	\$ 3,383,842	\$ -	\$ 3,598,170
Accounts receivable, net	256,659	548,215	1,033,795	1,838,669
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	350	-	6,000	6,350
Total current assets	<u>471,337</u>	<u>3,932,057</u>	<u>1,039,795</u>	<u>5,443,189</u>
Non-Current Assets:				
Land and construction in progress	-	48,895	-	48,895
Other capital assets, net of depreciation	887,470	7,605,043	145,011	8,637,524
Total non-current assets	<u>887,470</u>	<u>7,653,938</u>	<u>145,011</u>	<u>8,686,419</u>
Total assets	<u>1,358,807</u>	<u>11,585,995</u>	<u>1,184,806</u>	<u>14,129,608</u>
Liabilities:				
Current Liabilities:				
Accounts payable and accrued liabilities	68,191	144,024	146,166	358,381
Due to other funds	-	-	667,987	667,987
Current portion of compensated absences	30,459	-	110,936	141,395
Current maturities of long-term debt	-	196,445	45,000	241,445
Total current liabilities	<u>98,650</u>	<u>340,469</u>	<u>970,089</u>	<u>1,409,208</u>
Non-Current Liabilities:				
Non-current portion of compensated absences	13,054	-	47,544	60,598
Non-current portion of other post-employment benefits	313,473	539,870	940,418	1,793,761
Non-current portion of long-term debt	-	4,011,079	270,000	4,281,079
Total non-current liabilities	<u>326,527</u>	<u>4,550,949</u>	<u>1,257,962</u>	<u>6,135,438</u>
Total liabilities	<u>425,177</u>	<u>4,891,418</u>	<u>2,228,051</u>	<u>7,544,646</u>
Net Position:				
Net investment in capital assets	887,470	3,446,414	145,011	4,478,895
Unrestricted	46,160	3,248,163	(1,188,256)	2,106,067
Total net position	<u>\$ 933,630</u>	<u>\$ 6,694,577</u>	<u>\$ (1,043,245)</u>	<u>\$ 6,584,962</u>

Schedule F-6

CITY OF GREENVILLE, NORTH CAROLINA

NONMAJOR ENTERPRISE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Transportation Fund</u>	<u>Stormwater Utility Fund</u>	<u>Sanitation Fund</u>	<u>Total</u>
Operating Revenues:				
Changes for services	\$ 329,857	\$ 3,670,013	\$ 6,738,722	\$ 10,738,592
Other operating revenues	465	-	75,664	76,129
Total operating revenue	<u>330,322</u>	<u>3,670,013</u>	<u>6,814,386</u>	<u>10,814,721</u>
Operating Expenses:				
Administrative and general	126,758	-	-	126,758
Operations and maintenance	2,135,977	2,743,073	7,309,752	12,188,802
Depreciation and amortization	195,925	9,798	48,590	254,313
Total operating expenses	<u>2,458,660</u>	<u>2,752,871</u>	<u>7,358,342</u>	<u>12,569,873</u>
Operating income (loss)	<u>(2,128,338)</u>	<u>917,142</u>	<u>(543,956)</u>	<u>(1,755,152)</u>
Non-Operating Revenues (Expenses):				
Investment earnings	-	1,051	20	1,071
Interest expense	-	(192,079)	-	(192,079)
Total non-operating revenue (expenses)	<u>-</u>	<u>(191,028)</u>	<u>20</u>	<u>(191,008)</u>
Income (Loss) Before Contributions and Transfers	<u>(2,128,338)</u>	<u>726,114</u>	<u>(543,936)</u>	<u>(1,946,160)</u>
Transfers In (Out) and Capital Contributions:				
Capital contributions	1,425,349	-	70,623	1,495,972
Transfers to other funds	-	-	(104,920)	(104,920)
Transfers from other funds	214,889	-	373,598	588,487
Total transfers in (out) and capital contributions:	<u>1,640,238</u>	<u>-</u>	<u>339,301</u>	<u>1,979,539</u>
Change in net position	(488,100)	726,114	(204,635)	33,379
Net position, beginning of year – July 1	<u>1,421,730</u>	<u>5,968,463</u>	<u>(838,610)</u>	<u>6,551,583</u>
Net position, end of year – June 30	<u>\$ 933,630</u>	<u>\$ 6,694,577</u>	<u>\$ (1,043,245)</u>	<u>\$ 6,584,962</u>

CITY OF GREENVILLE, NORTH CAROLINA
**NONMAJOR ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2014**

	Public Transportation Fund	Stormwater Utility Fund	Sanitation Fund	Total
Cash Flows From Operating Activities:				
Cash received from customers	\$ 378,354	\$ 3,357,441	\$ 6,249,767	\$ 9,985,562
Cash paid to vendors	(1,268,933)	(1,069,957)	(3,748,867)	(6,087,757)
Cash paid to employees	(1,004,865)	(1,574,849)	(3,791,189)	(6,370,903)
Net cash provided (used) by operating activities	<u>(1,895,444)</u>	<u>712,635</u>	<u>(1,290,289)</u>	<u>(2,473,098)</u>
Cash From Non-Capital Financing Activities:				
Repayments to/from other funds	-	222,318	667,987	890,305
Transfers from other funds	214,889	-	373,598	588,487
Transfers to other funds	-	-	(104,920)	(104,920)
Net cash provided (used) by non-capital financing activities	<u>214,889</u>	<u>222,318</u>	<u>936,665</u>	<u>1,373,872</u>
Cash From Capital and Related Financing Activities:				
Repayment of principal of long-term debt	-	(196,539)	-	(196,539)
Proceeds from issuance of debt	-	-	315,000	315,000
Interest paid	-	(192,079)	-	(192,079)
Capital contributions	1,425,349	-	70,623	1,495,972
Acquisition and construction of capital assets	-	(118,024)	(75,392)	(193,416)
Net cash provided (used) by capital and related financing activities	<u>1,425,349</u>	<u>(506,642)</u>	<u>310,231</u>	<u>1,228,938</u>
Cash From Investing Activities:				
Interest received on investments	-	1,051	20	1,071
Net cash provided (used) by investing activities	<u>-</u>	<u>1,051</u>	<u>20</u>	<u>1,071</u>
Net increase (decrease) in cash and cash equivalents	(255,206)	429,362	(43,373)	130,783
Cash and Cash Equivalents:				
Beginning of year – July 1	<u>469,534</u>	<u>2,954,480</u>	<u>43,373</u>	<u>3,467,387</u>
End of year – June 30	<u>\$ 214,328</u>	<u>\$ 3,383,842</u>	<u>\$ -</u>	<u>\$ 3,598,170</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (2,128,337)	\$ 917,142	\$ (543,956)	\$ (1,755,151)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	195,925	9,798	48,590	254,313
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	45,521	(329,465)	(564,619)	(848,563)
(Increase) decrease in due from other government	2,510	16,893	-	19,403
(Increase) decrease in prepaids	-	-	(6,000)	(6,000)
Increase (decrease) in accounts payable	(9,268)	70,634	(18,736)	42,630
Increase (decrease) in compensated absences payable	(1,316)	-	(38,894)	(40,210)
Increase (decrease) in OPEB liability	(479)	27,633	(166,674)	(139,520)
Net cash provided (used) by operating activities	<u>\$ (1,895,444)</u>	<u>\$ 712,635</u>	<u>\$ (1,290,289)</u>	<u>\$ (2,473,098)</u>

Schedule F-8

CITY OF GREENVILLE, NORTH CAROLINA

**PUBLIC TRANSPORTATION ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Over/Under
Revenues:				
Charges for services	\$ 279,996	\$ 329,858	\$ 49,862	\$ 326,919
Public transportation planning and operating grants	1,927,627	1,425,349	(502,278)	1,421,223
Other operating revenues	225	465	240	31,767
Total operating revenue	<u>2,207,848</u>	<u>1,755,672</u>	<u>(452,176)</u>	<u>1,779,909</u>
Expenditures:				
Administrative and general	-	126,758	126,758	40,288
Operations and maintenance	-	659,929	659,929	740,625
Salaries and benefits	-	1,003,070	1,003,070	1,006,239
Capital outlay	-	474,773	474,773	312,074
Total operating expenses	<u>3,731,188</u>	<u>2,264,530</u>	<u>1,466,658</u>	<u>2,099,226</u>
Revenues over (under) expenditures	<u>(1,523,340)</u>	<u>(508,858)</u>	<u>1,014,482</u>	<u>(319,317)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	1,308,451	-	(1,308,451)	-
Transfers from General Fund	214,889	214,889	-	84,804
Total other financing sources (uses)	<u>1,523,340</u>	<u>214,889</u>	<u>(1,308,451)</u>	<u>84,804</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(293,969)</u>	<u>\$ (293,969)</u>	<u>\$ (234,513)</u>
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(195,925)		(391,734)
Capital outlay		-		85,828
Change in OPEB liability		479		(97,207)
Change in accrued compensated absences		1,316		2,900
Change in net position		<u>\$ (488,099)</u>		<u>\$ (634,726)</u>

Schedule F-9

CITY OF GREENVILLE, NORTH CAROLINA

STORMWATER UTILITY FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Charges for services	\$ 3,710,491	\$ 3,670,013	\$ (40,478)	\$ 3,117,169
Total operating revenues	<u>3,710,491</u>	<u>3,670,013</u>	<u>(40,478)</u>	<u>3,117,169</u>
Expenditures:				
Operations and maintenance	-	403,209	403,209	406,057
Salaries and benefits	-	1,602,482	1,602,482	1,696,696
Capital outlay	-	134,342	134,342	660,388
Retirement of long-term debt	-	196,539	196,539	166,457
Interest paid	-	192,079	192,079	167,002
Indirect cost reimbursement	-	265,531	265,531	265,531
Total operating expenses	<u>7,975,609</u>	<u>2,794,182</u>	<u>5,181,427</u>	<u>3,362,131</u>
Revenues over (under) expenditures	<u>(4,265,118)</u>	<u>875,831</u>	<u>5,140,949</u>	<u>(244,962)</u>
Other Financing Sources (Uses):				
Long term debt issued	5,300,000	-	(5,300,000)	-
Transfer to other funds	(4,250,000)	(3,675,669)	574,331	-
Transfers from other funds	976,000	1,243	(974,757)	1,363,214
Appropriated fund balance	2,239,118	-	(2,239,118)	-
Total other financing sources (uses)	<u>4,265,118</u>	<u>(3,674,426)</u>	<u>(7,939,544)</u>	<u>1,363,214</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(2,798,595)</u>	<u>\$ (2,798,595)</u>	<u>\$ 1,118,252</u>
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(9,798)		(6,573)
Transfer from capital projects		(1,243)		(1,363,214)
Transfer to capital projects		3,675,669		-
Capital project interest earnings		1,051		1,143
Capital contributions - capital project funds grant revenue		-		400,000
Non-capitalizable expense from capital project funds		(427,900)		(163,933)
Capital outlay		118,024		509,625
Change in OPEB liability		(27,633)		(47,206)
Payment of debt principal		196,539		166,457
Change in net position		<u>\$ 726,114</u>		<u>\$ 614,551</u>

Schedule F-10

CITY OF GREENVILLE, NORTH CAROLINA

**STORMWATER DRAINAGE CAPITAL PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental	\$ 400,000	\$ 400,000	\$ -	\$ 400,000	\$ -
Interest earnings	204,000	309,794	1,051	310,845	106,845
Other revenue	<u>-</u>	<u>600</u>	<u>-</u>	<u>600</u>	<u>600</u>
Total revenues	<u>604,000</u>	<u>710,394</u>	<u>1,051</u>	<u>711,445</u>	<u>107,445</u>
Expenditures:					
Stormwater drainage projects	<u>6,476,232</u>	<u>6,144,917</u>	<u>-</u>	<u>6,144,917</u>	<u>331,315</u>
Total expenditures	<u>6,476,232</u>	<u>6,144,917</u>	<u>-</u>	<u>6,144,917</u>	<u>331,315</u>
Revenues over (under) expenditures	<u>(5,872,232)</u>	<u>(5,434,523)</u>	<u>1,051</u>	<u>(5,433,472)</u>	<u>438,760</u>
Other Financing Sources (Uses):					
Appropriated fund balance	379,892	-	-	-	(379,892)
Premium received on debt issue	-	22,607	-	22,607	22,607
Bonds issued	5,100,000	5,100,000	-	5,100,000	-
Transfers to other funds	(379,892)	(379,892)	(1,243)	(381,135)	(1,243)
Transfers from other funds	<u>772,232</u>	<u>692,000</u>	<u>-</u>	<u>692,000</u>	<u>(80,232)</u>
Total other financing sources (uses)	<u>5,872,232</u>	<u>5,434,715</u>	<u>(1,243)</u>	<u>5,433,472</u>	<u>(438,760)</u>
Revenues and other financing sources over (under)					
expenditures and other financing uses	<u>\$ -</u>	<u>\$ 192</u>	<u>\$ (192)</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule F-11
CITY OF GREENVILLE, NORTH CAROLINA
**STORMWATER DRAINAGE MAINTENANCE IMPROVEMENT CAPITAL PROJECT
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Variance Over/Under</u>
Revenues:					
Interest earnings	\$ -	\$ 156	\$ -	\$ 156	156
Total revenues	<u>-</u>	<u>156</u>	<u>-</u>	<u>156</u>	<u>156</u>
Expenditures:					
Stormwater drainage projects	199,828	122,397	2,214	124,611	75,217
Total expenditures	<u>199,828</u>	<u>122,397</u>	<u>2,214</u>	<u>124,611</u>	<u>75,217</u>
Revenues over (under) expenditures	<u>(199,828)</u>	<u>(122,241)</u>	<u>(2,214)</u>	<u>(124,455)</u>	<u>75,373</u>
Other Financing Sources (Uses):					
Transfers to other funds	(1,081,172)	(1,081,172)	-	(1,081,172)	-
Transfers from other funds	<u>1,281,000</u>	<u>1,231,000</u>	<u>50,000</u>	<u>1,281,000</u>	<u>-</u>
Total other financing sources (uses)	<u>199,828</u>	<u>149,828</u>	<u>50,000</u>	<u>199,828</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 27,587</u>	<u>\$ 47,786</u>	<u>\$ 75,373</u>	<u>\$ 75,373</u>

Schedule F-12

CITY OF GREENVILLE, NORTH CAROLINA

**TOWN CREEK CULVERT STORMWATER CAPITAL PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Variance Over/Under</u>
Expenditures:					
Stormwater drainage projects	9,262,500	-	425,669	425,669	8,836,831
Total expenditures	<u>9,262,500</u>	<u>-</u>	<u>425,669</u>	<u>425,669</u>	<u>8,836,831</u>
Revenues over (under) expenditures	<u>(9,262,500)</u>	<u>-</u>	<u>(425,669)</u>	<u>(425,669)</u>	<u>8,836,831</u>
Other Financing Sources (Uses):					
Long-term debt issued	8,262,500	-	-	-	(8,262,500)
Transfers from other funds	1,000,000	-	425,669	425,669	(574,331)
Total other financing sources (uses)	<u>9,262,500</u>	<u>-</u>	<u>425,669</u>	<u>425,669</u>	<u>(8,836,831)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule F-13
CITY OF GREENVILLE, NORTH CAROLINA
**WATERSHED REPLACEMENT STORMWATER CAPITAL PROJECT
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Variance Over/Under</u>
Expenditures:					
Stormwater drainage projects	3,200,000	-	17	17	3,199,983
Total expenditures	<u>3,200,000</u>	<u>-</u>	<u>17</u>	<u>17</u>	<u>3,199,983</u>
Revenues over (under) expenditures	<u>(3,200,000)</u>	<u>-</u>	<u>(17)</u>	<u>(17)</u>	<u>3,199,983</u>
Other Financing Sources (Uses):					
Transfers from other funds	3,200,000	-	3,200,000	3,200,000	-
Total other financing sources (uses)	<u>3,200,000</u>	<u>-</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>-</u>
Revenues and other financing sources over (under)					
expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,199,983</u>	<u>\$ 3,199,983</u>	<u>\$ 3,199,983</u>

Schedule F-14

CITY OF GREENVILLE, NORTH CAROLINA

SANITATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	<u>2014</u>		<u>Variance Over/Under</u>	<u>2013</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Operating Revenues:				
Charges for services	\$ 7,071,868	\$ 6,738,722	\$ (333,146)	\$ 6,470,029
Grant revenue	-	70,623	70,623	20,287
Investment earnings	-	20	20	-
Other revenue	<u>150,745</u>	<u>75,664</u>	<u>(75,081)</u>	<u>160,427</u>
Total operating revenues	<u>7,222,613</u>	<u>6,885,029</u>	<u>(337,584)</u>	<u>6,650,743</u>
Operating Expenditures:				
Operations and maintenance	-	2,699,961	-	2,154,897
Salaries and benefits	-	3,585,621	-	3,730,024
Capital outlay	-	556,089	-	56,287
Indirect cost reimbursement	-	749,041	-	749,041
Total operating expenses	<u>8,070,716</u>	<u>7,590,712</u>	<u>480,004</u>	<u>6,690,249</u>
Revenues over (under) expenditures	<u>(848,103)</u>	<u>(705,683)</u>	<u>142,420</u>	<u>(39,506)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	264,426	-	(264,426)	-
Long-term debt issued	315,000	315,000	-	-
Transfers from General Fund	373,597	373,598	1	139,163
Transfers to General Fund	<u>(104,920)</u>	<u>(104,920)</u>	-	<u>(104,920)</u>
Total other financing sources (uses)	<u>848,103</u>	<u>583,678</u>	<u>(264,425)</u>	<u>34,243</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(122,005)</u>	<u>\$ (122,005)</u>	<u>(5,263)</u>
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual:				
Depreciation		(48,590)		(50,518)
Installment note proceeds		(315,000)		-
Change in accrued compensation absences		38,894		(8,889)
Change in OPEB liability		166,674		(42,083)
Capital outlay		<u>75,392</u>		-
Change in net position		<u>\$ (204,635)</u>		<u>\$ (106,753)</u>



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INTERNAL SERVICE FUNDS

FY 2014 Comprehensive Annual Financial Report

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis.

Vehicle Replacement Fund - established to account for financing the City's replacement vehicles and certain capital equipment greater than or equal to \$5,000.

Health Insurance Fund - established to account for the self-insured financing of the City's health insurance program.

Fleet Maintenance Fund - established to account for financing the City's fleet maintenance costs.

Schedule G-1

CITY OF GREENVILLE, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET POSITION
JUNE 30, 2014**

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Total
Assets:				
Current Assets:				
Cash, cash equivalents, and investments	\$ 6,247,234	\$ 5,113,220	\$ -	\$ 11,360,454
Accounts receivable	-	155,982	7,747	163,729
Due from other funds	-	3,572	-	3,572
Prepaid items	-	-	148,131	148,131
Due from other governments	-	342	257,799	258,141
Inventories	-	-	-	-
Total current assets	<u>6,247,234</u>	<u>5,273,116</u>	<u>413,677</u>	<u>11,934,027</u>
Non-Current Assets:				
Capital assets, net	<u>12,629,281</u>	-	-	<u>12,629,281</u>
Total assets	<u>18,876,515</u>	<u>5,273,116</u>	<u>413,677</u>	<u>24,563,308</u>
Liabilities:				
Current Liabilities:				
Accounts payable	14,580	2,106,038	190,647	2,311,265
Due to other funds	-	-	781,082	781,082
Total current liabilities	<u>14,580</u>	<u>2,106,038</u>	<u>971,729</u>	<u>3,092,347</u>
Net Position:				
Net investment in capital assets	12,629,281	-	-	12,629,281
Unrestricted	<u>6,232,654</u>	<u>3,167,078</u>	<u>(558,052)</u>	<u>8,841,680</u>
Total net position	<u>\$ 18,861,935</u>	<u>\$ 3,167,078</u>	<u>\$ (558,052)</u>	<u>\$ 21,470,961</u>

CITY OF GREENVILLE, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014**

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Total
Operating Revenues:				
Charges for services	\$ 3,597,338	\$ 12,187,601	\$ 3,935,986	\$ 19,720,925
Other operating revenues	285,865	-	-	285,865
Total operating revenues	<u>3,883,203</u>	<u>12,187,601</u>	<u>3,935,986</u>	<u>20,006,790</u>
Operating Expenses:				
Administration	-	537,361	-	537,361
Operations and maintenance	533,833	-	4,323,321	4,857,154
Depreciation	1,213,927	-	-	1,213,927
Claims and payments to third party administrators	-	9,891,544	-	9,891,544
Total operating expenses	<u>1,747,760</u>	<u>10,428,905</u>	<u>4,323,321</u>	<u>16,499,986</u>
Operating income (loss)	<u>2,135,443</u>	<u>1,758,696</u>	<u>(387,335)</u>	<u>3,506,804</u>
Operating income (Loss) Before Contributions and Transfers	<u>2,135,443</u>	<u>1,758,696</u>	<u>(387,335)</u>	<u>3,506,804</u>
Transfers In (Out) and Capital Contributions:				
Transfers from other funds	-	783,044	-	783,044
Total transfers in (out) and capital contributions	<u>-</u>	<u>783,044</u>	<u>-</u>	<u>783,044</u>
Change in net position	<u>2,135,443</u>	<u>2,541,740</u>	<u>(387,335)</u>	<u>4,289,848</u>
Net Position:				
Beginning of year - July 1	16,726,492	625,338	(170,717)	17,181,113
End of year - June 30	<u>\$ 18,861,935</u>	<u>\$ 3,167,078</u>	<u>\$ (558,052)</u>	<u>\$ 21,470,961</u>

Schedule G-3

CITY OF GREENVILLE, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

	Vehicle Replacement Fund	Health Insurance Fund	Fleet Maintenance Fund	Total
Cash Flows Operating Activities:				
Cash received from customers	\$ 3,908,803	\$ 12,130,412	\$ 4,042,184	\$ 20,081,399
Cash paid to vendors	(519,253)	(10,157,863)	(2,953,613)	(13,630,729)
Cash paid to employees	-	-	(1,324,178)	(1,324,178)
Net cash provided (used) by operating activities	<u>3,389,550</u>	<u>1,972,549</u>	<u>(235,607)</u>	<u>5,126,492</u>
Cash Flows From Non-Capital Financing Activities:				
Transfers from other funds	-	783,044	-	783,044
Advances to/from other funds	-	(3,572)	235,607	232,035
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>779,472</u>	<u>235,607</u>	<u>1,015,079</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(4,390,510)	-	-	(4,390,510)
Net cash provided (used) by capital and related financing activities	<u>(4,390,510)</u>	<u>-</u>	<u>-</u>	<u>(4,390,510)</u>
Net increase (decrease) in cash and cash equivalents	(1,000,960)	2,752,021	-	1,751,061
Cash and Cash Equivalents				
Beginning of year - July 1	<u>7,248,194</u>	<u>2,361,199</u>	<u>-</u>	<u>9,609,393</u>
End of year - June 30	<u>\$ 6,247,234</u>	<u>\$ 5,113,220</u>	<u>\$ -</u>	<u>\$ 11,360,454</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 2,135,443	\$ 1,758,696	\$ (387,335)	\$ 3,506,804
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,213,927	-	-	1,213,927
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	25,600	(57,201)	(260,878)	(292,479)
(Increase) decrease in due from other government	-	12	367,076	367,088
(Increase) decrease in prepaids	-	-	2,829	2,829
Increase (decrease) in accounts payable	<u>14,580</u>	<u>271,042</u>	<u>42,701</u>	<u>328,323</u>
Net cash provided (used) by operating activities	<u>\$ 3,389,550</u>	<u>\$ 1,972,549</u>	<u>\$ (235,607)</u>	<u>\$ 5,126,492</u>

Schedule G-4

CITY OF GREENVILLE, NORTH CAROLINA

**VEHICLE REPLACEMENT INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014**

	2014		
	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Charges for services	\$ 3,772,949	\$ 3,597,338	\$ (175,611)
Other operating revenues	-	285,865	285,865
Total operating revenues	<u>3,772,949</u>	<u>3,883,203</u>	<u>110,254</u>
Operating Expenditures:			
Capital outlay	<u>5,867,712</u>	<u>4,924,343</u>	<u>943,369</u>
Total operating expenditures			
Revenues over (under) expenditures	<u>(2,094,763)</u>	<u>(1,041,140)</u>	<u>1,053,623</u>
Other Financing Sources (Uses):			
Fund balance appropriated	2,431,712	-	(2,431,712)
Contingency	(336,949)	-	336,949
Total other financing sources (uses)	<u>2,094,763</u>	<u>-</u>	<u>(2,094,763)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(1,041,140)</u>	<u>\$ (1,041,140)</u>
Reconciliation From Financial Plan Basis (Modified Accrual) to Full Accrual:			
Depreciation		(1,213,927)	
Capital outlay		<u>4,390,510</u>	
Change in net position		<u>\$ 2,135,443</u>	

Schedule G-5

CITY OF GREENVILLE, NORTH CAROLINA

**HEALTH INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014**

	2014		
	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Charges for services	\$ 12,604,626	\$ 12,187,601	\$ (417,025)
Total operating revenues	<u>12,604,626</u>	<u>12,187,601</u>	<u>(417,025)</u>
Operating Expenditures:			
Administration	-	537,361	-
Payment to third party administrator	-	9,891,544	-
Total operating expenditures	<u>13,387,670</u>	<u>10,428,905</u>	<u>2,958,765</u>
Revenues over (under) expenditures	<u>(783,044)</u>	<u>1,758,696</u>	<u>2,541,740</u>
Other Financing Sources (Uses):			
Transfers from other funds	<u>783,044</u>	<u>783,044</u>	-
Total other financing sources (uses)	<u>783,044</u>	<u>783,044</u>	-
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>2,541,740</u>	<u>\$ 2,541,740</u>
Reconciliation From Financial Plan Basis (Modified Accrual) to Full Accrual:			
		-	
Change in net position		<u>\$ 2,541,740</u>	

Schedule G-6
CITY OF GREENVILLE, NORTH CAROLINA
**FLEET MAINTENANCE INTERNAL SERVICE FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 FINANCIAL PLAN AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2014**

	2014		
	Financial Plan	Actual	Variance Over/Under
Operating Revenues:			
Charges for services	\$ 4,492,056	\$ 3,935,986	\$ (556,070)
Total operating revenues	<u>4,492,056</u>	<u>3,935,986</u>	<u>(556,070)</u>
Operating Expenditures:			
Salaries and benefits	-	1,324,178	-
Operating and maintenance	-	2,982,845	-
Capital outlay	-	16,298	-
Total operating expenditures	<u>4,672,803</u>	<u>4,323,321</u>	<u>349,482</u>
Revenues over (under) expenditures	<u>(180,747)</u>	<u>(387,335)</u>	<u>(206,588)</u>
Other Financing Sources (Uses):			
Appropriated fund balance	180,747	-	(180,747)
Total other financing sources (uses)	<u>180,747</u>	<u>-</u>	<u>(180,747)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (387,335)</u>	<u>\$ (387,335)</u>



STATISTICAL SECTION

FY 2014 Comprehensive Annual Financial Report



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Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Financial Trends Information - These schedules contain trend information intended to help the reader understand how the City's financial position has changed over time.

Revenue Capacity Information - These schedules contain information intended to help the reader assess the City's most significant revenue sources, tax collections, and Greenville Utilities Commission's revenue base.

Debt Capacity Information - These schedules present information intended to assist users in understanding and assessing the City's current levels of outstanding debt and the ability to issue additional debt.

Demographic and Economic Information - These schedules provide demographic and economic indicators intended to help the reader understand the socio-economic environment within which the City's financial activities take place.

Notes at the bottom of charts and tables will indicate when the data amounts provided are in thousands. In some cases, notes will also indicate whether the data is based on the Accrual or Modified Accrual Basis of Accounting.

City of Greenville
Net Position by Component
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities					
Net investment in capital assets	\$ 38,196	\$ 83,851	\$ 81,844	\$ 89,239	\$ 98,830
Restricted	1,243	1,223	1,572	2,889	2,053
Unrestricted	<u>44,355</u>	<u>40,333</u>	<u>49,998</u>	<u>42,823</u>	<u>44,182</u>
Total Governmental activities net position	\$ 83,794	\$ 125,407	\$ 133,414	\$ 134,951	\$ 145,065
Business-type activities					
Net investment in capital assets	\$ 198,000	\$ 207,485	\$ 219,968	\$ 229,538	\$ 235,068
Unrestricted	<u>50,194</u>	<u>54,312</u>	<u>61,850</u>	<u>64,285</u>	<u>63,578</u>
Total business-type activities net assets	\$ 248,194	\$ 261,797	\$ 281,818	\$ 293,823	\$ 298,646
Primary government					
Net investment in capital assets	\$ 236,196	\$ 291,336	\$ 301,812	\$ 318,777	\$ 333,898
Restricted	1,243	1,223	1,572	2,889	2,053
Unrestricted	<u>94,549</u>	<u>94,646</u>	<u>111,848</u>	<u>107,108</u>	<u>107,760</u>
Total primary government net position	\$ 331,988	\$ 387,205	\$ 415,232	\$ 428,774	\$ 443,711

Note 1: Amounts are based on the Accrual Basis of Accounting

Note 2: Amounts are expressed in thousands

Note 3: Terminology changed from "Net Assets" to Net Position effective fiscal year 2013.

Table 1

2010	2011	2012	2013	2014
\$ 119,789	\$ 132,450	\$ 136,640	\$ 140,382	\$ 144,125
3,424	10,690	17,011	10,880	12,061
<u>29,727</u>	<u>24,196</u>	<u>18,142</u>	<u>36,640</u>	<u>36,849</u>
<u>\$ 152,940</u>	<u>\$ 167,336</u>	<u>\$ 171,793</u>	<u>\$ 187,902</u>	<u>\$ 193,035</u>
\$ 239,541	\$ 239,156	\$ 242,482	\$ 251,120	\$ 258,321
69,964	79,687	81,410	81,243	80,030
<u>\$ 309,505</u>	<u>\$ 318,843</u>	<u>\$ 323,892</u>	<u>\$ 332,363</u>	<u>\$ 338,351</u>
\$ 359,330	\$ 371,606	\$ 379,122	\$ 391,502	\$ 402,446
3,424	10,690	17,011	10,880	12,061
<u>99,691</u>	<u>103,883</u>	<u>99,552</u>	<u>117,883</u>	<u>116,879</u>
<u>\$ 462,445</u>	<u>\$ 486,179</u>	<u>\$ 495,685</u>	<u>\$ 520,265</u>	<u>\$ 531,386</u>

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City of Greenville

Changes in Net Position

Last Ten Fiscal Years (in 000's)

Expenses	2005	2006	2007	2008
Governmental activities:				
General government	\$ 13,023	\$ 16,353	\$ 18,144	\$ 16,290
Public safety	23,705	23,624	28,366	29,719
Transportation	2,897	5,720	3,190	9,703
Environmental protection	3,568	3,855	4,295	4,366
Economic and physical development	1,932	7,652	3,528	5,139
Culture and recreation	6,626	5,044	4,926	6,690
Interest on long-term debt	1,697	1,714	1,937	1,788
Total governmental activities	\$ 53,448	\$ 63,962	\$ 64,386	\$ 73,695
Business-type activities:				
Electric	\$ 133,698	\$ 148,006	\$ 157,151	\$ 163,119
Water	12,302	11,584	11,836	13,170
Sewer	10,931	12,227	12,800	12,972
Gas	28,357	36,630	37,068	38,148
Public Transportation	1,000	1,366	1,389	1,412
Bradford Creek	825	841	871	878
Aquatics and fitness	537	583	1,521	1,560
Stormwater Utility	1,546	1,704	1,848	2,367
Sanitation	-	-	-	-
Total business-type activities	\$ 189,196	\$ 212,941	\$ 224,484	\$ 233,626
Total expenses	\$ 242,644	\$ 341,113	\$ 288,870	\$ 307,321
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 3,328	\$ 4,109	\$ 4,392	\$ 4,112
Public safety	2,518	3,811	4,189	3,709
Transportation	161	311	275	210
Environmental protection	3,881	3,719	4,004	4,634
Economic and physical development	876	505	668	768
Culture and recreation	356	24	31	516
Operating grants and contributions	3,772	4,538	4,578	3,101
Capital grants and contributions	2,770	3,360	3,022	3,691
Total governmental activities program revenues	\$ 17,662	\$ 20,377	\$ 21,159	\$ 20,741

Table 2

Page 1 of 2

2009		2010		2011		2012		2013		2014	
\$	12,826	\$	10,721	\$	10,172	\$	10,480	\$	21,603	\$	19,960
	32,621		37,866		36,159		39,385		29,712		28,939
	8,253		11,994		9,344		10,326		7,593		7,462
	1,068		-		-		-		-		-
	6,006		5,199		4,625		6,065		14,501		13,497
	10,360		11,192		11,398		11,503		3,688		3,204
	1,440		1,842		1,602		1,657		826		894
\$	<u>72,574</u>	\$	<u>78,814</u>	\$	<u>73,300</u>	\$	<u>79,416</u>	\$	<u>77,923</u>	\$	<u>73,956</u>
\$	183,301	\$	188,681	\$	195,510	\$	191,269	\$	192,058	\$	195,184
	14,437		14,778		15,044		16,403		15,857		16,237
	14,524		14,776		15,673		16,208		16,837		17,333
	38,330		31,749		31,972		24,947		26,189		32,519
	1,791		1,703		1,837		2,178		2,499		2,459
	911		906		914		930		-		-
	-		-		-		-		-		-
	2,720		2,638		2,899		3,119		2,904		2,945
	5,959		5,495		5,961		6,643		6,792		7,358
\$	<u>261,973</u>	\$	<u>260,726</u>	\$	<u>269,810</u>	\$	<u>261,697</u>	\$	<u>263,136</u>	\$	<u>274,035</u>
\$	<u>334,547</u>	\$	<u>339,540</u>	\$	<u>343,110</u>	\$	<u>341,113</u>	\$	<u>341,059</u>	\$	<u>347,991</u>
\$	2,323	\$	447	\$	886	\$	3,140	\$	4,052	\$	4,829
	4,221		5,060		4,564		5,545		4,360		4,149
	264		264		309		247		190		180
	81		-		-		-		-		-
	1,280		170		738		-		19		19
	19		1,324		1,247		1,354		1,120		1,088
	3,952		7,491		9,502		9,820		4,523		3,540
	5,657		13,735		10,258		4,091		3,975		3,214
\$	<u>17,797</u>	\$	<u>28,491</u>	\$	<u>27,504</u>	\$	<u>24,197</u>	\$	<u>18,239</u>	\$	<u>17,019</u>

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City of Greenville
Changes in Net Position
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Business-type activities:				
Charges for services:				
Electric	\$ 138,528	\$ 154,577	\$ 164,380	\$ 168,993
Water	10,298	11,557	11,977	13,714
Sewer	12,206	12,833	13,613	14,111
Gas	30,896	37,219	38,267	41,109
Public Transportation	114	132	166	185
Aquatics and Fitness	523	559	539	600
Bradford Creek	885	850	843	876
Stormwater Utility	2,669	2,944	2,823	2,933
Sanitation	-	-	-	-
Operating grants and contributions	907	1,081	930	699
Capital grants and contributions	3,112	7,043	12,350	5,074
Total business-type activities program revenues	<u>\$ 200,138</u>	<u>\$ 228,795</u>	<u>\$ 245,888</u>	<u>\$ 248,294</u>
Total program revenues	<u>\$ 217,800</u>	<u>\$ 249,172</u>	<u>\$ 267,047</u>	<u>\$ 269,035</u>
Net (expense)/revenue				
Governmental activities	\$ (35,786)	\$ (43,585)	\$ (43,227)	\$ (52,954)
Business-type activities	10,942	15,854	21,404	14,668
Total primary governmental net expense	<u>\$ (24,844)</u>	<u>\$ (27,731)</u>	<u>\$ (21,823)</u>	<u>\$ (38,286)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 21,439	\$ 22,965	\$ 24,054	\$ 26,033
Other Taxes, grants and contributions	16,469	18,466	19,708	20,712
Investment earnings	964	1,908	2,765	2,706
Miscellaneous	-	-	-	-
Transfers	4,145	4,349	4,469	5,039
Total General revenues	<u>\$ 43,017</u>	<u>\$ 47,688</u>	<u>\$ 50,996</u>	<u>\$ 54,490</u>
Business-type activities:				
Investment earnings	\$ 1,341	\$ 2,097	\$ 3,088	\$ 2,377
Transfers	(4,145)	(4,349)	(4,469)	(5,039)
Total business-type activities	<u>\$ (2,804)</u>	<u>\$ (2,252)</u>	<u>\$ (1,381)</u>	<u>\$ (2,662)</u>
Total primary government	<u>\$ 40,213</u>	<u>\$ 45,436</u>	<u>\$ 49,615</u>	<u>\$ 51,828</u>
Change in Net Position				
Governmental activities	\$ 7,231	\$ 4,103	\$ 7,769	\$ 1,536
Business-type activities	8,138	13,602	20,023	12,006
Total primary government	<u>\$ 15,369</u>	<u>\$ 17,705</u>	<u>\$ 27,792</u>	<u>\$ 13,542</u>

Note 1: Amounts are based on Accrual Basis of Accounting

Note 2: Amounts are expressed in thousands

Table 2
Page 2 of 2

2009	2010	2011	2012	2013	2014
\$ 187,204	\$ 194,531	\$ 203,686	\$ 196,531	\$ 197,680	\$ 202,308
13,955	13,829	15,289	16,462	16,321	16,526
14,310	14,905	17,041	17,971	18,257	18,218
44,476	37,962	37,738	30,440	31,820	35,481
218	235	274	314	359	330
-	-	-	-	-	-
800	753	750	860	-	-
2,958	3,207	3,066	2,962	3,117	3,670
5,427	5,914	5,431	5,408	6,630	6,814
1,538	807	830	1,009	-	901
5,301	3,501	1,062	5	2,103	1,162
<u>\$ 276,187</u>	<u>\$ 275,644</u>	<u>\$ 285,167</u>	<u>\$ 271,962</u>	<u>\$ 276,287</u>	<u>\$ 285,410</u>
<u>\$ 293,984</u>	<u>\$ 304,135</u>	<u>\$ 312,671</u>	<u>\$ 296,159</u>	<u>\$ 294,526</u>	<u>\$ 302,429</u>
\$ (54,777)	\$ (50,323)	\$ (45,796)	\$ (55,219)	\$ (59,684)	\$ (56,937)
14,214	14,918	15,357	10,265	13,151	11,375
<u>\$ (40,563)</u>	<u>\$ (35,405)</u>	<u>\$ (30,439)</u>	<u>\$ (44,954)</u>	<u>\$ (46,533)</u>	<u>\$ (45,562)</u>
\$ 29,461	\$ 30,517	\$ 30,891	\$ 31,487	\$ 30,446	\$ 31,915
20,915	20,852	21,722	22,161	22,397	22,522
2,455	1,486	919	969	69	2,038
-	469	-	(496)	-	-
10,864	4,872	6,662	5,554	4,908	5,597
<u>\$ 63,695</u>	<u>\$ 58,196</u>	<u>\$ 60,194</u>	<u>\$ 59,675</u>	<u>\$ 57,820</u>	<u>\$ 62,072</u>
\$ 1,472	\$ 813	\$ 641	\$ 337	\$ 227	\$ 209
(10,864)	(4,872)	(6,662)	(5,554)	(4,908)	(5,597)
<u>\$ (9,392)</u>	<u>\$ (4,059)</u>	<u>\$ (6,021)</u>	<u>\$ (5,217)</u>	<u>\$ (4,681)</u>	<u>\$ (5,388)</u>
<u>\$ 54,303</u>	<u>\$ 54,137</u>	<u>\$ 54,173</u>	<u>\$ 54,458</u>	<u>\$ 53,139</u>	<u>\$ 56,684</u>
\$ 8,918	\$ 7,873	\$ 14,398	\$ 4,456	\$ (1,864)	\$ 5,135
4,822	10,859	9,336	5,048	8,470	5,987
<u>\$ 13,740</u>	<u>\$ 18,732</u>	<u>\$ 23,734</u>	<u>\$ 9,504</u>	<u>\$ 6,606</u>	<u>\$ 11,122</u>

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City of Greenville
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund				
Reserved	\$ 9,749	\$ 10,379	\$ 10,002	\$ 11,315
Unreserved	<u>16,773</u>	<u>18,299</u>	<u>17,457</u>	<u>15,657</u>
Total General Fund	<u>\$ 26,522</u>	<u>\$ 28,678</u>	<u>\$ 27,459</u>	<u>\$ 26,972</u>
All other governmental funds				
Reserved	\$ 83	\$ 761	\$ 123	\$ 108
Unreserved, reported in:				
Subsequent Year's	-	-	-	-
Special revenue funds	7,158	7,965	9,430	6,901
Debt Service Funds	11,775	1,409	1,756	806
Capital Project Funds	<u>1,313</u>	<u>3,622</u>	<u>9,333</u>	<u>11,822</u>
Total all other governmental funds	<u>\$ 20,329</u>	<u>\$ 13,757</u>	<u>\$ 20,642</u>	<u>\$ 19,637</u>
Total governmental funds	\$ 46,851	\$ 42,435	\$ 48,101	\$ 46,609

Note 1: Amounts are based on the Modified Accrual Basis of Accounting

Note 2: Amounts are expressed in thousands

Table 3

Page 1 of 2

2009		2010	
\$	9,671	\$	10,404
	<u>18,396</u>		<u>17,203</u>
\$	<u>28,067</u>	\$	<u>27,607</u>
\$	116	\$	709
	-		108
	5,990		3,987
	916		892
	<u>14,166</u>		<u>9,993</u>
\$	<u>21,188</u>	\$	<u>15,689</u>
\$	49,255	\$	43,296

City of Greenville
Fund Balances of Governmental Funds
Table 3
Last Ten Fiscal Years
Page 2 of 2

	2011	2012	2013	2014
General Fund				
Nonspendable	\$ 161	\$ 151	\$ 75	\$ 215
Restricted	10,690	11,582	10,267	10,848
Committed	2,831	3,059	2,277	2,277
Assigned	2,091	2,490	7,047	1,964
Unassigned	13,381	14,683	11,401	16,108
Total general fund	\$ 29,154	\$ 31,965	\$ 31,067	\$ 31,412
All Other Governmental Funds				
Nonspendable	53	44	49	53
Restricted	8,384	5,429	2,160	5,767
Committed	7,477	5,996	7,747	6,846
Assigned	-	-	544	522
Unassigned	(1,970)	(1,327)	(1,181)	(489)
Total all other governmental funds	\$ 13,944	\$ 10,142	\$ 9,319	\$ 12,699

Note 1: The City made the option to adopt GASB 54 fund balance presentation prospectively

Note 2: Amounts are based on the Modified Accrual Basis of Accounting

Note 3: Amounts expressed in thousands



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City of Greenville
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues				
Ad Valorem Taxes	\$ 21,325	\$ 22,565	\$ 23,896	\$ 26,296
Other Taxes	12,484	14,227	15,002	15,794
Unrestricted Intergovernmental	3,985	4,239	4,706	4,918
Restricted Intergovernmental	6,542	7,683	6,331	6,509
Licenses, Permits and fees	7,199	7,687	7,927	7,742
Sales and Services	4,051	4,023	4,360	5,474
Investment Earning	962	1,906	2,743	2,685
Other Revenue	<u>623</u>	<u>729</u>	<u>1,941</u>	<u>725</u>
Total revenues	<u>\$ 57,171</u>	<u>\$ 63,059</u>	<u>\$ 66,906</u>	<u>\$ 70,143</u>
Expenditures				
General government	\$ 13,022	\$ 14,609	\$ 8,451	\$ 8,843
Public safety	23,763	26,332	27,363	29,553
Public works	3,465	3,803	8,385	8,893
Environmental Protection	3,367	3,740	3,950	4,162
Cultural and Recreation	6,129	6,732	3,653	3,938
Economic and physical development	1,932	2,382	6,219	6,733
Capital Outlay	7,978	10,274	7,471	8,158
Reimbursement of indirect cost	-	-	-	-
Contribution to OPEB Trust	-	-	-	-
Debt service				
Principal	\$ 3,612	\$ 3,904	\$ 3,693	\$ 4,108
Interest and fees	<u>1,697</u>	<u>1,714</u>	<u>1,967</u>	<u>1,787</u>
Total expenditures	<u>\$ 64,965</u>	<u>\$ 73,490</u>	<u>\$ 71,152</u>	<u>\$ 76,175</u>
Excess of revenues over (under) expenditures	\$ (7,794)	\$ (10,431)	\$ (4,246)	\$ (6,032)
Other financing sources (uses)				
Transfers from other funds	\$ 13,148	\$ 15,331	\$ 14,519	\$ 23,048
Transfers to other funds	(9,002)	(10,982)	(12,488)	(18,509)
Payments to Escrow Agents	-	-	-	-
Sale of Property	-	-	-	-
Payments to Escrow Agents	-	-	-	-
Long Term debt issued	<u>18,396</u>	<u>1,667</u>	<u>7,645</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ 22,542</u>	<u>\$ 6,016</u>	<u>\$ 9,676</u>	<u>\$ 4,539</u>
Net change in fund balances	<u>\$ 14,748</u>	<u>\$ (4,415)</u>	<u>\$ 5,430</u>	<u>\$ (1,493)</u>
Debt services as a percentage of noncapital expenditures	10.3%	9.8%	9.8%	9.5%

Note 1: Amounts are based on the Modified Accrual Basis of Accounting

Note 2: Amounts are expressed in thousands

Table 4

2009		2010		2011		2012		2013		2014	
\$	29,715	\$	30,581	\$	30,749	\$	31,567		30,276		32,256
	15,355		14,715		15,130		16,614		16,519		16,672
	5,560		5,573		5,965		5,858		5,877		5,847
	10,031		7,522		11,048		12,166		7,978		6,424
	2,398		2,358		2,365		2,632		2,457		2,289
	5,604		4,947		5,290		5,117		5,484		5,180
	2,450		1,486		917		970		69		463
	424		1,137		896		1,360		1,316		1,715
\$	<u>71,537</u>	\$	<u>68,319</u>	\$	<u>72,360</u>	\$	<u>76,284</u>	\$	<u>69,976</u>	\$	<u>70,846</u>
\$	8,991	\$	8,935	\$	8,727	\$	9,100		11,238		10,331
	32,747		34,634		35,256		35,100		36,077		36,072
	8,874		8,884		9,432		9,838		8,361		8,130
	-		-		-		-		-		-
	3,886		8,235		8,443		8,772		4,121		4,748
	7,560		4,328		4,545		4,956		11,630		10,585
	11,454		9,631		9,861		10,647		3,786		3,591
	(528)		(560)		(373)		(601)		(1,014)		(1,111)
	250		250		250		250		300		350
\$	<u>10,636</u>	\$	<u>3,130</u>	\$	<u>3,389</u>	\$	<u>3,047</u>		<u>12,613</u>		<u>3,342</u>
	<u>1,440</u>		<u>1,682</u>		<u>1,580</u>		<u>1,684</u>		<u>2,010</u>		<u>894</u>
\$	<u>85,310</u>	\$	<u>79,149</u>	\$	<u>81,110</u>	\$	<u>82,793</u>		<u>89,122</u>		<u>76,932</u>
\$	(13,773)	\$	(10,830)	\$	(8,750)	\$	(6,509)	\$	(19,146)	\$	(6,086)
\$	23,854	\$	12,999	\$	12,739	\$	14,207		12,127		16,027
	(19,124)		(8,127)		(7,432)		(8,774)		(7,766)		(11,213)
	-		-		-		-		(9,750)		-
	175		-		-		-		-		-
	-		-		-		(4,208)		-		-
	<u>12,014</u>		<u>-</u>		<u>3,244</u>		<u>4,293</u>		<u>22,541</u>		<u>4,997</u>
\$	<u>16,919</u>	\$	<u>4,872</u>	\$	<u>8,551</u>	\$	<u>5,518</u>	\$	<u>17,152</u>	\$	<u>9,811</u>
\$	<u>3,146</u>	\$	<u>(5,958)</u>	\$	<u>(199)</u>	\$	<u>(991)</u>	\$	<u>(1,994)</u>	\$	<u>3,725</u>
	19.5%		7.4%		7.5%		7.0%		20.5%		6.1%

City of Greenville
Greenville Utilities Commission - Revenue Base
Last Ten Fiscal Years

Table 5

Fiscal Year	Electric kWh Sold		Water Kgal Sold		Gas ccf Sold	
	Residential	Commercial & Industrial	Residential	Commercial & Industrial	Residential	Commercial & Industrial
2005	600,001,241	900,185,280	1,877,758	1,280,264	7,907,363	14,946,889
2006	626,475,047	910,780,491	1,959,878	1,303,545	7,017,145	15,070,393
2007	632,461,374	929,415,069	2,018,787	1,212,248	7,483,501	18,800,489
2008	660,765,253	968,854,997	2,154,763	1,440,881	7,052,603	19,715,238
2009	688,061,414	945,415,302	2,133,699	1,410,934	8,544,675	20,245,245
2010	701,375,321	948,750,414	2,101,457	1,343,535	9,071,756	22,171,860
2011	735,045,523	976,964,873	2,189,035	1,516,854	9,204,734	23,200,508
2012	659,675,766	973,189,826	2,099,783	1,685,842	6,446,047	21,800,184
2013	695,864,293	960,802,492	2,030,472	1,827,090	8,770,015	22,650,139
2014	714,076,550	970,770,336	2,050,903	1,870,687	9,480,133	23,480,549

City of Greenville

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Table 6

Fiscal Year Ended June 30	Real Property		Total Taxable Assessed Value	(2)	Estimated Actual Taxable/Market Value	(1)
	Residential and Commercial Property	Personal Property Motor Vehicle and Other Personal Property		Total Direct Tax Rate		Assessed Value as a Percentage of Market Value
2005	3,216,339,298	624,081,173	3,840,420,471	0.0056	3,883,920,379	98.88%
2006	3,363,220,215	705,595,820	4,068,816,035	0.0056	4,205,494,610	96.75%
2007	3,926,388,821	580,382,679	4,506,771,500	0.0056	4,866,923,867	92.60%
2008	4,160,752,821	596,214,107	4,756,966,929	0.0056	5,401,961,082	88.06%
2009	5,190,768,565	616,651,923	5,807,420,488	0.0052	5,840,125,189	99.44%
2010	5,389,644,817	576,155,778	5,965,800,595	0.0052	6,086,930,512	98.01%
2011	5,597,578,846	404,914,485	6,002,493,331	0.0052	6,083,402,585	98.67%
2012	5,494,929,423	618,532,115	6,113,461,538	0.0052	6,157,177,498	99.29%
2013	5,228,378,854	629,311,731	5,857,690,585	0.0052	5,865,902,849	99.86%
2014	5,279,644,967	885,747,885	6,165,392,852	0.0052	6,165,392,852	100.00%

(1) Source: Pitt County Tax Assessor's Office

Public service companies appraised each year included in total values on this schedule.

Total assessed values are net of abatements.

(2) Per \$100 value

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City of Greenville

Greenville Utilities Commission - Direct and Overlapping Revenue Rates

Last Ten Fiscal Years

Table 7

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Electric (per kWh)										
Residential	\$ 0.1031	\$ 0.1111	\$ 0.1151	\$ 0.1145	\$ 0.1241	\$ 0.1280	\$ 0.1290	\$ 0.1310	\$ 0.1299	\$ 0.1310
Commercial & Industrial	0.0785	0.0860	0.0897	0.0886	0.0993	0.1031	0.1038	0.1025	0.1027	0.1031
Water (per kgal)										
Residential	3.5513	3.7398	3.7640	4.0708	4.2999	4.3392	4.5887	5.0031	5.0344	5.0703
Commercial & Industrial	2.3560	2.4885	2.4955	2.5912	2.7337	2.7720	2.8823	3.0610	2.8911	2.8810
Gas (per ccf)										
Residential	1.6255	2.0860	1.9046	2.0073	1.8639	1.5896	1.4856	1.5097	1.3558	1.4078
Commercial & Industrial	1.1842	1.4503	1.2560	1.3225	1.4106	1.0519	1.0119	0.9488	0.8636	.9205

Source: Greenville Utilities Commission

City of Greenville
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Table 8

Fiscal Year	Overlapping Rates				Total Direct & Overlapping Rates
	City of Greenville		Pitt County		
	Rate Per \$100	Total City Levy	Rate Per \$100	Total County Levy	
2005	0.560	21,426,583	0.700	54,824,840	76,251,423
2006	0.560	22,714,734	0.700	57,424,150	80,138,884
2007	0.560	25,237,917	0.700	60,298,700	85,536,617
2008	0.560	26,650,553	0.700	65,331,289	91,981,842
* 2009	0.520	30,211,997	0.665	78,367,343	108,579,340
2010	0.520	31,039,086	0.665	75,642,267	106,681,353
2011	0.520	30,838,534	0.665	76,968,291	107,806,825
2012	0.520	31,389,341	0.665	76,906,068	108,295,409
* 2013	0.520	30,005,085	0.680	76,846,937	106,852,022
2014	0.520	31,657,568	0.680	80,835,458	112,493,026

* Last date for revaluation. Revaluation occurs every four years

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**City of Greenville
 Principal Property Taxpayers
 12/31/2013 for Fiscal Year 2014**
Table 9

Taxpayer	2014		Percentage of Total Taxable Assessed Value	2005		Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
RPI Greenville Mall LP	\$ 40,428,933	1	0.66%			
Sprint				\$ 33,137,000	1	0.87%
Copper Beech Townhome	\$ 34,605,790	2	0.57%			
Colonial Realty LP				\$ 27,209,900	2	0.71%
PL Greenville LP	\$ 29,073,633	3	0.48%			
Pirates Cove of Greenville Ltd				\$ 19,288,800	3	0.51%
Walmart	\$ 26,037,206	4	0.43%			
Wachovia				\$ 18,200,000	4	0.48%
PEP Core NCCI LLC	\$ 24,077,685	5	0.40%			
Treybrook LLC				\$ 18,140,000	5	0.48%
Corridor Greenville LLC	\$ 23,978,251	6	0.39%			
Speight, Joseph D.				\$ 18,110,000	6	0.48%
401 Moye Boulevard Realty DST	\$ 23,255,295	7	0.38%			
Heritage Property Investments				\$ 16,193,000	8	0.43%
PEP Core NCCI LLC	\$ 21,453,164	8	0.35%			
Winter Village Med Properties				\$ 12,254,000	8	0.32%
Centro Heritage UC Greenville LLC	\$ 20,033,800	9	0.33%			
Walmart				\$ 11,527,000	9	0.30%
Scion Virtus Greenville LLC	\$ 19,161,577	10	0.31%			
GVL Lynncroft LLC				\$ 10,901,000	10	0.29%
Totals	\$ 262,105,334		4.31%	\$ 184,960,700		4.86%

City of Greenville

Top Customers

Greenville Utilities Commission

Current Year and Nine Years Ago

Table 10

Electric Fund		Fiscal Year 2014		Fiscal Year 2005	
		Amount Billed	Percentage of Total Revenue	Amount Bill	Percentage of Total Revenue
<u>Customer</u>	<u>Product/Service</u>				
DSM Pharmaceuticals, Inc.	Pharmaceuticals	\$ 6,891,121	3.59%	\$ 5,936,798	4.48%
Vidant Medical Center ¹	Health Care	5,354,855	2.79%	3,873,273	2.92%
DSM Dyneema, LLC	High Performance Fibers	4,226,077	2.20%	-	0.00%
East Carolina University	Education	4,079,982	2.12%	2,842,299	2.15%
East Carolina University	Education	3,310,464	1.72%	2,400,434	1.81%
Attends Healthcare Products ²	Medical Products	3,189,010	1.66%	2,026,369	1.53%
East Carolina University	Education	2,630,339	1.37%	1,772,410	1.34%
Vidant Medical Center ¹	Health Care	1,625,801	0.85%	-	0.00%
ASMO of Greenville	Motors	1,590,792	0.83%	778,507	0.59%
NACCO Material Handling	Fork Lift Trucks	1,365,578	0.71%	939,544	0.71%
Robert Bosch Tool Corp. ³	Drill Bits	-	0.00%	1,147,556	0.87%
Simpson Industries	Diesel Engine Parts	-	0.00%	787,161	0.00%
Totals		<u>\$ 34,264,019</u>	<u>17.84%</u>	<u>\$ 22,504,351</u>	<u>16.99%</u>

City of Greenville
Top Customers
Greenville Utilities Commission
Current Year and Nine Years Ago
Table 10
Page 2 of 4

Water Fund		Fiscal Year 2014		Fiscal Year 2005	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
DSM Pharmaceuticals, Inc.	Pharmaceuticals	\$ 654,634	4.16%	\$ 371,116	3.83%
Town of Farmville	Government	652,132	4.15%	-	0.00%
Vidant Medical Center ¹	Health Care	242,844	1.54%	205,519	2.12%
Town of Winterville	Government	194,031	1.23%	-	0.00%
DSM Pharmaceuticals, Inc.	High Performance Fibers	111,195	0.71%	-	0.00%
Fuji Silysia Chemical USA, LTD	Silica Gel	74,982	0.48%	54,617	0.56%
Vidant Medical Center ¹	Health Care	70,553	0.45%	-	0.00%
Vidant Medical Center ¹	Health Care	65,978	0.42%	-	0.00%
East Carolina University	Education	60,979	0.39%	57,626	0.60%
Stokes Regional Water Corporation	Water Utility	60,173	0.38%	-	0.00%
Karastan Bigelow	Carpet Yarn	-	0.00%	74,557	0.77%
Greenville Housing Authority	Apartments	-	0.00%	53,248	0.55%
East Carolina University	Education	-	0.00%	42,915	0.44%
Greenville Housing Authority	Apartments	-	0.00%	40,185	0.41%
Pitt County	Government	-	0.00%	30,262	0.31%
Greystone MHP	Mobile Home Park	-	0.00%	28,045	0.29%

City of Greenville
Top Customers
Greenville Utilities Commission
Current Year and Nine Years Ago

Table 10
Page 3 of 4

		Fiscal Year 2014		Fiscal Year 2005	
		Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Customer	Product/Service				
DSM Pharmaceuticals, Inc.	Pharmaceuticals	\$ 732,114	4.21%	\$ 506,306	4.70%
Town of Bethel	Government	590,786	3.40%	286,588	2.66%
Vidant Medical Center ¹	Health Care	414,659	2.38%	348,606	3.24%
DSM Dyneema, LLC	High Performance Fibers	247,285	1.42%	-	0.00%
Fuji Silysia Chemical USA, LTD	Silica Gel	135,033	0.78%	97,229	0.90%
Vidant Medical Center1	Health Care	117,993	0.68%	-	0.00%
Vidant Medical Center1	Health Care	112,672	0.65%	-	0.00%
East Carolina University	Education	104,320	0.60%	97,483	0.90%
Province Greenville NC LP	Apartments	54,444	0.31%	-	0.00%
Greenville Housing Authority	Apartments	54,012	0.31%	-	0.00%
Karastan Bigelow	Carpet Yarn	-	0.00%	134,161	1.25%
East Carolina University	Education	-	0.00%	72,376	0.67%
Greenville Housing Authority	Apartments	-	0.00%	67,111	0.62%
Pitt County	Government	-	0.00%	50,782	0.47%
Greenville Housing Authority	Apartments	-	0.00%	50,756	0.47%
Totals		\$ 2,563,318	14.74%	\$ 1,711,398	15.88%

City of Greenville

Top Customers

Greenville Utilities Commission

Current Year and Nine Years Ago

Table 10

Page 4 of 4

Gas Fund		Fiscal Year 2014		Fiscal Year 2005	
		Annual Revenue	Percentage of Total Revenue	Annual Revenue	Percentage of Total Revenue
Customer	Product/Service				
DSM Pharmaceuticals, Inc.	Pharmaceuticals	\$ 3,340,756	9.52%	\$ 361,047	1.18%
East Carolina University	Education	2,753,844	7.85%	2,789,427	9.13%
Vidant Medical Center ¹	Health Care	1,919,922	5.47%	1,333,189	4.36%
DSM Dyneema, LLC	High Performance Fibers	1,065,181	3.03%	-	0.00%
East Carolina University	Education	986,178	2.81%	896,850	2.94%
DSM Dyneema, LLC	High Performance Fibers	769,034	2.19%	-	0.00%
Vidant Medical Center ¹	Health Care	676,537	1.93%	-	0.00%
Fuji Silysia Chemical USA, LTD	Silica Gel	512,840	1.46%	534,731	1.75%
NACCO Material Handling	Fork Lift Trucks	469,533	1.34%	571,642	1.87%
Metrics, Inc.	Pharmaceuticals Manufactur	406,144	1.16%	264,947	0.87%
Karastan Bigelow	Carpet Yarn	-	0.00%	304,711	1.00%
Greenville Housing Authority	Apartments	-	0.00%	252,351	0.83%
DSM Pharmaceuticals, Inc.	Pharmaceuticals	-	0.00%	217,255	0.71%
Totals		\$ 12,899,969	36.76%	\$ 7,526,150	24.64%

¹ Formerly Pitt County Memorial Hospital

² Formerly Paper Pak Products, Inc.

³ Formerly Vermont American Corp.

City of Greenville
General Fund Tax Revenues By Source
Last Ten Fiscal Years

Table 11

Fiscal Year	*** Property Tax	Sales Tax	* Franchise Tax	Alcoholic Beverage Tax	** Other Taxes	Total
2005	21,324,960	11,414,678	4,121,389	291,246	868,001	38,020,274
2006	22,564,688	12,693,295	4,729,698	298,254	782,888	41,068,823
2007	23,896,190	13,592,797	5,068,888	311,689	107,038	42,976,602
2008	26,295,736	14,321,873	5,190,851	332,734	108,852	46,250,046
2009	29,715,153	13,552,575	6,104,795	345,500	104,950	49,822,972
2010	30,580,836	12,983,004	6,385,550	115,658	103,446	50,168,494
2011	30,748,643	13,393,038	6,488,728	363,923	132,731	51,127,063
2012	31,567,318	14,694,476	6,442,004	368,940	121,759	53,194,497
2013	30,275,932	14,672,441	6,360,313	343,423	118,679	51,770,788
2014	31,205,437	14,804,915	6,316,830	376,811	119,582	52,823,574

* Franchise Tax includes Cable TV and Utilities Franchise taxes

** Includes Motor Vehicle Municipice Tax / Prior to 2003 includes Intangibles Tax

*** Net of Collection Fees

Note: Beginning fiscal year 2006-2007 Motor Vehicle Tax included as part of Property Tax

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City of Greenville
Property Tax levies and Collections
Last Ten Fiscal Years

Table 12

Fiscal Year Ended June 30	(1)	Collected within the		Collections in Subsequent Years	Total Collections to Date	
	Total Levy for Fiscal Year	Fiscal Year of the Levy			Amount	Percentage of Levy
		Amount	Percentage of Levy			
2005	21,426,583	20,592,449	96.11%	679,791	21,272,240	99.28%
2006	22,714,734	21,946,245	96.62%	695,403	22,641,648	99.68%
2007	25,237,917	24,356,252	96.51%	783,142	25,139,394	99.61%
2008	26,650,553	25,866,384	97.06%	696,814	26,563,198	99.67%
2009	30,211,997	29,330,914	97.08%	751,713	30,082,627	99.57%
2010	31,039,086	30,202,323	97.30%	698,579	30,900,902	99.55%
2011	30,838,534	29,811,533	96.67%	793,325	30,604,858	99.24%
2012	31,389,341	30,505,550	97.18%	643,739	31,149,289	99.24%
2013	30,005,085	29,195,139	97.30%	-	29,195,139	97.30%
2014	31,657,568	31,205,438	98.57%	-	31,205,438	98.57%

(1) Analysis of Current Year Tax and Pitt County Tax Collections Report - Net of Abatements



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City of Greenville
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities				
	General Obligation Bonds	Special Assessment Bonds	Certificates of Participation	Installment Purchase Contracts	Revenue Bonds	General Obligation Bonds	Installment Purchase Contracts	Other Debt	
2005	\$ 6,805	\$ 5,905	\$ 25,105	\$ 3,557	\$ 64,846	\$ 6,885	\$ 1,406	\$ 18,201	
2006	6,085	5,640	23,640	3,770	68,271	5,710	1,208	19,669	
2007	12,990	5,365	22,180	2,522	74,136	9,665	992	20,287	
2008	12,150	5,080	20,715	1,004	99,842	8,460	805	18,882	
2009	11,315	4,785	12,195	12,182	94,882	7,304	744	19,926	
2010	10,486	4,475	11,380	11,007	89,072	6,109	549	28,587	
2011	12,980	4,155	10,565	10,007	83,976	4,967	2,445	29,082	
2012	12,012	3,968	9,750	9,016	78,259	4,570	2,972	29,055	
2013	11,051	3,570	-	20,303	79,646	4,404	3,447	32,500	
2014	10,222	3,165	-	23,192	73,025	4,207	2,099	36,390	

- Note 1: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
- Note 2: Debt excludes OPEB liability, LEO separation allowances and compensated absences
- Note 3: Percentage of Personal Income based on income for Greenville MSA (Obtained from BEA - US Dept of Commerce).
- Note 4: Population amounts are as of July 1 of the fiscal year.
- Note 5: GO Bond amounts exclude bonds approved but unissued.
- Note 6: Revenue Bonds include all premiums and discounts effective 2014 and subsequent.

(1) Information not available to complete the analysis

Table 13

	Total Primary Government	Percentage of Personal Income
\$	132,710	2.80%
	133,993	2.64%
	148,137	2.73%
	166,938	2.94%
	163,333	2.83%
	161,665	2.71%
	158,177	2.56%
	149,602	2.43%
	154,921	(1)
	151,411	(1)

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City of Greenville

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amount)

Table 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2005	\$ 41,372	\$ 1,313	\$ 40,059	0.84%	1.03%	\$ 576
2006	39,135	1,409	37,726	0.74%	0.90%	524
2007	43,057	1,756	41,301	0.76%	0.85%	572
2008	38,949	806	38,143	0.65%	0.71%	501
2009	40,478	916	39,562	0.69%	0.68%	488
2010	37,347	892	36,455	0.62%	0.60%	446
2011	37,708	943	36,765	0.59%	0.60%	435
2012	34,746	979	33,767	0.55%	0.55%	393
2013	34,924	943	33,981	(1)	0.55%	390
2014	36,579	443	36,136	(1)	0.59%	406

Note 1: Details regarding the city's outstanding debt can be found in the notes to the financial statements

Note 2: Percentage of Personal Income based on income for the County (Obtained from the BEA-US Dept. of Commerce)

Income information on provided on the City level

Note 3: Population amounts are as of July 1 of the fiscal year

Note 4: GO Bond amounts include bonds approved but unissued

(1) Information not available for this period



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City of Greenville
Legal Debt Margin - Governmental Activities
Last Ten Fiscal Years ('000s)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 304,705	\$ 325,000	\$ 360,000	\$ 380,000	\$ 464,000
Total net debt applicable to limit	<u>132,781</u>	<u>132,242</u>	<u>147,687</u>	<u>166,937</u>	<u>163,305</u>
Legal debt margin	<u>\$ 171,924</u>	<u>\$ 192,758</u>	<u>\$ 212,313</u>	<u>\$ 213,063</u>	<u>\$ 300,695</u>
Total net debt applicable to the limit as a percentage of debt limit	43.58%	40.69%	41.02%	43.93%	35.20%

Note: Under state finance law, the Name of Government's outstanding general obligation debt should not exceed 8 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Table 15

	2010	2011	2012	2013	2014
\$	477,264	\$ 474,012	\$ 489,077	\$ 461,333	\$ 486,793
	161,665	157,611	150,355	156,000	152,518
\$	<u>315,599</u>	<u>\$ 316,401</u>	<u>\$ 338,722</u>	<u>\$ 305,333</u>	<u>\$ 334,275</u>
	33.87%	33.25%	30.74%	33.82%	31.33%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	\$ 6,084,913,292
Debt Limit (8% of total assessed value)	486,793,063
Debt applicable to limit:	
General obligation bonds	14,430,000
Special obligation revenue	3,165,000
Revenue bonds	73,242,493
Other Debt	<u>61,680,966</u>
Legal debt margin	<u>\$ 334,274,604</u>

**City of Greenville
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2014**
Table 16

<u>Governmental Unit</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping			
Pitt County	\$ 155,943,701	39.16%	\$ 61,067,553
Direct			
City of Greenville			36,579,000
Total direct and overlapping debt			<u>\$ 97,646,553</u>

Note: Amounts expressed in thousands

Sources: Assessed value data used to estimate applicable percentages provided by the County Website, Analysis of adopted tax levy. Debt outstanding data provided by the county.



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City of Greenville
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Utility Fund Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service Requirement (3)			Coverage
				Principal	Interest	Total	
2005	192,272	167,660	24,611	5,074	3,451	8,525	2.95
2006	217,706	189,991	27,716	6,050	4,007	10,057	2.76
2007	229,213	200,430	28,783	5,392	3,624	9,015	3.19
2008	239,417	206,067	33,350	5,972	3,799	9,772	3.41
2009	260,505	229,007	31,498	6,375	3,364	9,739	3.23
2010	261,518	228,538	32,980	7,331	4,567	11,899	2.77
2011	274,671	236,102	38,569	8,368	4,905	13,273	2.91
2012	261,313	226,583	34,730	8,890	4,230	13,120	2.65
2013	264,251	228,067	36,185	9,388	4,061	13,450	2.69
2014	272,354	238,628	33,726	11,229	3,905	15,135	2.23

Note: Amounts expressed in thousands

(1) Total revenues including interest and exclusive of any restricted revenue. Includes revenues for the electric, water, sewer and gas funds.

(2) Total operating expenses exclusive of depreciation.

(3) Includes principal and interest of revenue bonds and subordinate debt exclusive of the general obligation bonds reported in the electric, water, sewer and gas funds.

Table 17

Special Assessment Bonds			
Special Assessment Collections	Debt Service Principal	Interest	Coverage
584	235	303	1.09
571	245	293	1.06
557	255	284	1.03
695	265	273	1.29
661	275	263	1.23
758	285	252	1.41
795	295	240	1.49
807	310	228	1.50
839	320	215	1.57
965	325	185	1.89
940	398	112	1.84
832	405	103	1.64

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City of Greenville
Demographic and Economic Statistics
Last Ten Fiscal Years
Table 18

Fiscal Year	(2) Population	Personal Income (amounts expressed in thousands)	Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2005	69,517	4,741,108	28,208	32	22,116	5.1%
2006	72,052	5,082,000	29,261	32	22,609	5.4%
2007	72,233	5,431,783	30,403	31	22,994	5.3%
2008	76,058	5,845,865	31,884	31	23,240	7.5%
2009	81,092	5,719,905	30,615	30	23,022	10.9%
2010	81,747	5,888,934	30,970	31	23,267	9.8%
2011	84,554	6,187,507	32,111	26	23,235	7.8%
2012	86,017	6,167,597	35,743	26	23,386	10.6%
2013	87,242	(1)	(1)	(1)	23,495	9.6%
2014	89,103	(1)	(1)	(1)	23,500	6.9%

Note 1: Population and Personal Income obtained from U.S. Bureau of Economic Analysis.

Note 2: Personal Income and Per Capita information is calculated on a County level. Information not maintained at City level.

Note 3: Median age, and educational level information are based on surveys conducted during the last quarter of the calendar year.

School information obtained from the Superintendent's Office of the Pitt County School Administrative Unit.

Note 4: Unemployment rates obtained from Employment Security Commission.

(1) Information unavailable for this period

(2) Information is provided as of July 1 of the fiscal year

**City of Greenville
Principal Employers**

Current Year and Nine Years Ago

Table 19

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Vidant Health	6,895	1	9.71%	4,628	1	7.45%
East Carolina University	5,564	2	7.83%	4,184	2	6.74%
Pitt County Public Schools	2,814	3	3.96%	2,680	3	4.32%
NACCO Materials Handling Group	1,000	4	1.41%	1,100	5	1.77%
Pitt Community College	953	5	1.34%	830	7	1.34%
County of Pitt	910	6	1.28%	900	6	1.45%
Patheon, Inc. (DSM Pharmaceuticals)	900	7	1.27%	1,200	4	1.93%
Alliance One International	850	8	1.20%	500	9	0.81%
Wal-Mart	795	9	1.12%	460	10	0.74%
City of Greenville	764	10	1.08%	700	8	1.13%
Total	21,445		30.19%	17,182		27.68%

Note: Information obtained from Pitt County Development Commission.

Find yourself in good company
City of Greenville
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General government	56	59	58	67	68
Public safety					
Police	212	219	211	223	278
Fire	142	143	143	145	158
Public Works	188	192	199	203	205
Recreation and Parks	57	59	61	53	62
Community Development	24	24	32	33	25
Electric	183	182	197	202	204
Water and Sewer	158	159	152	151	157
Gas	<u>67</u>	<u>68</u>	<u>65</u>	<u>67</u>	<u>68</u>
Total Employees	<u>1,087</u>	<u>1,105</u>	<u>1,118</u>	<u>1,144</u>	<u>1,225</u>

Note: Electric, Water, Sewer, and Gas prior year(s) numbers have changed due to Greenville Utilities Commission and supporting departments.

Source: Financial Services Department and Greenville Utilities Commission.

Table 20

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
68	68	62	65	68
239	239	240	240	241
157	157	157	153	158
205	205	204	204	188
62	62	65	65	67
26	26	26	34	36
192	196	197	197	210
158	158	159	159	167
<u>67</u>	<u>67</u>	<u>64</u>	<u>66</u>	<u>70</u>
<u>1,174</u>	<u>1,178</u>	<u>1,174</u>	<u>1,183</u>	<u>1,205</u>

City of Greenville
Operating Indicators by Function
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Function					
Police					
Physical arrests	4,722	3,507	4,497	4,756	5,141
Parking violations	*		2,303	13,392	15,112
Traffic violations	21,908	24,508	19,998	18,088	17,527
Fire					
Number of calls answered	3,062	3,598	4,152	4,388	4,711
Inspections	3,500	3,400	2,162	3,500	2,340
EMS					
Number of calls answered	9,190	9,885	10,725	11,198	11,227
Sanitation					
Refuse collected (tons/day)	25,676	27,182	27,322	27,442	28,458
Recyclables collected (tons/day)	1,850	1,792	1,816	3,056	3,030
Culture and recreation					
Facility reservations issued	393	715	817	916	1,140
Water					
Connections (of service connect)	29,540	30,829	32,065	33,051	33,733
Water Lines (miles)	565	580	593	615	618
Average daily consumption (thousands of gallons)	9,845	8,941	10,264	10,797	10,785
Wastewater					
Average daily sewage treatment (thousands of gallons)	8,895	9,345	10,587	9,152	8,879

Sources: Various government and GUC departments.

* Information unavailable

Table 21

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
4,826	4,888	4,861	5,592	5,487
11,862	4,658	5,537	7,522	8,646
20,326	16,235	15,420	16,975	11,979
4,114	4,746	5,339	5,479	5,753
2,644	2,787	2,593	1,902	*
13,035	15,149	15,006	15,080	15,353
29,163	28,286	29,309	27,888	27,955
3,599	4,038	5,538	5,101	4,446
1,560	1,936	2,013	1,841	1,692
34,336	34,419	34,514	34,742	34,959
626	626	628	628	627
10,977	11,850	11,896	12,008	12,394
10,120	9,593	10,301	10,426	10,530

City of Greenville
Capital Asset Statistics by Function
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Function				
Public safety				
Police Stations	1	1	1	1
Patrol units	159	160	174	177
Fire stations	6	6	6	6
Sanitation				
Collection trucks	36	37	37	37
Highways and streets				
Streets (miles)	220.0	230.1	234.3	235.0
Streetlights	5,785	5,983	6,166	6,482
Traffic signals	26	27	27	33
Culture and recreation				
Parks acreage	1,475	1,500	1,511	1,120
Parks	29	29	29	29
Swimming pools	2	2	2	2
Spraygrounds	-	-	-	-
Tennis courts	24	24	24	24
Community centers	13	13	13	5
Recreation Centers	(24)	-	-	6
Specialty Centers	-	-	-	-

Table 22

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<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1	2	3	3	3	3
180	183	192	203	203	202
6	6	6	6	6	6
42	42	42	42	41	38
255.0	263.8	269.9	269.0	269.1	269.33
6,672	6,672	6,993	7,065	7,105	7152
33	33	33	33	33	33
1,450	1,450	1,455	1,455	1,455	1455
29	29	29	29	29	29
2	2	2	2	2	2
-	-	-	-	1	1
24	24	24	24	24	24
5	5	2	3	3	3
6	6	6	6	6	6
-	-	3	3	3	3

City of Greenville
Capital Asset Statistics by Function
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Electric				
Number of distribution stations	17	17	17	18
Miles of service lines	2,447	2,474	2,509	2,575
Water				
Water lines (miles)	565	580	593	615
Maximum daily treatment capacity (millions of gallons)	24.5	24.5	24.5	24.5
Sewer				
Sanitary sewers (miles)	423	435	448	464
Maximum daily treatment capacity (millions of gallons)	17.5	17.5	17.5	17.5
Gas				
Miles of pipeline	530	545	562	581
Miles of service lines	375	398	394	421

Table 22
Page 2 of 2

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
18	19	19	19	19	19
2,575	2,575	2,672	2,714	2719	2781
618	618	626	628	628	627
24.5	24.5	24.5	24.5	24.5	24.5
466	468	469	471	479	471
17.5	17.5	17.5	17.5	17.5	17.5
593	597	600	604	609	612
423	422	424	430	434	437



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SINGLE AUDIT & COMPLIANCE

FY 2014 Comprehensive Annual Financial Report



**Report on Internal Control Over Financial Reporting And On Compliance And
Other Matters Based On An Audit of Financial Statements Performed
In Accordance With *Government Auditing Standards***

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Greenville
Greenville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprises the City of Greenville's basic financial statements, and have issued our report thereon dated November 25, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Greenville's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Greenville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and; therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies, 2014-001, 2014-003, 2014-004, and 2014-005, described in the accompanying Schedule of Findings and Questioned Costs, to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Greenville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit; and accordingly, we do not express such an opinion. The results of our tests disclosed instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001, 2014-002, and 2014-003.

City of Greenville's Responses to Findings

The City of Greenville's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 25, 2014

**Report On Compliance for Each Major Federal Program; Report On Internal
Control Over Compliance; In Accordance With OMB Circular A-133;
And The State Single Audit Implementation Act**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Greenville, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the City of Greenville, North Carolina, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Greenville's major Federal programs for the year ended June 30, 2014. The City of Greenville's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Greenville's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A 133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City of Greenville's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the City of Greenville's compliance.

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13 South Center Street ♦ Taylorsville, North Carolina 28681 ♦ Phone 828-632-9025 ♦ Fax 828-632-9085
Toll Free Both Locations 1-800-948-0585 ♦ Website: www.martinstarnes.com

Opinion on Each Major Federal Program

In our opinion, the City of Greenville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the City of Greenville is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Greenville's internal control over compliance with the types of requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 25, 2014

**Report On Compliance For Each Major State Program; Report On Internal
Control Over Compliance; In Accordance With OMB Circular A-133;
And the State Single Audit Implementation Act**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Greenville
Greenville, North Carolina

Report on Compliance for Each Major State Program

We have audited the City of Greenville, North Carolina, compliance with the types of compliance requirements described in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission that could have a direct and material effect on each of the City of Greenville's major State programs for the year ended June 30, 2014. The City of Greenville's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Greenville's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A 133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City of Greenville's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of the City of Greenville's compliance.

Opinion on Each Major State Program

In our opinion, the City of Greenville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the City of Greenville is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Greenville's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 25, 2014

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

1. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness identified X Yes No
- Significant deficiency identified that is not considered to be a material weakness Yes X None reported

Non-compliance material to financial statements noted X Yes No

Federal Awards

Internal control over major Federal programs:

- Material weakness identified Yes X No
- Reportable condition identified that are not considered to be material weaknesses Yes X None reported

Type of auditor's report issued on compliance for major Federal programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 Yes X No

Identification of major Federal programs:

Program Name	CFDA#
CDBG Entitlement Grant Cluster	14.218, 14.253, 14.254
CDBG HOME Investment Program Grant	14.239
Federal Transit Cluster	20.500, 20.507, 20.525, 20.526
Highway Planning and Construction Cluster	20.205, 20.219, 23.003
GUC-Clean Water State Revolving Fund Cluster	66.458

Dollar threshold used to distinguish between Type A and Type B Programs \$300,000

Auditee qualified as low-risk auditee? No

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

1. Summary of Auditor's Results (continued)

State Awards

Internal control over major State programs:

- Material weakness identified Yes No
- Significant deficiency identified that are not considered to be material weaknesses Yes None reported

Type of auditor's report issued on compliance for major State programs

Unmodified

Any audit findings disclosed are required to be reported in accordance with the State Single Audit Implementation Act

Yes No

Identification of major State programs:

- Powell Bill
- GUC- Clean Water State Revolving Fund Cluster

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

2. Financial Statements Findings

Finding 2014-001

Criteria: Management should have a system in place to reduce the likelihood of errors in financial reporting and compliance with bond covenants.

Condition: Upon review of the Electronic Municipal Market Access System (EMMA), the City did not submit the required annual financial information as required by the continuing discloser terms of their bond documents by the January 31, 2014 deadline. The failure to file timely is a breach of the contract which was signed when the debt was issued. It is also considered a material event.

Context: The City received a letter from the NC Department of State Treasurer's office regarding concerns that the required EMMA information was not submitted by the City by the required deadline.

Effect: Failure to file the EMMA required annual financial information is a breach of the contract that was signed when debt was issued.

Cause: Inadequate monitoring of the required reporting requirements based on the terms of the City's bond documents.

Recommendation: Create a recurring reminding the City to submit the EMMA required annual financial information by the January 31 annual deadline and ensure that it is completed and submitted.

Contact Person: Bernita Demery, Director of Financial Services

Views of Responsible Officials and Planned Corrective Actions: Management concurs with finding and will ensure that the EMMA required annual financial information is filed before the January 31st annual deadline.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

2. Financial Statements Findings (continued)

Finding 2014-002

Criteria: North Carolina General Statutes preclude units from having funds that operate in a deficit.

Condition: In the current year, there were violations of the General Statutes regarding deficit fund balance and fund equity in various funds.

Context: During our audit procedures, we noted violations of the General Statutes noted above.

Effect: The City was in violation of a North Carolina General Statute.

Cause: The City adopted a balance budget; however, revenues were insufficient to cover the cost of operations in multiple funds.

Recommendation: The City should reevaluate the cost of providing services and adjust charges to ensure that revenues cover all related costs.

Contact Person: Bernita Demery, Director of Financial Services

Views of Responsible Officials and Planned Corrective Actions: Several funds identified to have operated in the deficit are directly related to grant activity (i.e., these funds are reimbursed after spending has occurred). Therefore, there is a timing difference between spending and reimbursement. As such, staff will continue to review these grant funds with departments to ensure billing (for reimbursement) occurs prior to year-end. Other funds identified will be adjusted based on future charges from customers. Management concurs with the condition and the recommendation. Management also adds that procedures and long-term plans have been put in place to further monitor current charges to ensure that revenues cover all related costs.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

2. Financial Statements Findings (continued)

Finding 2014-003

Criteria: North Carolina General Statutes prohibits appropriated fund balance in any fund to exceed the sum of prior fiscal year cash and investments minus the sum of prior fiscal year liabilities, encumbrances, and unearned revenues and deferred inflows, arising from cash receipts.

Condition: In the current year, there were violations of the General Statutes regarding appropriated fund balance in the Fleet Maintenance Internal Service Fund and the Convention Center Expansion Capital Project Fund.

Context: During our audit procedures, we noted violations of the General Statutes noted above.

Effect: The City was in violation of a North Carolina General Statute.

Cause: The City adopted a balance budget; however, appropriated fund balance was budgeted in excess of the amount allowed by State Statutes.

Recommendation: The City should evaluate the financial position of all funds during the budgeting process to ensure that appropriated fund balance is budgeted in accordance to State Statutes.

Contact Person: Bernita Demery, Director of Financial Services

Views of Responsible Officials and Planned Corrective Actions: As noted two funds were found to have appropriated fund balance in excess of the beginning fund balance that was available. In the case of the Convention Center Expansion Project staff was appropriating the fund balance that had accumulated in the fund in an effort to close the project fund; however since this was an ongoing project, the fund balance amount that should have been used was the amount reported at the end of the prior fiscal year end as opposed to the cumulative one on the City's books.

The appropriated fund balance for the Fleet Fund was an attempt to re-appropriate an amount that was appropriated during the prior year, but not used. The funds should have been set up as a transfer from another fund with available funding. Since this is an internal fund largely supported by the General Fund, it would have been a transfer from the General Fund.

Management concurs with the condition and the recommendation. Management also adds that procedures have been put in place to further monitor all aspects of the City's fund budgets.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

2. Financial Statements Findings

Finding 2014-004

Criteria: Management should have a system of controls in place to reduce the likelihood of errors in financial reporting.

Condition: Upon review of the prior year financial statements that were distributed to the public on the City's website, the auditor noticed the Schedule of Finding and Questioned Costs that was included in the Single Audit and Compliance Section of the City's report did not agree to the report submitted by the auditor to the Local Government Commission or to the City. The City did not distribute the correct version of the Schedule of Expenditures of Federal and State Awards, the 2013 Summary of Auditor's Results, and omitted auditor findings 2013-001 and 2013-002.

Context: During our audit procedures, we noted the above condition.

Effect: The City distributed copies of the audit report that did not accurately reflect the Schedule of Expenditures of Federal and State Awards or the Summary of Auditor's Results and Auditor Findings during the 2013 fiscal year.

Cause: The City did not use the correct version of the Schedule of Expenditures of Federal and State Awards, Schedule of Findings and Questioned Costs, and Summary of Auditor's Findings that was provided.

Recommendation: The City should recall all copies of prior year's report that were distributed. They should make management, the public, regulatory agencies, and anyone else that received a copy of the 2013 Comprehensive Annual Financial Report (CAFR) aware that the version that they received cannot be relied upon. The City should remove the incorrect version from the website, post the correct version, and post a notice that the previous report cannot be relied upon.

Contact Person: Bernita Demery, Director of Financial Services

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the condition and recommendation above. Management has rescinded all of prior year reports that were distributed and submitted the corrected copy to said recipients. The City has also updated the corrected version to the website. Staff has implemented another level of review after the upload of the Annual Financial Report to the City's website to ensure proper upload.

CITY OF GREENVILLE, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2014

2. Financial Statements Findings

Finding 2014-005

Criteria: Management should have a system in place to reduce the likelihood of errors in financial reporting.

Condition: In the current year, beginning net assets for the Vehicle Replacement Fund was restated due to accumulated depreciation being understated.

Context: While performing testing on capital assets, we noted the condition described above.

Effect: For the statements affected, the prior year financial statements were misstated. Capital assets for the Vehicle Replacement Fund as of June 30, 2013 were overstated by \$3,149,534.

Cause: Inadequate supporting documentation provided to the external auditor, who drafted the report.

Recommendation: Review of the audited financial statements should be implemented to prevent prior period adjustments in the future.

Contact Person: Bernita Demery, Director of Financial Services

Views of Responsible Officials and Planned Corrective Actions: Management concurs with finding and will continue to review financial statements to prevent prior period adjustments. As mentioned this was an error that has occurred during prior year(s). In total fixed assets are accurate; however when reviewing the classifications between the Government Wide Assets and the Vehicle Replacement (VR) Assets, some of the VR funded assets were reported per the City's ledger reports within the governmental assets and should have been within the VR Fund. As the city transitions to the new ERP system it is anticipated that some classification errors such as this will be adjusted for a clean transition and more accurate reporting in the future. Also, with the addition of an internal auditor, additional reviews will be made on the all assets to ensure proper classification in future years.

CITY OF GREENVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

3. Federal Award Findings and Questioned Costs

None reported.

4. State Award Findings and Questioned Costs

None reported.

CITY OF GREENVILLE, NORTH CAROLINA

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

2013-001 – Corrected in the current year

2013-002 – Corrected in the current year

CITY OF GREENVILLE, NORTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS YEAR ENDED JUNE 30, 2014

Note 1. General

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of federal and state financial assistance programs of the City of Greenville, North Carolina. The City of Greenville, North Carolina reporting entity is defined in Note 1 of the City's basic financial statements. All federal and state financial assistance received directly from federal and State agencies as well as federal assistance passed through other government agencies is included on the schedule.

Note 2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting, which is described in the notes to the City's basic financial statements.

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<u>Grantor/Pass Through Grantor/Program Title</u>	<u>Project Code</u>	<u>Federal CFDA Number/ State Number</u>	<u>Grant Number</u>	<u>Federal (Direct and Pass Through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>	<u>Total Expenditures</u>
FEDERAL FINANCIAL ASSISTANCE:							
U.S. Department of Housing and Urban Development							
CDBG Entitlement Grants Cluster							
CDBG Entitlement Grant- Plan Year 2011	CDBG11	14.218	B-11-MC-37-0020	\$ 40,327	\$ -	\$ 8,216	\$ 48,543
CDBG Entitlement Grant- Plan Year 2012	CDBG12	14.218	B-12-MC-37-0020	296,361	-	60,377	356,738
CDBG Entitlement Grant- Plan Year 2013	CDBG13	14.218	B-13-MC-37-0020	464,633	-	33,884	498,517
Total CDBG Entitlement Grants Cluster				<u>801,321</u>	<u>-</u>	<u>102,477</u>	<u>903,798</u>
HOME Investment Partnership- Plan Year 2008	HOME08	14.239	M08-DC370211	22,500	-	1,965	24,465
HOME Investment Partnership- Plan Year 2009	HOME09	14.239	M09-DC370211	1,000	-	87	1,087
HOME Investment Partnership- Plan Year 2010	HOME10	14.239	M10-DC370211	5,075	-	443	5,518
HOME Investment Partnership- Plan Year 2011	HOME11	14.239	M11-DC370211	73,772	-	6,442	80,214
HOME Investment Partnership- Plan Year 2012	HOME12	14.239	M12-DC370211	183,357	-	16,012	199,369
HOME Investment Partnership- Plan Year 2013	HOME13	14.239	M13-DC370211	250,376	-	11,653	262,029
Total U.S. Department of Housing and Urban Development				<u>1,337,401</u>	<u>-</u>	<u>139,079</u>	<u>1,476,480</u>
U.S. Department of Transportation							
Direct Programs -							
Highway Planning and Construction Cluster	-	20.205	PL-104	339,897	-	84,974	424,871
Federal Transit Cluster:							
Federal Transit Administration (538-Operating)	-	20.507	NC-90-X538	437,016	-	437,016	874,031
Federal Transit Administration (538-Capital)	-	20.507	NC-90-X538	374,003	-	93,501	467,503
Federal Transit Administration 538-ADA)	-	20.507	NC-90-X538	116,882	-	29,220	146,102
Federal Transit Administration (515-Operating)	-	20.507	NC-90-X515	43,782	-	43,782	87,564
Federal Transit Administration (515-Capital)	-	20.507	NC-90-X515	14,306	-	3,577	17,883
Federal Transit Administration (473-Capital)	-	20.507	NC-90-0473	76,014	-	19,004	95,018
Federal Transit Administration (0032)	-	20.507	NC-04-0032	20,811	2,601	2,602	26,014
Total Federal Transit Cluster				<u>1,082,813</u>	<u>2,601</u>	<u>628,702</u>	<u>1,714,116</u>
Public Transportation Division							-
Planning Work Program (Section 5303)	-	20.505	36230.17.9.3	28,613	3,577	3,577	35,767
Total U.S. Department of Transportation				<u>1,451,323</u>	<u>6,178</u>	<u>717,253</u>	<u>2,174,754</u>
U.S. Department of Justice							
Office of Justice Programs							
Cops Technology Grant	TECH10	16.71	2009-CK-WX-0511	18,488	-	-	18,488
Cops Technology Grant	TECH11	16.710	2010-CK-WX-0521	14,799	-	-	14,799
Community Oriented Policing Services							
COPS Hiring Recovery (ARRA)	RACOPS	16.710	2009-RK-WX-0573	65,784	-	17,720	83,504
Bureau of Justice Assistance							
JAG 2010	JAG10	16.592	2010-DJ-BX-0301	-	-	156	156
JAG 2011	JAG11	16.592	2011-DJ-BX-2268	197	-	-	197
JAG 2012	JAG12	16.592	2012-DJ-BX-1168	3,036	-	-	3,036
JAG 2013	JAG13	16.592	2013-DJ-BX-1203	63,339	-	-	63,339
JAG Recovery (ARRA)	RAJAG	16.804	2009-SB-B9-2743	-	-	-	-
Division of Governor's Crime Commission							
Pitt County Second Chance Program	PCSC11	16.738	PROJ008146	-	-	-	-
Total U.S. Department of Justice				<u>165,644</u>	<u>-</u>	<u>17,876</u>	<u>183,520</u>

CITY OF GREENVILLE, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<u>Grantor/Pass Through Grantor/Program Title</u>	<u>Project Code</u>	<u>Federal CFDA Number/ State Number</u>	<u>Grant Number</u>	<u>Federal (Direct and Pass Through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>	<u>Total Expenditures</u>
Environmental Protection Agency							
Brownfields Assessment Cooperative Agreement	BRWN3	66.818	BF-00D00212-01	73,514	-	-	73,514
Brownfields Assessment Cooperative Agreement	BRWN4	66.818	BF-00D13213-01	21,073	-	-	21,073
Pass-through: NC Department of Environment and Natural Resources Public Water Supply Division							
Drinking Water State Revolving Fund Cluster		66.468	DEH-1074	(629)	(157)	-	(786)
Division of Water Quality							
Clean Water State Revolving Fund Cluster							
Clean Water State Revolving Fund		66.458	E-SRF-T-10-0261	317,504	79,376	-	396,880
Clean Water State Revolving Fund		66.458	E-SRF-T-10-0260	2,645,855	661,463	-	3,307,318
Clean Water State Revolving Fund Cluster Total				2,963,359	740,839	-	3,704,198
Total Pass-through NC Department of Environment				2,962,730	740,682	-	3,703,412
Total Environmental Protection Agency				3,057,317	740,682	-	3,797,999
Department of Homeland Security							
F.E.M.A.							
Staffing Adequate Fire and Emergency Response	SAFER	97.044	EMW-2008-FF-00449	-	-	667,075	667,075
Total Department of Homeland Security				-	-	667,075	667,075
STATE OF NORTH CAROLINA FINANCIAL ASSISTANCE							
Department of Transportation							
Division of Highways							
Powell Bill Funds	-	DOT-4	-	-	2,215,848	-	2,215,848
Public Transportation Division							
State Maintenance Assistance Program	-	DOT-9	07-SM-010	-	288,819	-	288,819
Total Department of Transportation				-	2,504,667	-	2,504,667
Total Federal and State Assistance				\$ 6,011,685	\$ 3,251,527	\$ 1,541,283	\$ 10,804,495

Note to the Schedule of Expenditures of Federal and State Financial Awards

Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards includes the Federal and State grant activity of the City of Greenville, North Carolina, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.



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