

City of
Greensboro
North Carolina

**Comprehensive Annual
Financial Report**

For the Fiscal Year Ended June 30, 2012

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012

*Prepared by the
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North Carolina
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CITY OF GREENSBORO
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012

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October 27, 2012

The Honorable Mayor
And Members of the City Council
Greensboro, North Carolina

The Comprehensive Annual Financial Report of the City of Greensboro, North Carolina for the fiscal year ended June 30, 2012, is submitted for your review. This report was prepared by the City's Finance Department and it is the comprehensive publication of the City's financial position and results of operations for the fiscal year ended June 30, 2012, for all funds and component units of the City. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To provide a reasonable basis for making these representations, we have established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Greensboro's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we believe the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required by state law to have an annual independent financial audit. A compliance audit on federal and state financial assistance programs is also required under the Federal Single Audit Act of 1984, as amended, and the State Single Audit Implementation Act. The independent auditors' report on the Basic Financial Statements is included in the Financial Section of this report. The independent auditor concluded, based upon the audit that the financial statements of the City of Greensboro present fairly in conformity with GAAP, in all material respects, the financial position of the City of Greensboro, North Carolina, as of June 30, 2012. In addition, the auditors' reports, required as part of a single audit, are found in the Single Audit Section of this report. This report focuses not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements involving the administration of state and federal awards.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

In conformity with the standards of the Governmental Accounting Standards Board, this report includes all funds of the City, as well as all of its component units. Component units (blended or discrete) are legally separate entities, for which the City is financially accountable. Blended component units are, in substance, part of the City's operations. The City has one blended component unit, the Greensboro Center City Corporation, reported in the War Memorial Coliseum Enterprise Fund. Discretely presented component units are not considered to be part of the City's primary operations and, therefore, are reported in total as a separate column to differentiate their financial position, results of operations and cash flows from those of the City. The Greensboro Housing Development Partnership, Inc., the Greensboro Transit Authority, the Greensboro Redevelopment Commission, and the Greensboro ABC Board are presented as discrete component units.

Additional information on the blended and discretely presented component units can be found in Note I. A.



PROFILE OF THE GOVERNMENT

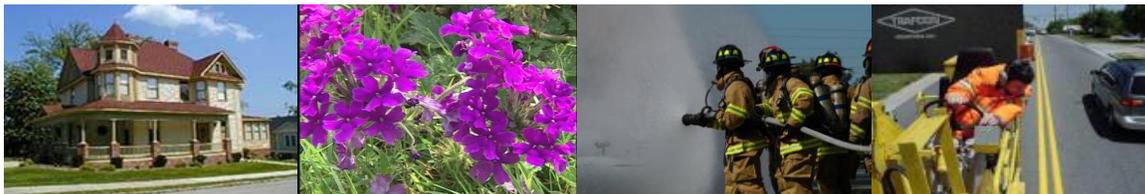
The City of Greensboro is located in central piedmont North Carolina, midway between Washington, D.C. and Atlanta. The Town was incorporated in 1808 and is the county seat of Guilford County. Greensboro has a population of 272,190 and presently covers a land area of approximately 123 square miles. Throughout the decade population growth has averaged 1.6 percent per year with the most notable increase of 5.5 percent occurring between 2007 and 2008, due primarily to significant City-initiated annexations in the northwest region.

The City is empowered to levy a property tax on the appraised value of all real and certain categories of tangible personal property located in the City. The County is the only other unit levying such taxes within the City's corporate limits. The City is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. No significant additional areas of the City were annexed during fiscal year 2011-12.

The City operates as a Council-Manager form of government. The Council is the policy-making and legislative body of City government and includes a Mayor and eight Council members who serve two-year concurrent terms. The Mayor and three Council members are elected at-large and the remaining five Council members are elected from districts within the City. The Mayor is a voting member and the presiding officer of the Council. A Mayor Pro Tempore is selected by the Council from its members.

The City Manager is appointed by the Council as Chief Executive Officer and is responsible for carrying out the policies and ordinances of the Council and administering the daily operations and programs of the City through appointed department directors and staff members.

The City provides services to its citizens in the following areas: police, fire, transportation, environmental services, waste collection and disposal, water resources, parks and recreation, libraries, housing and community development, public improvements and general administration. The City also operates an arena, auditorium and exhibition building complex, aquatic center, golf course facilities, downtown parking facilities and government access cable television.



The budget serves as the foundation for the City's financial planning and control. Annually, the City Manager presents a proposed budget to Council for review as well as to the citizens of Greensboro for questions and/or concerns. North Carolina General Statutes require all governmental units to adopt a balanced budget by July 1 of each year for all funds for which a budget is required. Activities of the General Fund, Special Revenue Funds (except for Grant Project Funds), Debt Service Fund, and Proprietary Funds are included in the annual appropriated budget. Project-length financial plans are adopted for Grant and Capital Projects Funds. The City Manager may make transfers of appropriations within funds and department heads may make transfers of appropriations within a department. Transfers of appropriations between funds, however, require approval by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. Budgetary control is facilitated by the use of a personnel/payroll data system that requires every position, including applicable fringe benefits, be budgeted. Also, the North Carolina General Statutes require an encumbrance system and a finance officer's "preaudit" certification that budgeted funds are available prior to the placement of all purchase orders, contracts and electronic payments. Outstanding purchase orders and contracts are reported as a restriction of fund balance at June 30, 2012.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). A budgetary comparison for the General Fund is presented beginning on page 11 as part of the Basic Financial Statements. Detailed budget to actual comparisons for other funds with annual and project-length budgets are presented in the supplementary information subsection of this report, which starts on page 69.

COUNCIL BUDGET PRIORITIES

Six strategic issues are the primary focus for FY 2012-13 funding:

- Economic Development – The City’s approach to economic development focused on promoting job creation, facilitating private business and expansion, utilizing bond resources and making it easier to do business, in and with the City with the creation of the Development Services Center, which opened in winter 2010. The Center completed the first full year of operation providing centralized building plan review, issuance of permits and enforcement functions. The Office of Economic Development and Business Support was established in FY 2012. In the early stages of development, this office will implement a work plan to ensure the best use of resources to support economic development and business in the City. The City continues to identify ways to support major centers of economic activity in the community. The City committed \$2 million in Economic Development General Obligation Bond Anticipation Notes in March 2012 for infrastructure and other development project costs. City staff continues to work with private developers to create public/private partnerships to bring larger shovel-ready sites to market. The City closed on a \$1.27 million loan to the Nussbaum Center for Entrepreneurship that enabled them to leverage New Market Tax Credits and other funding totaling an additional \$3.45 million. The renovated location opened in June 2012 and is in Greensboro’s Urban Progress Zone. Another key area of emphasis within the strategic goals is the High Point Road/West Lee Street Gateway Corridor. The City has commissioned and updated analysis of the corridor to develop a coordinated vision of the corridor from Interstate 40 to Interstate 85.
- Public Safety – Funding is allocated for construction and staffing of new fire stations. Additional stations are planned as part of the public safety performance objectives, including new provisions to reduce fire loss. The City committed \$4.55 million in General Obligation Bond Anticipation Notes in March 2012 for land acquisition and construction of the Reedy Fork Fire Station. A new Public Safety headquarters for Police was conveyed to the City in September 2011, consolidating police support activities and the central division. This consolidation will enhance coordination of deployments and emergency activation efforts in response to natural and unplanned emergencies.
- Infrastructure/Growth – Funding for the continued growth of libraries, parks, streets, housing energy efficiency, Natural Science Center expansion, and the renovation of the Greensboro Coliseum Complex. Debt funding of \$10 million general obligation bonds were issued in February 2012, including \$6 million repayment of bond anticipation notes issued in FY11 for the Greensboro Aquatic Center (GAC) and \$4 million new money for the Natural Science Center expansion. Additional debt funding was committed in March 2012, for \$3.5 million for the Northeast Library, \$600 thousand for Gateway Gardens, Phase II, and other neighborhood park renovations, \$14.4 million for street improvements, Greenway Trail and Streetscape, \$335 thousand for housing energy efficiency loans, affordable housing and Better Buildings Program and \$4.575 for the Natural Science Center SciQuarium. These projects were approved by Greensboro voters in 2006, 2008 and 2009 referenda. In July 2012, a \$24 million Limited Obligation Bond Anticipation Note commitment was received issued to fund Coliseum Complex capital improvements including the Arena, White Oak Amphitheatre, and the Aquatic Center. The City continues to seek alternative funding sources such as federal and state grants funds whenever possible. Capital Improvements are outlined in the FY2013-2022 capital improvements plan.
- Customer Service/Diverse Workforce – The City’s focus on customer service and fiscal stewardship ensures the City has the right people doing the right job. During FY 11-12, City staff completed a Total Compensation Study. This effort was designed to evaluate the City’s

compensation levels and strategies, identify areas that differ from our recruitment market, and distinguish alternatives for a salary structure that provides good value while keeping the City competitive for top talent.

- Sound Fiscal Management – The centralization of contract management operations and procurement processes in FY 12 allows for greater transparency. Libraries, Parks and Recreation and Police are collaborating to develop programming options to positively impact the juvenile crime rate. The departments are studying the incidence of juvenile crime with the goal of targeting programming available and attracting more at-risk youth to participate.

- The City launched its new MAP (Management, Accountability, and Performance) Plan in the spring of 2011. The second quarter MAP results were presented to City Council in February 2012. This was the first quarterly goal update to be reported based on MAP results. The approach is a new way of linking services provided to the goals and results desired to be achieved. From budgeting to service delivery, the MAP provides a tool to align resources and to analyze and report how the City is using its tax dollars to improve the community and if those efforts are successful. Annually, the adopted budget will identify the resources supporting the individual result areas to accomplish each goal. MAP fundamentally changes the budget process by targeting the following goals:
 - Create an environment that promotes economic development opportunities and job creation
 - Maintain infrastructure and provide sustainable growth opportunities
 - Promote public safety and reduce crime
 - Achieve exceptional customer service and a diverse government workforce
 - Ensure fiscal stewardship, transparency and accountability

The City used the plans below, all of which incorporated public input, and City Council's priorities – economic development, public safety, and infrastructure – to develop its goals:

- Comprehensive Plan – Connections 2025
- City of Greensboro and Guilford County Consolidated Plan 2010-11
- Community Indicator Project

FACTORS AFFECTING FINANCIAL CONDITION

A. Local Economy

Greensboro's diverse economy is attributed to its unique blend of trade, manufacturing and service businesses as well as its universities and colleges. Local industry is characterized by the production of a wide range of products, including machinery, electronics equipment, textiles, apparel and tobacco, and expansion in the transportation and financial services industries. This area experiences an excellent market location which has access to all major domestic and international markets from Interstate Highways 40, and 85 and the Piedmont Triad International Airport (PTIA). Plans are in progress for a new interstate system (I-73) that will span North Carolina, joining Detroit and Charleston, including Greensboro en route. In northern Greensboro, U.S. 29, between Danville and Greensboro, has also been designated as Interstate 785. The Urban Loop, a 44-mile beltway around Greensboro, is under construction at a cost of \$900 million. The Southern and portions of the Eastern Loop are currently open. The construction on the last leg of the Western portion is split into two phases with the first phase completion slated for 2013 and the second phase for 2017. The Western and Eastern Loop are in various stages of construction with a concentration on 15 miles from the western end near the Piedmont Triad International Airport eastward to US 70. Construction of the Northern portion and linking I-73 with the Urban Loop is scheduled to begin in 2016. Nearly one-third of the region's transportation/logistics clusters of industries are located in the greater Greensboro area. The Colonial Pipeline is also located in the Triad with a large fuel transfer/storage facility near PTIA.

In addition, Greensboro is favored for business location due to its readily available labor pool, robust educational training from seven colleges and universities located in the City, expanding roadway, rail, air and communications infrastructure and close proximity to several major eastern seaports.

The employment mix remained relatively stable through FY 2012, with an overall unemployment rate of 9.6% for the Greensboro-High Point MSA, somewhat higher than the national average of 8.1% as of August 2012. Service jobs, at 21.6% of the Guilford County's total employment, continue to be the largest sector in the region. Greensboro and North Carolina in general, are transforming from the traditional manufacturing base noted in the late 80's and early 90's to a strong service sector and high-tech presence with significant business diversification in recent years.

According to the NC Department of Commerce, announced closings and layoffs for Guilford County were reported as follows, and represent a small percentage of the overall employment base:

Number of affected establishments 2011	75
Number of affected establishments 2012 (thru June)	19
Job losses 2011	2,528
Job losses 2012 (thru June)	436

Source: www.accessnc.commerce.state.nc.us (NC Department of Commerce, June 2012)

<i>% Employment Distribution (Guilford County)</i>		
Agriculture & Mining	372	0.1%
Construction	9,546	3.6
Manufacturing	31,107	11.7
Transportation, Information & Utilities	22,863	8.6
Wholesale Trade	15,215	5.7
Retail Trade	28,620	10.7
Finance, Insurance & Real Estate	17,005	6.4
Services	107,613	40.5
Government	<u>32,769</u>	<u>12.7</u>
Total Employment	265,110	100.0%

Source: www.piedmonttriadnc.com; North Carolina Employment Security Commission (4th quarter 2012)

Located in the vicinity of Piedmont Triad International Airport ("PTIA") are various major industrial and business parks, with fully developed infrastructure, covering about 700 acres and includes more than 50 companies. Existing office and industrial facilities located within 2½ miles of the airport exit off Interstate Highway 40 include more than three million square feet of office, office/showroom, warehouse/distribution, light industrial and hotel space, with space vacancies noted at approximately 18% this past year. The FedEx hub at the Piedmont Triad International Airport should generate more demand for office tenants associated with operations that need to be close to the hub. As of calendar year-ended December 2011, approximately 57 scheduled daily departures carried 893,099 enplaned passengers. In June 2012, Delta Airlines began daily non-stop service from PTIA to New York's JFK airport. This 7 day a week early evening service offers an excellent connection to European and Far East destinations. In August 2012, Frontier Airlines announced new nonstop service between Orlando, Florida and Greensboro with three weekly nonstop flights beginning in November 2012. This will be the only nonstop service from Greensboro to Orlando International Airport. In June 2012, PTIA has developed plans for \$350 million in projects including building a taxiway over a future interstate, buying more land, moving roads, relocating a radar tower and grading huge tracts of land. The work will open some 1,200 acres for aviation-related development. The projects will partially be funded by the airport with existing revenues and federal grants but additional funding will be needed from federal, state and local assistance with participation from both the public and the private sector. The \$56.2

million taxiway will run approximately 3,000 feet and will feature a 214-foot wide bridge over future Interstate 73 with construction beginning in 2016 with possible completion as early as 2018. The economic impact of this project could produce nearly 18,500 jobs, \$3.2 billion in economic impact and more than \$113 million annually in state and local tax revenue.

In the fall of 2011, FedEx Ground celebrated its full grand opening. The new distribution center is part of an ongoing nationwide network expansion and transit time acceleration plan to boost daily package volume capacity and further enhance the speed and service capabilities of its network. The 415,000 square foot hub has a workforce of 550 full and part-time employees and about 200 independent contractor opportunities. This facility features the latest in automated handling technology and can process 15,000 packages per hour. With projected future expansion, the hub could eventually process 45,000 packages per hour serving the Southeast Region. Honda Aircraft Company, a division of Honda Motor Company, invested approximately \$78.7 million to establish its world headquarters, along with manufacturing, testing and training facilities at PTIA. Prototype manufacturing and testing of a new lightweight six passenger business jet, the HondaJet, is in progress. HondaJet has reached a new milestone this year with its fourth FAA conforming flight as part of the process to have new planes FAA certified. HondaJet will begin mass production of its \$4.5 million business jet later this year and begin delivering the aircraft to customers in 2013. HondaJet announced in the fall of 2011, expansion plans that will bring more than 400 jobs. The expansion will include construction of a \$20 million HondaJet service center to conduct maintenance and repair, a parts warehouse, overhaul facility and a center to manufacture components such as wings, doors and windows. In August 2011, Greensboro City Council approved an economic incentive grant in the amount of \$523,750 (\$1,250 per new job) for Honda Aircraft Company. The grant is to be used for the purpose of real property improvements, new equipment and creating jobs. The company's investment will consist of approximately \$30 million in real property improvements and \$50 million in machinery and equipment, retaining existing jobs and creating up to 419 new jobs. The arrival of these two firms, FedEx and Honda Aircraft, will create approximately 200,000 jobs over a 16 year period. The aviation industry is one of the critical business sectors of the Triad's economic development strategy. With the ongoing collaboration of the public and private sector organizations and the educational community, the Triad has bright future in aeronautics.

North Carolina's Piedmont Triad region, already a regional logistics hub, hopes to build on that strength with an initiative to create an aerotropolis aimed at positioning the region as the global logistics center of the U.S. East Coast. The move follows an array of distribution center projects including the FedEx hub at PTIA. Building on the region's logistics base will help recoup some of the jobs lost in the textile and furniture industries over the past decade. The Triad's location, halfway between New York and Florida and Atlanta and Washington, D.C., and the fact that half of the U.S. population is within 650 miles (1,046 km.), are major advantages. A regional master plan is in progress to assess the region's assets and possible future infrastructure improvements such as an intermodal rail hub per *Site Selection Magazine*. In March 2012, *Site Selection Magazine* announced that for the fifth year in a row, the Greensboro/High Point MSA earned a Top 10 national ranking for attracting new industry among similar-sized cities. The region ranked #7 in the nation based on the number of corporate real estate projects of \$1 million or greater announced in the metro area in 2011 (Community Profile 2011-2012, Greensboro Economic Development Alliance).



Construction of the \$20 million Greensboro Transit Authority (GTA) headquarters facility was completed January 2012. The new 64,000 square foot facility includes eight bus maintenance bays, two bus washing systems, a larger board meeting room, and a paratransit functional assessment room. The facility, located on 17.5 acres of land in southern Greensboro has been designed to meet LEED Gold Certification for "Green" buildings. In March 2012, one additional hybrid bus was placed into service to bring the total to four hybrid buses to rotate throughout all routes. Plans for the headquarters facility were in progress for several years, but were accelerated due to receipt of a federal stimulus grant of \$5.5 million. The

American Recovery and Reinvestment Act provided 25% funding, along with other funding sources including the Federal Transit Administration and NC Department of Transportation. The City provided 10% in local matching funds for the project.

Following the announcement of the American Recovery and Reinvestment Act (ARRA) provisions, Greensboro developed a preliminary project list representing more than \$309 million in requests for ARRA funding. As of June 30, 2012, the City has budgeted approximately \$25.5 million in ARRA funded projects of which approximately \$19.3 million has been spent. Funds were received for transit and transportation improvements as well as workforce initiatives for adult/youth training and employment, law enforcement crime programs, energy efficiency and conservation programs and housing, homelessness and neighborhood stabilization programs. To date, 45 jobs have either been created or retained due to ARRA initiatives.

Revitalization of downtown has been energized with a variety of activities including new housing development, business location loans, business facade improvement programs, landscaping programs and public safety. In 2005, a \$20 million minor league baseball stadium with a 7,499 seat capacity, opened with annual attendance topping 400,000 in each of the past five years. The Greensboro "Grasshoppers" are a Class A affiliate team of the Florida Marlins. The owners of the "Grasshoppers", Greensboro Baseball LLC, recently purchased the NewBridge Bank Park for \$12.8 million becoming one of just a handful of groups that own the park where their team plays.

In FY 2004-05, a Business Improvement District (BID) was established for downtown Greensboro with a separate tax rate of \$.09 for properties within the district boundaries. The BID generated close to



\$552,000 in FY 2012 from property taxes to be used for downtown improvement projects. Considerable residential development has occurred in the downtown area in recent years, as well as the development of Center City Park, a thriving 2.2 acre \$12 million urban park in the heart of downtown. A redevelopment site is under construction downtown, a \$10 million, 196-unit luxury apartment development slated for completion in calendar year 2012. This development will be along Greensboro's Greenway, a \$26 million "linear park" that

will allow residents to walk or bike safely across the city. This park in Greensboro's Parks and Recreation Master Plan is a 4.8 mile downtown greenway, a pedestrian and cycling loop to be funded through public-private partnership. The greenway will connect the 80-plus miles of greenways and trails that already exist within the City and also connect to a broader network of trails and parks, including statewide efforts such as the Mountains to the Sea Trail. Construction costs are estimated at \$26 million with the City contributing up to \$7 million to this community project. Phase I of the loop is open and a portion of Phase 3 is under construction. The full project is expected to be completed between 2015 and 2018.

In addition, to aid more thriving development, the South Elm Street area, which borders downtown, is the City's first public brownfield redevelopment project, at a cost of more than \$6.6 million. Various funding is provided by grants, HUD loans and over \$1 million contributed by the City. In other housing programs, the City received a \$3.1 million federal grant to continue its Lead Safe Housing Program to protect children in low-income households from lead-based paint and other public safety threats in our city. The grant was part of nearly \$127 million in grants awarded to 48 projects nationally. The City and the North Carolina Department of Energy and Natural Resources were the only two entities in North Carolina to receive the grants. South Elm Street land redevelopment is progressing with plans for a seven-acre site that will include 25 townhouse or condo units, 168 residential rental units, ground floor retail space, restaurants and an "International market place".

The City's Land Development Ordinance, the source for standards and regulations related to land-use and development, is in effect. It represents the largest update and overhaul to the City's development regulations in nearly 20 years. The new ordinance, which was adopted by City Council, effective July 2010, provides flexibility and modern development standards and supports quality infill and mixed-use development. A one year transition period was provided.

The City is continuing a Sustainability Action Plan developed in January 2011, by the Community Sustainability Council (CSC) and accepted by the Greensboro City Council. This action plan was developed based on a cooperative effort with community advisors, consultants, City Council members and City Staff. The Action Plan is the culmination of a two-year process of collecting public input, in a number of key topic areas. The Plan includes several recommended policies and strategies the City and community can support to reduce greenhouse gas (GHG) emissions, improve energy efficiency, provide for economic development opportunities, promote and improved quality of life and save taxpayer dollars. The topic areas covered are transportation and land use, green jobs and buildings, waste reduction and recycling, city operations, nature in the city, education and outreach, green technologies, and city adaptation. The anticipated co-benefits of these strategies are to reduce energy and fuel costs, add more green jobs, improved air quality, improved public health and greater educational opportunities. The Action Plan has been developed in the context of difficult economic times, significant City budgetary constraints. This plan in addition to the significant federal Energy Efficiency and Conservation Block Grant (EEBG) funds, will position the City to pursue similar future funding opportunities.

In other business news, Volvo Group recently dedicated the newly expanded Technical Center at its Greensboro Campus. The expansion involves 40,000 square feet along with renovations to the existing operation and the addition of a new test track. The Technical Center houses approximately 550 employees devoted to the design, development and testing of new vehicles and product enhancements for Mack Trucks and Volvo Trucks in North America. The additional space allows for more product-testing equipment, 10 new truck bays and a design studio that doubled in size. The expansion increases testing capabilities which decreases the need to outsource tests. The new equipment requires a more competent workforce, which means retraining or attracting technologically skilled workers to the area. Volvo received a SuperTruck grant award of \$19 million from the U.S. Department of Energy to assist in developing a new heavy-duty truck that will improve fuel efficiency and reduce greenhouse gas emissions. This grant will aid in the fuel efficiency research already underway. The grant will be utilized over the next five years. In October 2012, Lenovo announced plans to build all of its Think-brand PCs and other products for the U.S. in Guilford County at a new production line in Whitsett, adding 115 jobs. The Whitsett plant will make custom computers on Lenovo's production line which will employ 175 workers at the 245,000 square-foot center currently under construction. The plant is scheduled to open early in 2013.

In FY 2011, Greensboro annexed 145 acres east of the City for one of two planned American Express data centers. One of the two data center is complete and began processing data in February 2012. The second data center is expected to be completed in 2015. If the second announced site is annexed in the future, Greensboro's tax base is expected to increase between 1-2% for this project alone, bringing an estimated 100 new jobs and a \$600 million initial investment with ongoing annual reinvestment of approximately \$63 million for computer hardware. The Greensboro region is well-suited for sizeable computing centers due to the significant electric power grid, established fiber optic and existing advanced telecommunications infrastructure. North Carolina is home to Apple, Google and IBM among other large scale data centers.

In October 2012, BB&T announced a plan to open its new Triad Operations Center in the former American Express building near PTRIA adding 1,700 new jobs over the next five years. The 390,000 square-foot building will eventually house 2,500 employees working primarily in back office, administrative and support functions. BB&T will sign a seven- year lease, expecting to move 50 to 100 workers into the new building by the end of calendar year 2012. BB&T is a \$22 billion regional bank with 1,800 branches.

General Fund expenditures exceeded revenues by \$2.6 million for the fiscal year ended June 30, 2012, largely due to higher than projected revenues from property taxes and sales taxes. Fund balance amounts assigned for capital projects, however, increased slightly from \$6.4 million to \$6.6 million due to an increase in amounts set aside for future capital improvement projects. Property tax collections

were 97.68% of the current year's levy, slightly less than the prior year's collection rate. Sales tax revenue increased by \$2.1 million, or 5.7%, from \$36.7 million to \$38.8 million. Area businesses experienced moderate growth and development in 2012 that is expected to continue into 2013. The Greensboro area economy continued to rebound in several areas including building permit activity. Building permits authorized in April 2012 were 23.7% above the 2011 estimate, at the same time. The increase is particularly noted in the multi-family category for apartment units and we have also noted increased remodeling and renovation activity. According to the U.S. Census Bureau and the Department of Housing and Urban Development, the number of building permits issued nationally declined 55% from 2007 to 2011. Housing starts in April 2012 were 29.9% above the April 2011 rate. Home sales and pricing have also improved.

Greensboro colleges and universities focus is on specializing in areas of education to meet the demand for a changing workforce. Elon University Law Schools announced the expansion of its downtown footprint with the \$500,000 purchase of four parcels and the planned renovation of nearly 6,000 square feet of leased space. The expansion will begin with the demolition of warehouse space to make way for green space and potentially more classroom space in the future. Beyond the acquisitions, the school plans to invest \$850,000 in various demolition and renovation projects to be used for law clinics and student organizations. Leased space renovations of 5,700 square feet will create a 40-student classroom, study rooms, a student commons and a career services center for the law school. Greensboro's seven colleges and universities are planning a shared downtown campus to create a physical space schools can share to provide graduate degrees or continuing education programs at the city center. Ideas for the joint campus range from using the campus to hold classes that would count for credit at multiple schools to hosting networking opportunities for hundreds of international students and faculty members in the city. In August 2012, a Nanomanufacturing conference was held in Greensboro, addressing topics on nanoparticle manufacturing, manufacturing for nanobiotechnology, and nanomanufacturing for aerospace and energy applications. In December 2011, the Gateway University Research Park opened the Joint School of Nanoscience and Nanoengineering (JSNN) in east Greensboro. The 105,000 square foot, \$65 million building houses the most significant academic collaboration to date between UNC-Greensboro and N.C.A&T University. The program and the building itself were designed to foster interaction among the students and across specialties such as biology, engineering, and technology. The JSNN offers graduate degrees in nanoscience and nanoengineering which is expected to generate as much as \$500 million in economic activity. The partnering of the aviation and logistics sectors with local colleges and universities is designed to attract businesses to locate in the Triad while enhancing the areas employment levels. In August 2012, Guilford County Schools opened on the campus of N.C. A&T University "The STEM" Early College. The STEM offers a fast-paced curriculum that integrates knowledge in four areas: science, technology, engineering and mathematics. Approximately, \$700,000 for the new school was pledged by several companies and organizations. This program is adding a new level of opportunity for those who could be the high-tech leaders of tomorrow.

The original General Fund budget of \$236 million for the fiscal year ending June 30, 2013 was adopted with an unchanged property tax overall to the City, of 63.25 cents; however tax funds were re-allocated between operational functions. The General Fund tax decreased from 59.18 cents per \$100 valuation to 58.97 cents compared to the previous year, with 0.69 cents recorded directly in the Housing Partnership Fund and 0.25 cents in the Economic Development Fund. Additionally, a transit tax of 3.34 cents per \$100 assessed valuation was levied for the public transit system, a decline of 0.03 cents, which was re-allocated to the Economic Development Fund. The property tax base for FY 2013 is estimated at \$24.7 billion and is expected to have growth of 1.23% compared to the prior year due to the 2012 property revaluation; sales tax revenues are projected to increase by approximately 2% and portions of the utility taxes are projected to increase 3%, a slight increase over the revised current year estimates. Water and sewer system rates increased 3% for residents inside the city limits, and 7.5% for residents outside city limits, effective July, 1, 2012 to help fund significant water and waste water system improvements due to regulatory requirements and other infrastructure needs. In FY 2012, the City terminated the joint City-County Water and Sewer Trust Agreement. The City portion of the remaining balance in the fund \$24.5 million will be used for the construction of improvements to the

eastern sewer project as part of the termination. The Randleman Dam water flowed to the City for the first time in October 2010, through a newly installed 30-inch feeder main from the Randleman plant. 6.4 million gallons per day are expected to be received from this source.

The overall FY 2013 budget is \$3.0 million, or 0.7%, higher than the revised FY11-12 budget. The Infrastructure Result Area, the largest service area at \$239.1 million, shows an increase of \$4.3 million. The Water Resources Fund budget increased 5.8%, or approximately \$5.3 million, including \$465,000 to outfit a new Water Resources sewer system maintenance crew. The Water Resources Fund budget includes an increase in debt service from \$20.8 million to \$21.5 million. The Solid Waste Management Fund is reduced from \$19.9 million to \$17.3 million due to the advancement of one year's worth of debt payments on the outstanding 1997 landfill Special Obligation Debt. This prepayment of debt service moved \$1.5 million that would have been budgeted in FY 12-13 to the debt payments budgeted for FY 11-12. The Public Safety Result area is decreasing by \$3.1 million due to a one time use of Fund Balance to finance the replacement of the City's radio system. The Culture, Recreation and Community Character Result Area includes service reductions of 2.9%, or \$425,000, including the opening of the Hilltop Recreation Center in the spring.

During 2012, the City continued to install more than \$6 million of new energy infrastructure in 46 City buildings and four parking facilities. Funding was obtained through bank financing and the City anticipates reducing energy usage by 28%, including use of solar technology.

% Greensboro Unemployment

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Jan	6.3	6.2	5.8	5.2	4.5	4.6	5.0	8.8	10.8	9.9	9.2
Feb	6.4	6.0	5.8	5.5	5.0	4.9	5.1	9.5	10.8	9.8	9.0
Mar	6.5	5.9	4.9	5.0	4.4	4.3	4.9	9.3	10.2	9.5	8.7
Apr	6.3	6.0	4.9	4.9	4.2	4.2	4.9	9.4	9.8	9.5	8.5
May	6.7	6.1	5.2	4.9	4.5	4.5	5.6	10.3	10.0	10.0	9.0
Jun	7.2	7.0	6.3	5.6	4.9	5.2	6.1	10.8	10.5	10.8	9.9
July	7.4	7.0	6.2	6.0	5.1	5.2	6.7	11.0	10.4	10.7	9.9
Aug	6.9	6.6	5.4	5.5	4.7	4.7	6.8	10.9	10.1	10.8	N/A
Sept	6.4	6.1	4.9	5.0	4.3	4.3	6.1	10.4	9.4	10.2	N/A
Oct	6.4	6.7	5.1	5.0	4.2	4.4	6.4	10.5	9.3	9.9	N/A
Nov	6.3	6.2	5.5	5.0	4.6	4.6	6.9	10.2	9.8	9.6	N/A
Dec	6.3	5.8	5.4	4.5	4.4	4.4	7.5	10.6	9.5	9.5	N/A

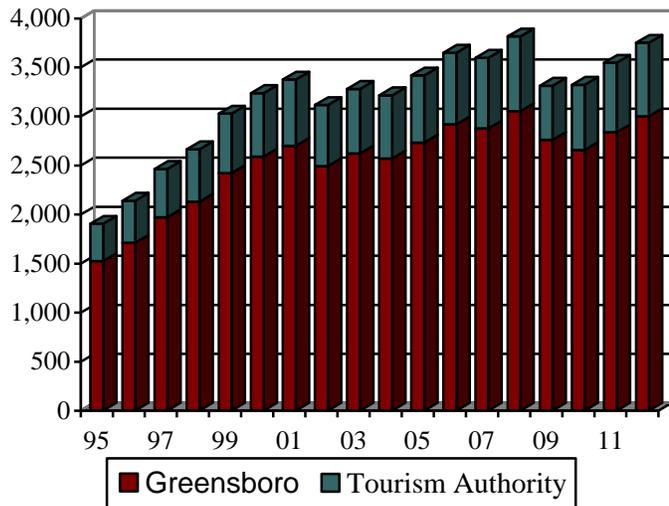
Source: North Carolina Employment Security Commission

The following is a comparison of average annual unemployment rates (%) for the City, County, State and United States:

Year	City	County	State	US
2000	2.9	2.8	3.4	4.0
2001	4.9	4.7	5.3	5.1
2002	6.4	6.2	6.5	6.0
2003	6.3	6.0	6.3	6.0
2004	5.7	5.1	5.5	5.5
2005	5.1	5.1	5.2	5.1
2006	4.5	4.6	4.7	4.6
2007	4.6	4.7	4.7	4.6
2008	5.7	6.1	6.2	5.8
2009	10.1	11.0	10.6	9.7
2010	10.3	10.9	10.6	9.1
2011	10.2	10.8	10.5	8.3

Source: North Carolina Employment Security Commission (latest data available)

(\$ in 000's) 3% City Occupancy Tax Revenues



There are currently 9,692 hotel/motel rooms throughout the City comprising 88 hotels. Receipts from the City's 3% occupancy tax totaled \$3,001,624 in FY 2011-12, increasing 5.7% over the prior year. The Tourism Authority receives 20% of the City's 3% occupancy tax, while a portion of the County's 3% occupancy tax is remitted to the City for tourism development activities. Receipts from the City's portion of this tax are dedicated to debt service related to War Memorial Coliseum complex improvements.

Greensboro Aquatic Center (GAC) a state-of-the-art, 78,323 square foot indoor swimming facility, with seating capacity of 1,850 and



total capacity of 2,500 officially opened in September 2011, featuring leading edge concepts in aquatic design. The GAC will bring together all major aquatic sports – competitive swimming and diving, water polo, synchronized swimming and other unique sports all in one venue. The facility hosted 100 events with attendance at 120,884 from August 2011 through June 2012. The GAC will bring together all major diving, water polo, synchronized swimming and other unique sports all in one venue.

The GAC will offer Greensboro the opportunity to host high school and collegiate events, USA swimming meets, Master's swimming and U.S. Water Polo events as well as many local, regional, national and international competitions. The GAC hosted the AT&T National Diving Championships held August 14-19, 2012 which is one of the USA Diving's most prestigious events. The competition included several springboard, platform and synchronized springboard and platform events. Approximately 125 of the nation's best divers competed for 10 national titles. This event included members of the 2012 Olympic Team and was the first competition after the 2012 Olympic Games in London. This new venue operates 15 hours per day and the estimated one year economic impact is approximately \$25 million.

Beginning in FY 2013, the Coliseum Complex will be undergoing \$24 million in capital improvements financed by Limited Obligation Bond Anticipation Notes and funded by Hotel/Motel tax collections. The venues to be renovated include the Coliseum Complex, including the Arena, White Oak Amphitheatre, Greensboro Aquatic Center and the Complex Parking Lot. The projects consist of replacing and realignment of arena seating, widening concourse areas and concessions, scoreboard and lighting updates, new viewing platform and lounge, additional ticket sales windows, new entrances for accessibility, and enclosing entrances for energy savings and security control. In addition, the arena façade and luxury suites are scheduled to be renovated along with parking lot improvements. The GAC renovations include an expansion of the lobby area, widening the concourse, auditorium style meeting rooms and the addition of a covered façade connecting the Complex entrance with the GAC entrance. The Coliseum and the Special Events Center will also replace the 20 year old roofs. The White Oak Amphitheatre is scheduled to receive a permanent roof canopy over the stage area and reserved seating. The renovation of the auxiliary building (formerly Canada Dry Bottling Building) for future relocation of the City's Official Visitor Center includes new offices for the Convention and Visitor's Bureau and Greensboro Sports Commission staff, and making preparations for future use as another Coliseum Live Entertainment venue. The scheduled renovations will meet the demand for a competitive entertainment complex which will continue to attract regional and national events to the Greensboro area.

The ACC Hall of Champions honors the schools, athletes, coaches and includes artifacts from



games and storied history. This facility is projected to initially attract approximately 50,000 visitors per year. Funding of the \$2.3 million project was provided by the State of North Carolina for tourism and economic development activities.

The Coliseum Arena hosted the Women’s ACC Basketball Tournaments in 2012 and will again host them through 2015, as well as the Men’s ACC Basketball Tournament from 2013 - 2015. The Greensboro Area Convention and Visitor’s Bureau estimated an economic impact of close to \$19 million for the ACC tournament events. The ACC Hall of Champions enhances the efforts to secure dates for these tournaments in the future.

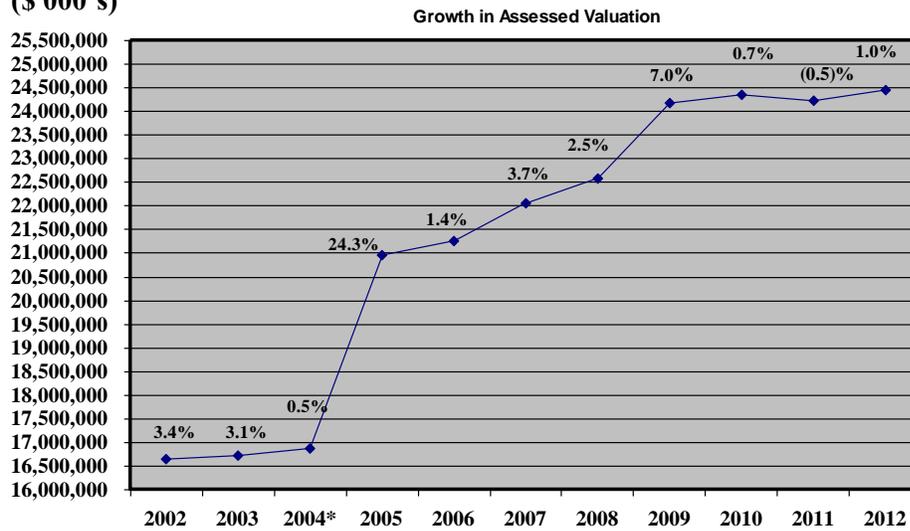
The White Oak Amphitheatre is located on the southern end of the Greensboro Coliseum Complex campus on the former Canada Dry bottling plant property that was purchased by the City of Greensboro in 2007. The Amphitheatre features a seating capacity of 7,688, including more than 2,000 reserved seats and general admission lawn seating for more than 5,600 patrons. This facility hosts a diverse selection of community events, music, arts and crafts and festival type events. The venue will also support entertainment at the annual Central Carolina Fair. The name White Oak was selected in honor of the City of Greensboro’s “official” tree and a selection of white oaks will surround the venue’s seating area. The traditional amphitheatre season is a six-month schedule of events running from May through October.

Greensboro Area Largest Employers

<u>Company</u>	<u>Product / Service</u>	<u>Approximate Number of Full-Time Employees</u>
Guilford County Public Schools	Education	10,130
Moses H. Cone Health System & Affiliates	Health Care	8,410
City of Greensboro	Government	2,990
U.S. Postal Service	Postal Service	2,800
The University of North Carolina at Greensboro	Education	2,540
Guilford County	Government	2,440
High Point Regional Hospital	Health Care	2,245
Bank of America, N.A.	Banking Services	2,000
American Express, Inc.	Financial Services	2,000
TYCO Electronics (AMP, Inc.)	Electronics	2,000
United Parcel Service	Shipping	2,000
Lorillard Tobacco Company	Tobacco Products	1,800
AT&T	Telecommunications	1,600
CitiCorp	Financial Services	1,500
Volvo Trucks North America	Truck Production	1,410
VF (Vanity Fair) Corporation	Apparel	1,400
RF Micro Devices	Microchips & Integrated Circuits	1,380
Lincoln Financial Group	Financial Services I	1,350
Thomas Built Buses	Bus Manufacturing	1,280
TE Connectivity	Automotive Electronic Components	1,250

Source: Greensboro Chamber of Commerce, North Carolina Employment Security Commission

(\$ 000's)



*2004 Revaluation, Effective FY 2005

*2012 Revaluation will be effective FY2013

2012 Population Characteristics

	Median Age	Median Household Income	% Households Earning Above Poverty Level	Median % Bachelor's Degree or Higher
Greensboro	38.2	41,399	87.1	27.0
Guilford County	36.6	43,419	86.8	33.8
North Carolina	37.7	43,916	86.8	26.9
United States	37.3	50,502	88.3	28.5

U. S. Census Bureau, 2011 American Community Survey
<http://www.census.gov/acs>, 9/20/12

Regional Business Investment Estimates FY 2012 Summary

	<u>New Jobs</u>	<u>Investment</u>
Expanding Firms	99	\$ 192,600,000
New Firms	<u>652</u>	<u>85,150,000</u>
Total	751	\$ 277,750,000

Source: Greensboro Economic Development Alliance,
 2011 Annual Report

The "Fortune 500 Industrial List" includes one company headquartered in the City: VF Corporation.

Retail Sales / Taxable Sales Data - Guilford County

<u>Fiscal Year</u>	<u>Taxable Retail Sales</u>	<u>% Increase Over Previous Year</u>
2007	5,990,461,537	**
2008	6,078,010,779	1.5
2009	5,590,367,752	(8.0)
2010	5,069,091,825	(9.3)
2011	5,360,355,128	5.8
2012	5,639,379,892	5.2

Source: North Carolina Department of Revenue

** Since July 1, 2005, retailers have been required to submit, on a monthly basis, taxable sales rather than gross retail sales. Sales data for individual municipalities is also no longer available.

B. Long-Term Financial Planning

The City currently has \$179,690,000 in authorized (2006, 2008, and 2009) and unissued general obligation bonds in the following functional areas to fund various governmental projects. We anticipate phasing the issuance of these bonds over the next eight years in accordance with Greensboro’s capital improvement program, Council’s strategic priorities and the economic outlook, in approximate two year intervals, and as current bonds mature:

Street Improvements	\$131,260,000
Natural Science Center	14,265,000
Parks and Recreational Facilities	11,710,000
Fire Stations	13,955,000
Economic Development	4,000,000
Libraries	3,500,000
Housing	1,000,000

In FY 2011-12, the City also refinanced \$38,385,000 million of a portion of its Water and Sewer Combined Enterprise System Revenue Bonds Series 2005A and 2005B bonds. This transaction resulted in an economic savings of approximately \$1,790,610 over the life of the refunded bonds. During the year, the City also entered into an agreement with an area bank to commit funding of \$30 million in General Obligation Bond Anticipation Notes to finance projects on a periodic basis as expenditures for general public improvement projects are incurred, over the next three years. The City will pay short-term interest rates of 70% of 1 Month LIBOR plus 40 basis points on the amounts outstanding that have been drawn from the commitment. When the notes mature in 2015, it is expected that General Obligation Bonds will be issued and the Bond Anticipation Notes will be redeemed. In early FY 2012-13, the City entered into a similar agreement to commit \$24 million in Limited Obligation Notes to finance improvements at the War Memorial Coliseum Complex, including significant upgrades to the arena seating, concessions area, White Oak Amphitheatre, Greensboro Aquatic Center and parking lot. Repayment of the notes is expected to be made from hotel/motel occupancy tax receipts and other general revenues, as necessary.

The Greensboro Performing Arts Center (GPAC) Task Force is currently studying options for a possible future site and funding of a Performing Arts Center. The GPAC Task Force Phase I meetings occurred from February – June 2012, and identified the original task force charges which were to determine the needs of a GPAC, report on the economic impact and feasibility of a downtown facility and explore private investors to complement public resources. The active participation from more than 2,500 citizens city-wide consists of twelve community forums and district meetings, community and arts groups surveys, and more than one-hundred task force committees, totaling over 2,000 hours of volunteer time. The significant economic impacts identified indicated that the construction of a



GPAC will create a one-time \$28.6 million economic impact, and a potential for 1,277 construction jobs. The annual economic impact is estimated to range from \$7.3 million to \$10.1 million by the third year and would support 268 jobs. Major projects downtown over the last decade show that for every dollar the city government invested, the private sector invested \$13. Community and professional input indicates a new facility of 3,000 plus seating can be supported. A multi-use venue with diverse programming for all ages is estimated to attract 300,000 patrons annually expending educational opportunities for families through exposure to high quality performances in a local setting. The task force is currently studying various financing structures including private and public funds for an estimated \$60 million project cost. A Performing Arts Center would be a key component in the stabilization of the arts community as a whole, in Greensboro.

The Natural Science Center \$20 million improvements in progress include a 23,000 square foot building and a 250,000 gallon Aquarium (Carolina SciQuarium), North Carolina's only centrally located aquarium. The SciQuarium will offer a complete immersion experience. Visitors can engage with animal keepers and educators to learn about the different species of animals and fish. In addition, behind-the-scenes tours and educational SciPods focus on the science of animal care. Also, located at the site will be an art gallery, classrooms, and renovations to the current museum including "HealthQuest", a human health and biology wing. Expansions to the live animal exhibits are also planned. The expansion construction is in progress with \$10,310,000 of the bond/notes issued to date and another \$4,690,000 planned for FY 2013-14. The Natural Science Center ranked number two in North Carolina as the top field trip attraction receiving students, visitors and educators from throughout the state.

Bond-financed and other major capital projects completed or in progress at year-end include additional fire stations, water and sewer system pump stations, and parks and recreation improvements among other facilities.

The proposed ten-year Capital Improvement Plan (CIP) includes approximately \$915 million for projects that will be undertaken during FY 2013-2022 and outlines a future financing plan to maintain the City's current infrastructure and develop new facilities where needed to help achieve the City Council's strategic service priorities. A substantial portion of the CIP relates to Street Improvements and Water Resources projects. Additional amounts are planned for Parks and Recreation projects including the Libraries and Fire Stations. While the substantial portion of the CIP is funded by bonds and Enterprise Fund operations, the CIP is also funded by grant revenue including community contributions, Community Development efforts, Transit and other sources. This category equates to 4.7% of the total CIP.

C. Financial Policies

The City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, (OPEB) in Fiscal Year 2008 and contributed approximately 94% of its required Annual Required Contribution (ARC) in FY2012. The current ARC of \$8.5 million represents 6.2% of annual covered payroll and the actuarial accrued liability was funded at 6.4% in FY 2012, including partial advance funding of future costs. The net OPEB obligation is reported at \$674,667 as of June 30, 2012. The City provides certain postretirement health benefits for retirees until age 65. As of the most recent December 31, 2010 actuarial valuation, there were 989 retirees receiving these benefits. Total estimated liabilities associated with providing these benefits are \$83.9 million. As part of a strategy to manage funding of this liability, the City is developing a plan that includes obtaining actuarial studies to determine estimated future costs, performing analyses of the benefits currently provided to retirees along with long range budget planning to achieve certain employer/employee contribution rates. On July 23, 2007, NC Senate Bill 221 was also ratified and provided broader investment options for the City's funds held for OPEB purposes. The State of North Carolina operates an Investment Fund for OPEB contributions, in which local units may participate. As of June 30, 2012, the market value of the City's investments in the State's OPEB Investment Fund totaled \$5,385,473, which will partially advance fund the City's OPEB obligations.

D. Special Achievements

The City received a national award, “Savvy Award of Excellence” in the digital interactive category for cities with a population of more than 110,000. The award was announced at the 24th Annual City-County Communications and Marketing Association, 3CMA Annual Conference in Portland, Oregon in the fall of 2011. The website was praised for navigation and search engine tools. The website is managed by the Information and Technology Department and the Communications Division of the City.

The City of Greensboro is one of three cities in the country selected as a winner of the “Strong Cities, Strong Communities (SC₂) Planning Challenge” in the fall of 2011. The City received an additional \$1 million from the U.S. Department of Commerce’s Economic Development Administration to administer a program to generate economic development analyses and strategic plans for Greensboro. The goal of the challenge is to develop innovative ideas, strategies, and perspectives that cities can use to develop long-term economic and job growth plans. In addition to the funding, Greensboro will have access to the Economic Development Administration to conduct the initial challenge and will receive a detailed tool-kit, training and web-based support to create the economic development plans. As a SC₂ partner, the City also has access to additional federal agencies for support in growing its economic development efforts in the future.

A Channel 13 producer won a National Telly Award for a 30-second public service announcement produced for the Water Resources Department. The Telly's are national-level awards that recognize excellence in broadcast production. This is the 26th national award won by Channel 13 since 2000. The City’s Commission on the Status of Women (CSW) received a national award for its Women’s and Health Awareness campaign at the 2012 National Outstanding Achievement Conference. The Planning and Community Development Department received the 2012 North Carolina Marvin Collins Planning Award in the Regional Implementation category for its 2010-14 Plan for a Resilient Community.

AWARDS AND ACKNOWLEDGMENT

The City has participated in the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement Program since 1975. GFOA recognizes governmental units that issue their comprehensive annual financial reports substantially in conformity with the standards of the Governmental Accounting Standards Board. The City has received favorable recognition for its comprehensive annual financial report for thirty-seven consecutive years, (1975 through 2011). Valid for a period of one year, we believe our current report continues to conform to Certificate of Achievement Program requirements, as an easily readable and efficiently organized CAFR, and we are submitting it to GFOA to determine its eligibility for another certificate.



To conclude, a review of the financial statements of the City will indicate a sound financial position. The financial outlook for FY 2012-13 is stable, with slow revenue growth forecasted and continued cost-saving measures. Present management efforts in long-range strategic and comprehensive planning should enable the City to generate adequate resources to meet future services demand levels, afford a stable financial position, protect the City's credit ratings, and maintain realistic tax burdens on the public. City staff is preparing to meet the challenges of the twenty-first century to exceed the expectations of citizens for service delivery.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Financial Reporting, Treasury and Accounting Divisions of the Financial and Administrative Services Department. We would like to express our appreciation to all personnel who assisted and contributed to the preparation of this report. We would also like to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Denise Turner Roth
City Manager

Richard L. Lusk
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Greensboro
North Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



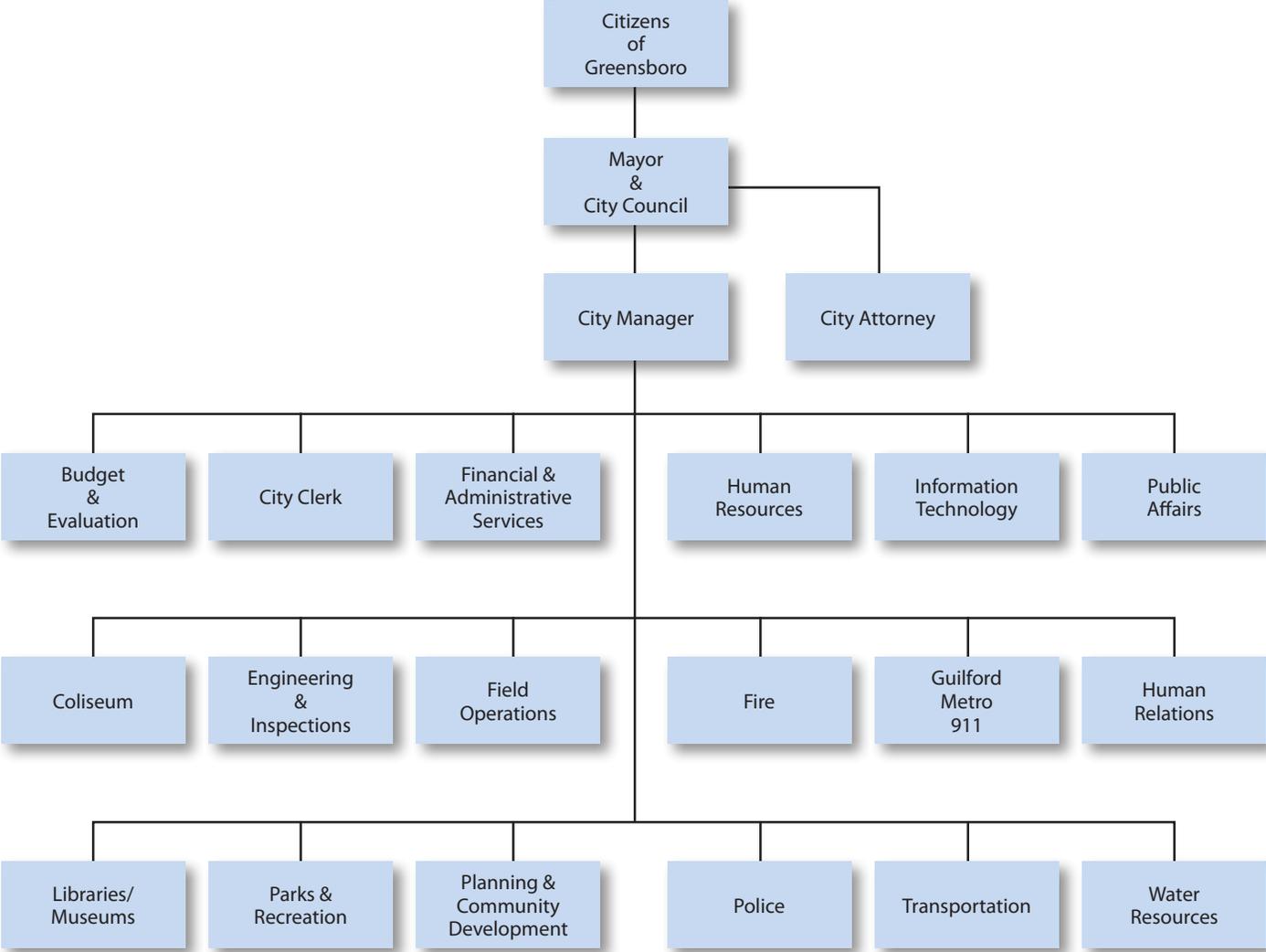
Linda C. Danison

President

Jeffrey R. Emer

Executive Director

City of Greensboro Organizational Chart



Greensboro City Council



The Greensboro City Council

Robbie Perkins, Mayor
Yvonne Johnson, Mayor Pro Tem
Nancy Vaughan, At Large
Marikay Abuzuaiter, At Large
T. Dianne Bellamy–Small, District I
Jim Kee, District 2
Zack Matheny, District 3
Nancy Hoffmann, District 4
Trudy Wade, District 5



City Manager
Denise Turner Roth



Finance Director
Richard L. Lusk



Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Greensboro Transit Authority (the "Authority") and the Greensboro Redevelopment Commission (the "Commission"), which are discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Greensboro, North Carolina, (the "City"), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on the respective financial statements based on our audit. We did not audit the financial statements of the Greensboro ABC Board (the "Board") and the Greensboro Housing Development Partnership, (the "Partnership"). Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Board and the Partnership is based solely on the reports of the other auditors.

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 of material misstatement. The financial statements of the Board and the Partnership were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

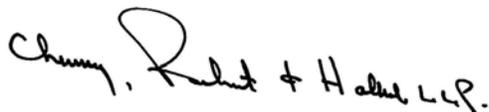
In accordance with Government Auditing Standards, we have also issued our report dated October 27, 2012 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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* and should be considered in assessing the results of our audit.

As discussed in the notes to the financial statements, management determined that certain debt obligations, which were originally reported in the War Memorial Coliseum Fund, did not meet the reporting requirements of that particular fund. Accordingly, beginning net assets and fund balances for each of the affected funds have been restated to properly reflect the reclassification of these debt obligations.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and required supplemental information as listed in the table of contents 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and the statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and State awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act, and is also not a required part of the financial statements. The combining and individual fund statements and schedules and the accompanying 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole. The introductory and statistical sections 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 any assurance on them.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in cursive script that reads "Cherry, Bekaert & Holland L.L.P.".

Raleigh, North Carolina
October 27, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Greensboro, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City of Greensboro for the fiscal year ended June 30, 2012. The Management Discussion and Analysis (MD&A) section is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial condition, identify material deviations from the financial budget, and identify individual fund issues or concerns.

Since the MD&A is structured to focus on the current years' activities, resulting changes and currently known facts, we encourage readers to consider the information presented here in conjunction with the transmittal letter, which can be found beginning on page I of this report, and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ❖ The assets of the City of Greensboro exceeded its liabilities at the close of the fiscal year by \$950.5 million (*net assets*).

The City's net assets increased by \$13.8 million (1.5%) compared to FY 2011. The governmental net assets increased by \$12.3 million (3.5%) due to containing program costs to minimal growth and spending only 97% of the General Fund budget, as well as receiving additional program revenues for public safety capital purposes and transportation projects and improved general revenues for property taxes and sales taxes this year. The business-type net assets increased by \$1.5 million (0.3%) primarily due to continued positive change in net assets for the City's Water Resources utility, offset by decreases for the War Memorial Coliseum operation due to incurring additional operating costs for the new \$19 million Aquatic Center and for the Solid Waste Management operation, due to increased expenses for post-closure landfill care.

- ❖ The governmental activities program revenue increased by \$9 million, up 12.9% more than last year, largely due to additional operating and capital grants and contributions received for transportation and public safety capital purposes. General revenues for property taxes increased by \$1.6 million (1.1%) from the prior year despite a slight drop in collection rates for the current year's levy, particularly for motor vehicle taxes. The property tax rate remained the same as last year, however, a small re-allocation of the rate shifted slightly more resources to the General Fund from the Transit Fund. Property values also grew by 1% in FY 2012. Sales tax receipts rebounded \$2 million, or 5.6%, signaling economic recovery in the region. Investment earnings were the equivalent of 1.3 cents on the property tax rate compared to 1.9 cents last year and have continued to decline in recent years. For budgeting purposes, management projects interest earnings to remain flat for the next planning cycles. In the City's business-type activities, program revenues decreased by \$19.2 million or 12.3% to \$137.2 million. The change in business-type activities is largely due to receiving one-time payments in the prior year of \$16 million for settlement in the City's favor of a contractor lawsuit and an additional \$2 million reimbursement of construction costs for the Randleman Dam water treatment project. The Coliseum charges for services increased approximately \$2 million due to operating a full year for several new venues in FY 2012 and Parking Facilities charges for services increased by approximately 1.5% for fees collected. City-wide, charges for services revenues decreased \$19.8 million or 10.4%, largely due to the receipt of the large one-time Water Resources reimbursements and recoveries in FY 2011 discussed above.
- ❖ During the year, the City's governmental expenses at the entity-wide level were \$275 million, an increase of \$4 million or 1.5% more than last year primarily in Capital Project Funds for transportation-related projects. In all, expenses increased \$16.8 million or 13.3% in the City's business-type activities with an increase in all program areas but predominately in the Water Resources Fund for transacting an interest rate exchange payment in association with refinancing certain of the City's Combined Enterprise Revenue Bonds as well recording an additional allowance for doubtful accounts due to changes in the City's "Lien" law associated with the utility.
- ❖ Of the City's various business-type service areas, water and sewer operations and the stormwater management program generated sufficient revenues in their programs to cover expenses. No significant new funding sources were noted in FY 2012.

- ❖ The total cost of all City programs increased by \$20.9 million or 5.3% compared to FY 2011.
- ❖ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$101.4 million, a net decrease of approximately \$11.5 million in comparison with the prior year. Approximately 53% of this total amount or \$54 million is restricted and 43% or \$43.8 million is Committed, Assigned or Unassigned, including \$7.4 million appropriated for next year's budget.
- ❖ At the end of the current fiscal year, the total fund balance for the General Fund specifically was \$58.4 million. Approximately 38% or \$22.3 million of this balance is restricted and \$4.7 million is assigned for appropriation next year. It is also the City's policy to hold aside 9% of the subsequent year's General Fund budget as "unassigned" to remain available for working capital, but it may also be appropriated for emergencies. This amounted to \$22.8 million as of June 30, 2012. Amounts remaining that are either non-spendable, committed or assigned for other purposes totaled \$8.6 million.
- ❖ Charges for services for the City's largest enterprise activity, the Water Resources Fund, comprising water and sewer operations decreased \$3 million or 3.4% in FY 2012. For the first half of FY 2011, the City had implemented a 6% rate increase for all utility customers, which was later completely rescinded in February 2011 for City-only customers, effectively dropping the overall revenue base upon which FY 2012 started. In addition, pumping activity in FY 2012 was also less, due to seasonal weather conditions. The City's water supply purchased from three neighboring municipalities in the current year was approximately \$2.7 million compared to \$3.2 million last year, and is budgeted at \$2.3 million in FY13. These interlocal arrangements will continue to be in place to keep the water lines "fresh" and to ensure additional supply in emergency or drought conditions. Current year contributions of \$828,148 were made to the Piedmont Triad Regional Water Authority ("PTRWA") for certain ongoing administration and operations associated with the Randleman Dam, which is fully operational. The City initially contributed \$33,544,093 in FY 2008 to support PTRWA's Water Treatment Plant project. This project is being funded by a group of local government units and will supplement Greensboro's water supply needs for the long term. The City's total water rights in the Randleman Dam project, recorded as an Intangible Asset, are approximately \$84.8 million as of June 30, 2012. Amortization of the water rights over a 50 year period began last year. The City began receiving water from the Randleman area on October 4, 2010, culminating a 20 year project that will ensure the City's long-term water supply. Water purchases totaling \$2,051,650 were paid to the PTRWA in Fiscal Year 2012. Revenue Bond debt service coverage held at 2.06 times, consistent with the targeted goal of 2.0 times coverage.
- ❖ In October 2012, the City received \$24.4 million from Guilford County following agreement to dissolve a joint City/County Trust Fund formed in the 1960's (and administered by the County) specifically to fund water and sewer projects within the County area. Certain joint projects in progress will continue until completion and the balance of the City's payment will be used for projects primarily in the eastern corridor of the County, in order to facilitate future economic growth. These projects had been previously planned to receive future City bond funding. In 2013, the City established a new water and sewer line extension fund and plans to accumulate at least \$750,000 each year for this purpose.
- ❖ Deficit fund balances were reported in the Community Development Block Grant Fund (\$356,782), the HOME Program Fund (\$76,182), the Fire Station Bond Fund (\$21,339) and the Natural Science Center Bond Fund (\$574,575), respectively, as of the end of the fiscal year. These deficits will be funded with federal grants in FY 2013 and future issuances of General Obligation Bonds.
- ❖ The General Fund budget for the fiscal year ended June 30, 2012 was adopted with a \$.5918 per \$100 assessed valuation property tax rate, a \$0.0013 increase from FY 2011, due to a tax re-allocation of the same amount from the Transit Fund rate. Overall, the total FY 2012 tax rate remained the same as the prior year, and includes two special historic district taxes and a downtown business district tax for certain additional improvements.
- ❖ As of June 30, 2012, the City had collected approximately \$248.2 million or 100.09% of its amended budgeted General Fund revenues and had incurred \$245.6 million or 96.9% of its amended budgeted expenditures. The net effect on General Fund fund balance was an increase of approximately \$2.6 million this year.

- ❖ In 2009, following the announcement of the American Recovery and Reinvestment Act (ARRA) provisions, Greensboro developed a preliminary project list representing more than \$309 million in requests for ARRA funding. As of June 30, 2012, the City has budgeted approximately \$25.5 million in ARRA funded projects of which approximately \$19.3 million has been spent. Since inception of the stimulus program, ARRA Funds were received for transit and transportation improvements as well as workforce initiatives for adult/youth training and employment, law enforcement crime programs, energy efficiency and conservation programs and housing, homelessness and neighborhood stabilization programs. At least 45 jobs have either been created or retained due to ARRA initiatives. Over \$5.5 million was spent in the current year for Community Development and Housing energy and “Better Homes” initiatives.
- ❖ In FY 2012, the City spent \$36 million and \$10 for federal and state-funded grant programs, respectively, compared to \$35.4 million in federal and \$15.2 million in state funding last year.

Key Ratios

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ Bonded Debt Per Capita	\$611	\$658	\$602	\$620	\$674
Legal Debt Margin as a % of Debt Limit	80.26%	78.92%	78.22%	77.99%	84.13%
% of Property Tax Levy Collected	97.68	97.91	99.31	99.44	99.52
% Increase in Assessed Property Valuation	1.0	(0.5)	0.7	7.0	2.4

- ❖ Guilford County property tax revaluation occurs every eight years. The most recent revaluation occurred in 2012, effective in FY 2013, noting a gain of approximately 1.3% above FY 2012 values. The next scheduled revaluation is planned for 2020, effective in FY 2021.
- ❖ The City’s total governmental general obligation bonded debt decreased by \$12 million following scheduled debt service retirements of approximately \$16.6 million, and retirement of \$6 million in Bond Anticipation Notes, effectively reducing the debt per capita from \$658 to \$611. In FY 2012, the City also issued \$10 million of general obligation bonded debt for public improvements. Interest rates on the City’s variable rate debt ranged from 0.18% to 0.29% and from 0.24% to 0.35% for tax-exempt and taxable general obligation bonds, respectively, and from 0.22% to 0.29% for tax-exempt revenue bonds at June 30, 2012. It is the City’s policy to maintain 25% or less in variable rate general debt outstanding to help partially offset lower interest earnings in recent years.
- ❖ The City of Greensboro maintained its AAA general obligation credit rating from Standard and Poor’s and Fitch Ratings along with its Aaa rating from Moody’s Investors Service.

❖ **Standard and Poor’s (S&P)**

General Obligation Bonds	Currently AAA	Target AAA
Certificates of Participation	Currently AA+	Target AA+
Enterprise System Revenue Bonds	Currently AAA	Target AAA

Moody's Investors Service (Moody's)

General Obligation Bonds	Currently Aaa	Target Aaa
Certificates of Participation	Currently Aa2	Target Aa1
Enterprise System Revenue Bonds	Currently Aa1	Target Aaa

Fitch Ratings (Fitch)

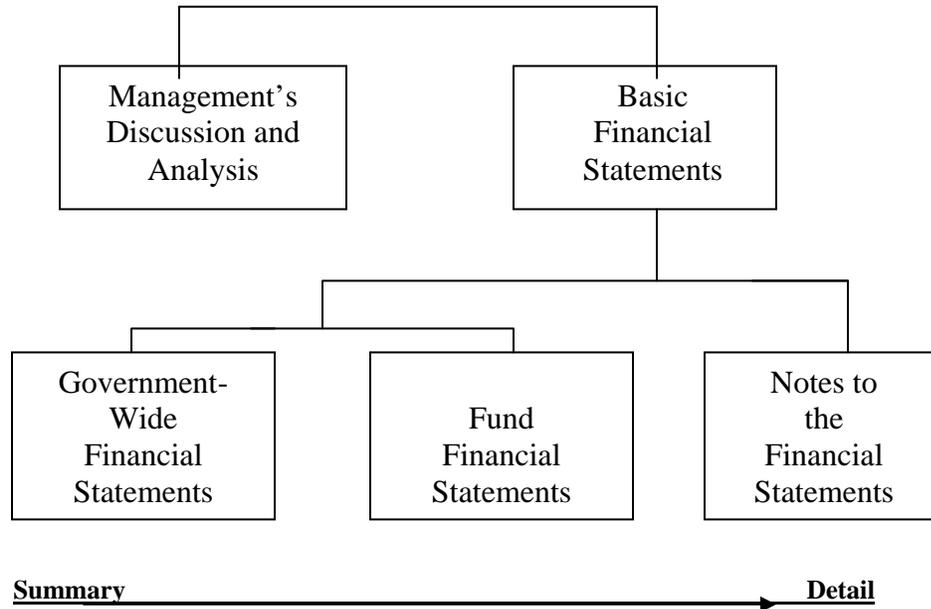
General Obligation Bonds	Currently AAA	Target AAA
Certificates of Participation	Currently AA	Target AA+
Enterprise System Revenue Bonds	Currently AAA	Target AAA

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Greensboro's basic financial statements. The financial statements include two kinds of statements that present different views of the City: 1) Government-Wide Financial Statements and 2) Fund Financial Statements. Both perspectives, however, are essential and complementary components that allow the user to address relevant questions, broaden a basis for comparison, and enhance the City's accountability. Another element of the basic financial statements is the notes to the 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 Greensboro. (See Figure 1)

Required Components of Annual Financial Report

Figure 1



A. Government-Wide Financial Statements

The government-wide statements report both short-term and long-term information about the financial condition of the City as a whole, focusing on the government's operational accountability. The accounting methods of these statements reflect that of private sector companies in that all governmental and business-type activities are consolidated into columns that add to a total for the primary government. The statement of net assets reports the City's net assets and includes all, both current and non-current, assets and liabilities of the government. The

difference between the two is reported as net assets. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. You will also need to consider other non-financial factors, such as changes in the City's property tax base, local economy and service levels, to assess the overall health of the City. On the other hand, the statement of activities reports how net assets have changed and includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The government-wide financial statements of the City are divided into three categories:

Governmental Activities- Most of the City's basic services are included here, such as police, fire, transportation, environmental services, libraries, housing and community development, public improvements, parks and recreation and general administration. Property taxes along with sales and certain state-shared taxes and state and federal grants finance most of these activities.

Business-Type Activities- The City charges fees to customers to help cover the costs of certain services it provides. The City's water and sewer system and other stormwater resources, parking facilities, solid waste facilities and coliseum activities are included here.

Component Units- The City includes four other discretely presented component entities in its report—Greensboro Housing Development Partnership, Inc., the Alcoholic Beverage Control Board (ABC), the Greensboro Transit Authority, and the Redevelopment Commission of Greensboro. The activities of Greensboro Center City Corporation are blended with those of the City. Although legally separate, these "component units" are important because of certain financial transactions that exist between the entities and the City and from extensive board member appointments by City officials.

The government-wide financial statements can be found on pages 3-6 of this report.

B. Fund Financial Statements

The fund financial statements provide more detailed information about the City's major funds while focusing on fiscal accountability. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes, as required by state law and bond covenants. City Council establishes many funds to assure control as well as good management and to exhibit proper usage of certain taxes and grants. The City of Greensboro, like all other governmental entities in North Carolina, also uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or City ordinances.

The City has three types of funds:

Governmental Funds- Most of the City's basic services are included in governmental funds, which focus on 1) how cash and other financial assets can readily be converted to cash flow in and out (that is, their liquidity) and 2) the balances left at year-end that are available for spending. This is the manner in which the financial budget is typically developed. Because this information provides a short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs, as opposed to the government-wide statements which provides both a short and a long-term focus, a reconciliation is provided on the page following the fund statements that explains the relationship or differences between the two views.

The governmental fund financial statements can be found on pages 7-18 of this report.

Proprietary Funds- Services for which the City charges customers a fee are generally reported in proprietary funds. Accounted for like the government-wide statements, proprietary funds provide both long and short-term financial information and in addition include the statement of cash flows. A reconciliation statement is once more provided following these funds to explain the differences between them. The Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been

included within governmental activities in the government-wide statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements located on pages 130-136.

The proprietary fund financial statements can be found on pages 19-30 of this report.

Fiduciary Funds- The City is the trustee, or fiduciary, for its Police Special Separation Allowance Pension Trust. In addition, the Other Post-Employment (OPEB) Trust Fund was established in FY 2009. The City is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the government-wide financial statements because the City cannot use these assets to finance its operations.

The basic fiduciary fund financial statements can be found on pages 32-33 of this report.

C. 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 can be found starting on page 37a of this report.

D. Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Greensboro's progress in funding its obligation to provide pension benefits and other post-employment benefits to certain of its retirees. Required supplementary information can be found on pages 38-41 of this report.

E. Other Supplementary Information

The combining statements referred to earlier in connection with nonmajor governmental funds and Internal Service Funds are presented immediately following the required supplementary information on pensions and other post-employment benefits. Combining and individual fund statements and schedules can be found starting on page 42 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements for the fiscal year ended June 30, 2012 are becoming more familiar to readers of City of Greensboro reports. In previous years, the City maintained its governmental and proprietary fund groups as two separate and very distinct types of accounting, without any type of consolidated statement that accurately reflected the operations and net assets of the government as a whole. There was a total column that appeared on the financial statements, but it was a memorandum total only. No attempt was made to adjust the statements in such a way that the total column would represent the overall financial condition of the City. These statements were basically the equivalent of the fund financial statements that appear in this report with fiduciary funds and two former account groups, the long-term debt and the general fixed assets, added in.

The changes in the financial statement reporting model were mandated by the Governmental Accounting Standards Board (GASB). GASB Statement No. 34 dictated the presentation of the City of Greensboro's financial reports as well as those of many other units of government.

Comparative numbers, when available, have been included in this report. Future years' reports will have more comparative data that will allow more opportunities for comparative analysis, particularly in the Statistical Section.

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Greensboro, assets exceeded liabilities by \$950,522,764 at the close of June 30, 2012 compared to \$936,700,881 in

the previous year. The net assets for the City as a whole increased 1.5% at June 30, 2012 or \$13.8 million and includes an approximate \$12.3 million gain generated from improved intergovernmental receipts and taxes, while strictly holding expenses to less than budgeted.

The largest portion of the City of Greensboro's net assets \$708,803,822 (74%) represents its investment in capital assets (e.g. land, building, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The resources needed to repay the debt must be provided from sources other than capital assets, since they cannot be used to liquidate the liabilities.

An additional portion of the City of Greensboro's net assets \$83,276,483 (9%), represents resources that are subject to enabling legislation or external restrictions on how they may be used. Unrestricted net assets, the residual amount of assets that can be used without constraints established by debt covenants, enabling legislation, or other legal requirements changed from \$167,215,877 at June 30, 2011 to \$158,442,459 (17%) at the end of this year. However, it should be noted that of this total reported "unrestricted" amount, only approximately \$22.8 million is available and unobligated in the General Fund to finance additional day-to-day governmental activities or unforeseen circumstances in the future.

Table A-1
City of Greensboro's Net Assets
(In thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		%
	2012	2011*	2012	2011*	2012	2011*	
Current and Other Assets	\$ 241,760	\$ 260,174	\$ 147,950	\$ 154,394	\$ 389,710	\$ 414,568	-6.0%
Capital Assets, Net	382,297	368,416	749,472	747,913	1,131,769	1,116,329	1.4%
Total Assets	<u>624,057</u>	<u>628,590</u>	<u>897,422</u>	<u>902,307</u>	<u>1,521,479</u>	<u>1,530,897</u>	-0.6%
Long-Term Debt Outstanding	218,209	249,036	262,521	272,052	480,730	521,088	-7.7%
Other Liabilities	43,193	29,218	47,033	43,890	90,226	73,108	23.4%
Total Liabilities	<u>261,402</u>	<u>278,254</u>	<u>309,554</u>	<u>315,942</u>	<u>570,956</u>	<u>594,196</u>	-3.9%
Net Assets	<u>\$ 362,655</u>	<u>\$ 350,336</u>	<u>\$ 587,868</u>	<u>\$ 586,365</u>	<u>\$ 950,523</u>	<u>\$ 936,701</u>	1.5%
Invested in Capital Assets,							
Net of Related Debt	\$ 207,475	\$ 179,816	\$ 501,329	\$ 495,142	\$ 708,804	\$ 674,958	5.0%
Restricted	51,902	55,974	31,375	38,553	83,277	94,527	-11.9%
Unrestricted	<u>103,278</u>	<u>114,546</u>	<u>55,164</u>	<u>52,670</u>	<u>158,442</u>	<u>167,216</u>	-5.2%
Total Net Assets*	<u>\$ 362,655</u>	<u>\$ 350,336</u>	<u>\$ 587,868</u>	<u>\$ 586,365</u>	<u>\$ 950,523</u>	<u>\$ 936,701</u>	1.5%

*Restated

For more detailed information, see the Statement of Net Assets on pages 3-4. See also "Accounting Changes and Reclassifications" note disclosure for information about reclassification of debt and other assets from Business-Type Activities to Governmental Activities in the Statement of Net Assets at the entity-wide level.

Table A-2
City of Greensboro's Changes in Net Assets
(In thousands of dollars)

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>		2012	2011*
	2012	2011*	2012	2011*	2012	2011*
Revenues:						
Program Revenues:						
Charges for Services	\$ 36,218	\$ 36,402	\$ 134,737	\$ 154,346	\$ 170,955	\$ 190,748
Operating Grants and Contributions	32,725	29,871			32,725	29,871
Capital Grants and Contributions	9,635	3,308	2,504	2,130	12,139	5,438
General Revenues:						
Property Taxes	146,527	144,937			146,527	144,937
Other Taxes	65,130	63,432			65,130	63,432
Investment Income	2,011	1,959	963	1,237	2,974	3,196
Other	934	999	948	1,730	1,882	2,729
Total Revenues	293,180	280,908	139,152	159,443	432,332	440,351
Expenses:						
General Government	25,607	26,158			25,607	26,158
Public Safety	121,315	121,633			121,315	121,633
Transportation	13,549	9,433			13,549	9,433
Engineering and Building Maintenance	23,225	21,746			23,225	21,746
Field Operations	34,630	34,105			34,630	34,105
Environmental Services	884	1,012			884	1,012
Culture and Recreation	32,351	33,775			32,351	33,775
Community Development and Housing	12,175	11,186			12,175	11,186
Economic Opportunity	4,867	4,665			4,867	4,665
Interest, Fees on Long Term Debt	6,495	7,314			6,495	7,314
Water Resources			87,574	78,703	87,574	78,703
Stormwater Management			9,844	8,888	9,844	8,888
War Memorial Coliseum			25,786	21,573	25,786	21,573
Solid Waste Management			18,052	15,736	18,052	15,736
Parking Facilities			2,156	1,682	2,156	1,682
Total Expenses	275,098	271,027	143,412	126,582	418,510	397,609
Net Increase in Net Assets						
Before Transfers	18,082	9,881	(4,260)	32,861	13,822	42,742

*Restated

(Continued)	Governmental Activities		Business-Type Activities		Total	
	2012	2011*	2012	2011*	2012	2011*
Transfers	(\$5,763)	(\$4,330)	\$5,763	\$4,330		
Increase in Net Assets	12,319	5,551	1,503	37,191	13,822	42,742
Beg. Net Assets	350,336	347,971	586,365	549,174	936,701	897,145
Prior Period Adjustment		(3,186)				(3,186)
Restated	350,336	344,785	586,365	549,174	936,701	893,959
Ending Net Assets	\$ 362,655	\$ 350,336	\$ 587,868	\$ 586,365	\$ 950,523	\$ 936,701

*Restated

Table A-3
Summary of Financing/Interest Earnings - Governmental Activities
(In thousands of dollars)

	FY2012	FY2011	\$ Change	% Change
Interest Revenue	\$2,011	\$1,959	\$52	2.7%
Interest Expense	6,495	7,314	(819)	-11.2%
Net	(\$4,484)	(\$5,355)	\$871	-16.3%

Summary of Financing/Interest Earnings - Business Activities
(In thousands of dollars)

	FY2012	FY2011	\$ Change	% Change
Interest Revenue	\$963	\$1,237	(\$274)	-22.2%
Interest Expense	8,431	9,167	736	8.0%
Net	(\$7,468)	(\$7,930)	\$462	5.8%

A. Governmental Activities

Governmental activities increased the City's net assets by approximately \$12.3 million, up from an approximately \$5.6 million increase last year. Contributing to the increase were sales tax collections increasing by \$2 million or 5.6% compared to June 30, 2011 as well as cost containments to achieve only 97% of budgeted General Fund expenditures.

FIGURE 2
Expenses and Program Revenues – Governmental
(In thousands of dollars)

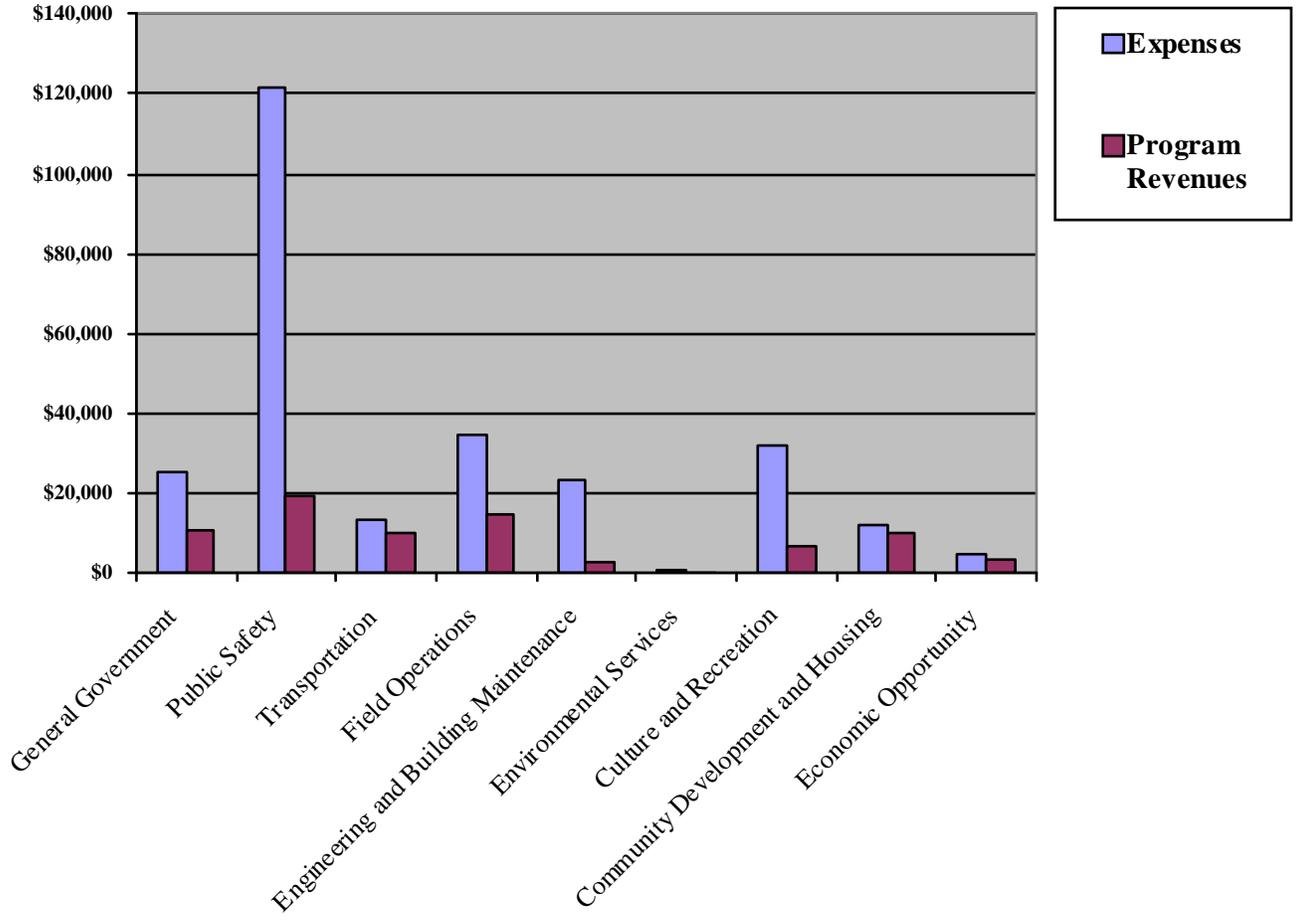


Table A-4
Net Cost – Governmental Activities
(In thousands of dollars)

	Total Cost of Services		% Change	Net Cost of Services		% Change
	2012	2011		2012	2011	
General Government	\$ 25,607	\$ 26,158	-2.1%	\$ (14,925)	\$ (16,167)	7.7%
Public Safety	121,315	121,633	-0.3%	(101,830)	(108,139)	5.8%
Transportation	13,549	9,433	43.6%	(3,485)	(2,837)	-22.8%
Engineering and Building Maintenance	23,225	21,746	6.8%	(20,322)	(18,603)	-9.2%
Field Operations	34,630	34,105	1.5%	(20,078)	(19,549)	-2.7%
Environmental Services	884	1,012	-12.6%	(515)	(339)	-51.9%
Culture and Recreation	32,351	33,775	-4.2%	(25,349)	(24,929)	-1.7%
Community Development and Housing	12,175	11,186	8.8%	(2,057)	(2,530)	18.7%
Economic Opportunity	4,867	4,665	4.3%	(1,464)	(1,039)	-40.9%
Total	<u>\$ 268,603</u>	<u>\$ 263,713</u>	1.9%	<u>\$ (190,025)</u>	<u>\$ (194,132)</u>	2.1%

B. Business-Type Activities

Business-type activities increased the City of Greensboro’s net assets by \$1.5 million, largely attributable to net income generated in the City’s water and sewer utility, primarily from developer contributions of water and sewer lines valued at approximately \$2.2 million and achieving actual expenses for operations of 87% of budgeted amounts. The General Fund continued to support the Coliseum, and stormwater and parking fees were sufficient to cover operations. Challenges are present in the business activities due to ongoing significant infrastructure and capital needs for the City’s utility and waste disposal issues relating to closure and post-closure care costs for certain of the City’s landfill facilities which are required to be closed, capped and monitored for a number of years.

1) *Enterprise Funds*

There are five separate and distinct operations accounted for in the Enterprise Funds: the Water Resources Utility Operations, Stormwater Management Services, War Memorial Coliseum Complex, Parking Facilities and Solid Waste Management.

Depreciation is computed on all depreciable plant and equipment and is reflected as an operating expense. Depreciation expense also includes amortization of software and licenses and other intangible assets, such as water rights. The following schedule reflects the change in net assets before and after depreciation/amortization for each of the enterprises compared to the preceding year.

Table B-1
Change in Net Assets– Business-Type Activities
(in thousands of dollars)

<u>Enterprise Activities</u>	Change in Net Assets		Change in Net Assets	
	Before		After Depreciation/ Amortization*	
	<u>Depreciation/Amortization</u>	<u>Depreciation/Amortization</u>	<u>Depreciation/Amortization</u>	<u>Depreciation/Amortization</u>
	2012	2011	2012	2011
Water Resources	\$27,634	\$54,768	\$5,970	\$36,051
Stormwater Management	1,945	2,966	253	1,217
War Memorial Coliseum	373	1,893	(2,444)	(418)
Parking Facilities	383	92	(232)	(504)
Solid Waste Management	(1,320)	1,089	(1,907)	450
Total	<u>\$29,015</u>	<u>\$60,808</u>	<u>\$1,640</u>	<u>\$36,796</u>

*Excludes the effect of Internal Service Fund chargebacks.

Major activities and/or changes in the Enterprise Fund operations are presented in the following comments.

2) *Water Resources Fund*

Charges for current services totaled \$87,896,486 compared to \$90,954,195 for the preceding year, a decrease of 3.4%. Operating expenses (excluding depreciation) increased by 5% and totaled \$52,619,431 as compared to \$50,120,553 for the preceding year. The water and sewer rates for average residential customers increased by 6% for the first half of the prior fiscal year, however, beginning in January 2011, the increase was reduced by one-half, and then was totally eliminated effective February 1, 2011 for all inside City residents, per City Council directive, attributing to most of the decline in charges for services from FY 2011 to FY 2012. The balance of the decrease is due to seasonal weather fluctuations, resulting in less pumping needed. On July 1, water and sewer rates increased 3% for customers inside the City and 7.5% for those residing outside the City limits, with resulting revenues expected to increase by \$2.9 million, in keeping with debt service coverage covenant targets of 2.0x coverage.

The City continues to make a significant investment in water resource needs to replace and expand existing infrastructure and to meet new environmental regulations. The Water and Sewer utility comprises approximately 52.5% of the City's overall capital improvement plan, with estimated \$480.9 million in planned capital expenditures over the next ten year period. Ongoing system improvements are expected and are included in our long-range planning, however, management projects that within the next five years, certain of the major improvements will be completed (\$90 million nitrogen removal project) and pay-go funding, which is expected to be more than 50%, should cover a large part of anticipated future costs. The City has also established a capital reserve account to provide for future needs of the water and sewer system, with an account balance of approximately \$6.6 million available in the restricted assets total of the Water Resources Fund as of June 30, 2012. The Randleman Dam, Lake and Water Plant Project (managed by the Piedmont Triad Regional Water Authority, "PTRWA") has recently been completed and designed to meet long-term future water needs. PTRWA constructed a Water Treatment Plant which began pumping treated water to Greensboro in early October 2010. \$2,051,650 was paid to PTRWA in FY2012 for current water purchases from this supply. Greensboro has acquired certain water rights in this project, along with five other governmental units. Due to ongoing interlocal water purchase agreements with neighboring communities, conservation measures, the purchase of a small dam on the Haw River, along with approximately 6.4 million gallons of water per day available to be piped from Randleman, the City has been able to adequately manage its water supply.

3) *Stormwater Management Fund*

Charges for current services totaled \$9,858,630 as compared to \$9,923,499 for the preceding year, a decrease of 0.65%. Operating expenses (excluding depreciation) increased by 14% and totaled \$8,151,569 as compared to \$7,139,302 for the preceding year. Additional work was performed on culvert and bridge

improvements in FY 2012, as well as water quality and stream restoration projects. The stormwater program monitors and manages the quality and quantity of stormwater runoff and helps protect limited water resources throughout the City. Residential stormwater fees range from \$1.50 to \$3.90 based on the square footage of impervious property area owned and fund program operations as well as related capital improvement projects.

4) *War Memorial Coliseum Fund*

Charges for current services totaled \$20,155,776 as compared to \$18,108,379 for the preceding year, an increase of 11.3%. The total number of event days in FY 2011-12 increased from 912 to 1,016 with 100 new event days solely attributable to operation of the new Greensboro Aquatic Center. Overall facility attendance decreased approximately 70,000 to 1,433,182 in FY 2012, a function of booking three significant events in the prior year, which typically occur on a rotating or periodic basis: The 2011 Men's ACC Basketball Tournament, the 2011 U.S. Figure Skating Championship and a select University of North Carolina Men's basketball game. The Greensboro arena has hosted nine Men's ACC Basketball Tournaments from 1995 to 2011, and Greensboro will again host in 2013 - 2015. Along with hosting the Women's ACC Basketball Tournament from 2007 to 2015 and NCAA Regional events, Greensboro is quickly becoming known as "Tournament Town". Greensboro also hosted the 2012 ACC Baseball Tournament. Operating expenses (excluding depreciation) totaled \$22,845,297 as compared to \$18,961,592 for the preceding year, an increase of 20.5%. The General Fund contributed \$2,066,775 toward Coliseum activities this year, \$479,233 more than the subsidy last year, mainly for operations. Revenues and expenses for a given year may fluctuate based on the nature of the associated event agreements.

In late FY 2011 and early FY 2012, the Coliseum added four new facilities to its complex, which were fully operational in FY 2012: the Greensboro Aquatic Center (GAC), the White Oak Amphitheatre (WOA), the Atlantic Coast Conference (ACC) Hall of Champions, funded with a state grant and the Terrace Lounge. Related debt of \$19 million (\$12 million GO bonds, \$7 million COPS) is recorded in the governmental activities section of the Statement of Net Assets for the GAC. Proceeds of the Hotel/Motel Room Occupancy Tax will retire this debt, along with donations from the Greensboro Area Convention and Visitors' Bureau, as needed. In addition to meeting community swim needs, the GAC offers the opportunity to host regional, national and international competitions, of which it hosted several diving championships, U.S. Synchronized Swimming Olympic Team trials and U.S Masters swimming events, among others, this year. Each time, the resulting economic impact for the region was estimated at between \$5 and \$10 million. These benefits are in addition to estimated economic impacts of \$15 million for the NCAA Men's Basketball Tournament and \$27.4 million for the figure skating championship held last year, with results announced in August 2011.

In other Coliseum news, Coliseum management identified and designed numerous capital improvement projects to be completed over the next several years, to maintain the competitive advantage for this facility. Plans were approved by City Council in spring 2012, authorizing \$24 million in improvements to be funded from Hotel/Motel Occupancy Tax revenues. The improvements include new, upholstered arena seating, widening of the Coliseum's upper level concourse, addition of new concession areas, and new, higher resolution video panels on the arena Jumbotron video board.

5) *Parking Facilities Fund*

Charges for current services totaled \$2,118,941 as compared to \$2,087,313 in the preceding year, an increase of 1.5%. Operating expenses (excluding depreciation) totaled \$1,545,759 as compared to \$1,050,847 for the preceding year, an increase of 47%, due to additional repairs and increased security costs. General Fund suspended support of this operation in FY 2010 following final maturity of all parking deck debt recorded in the Fund. In FY 2011 and forward, a portion of the profits from this operation are scheduled to be returned to the General Fund, of which \$237,000 was transferred in the current year.

6) *Solid Waste Management Fund*

Charges for current services totaled \$12,095,561 as compared to \$12,139,875 for the preceding year, a decrease of 0.4% primarily resulting from less revenue received from private haulers and reduced interest earnings. Operating expenses (excluding depreciation) totaled \$17,103,647 as compared to \$14,781,451 for the preceding year, an increase of 15.7%. Higher than normal closure and post-closure care costs were

recorded in FY2012 resulting from an updated engineering study using revised cost estimates and a new calculation methodology.

In October 2006, the City completed construction of a solid waste transfer station as an alternative to the White Street Landfill, at an estimated cost of \$9 million. The City issued \$8.4 million in special obligation bonds in November 2005 associated with this new facility, supported with a pledge of local sales tax revenue. In December 2009, \$5.7 million of the remaining 1997 bonds (originally issued for landfill expansion and improvements) were refunded. All bonds relating to the original 1997 landfill bond issue were retired in FY2012, with \$5,385,000 debt remaining that is associated with the transfer station. Debt service coverage by the local sales tax revenue well exceeds the 2.00 times covenant requirement, currently at 6.8 times covered.

FIGURE 3
Expenses and Program Revenues – Business-Type
(In thousands of dollars)

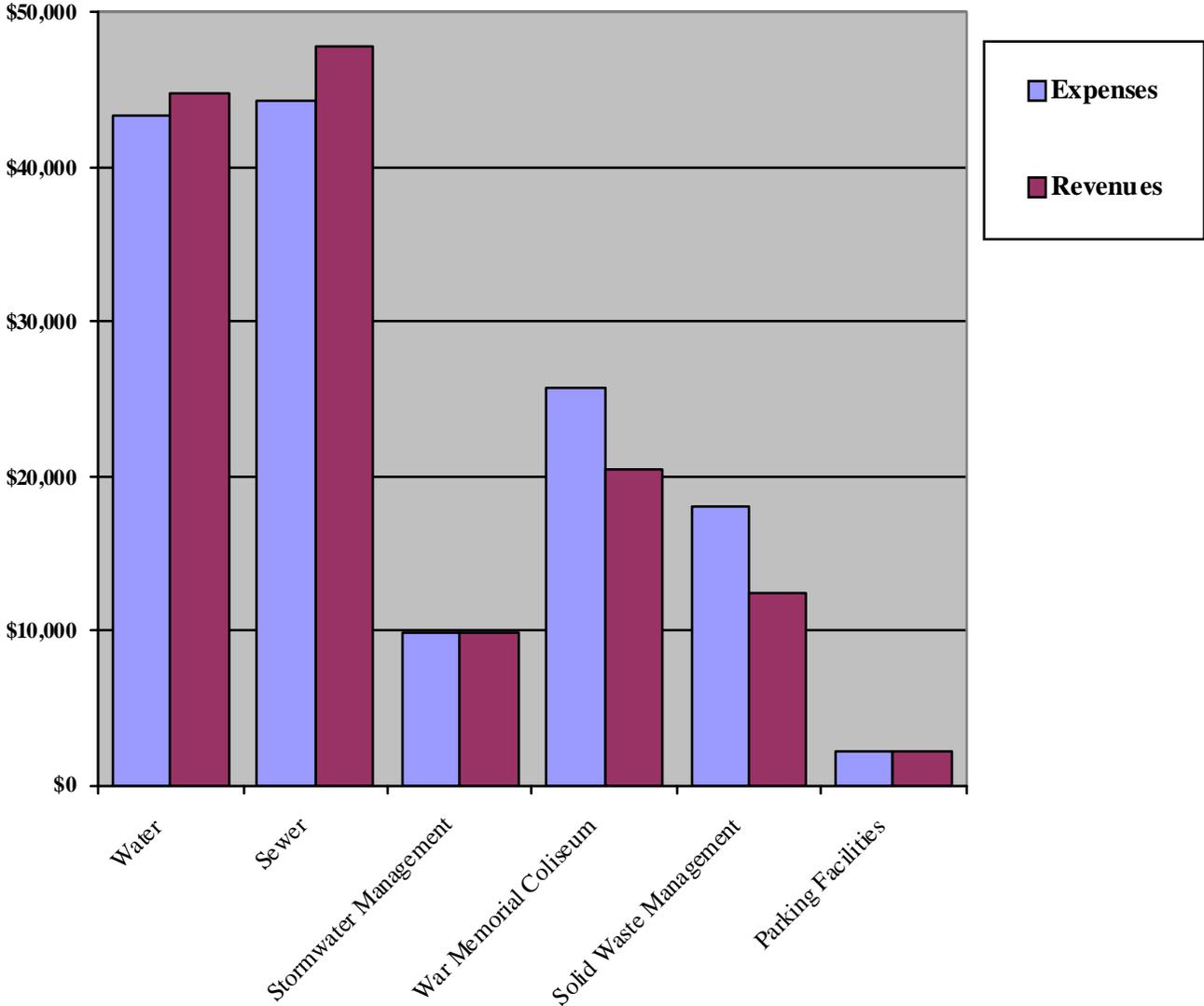
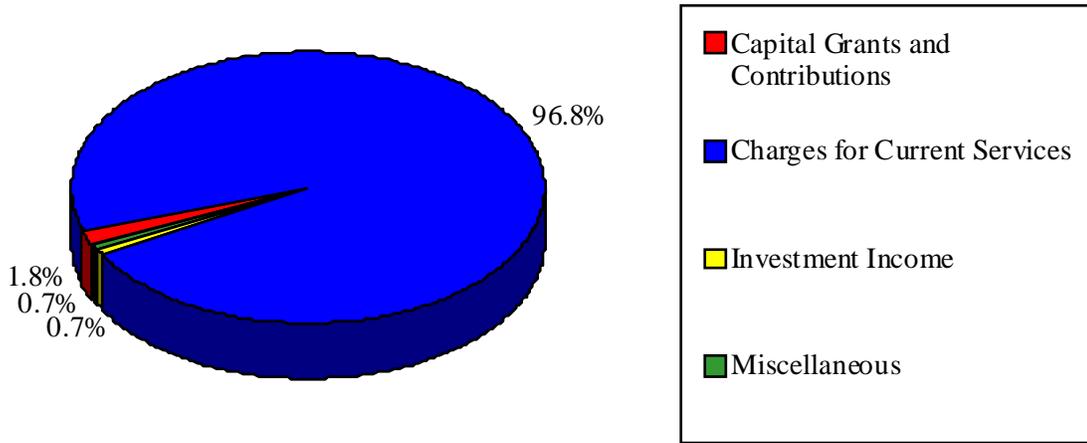


Figure 4
Revenues by Sources – Business-Type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

A. Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2012, governmental funds reported a combined fund balance of \$101.4 million, a decrease of approximately \$11.5 million or 10.2%. The majority of the decline is due to use of accumulated fund balances in the City's Internal Service Funds, particularly to fund health care costs for retirees and active employees, as well as a large capital replacement of the City's 800 MHZ public safety communication system, which has become outdated. Internal Service Funds are reported with the governmental activities in the Statement of Net Assets. We have also noted 2.1% revenue growth in FY 2012, particularly due to an increase in intergovernmental revenue for federally-funded transportation projects and better results for taxes. Overall operating expenditures have increased approximately \$610,000 or 0.23% and debt service expenditures have decreased \$284 thousand or 1.1% in the current year. The current year transfers out exceeded transfers in by \$8.2 million to support other operations. Fund balance of \$57.6 million or 57% of the total amount and is non-spendable or restricted to indicate that it is not available for spending due to GASB No. 54 classifications of (1) Non-Spendable which includes inventories, prepaid expenses, perpetual maintenance or assets held for resale 2) Restricted which includes amounts to liquidate contracts and purchase orders of the previous year, adherence to Stabilization for State Statute, amounts bound by debt covenants and third party grantor requirements. The adherence to State Statute limits the amount that may be appropriated by the governing board or for other restricted purposes. The remainder of fund balance represents amounts committed (3%), assigned (20%) and unassigned (20%) funds.

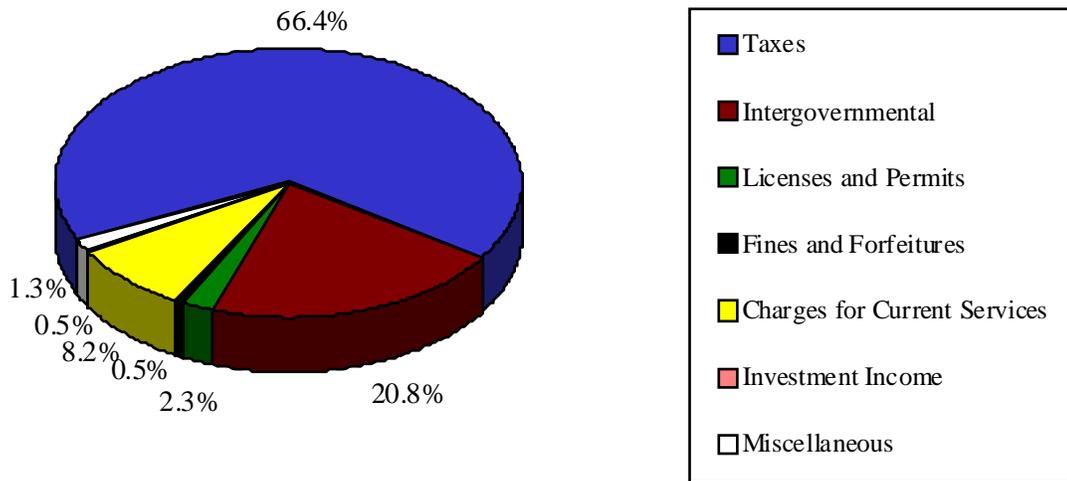
The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was \$58.4 million. Of this amount, \$1.3 million is non-spendable, \$22.3 million is restricted, \$4.7 million is assigned for appropriation in next year's budget, \$0.7 million is assigned for hazardous waste material collection, \$6.6 million is assigned for capital projects and \$22.8 million or 9% of the subsequent years' budget is unassigned and retained for working capital purposes as well as unforeseen emergencies. General Fund fund balance increased by approximately \$2.6 million as a result of several cost savings measures and actual revenues received slightly exceeded budget by approximately \$235,000.

The Debt Service Fund has a total fund balance of \$7,698,162 compared to \$8,186,416 in the prior year and only required use of approximately \$827,000 of the \$7.2 million originally appropriated fund balance, due to continued low variable rates of interest, compared to our conservatively budgeted amounts. Of the fund balance at June 30, 2012, \$2.1 million is assigned for appropriation in next year's budget with the balance to be used to

stabilize property tax rates from year to year, despite increases in debt service amounts due to new voter-approved bonds, as well as to support the City's fund balance goals.

Revenues for general governmental functions (General, Special Revenue and Debt Service Funds) amounted to \$283,079,149 for the fiscal year ended June 30, 2012 and are comprised of various sources as shown in the following graph:

Revenues by Sources – Governmental Activities



Property tax collections, for the current levy, including GTA amounted to \$152,776,019. The rate of collections as of the end of the fiscal year was 97.68% for the current levy, with collections for levies in previous years approximating 99+%.

The overall property tax rate remained the same in FY 2012; however, certain reallocations among purposes occurred. The FY 2012 budget was adopted with 0.7 cents directly recorded in the Housing Partnership Fund. This amount replaces the General Fund transfer to the housing fund that was budgeted in 2010 and prior, and allows the Housing Partnership Fund to remain a Special Revenue Fund in accordance with GASB Statement No. 54. The FY 2012 budget also projects a .0013 cent reduction in the Transit Fund tax rate. The value of this reduction is added to the General Fund tax rate resulting in a 59.18 cent General Fund tax rate for FY 2012.

Tax rates for the current and three preceding fiscal years were adopted, as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund	\$.5918	\$.5905	\$.6000	\$.6000
Housing Partnership	.0070	.0070	-	-
Transit Authority	<u>.0337</u>	<u>.0350</u>	<u>.0350</u>	<u>.0350</u>
Total Tax Rate	<u>\$.6325</u>	<u>\$.6325</u>	<u>\$.6350</u>	<u>\$.6350</u>

The local option sales tax collection amounted to \$38,727,451 as compared to the previous year's collection of \$36,679,574, an increase of \$2,047,877 or 5.6% from last year. Guilford County uses the "ad valorem" (property tax) method to distribute its allocated sales tax receipts to municipalities within the County and as a result, sales tax receipts for Greensboro may fluctuate from year to year, depending on the proportion of property tax levies of each of the municipalities within the County, compared to the total collected. Local option sales taxes represent approximately 13.7% of overall general government revenues in FY 2012.

The general state sales tax decreased to 4.75% on July 1, 2011 and another 2.00% is charged for the local option tax, for a total sales tax of 6.75% collected in Guilford County. In addition, as a result of several legislative changes surrounding sales tax policy, the City is "held harmless" for certain amounts. The City received a sales

tax “hold harmless” payment from the State of \$814,645 in FY 2012, compared to \$1,410,315 last year, which are not reported in the collection amounts above. This provision will sunset in FY 2013, with only \$463,100 of “hold harmless” sales tax currently planned. The local option sales tax currently in effect is distributed to the County as follows, with subsequent distribution to Greensboro and the other municipalities in the County, based on the “ad valorem” method:

Article 39 (1%) Point of Origin
Article 40 (1/2%) Per Capita
Article 42 (1/2%) Point of Origin

Intergovernmental Revenues amounted to \$58,929,767 as compared to previous year revenues of \$56,630,157, an increase of 4.1% from last year largely due to alternative funding received from a federal grantor, passed through the State of North Carolina for sidewalk replacement. The Transportation Department leveraged bond funds to secure over \$18 million in federal sidewalk project funding, to be completed over the next several years. State-shared and grant revenues are a major source of funding for municipal operations and services, with intergovernmental revenues comprising 20.8% of total general governmental revenues, as compared to 20.4% in the previous year.

Licenses and permits amounted to \$6,556,073 compared to previous year revenues of \$6,356,164 an increase of 3.1% due to increased privilege license fees and construction-related permits, suggesting an upturn in local economic conditions.

Fines and forfeitures amounted to \$1,474,556 as compared to the previous year's collection of \$1,553,735 a decrease of 5.1% over last year. The decrease was primarily noted for false burglar alarm fees.

Charges for current services amounted to \$23,147,373 as compared to the previous year's revenue of \$23,483,628. The 1.4% decrease is primarily due to a decline in waste/trash collection fees, offset by higher amounts collected for off duty police employment.

Cash Management

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held either by the City or its agent. All investments held by the City during the year and at June 30, 2012 are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board.

The City's cash management program provided the City with interest earnings totaling \$3,615,194 for the fiscal year ended June 30, 2012 as compared to \$4,718,197 in the prior year. Cash balances are analyzed daily to forecast the amount of funds required and amounts available for investment. The average amount of funds invested per month totaled \$271,735,269 during the year. The City's average yield on investments for the year was 1.5%, the same as the prior year due to minimal growth in economic conditions and no Federal Reserve actions to increase short-term interest rates. Interest earned on bond proceeds was used to offset the cost of debt service. Interest earnings were the equivalent of nearly 1.3 cents on the tax rate for FY 2011-12.

B. Proprietary Funds

Proprietary Funds provide the same type of information found in the government-wide financial statements but in more detail. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City of Greensboro's business-type activities.

General Fund Budgetary Highlights

The General Fund budget for FY 2011-12 was adopted at \$249,416,556 (excluding carry-forward encumbrances) and represents a decrease of 2.2% compared to the adopted FY 2010-11 budget. Encumbrances of \$2,780,935 were carried forward from FY 2011 commitments. Significant variances from the *original* and *final amended* budget follow:

- The General Fund budget increased by \$1,292,394 from original to final amended in FY 2012 due primarily to \$600,000 of additional support for the Coliseum's operation of three new facilities, staffing of a new "Central Contracting" office for increased efficiencies and to support additional economic development opportunities.

The net increase was funded from current year revenues.

As of June 2012, the City had collected \$248,159,499 or 100.09% of its budgeted General Fund revenues and had incurred \$245,555,149 or 97% of its budgeted expenditures. Significant differences between *actual results* and the *final amended* budget are highlighted below:

- Overall General Fund revenues were up compared to the final amended budget by approximately net \$235,000. Additional revenues generated from taxes this year compared to budget, \$1,776,419, helped to offset a decrease of approximately \$1,000,000 for various charges for services. No other categories of revenue, however, varied significantly from budget. Appropriated fund balance, used to balance the FY 2012 budget, was not needed.
- Actual expenditures compared to final budget were less by \$8 million or approximately 3.1%, noting approximately \$1.5 million in savings generated for General Government, \$1.9 million in savings for Engineering and Building Maintenance (including energy savings of \$539,549), \$1.5 million less for Field Operations and \$1.9 million less for various parks and recreation facilities, included in Culture and Recreation.
- For FY 2012, City Council gave direction for the elimination of approximately 35.5 full-time equivalent positions. Four General Fund departments reduced a total of 24.5 positions. However, the overall budget for FY 2012 includes a total net increase in full-time equivalent positions of about two full-time positions, considering other position increases and re-allocations.

Capital Asset and Debt Administration

A. Capital Assets

The City's investment in capital assets including intangible assets for both its governmental and business-type activities as of June 30, 2012, amounts to \$1,131,769,131 (net of accumulated depreciation/amortization). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, vehicles and intangible assets such as easements, software and licenses and water rights among other types of assets. This investment represents an increase of \$15,439,994 or 1.4% over the prior year.

Table C-1
Capital Assets
(Net of Depreciation/Amortization-in thousands of dollars)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
Land	\$ 74,663	\$ 72,187	\$ 31,625	\$ 30,432	\$ 106,288	\$ 102,619
Construction in Progress	11,792	13,540	12,572	64,632	24,364	78,172
Intangible Assets-Easements			19,596	18,956	19,596	18,956
Buildings	95,869	92,994	184,707	172,736	280,576	265,730
Land Improvements	16,623	13,356	27,109	6,679	43,732	20,035
Improvements Other Than Buildings	6	6	5,657	5,907	5,663	5,913
Furniture, Fixtures, and Equipment	28,695	30,052	28,888	6,582	57,583	36,634
Infrastructure	153,919	145,628	357,348	359,284	511,267	504,912
Intangible Assets	730	653	81,970	82,705	82,700	83,358
Total Capital Assets	\$ 382,297	\$ 368,416	\$ 749,472	\$ 747,913	\$ 1,131,769	\$ 1,116,329

This year's major capital asset additions included:

- Business Activities assets increased primarily due to building improvements for a fluidized bed incinerator at the Osborne Wastewater Treatment Plant which cumulatively totaled \$22.7 million for the multi-year project and \$21.4 million for the Lake Townsend Dam replacement, along with \$18.9 million expended for the Greensboro Aquatics Center. Developers also donated more than \$2.2 million of water and sewer infrastructure lines.
- General government additions were led by \$6 million for a donation to the City of a former Internal Revenue Service building, which has been upfit to house Police Headquarters and related public safety operations. A new Parks and Recreation facility, Keeley Park, was also added at \$4.7 million.

Construction in progress for governmental-type and business-type capital assets totaled \$11,791,909 and \$12,571,524, respectively as of June 30, 2012. No major demolitions were recorded this year.

The City adopted the FY 2013-2022 Capital Improvements Program (CIP) totaling \$915 million for projects as outlined below:

Table C-2
CIP Expenditures – 10 Year Plan

<u>CIP Expenditure Category by Service Area</u>	<u>% of Total CIP</u>
Infrastructure	85.4%
Culture and Recreation; Community Character	7.8%
General Government	0.2%
Public Safety	<u>6.6%</u>
	<u>100.0%</u>

Table C-3
CIP Funding Sources – 10 Year Plan

<u>CIP Funding Source</u>	<u>% of Total CIP</u>
Authorized Bonds	16.4%
Revenue Bonds	20.7%
Enterprise Funds	32.3%
Grants/Other	10.1%
Unauthorized Bonds	<u>20.5%</u>
	<u>100.0%</u>

Additional information on the City’s capital assets can be found in Note I.D.6 and IV.C of this report.

B. Long-Term Debt

As of June 30, 2012, the City had total bonded debt outstanding of \$422,225,000 with \$176,590,000 backed by the full faith, credit and taxing power of the City, \$240,250,000 backed by a revenue pledge of the Combined Enterprise System (currently Water Resources utility system) and \$5,385,000 backed by a pledge of certain sales tax revenues.

Table D-1
General Obligation, Special Obligation and Revenue Bonds – Outstanding Debt
(in thousands of dollars)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2012	2011*	2012	2011*	2012	2011*
General Obligation Bonds	\$ 176,280	\$ 182,895	\$	\$	\$ 176,280	\$ 182,895
General Obligation BANS	310	6,000	-	-	310	6,000
Special Obligation Bonds			5,385	8,880	5,385	8,880
Revenue Bonds			240,250	249,465	240,250	249,465
Total	\$ 176,590	\$ 188,895	\$ 245,635	\$ 258,345	\$ 422,225	\$ 447,240

*Restated

The City’s total overall outstanding long-term liabilities decreased \$24 million during the current fiscal year due to scheduled debt service and the addition of only \$10 million in General Obligation Bonds this year. \$6 million of previous bond anticipation notes (taken out by the Bonds) were also retired. As of July 2012, the City has entered into two construction period-type note agreements that provide a commitment to fund capital projects as the expenditures are being incurred, effectively delaying actual long-term bond issuances for several more years. The

notes mature in 2015 and have associated variable interest rates based on 70% of 1 Month LIBOR, plus 40 to 45 basis points.

The City of Greensboro has a general obligation bond rating of Aaa from Moody's Investors Service and a AAA rating from both Standard and Poor's Corporation and Fitch Ratings. These bond ratings are a clear indication of the sound financial condition of the City of Greensboro. Greensboro's credit worthiness is a major factor in securing a bond rating. This credit worthiness, according to recent rating reports, is the result of diversifying businesses, a stable and consistent growth in the taxpayer base, the conservative fiscal policies for reserve and debt management and the operating performance, as well as financial flexibility. Other factors considered and affecting the high-grade credit position is the history of budgeting, the moderate debt position and the oversight provided by the North Carolina Local Government Commission.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City of Greensboro is \$1,570,281,639. The City has \$179,690,000 in authorized, but unissued bonds at June 30, 2012 which includes \$131.260 million for Street Improvements, \$11.710 million for Parks and Recreational Facilities and \$1 million for Housing Bonds, \$13.955 million for Fire Stations, \$3.5 million for Library Facilities, \$4 million for Economic Development and \$14.265 million for Natural Science Center Bonds. Each referendum item was voted on separately. \$6 million of this authorization was issued as bond anticipation notes in June 2011 for the Aquatic Center project, which were subsequently retired in February 2012.

More detailed information about the City's long-term liabilities is presented in Note IV.G.

Economic Factors and Next Year's Budgets and Rates

The Greensboro area economy continued to rebound in several areas including building permit activity. Building permits authorized in April 2012 were 23.7% above the 2011 estimate, at the same time. The increase is particularly noted in the multi-family category for apartment units and we have also noted increased remodeling and renovation activity. According to the U.S. Census Bureau and the Department of Housing and Urban Development, the number of building permits issued nationally declined 55% from 2007 to 2011. Housing starts in April 2012 were 29.9% above the April 2011 rate. Home sales and pricing have also improved. Unemployment decreased to 9.9% in June 2012 compared to 10.7% in July 2011. Hotel/Motel occupancy taxes increased 5.7% from the previous year compared to a 6.8% increase and 3.7% decline noted in FY 2011 and FY 2010, respectively. Sales taxes have also increased 5.6% compared to FY 2011's actual results, which had increased 2.8% and declined 4.6% in FY 2010.

The City's adopted FY 2013 budget for all funds increased \$3 million or 0.7% to approximately \$451 million. Growth in the overall assessed base value of all real and personal property is projected to be close to 1.25%, considering the recent property revaluation as of January 1, 2012 and is projected to grow another 1.5% in FY 2014. The FY 2013 budget was adopted with a property tax rate of \$.6325 cents per \$100 of assessed value (the same rate as in FY 2012) and includes 3.34 cents, 0.69 and 58.97 cents to fund transit, housing and general government initiatives, respectively, along with 0.25 cents to fund a newly created Economic Development Fund.

City Council has reaffirmed its intention to continue to maintain the undesignated fund balance of the General Fund at 9% of the 2013 fiscal year budget, or approximately \$22.8 million.

Budget Highlights for the Fiscal Year Ending June 30, 2013

Governmental Activities:

Overall, approximately \$2 million of either budget savings or new revenues were identified, the equivalent of about 1 cent of the property tax rate. New revenues were implemented in the Transportation Department for parking fees and expired parking meters and improved collection methods were also implemented. Additional revenues are also being realized for business privilege license taxes associated with electronic gaming devices, a new license category. Budgeted personnel costs are 1.3% higher than FY 2012, including a net increase of thirty-one full-time equivalent

(FTE) positions, primarily associated with opening a new fire station and a new public recreation center. Approximately 6.5 FTE's were eliminated, mainly in the Parks and Recreation and Library programs.

During the FY 2013 budget process, City Council re-instituted the Household Hazardous Waste Fee again after it had been suspended for a three year period. This fee amounts to approximately \$400,000 for a full year, and is planned to start mid-year on January 1, 2013, increasing revenues by \$200,000.

The FY 2013, the Debt Service Fund budget decreased by approximately \$7 million (24%) from the prior adopted budget, due to a reduction in General Obligation bond expenses for principal and interest associated with approved bonds and continued low variable rate interest projections.

Rising fuel and health care costs continue to be a concern; however, management has conservatively planned for these uncertainties in the FY 2013 budget.

Business-Type Activities:

The Water Resources budget increased approximately \$5.8 million or 5.8% for the FY 2013 budget as compared to the previous budget. Increased costs are planned in maintenance and operations, particularly for cost of fuel and chemicals to treat water. In addition, debt service has been increased by approximately \$709,000 to support the enterprise's planned debt program. Water Resources instituted a rate increase of 3% for customers inside the City and 7.5% for customers outside the City on July 1, 2012, which is expected to generate \$2.9 million in additional revenues and should also support targeted debt service coverage levels of 2.0x or more.

Requests for Information

This financial report is designed to provide a general overview of the City of Greensboro's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any information provided in this report or requests for additional information should be addressed to City of Greensboro Financial and Administrative Services Department, P.O. Box 3136, Greensboro, North Carolina 27402-3136 or by calling (336) 373-2077, or by visiting our website at www.greensboro-nc.gov.

**City of Greensboro
Statement of Net Assets
June 30, 2012**

<u>ASSETS</u>	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and Cash Equivalents/Investments	\$ 127,667,262	\$ 61,754,007	\$ 189,421,269	\$ 8,204,698
Receivables, Net				
Taxes	7,360,173		7,360,173	1,001,766
Accounts, Notes and Mortgages	29,455,697	14,356,633	43,812,330	5,593,961
Assessments	45,165		45,165	
Intergovernmental	21,906,930	710,048	22,616,978	6,760,838
Interest	393,521	138,202	531,723	1,137,516
Real Estate Foreclosed	633,781		633,781	
Internal Balances	(7,802,125)	7,802,125		
Due from Component Unit	620,533		620,533	
Inventories	1,907,787	4,052,347	5,960,134	3,370,045
Miscellaneous	233,097	6,091,090	6,324,187	178,074
Assets Held for Resale	695,179		695,179	5,420,879
Self-Funded Retention Deposits	17,613,777		17,613,777	
Prepaid Insurance Charges				
Deferred Charges	1,825,715		1,825,715	
Long-Term Note Receivable				12,507,393
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments	30,253,955	47,943,352	78,197,307	92,905
Receivables, (Net):				
Accounts, Notes and Mortgages	217,004		217,004	
Assessments		394,311	394,311	
Intergovernmental		899,346	899,346	369,050
Interest		92,689	92,689	
Deferred Charges		3,715,961	3,715,961	
Miscellaneous		200	200	
Permanently Restricted:				
Cash and Cash Equivalents/Investments	2,216,735		2,216,735	
Net Pension Asset	5,323,126		5,323,126	
Deferred Outflow for Derivative Instrument	1,191,894		1,191,894	
Capital Assets, Net				
Non-Depreciable:				
Land	74,663,328	31,625,130	106,288,458	3,378,047
Construction in Progress	11,791,909	12,571,524	24,363,433	
Intangible Assets - Easements		19,596,447	19,596,447	
Depreciable:				
Land Improvements	30,687,692	42,432,604	73,120,296	2,022
Accumulated Depreciation	(14,064,268)	(15,323,757)	(29,388,025)	(1,315)
Buildings	156,745,331	292,964,621	449,709,952	40,243,103
Accumulated Depreciation	(60,876,626)	(108,257,625)	(169,134,251)	(6,233,048)
Improvements Other than Buildings	11,108	9,912,712	9,923,820	325,518
Accumulated Depreciation	(5,574)	(4,256,030)	(4,261,604)	(239,204)
Furniture, Fixtures, Machinery and Equipment	135,809,935	53,534,554	189,344,489	22,005,772
Accumulated Depreciation	(107,114,500)	(24,646,519)	(131,761,019)	(11,357,795)
Infrastructure	273,119,858	603,128,322	876,248,180	
Accumulated Depreciation	(119,200,451)	(245,780,196)	(364,980,647)	
Intangible Assets	9,612,058	89,583,957	99,196,015	60,502
Accumulated Amortization	(8,882,456)	(7,613,957)	(16,496,413)	(20,257)
Total Assets	624,056,550	897,422,098	1,521,478,648	92,800,470

<u>LIABILITIES</u>	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	
Accounts Payable	\$ 10,687,815	\$ 5,577,621	\$ 16,265,436	\$ 2,178,487
Contracts/Retainage Payable	1,199,516	1,637,865	2,837,381	1,186,571
Notes Payable				67,800
Intergovernmental Payable	3,837,253	1,193,469	5,030,722	
Pollution Remediation Payable	72,731	848,789	921,520	
Accrued Interest Payable	1,941,774	1,009,297	2,951,071	
Accrued Landfill Liability		360,539	360,539	
Due to Primary Government				620,533
Miscellaneous	78,477	484,790	563,267	168,730
Liabilities Payable from Restricted Assets:				
Accounts Payable	1,336		1,336	7,165
Contracts/Retainage Payable	5,205,765	124,999	5,330,764	138,711
Miscellaneous	912,358		912,358	
Noncurrent Liabilities:				
Due Within One Year:				
General Obligation Bonds Payable	13,920,000		13,920,000	
Lease Purchase and Other Financing Agreements Payable	3,387,304	406,923	3,794,227	
Revenue Bonds Payable		9,400,000	9,400,000	
Special Obligation Bonds Payable		575,000	575,000	
Certificates of Participation Payable	1,475,000		1,475,000	
Federal Loan Obligation		254,404	254,404	
Customer Deposits Payable	249,497	3,208,314	3,457,811	2,250
Compensated Absences	7,686,910	1,567,250	9,254,160	39,885
Due in More Than One Year:				
Payable from Restricted Assets:				
Contracts/Retainage Payable		3,320,027	3,320,027	
Intergovernmental Payable		59,515	59,515	
Derivative Instrument Liability	1,191,894		1,191,894	
General Obligation Bonds Payable	169,469,738		169,469,738	
General Obligation BANS Payable	310,000		310,000	
Lease Purchase and Other Financing Agreements Payable	18,252,631	1,968,118	20,220,749	
Revenue Bonds Payable		244,274,814	244,274,814	
Special Obligation Bonds Payable		4,879,827	4,879,827	
Certificates of Participation Payable	11,394,775		11,394,775	
Federal Loan Obligation		763,212	763,212	
Notes Payable				2,744,724
Compensated Absences	3,687,020	489,840	4,176,860	35,238
Pollution Remediation Payable		1,274,526	1,274,526	
Accrued Landfill Liability		25,479,541	25,479,541	
Other Postemployment Benefits Payable	578,407	96,260	674,667	
Unearned Revenues	5,861,170	299,573	6,160,743	4,639,950
Miscellaneous				229,160
Total Liabilities	<u>261,401,371</u>	<u>309,554,513</u>	<u>570,955,884</u>	<u>12,059,204</u>
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	207,474,983	501,328,839	708,803,822	48,163,345
Restricted for:				
Assets Held for Resale	695,179		695,179	2,992,689
Stabilization by State Statute	28,454,072		28,454,072	
Highway Improvements	2,921,856		2,921,856	
Capital Projects		31,374,864	31,374,864	323,244
Community Development				96,048
Self-Funded Retention Deposits	17,613,777		17,613,777	
Perpetual Maintenance	2,216,735		2,216,735	
Unrestricted	<u>103,278,577</u>	<u>55,163,882</u>	<u>158,442,459</u>	<u>29,165,940</u>
Total Net Assets	<u>\$ 362,655,179</u>	<u>\$ 587,867,585</u>	<u>\$ 950,522,764</u>	<u>\$ 80,741,266</u>

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

**City of Greensboro
Statement of Activities
For the Fiscal Year Ended June 30, 2012**

<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	\$ 25,606,726	\$ 10,139,422	\$ 541,811	\$
Public Safety	121,314,588	8,743,726	4,645,507	6,095,116
Transportation	13,549,323	1,172,160	5,656,203	3,235,892
Engineering and Building Maintenance	23,225,041	2,723,437		179,989
Field Operations	34,630,016	7,539,077	7,013,308	
Environmental Services	884,061	42,000	327,392	
Culture and Recreation	32,351,034	4,560,646	2,317,505	123,817
Community Development & Housing	12,174,736	1,185,892	8,931,720	
Economic Opportunity	4,867,034	111,737	3,291,560	
Interest, Fees on Long-Term Debt	6,495,185			
Total Governmental Activities	<u>275,097,744</u>	<u>36,218,097</u>	<u>32,725,006</u>	<u>9,634,814</u>
Business-Type Activities:				
Water Operations	43,318,389	43,620,000		1,123,006
Sewer Operations	44,255,951	46,622,711		1,123,007
Stormwater Management	9,844,091	9,858,630		25,630
War Memorial Coliseum	25,786,481	20,155,776		232,261
Solid Waste Management	18,052,042	12,361,188		
Parking Facilities	2,155,509	2,118,941		
Total Business-Type Activities	<u>143,412,463</u>	<u>134,737,246</u>		<u>2,503,904</u>
Total Primary Government	<u>\$ 418,510,207</u>	<u>\$ 170,955,343</u>	<u>\$ 32,725,006</u>	<u>\$ 12,138,718</u>
Component Units:				
Greensboro Housing Dev. Partnership	\$ 17,039	\$ 750	\$	\$
Greensboro Redevelopment Commission	554,365	554,249		
Greensboro Transit Authority	26,208,795	2,584,149	2,439,261	16,966,240
Greensboro ABC Board	27,202,061	27,402,061		
Total Component Units	<u>\$ 53,982,260</u>	<u>\$ 30,541,209</u>	<u>\$ 2,439,261</u>	<u>\$ 16,966,240</u>

General Revenues:

Property Tax
Local Option Sales Tax
Vehicle Gross Receipts Tax
Motor Vehicle Tax
Hotel/Motel Occupancy Tax
Electric Franchise Tax
Piped Natural Gas Tax
Telecommunications Sales Tax
Sales Tax Hold Harmless
Beer and Wine Tax
Payment in Lieu of Taxes
ABC Profit Distribution-unrestricted
Intergovernmental - unrestricted
Investment Income
Miscellaneous
Total General Revenue

Transfers In (Out)

Total General Revenue Including
Transfers and Special Items

Change in Net Assets

Net Assets - July 1
Prior Period Adjustment
Net Assets - July 1, (restated)

Net Assets - June 30

Net (Expenses) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (14,925,493)	\$	\$ (14,925,493)	\$
(101,830,239)		(101,830,239)	
(3,485,068)		(3,485,068)	
(20,321,615)		(20,321,615)	
(20,077,631)		(20,077,631)	
(514,669)		(514,669)	
(25,349,066)		(25,349,066)	
(2,057,124)		(2,057,124)	
(1,463,737)		(1,463,737)	
(6,495,185)		(6,495,185)	
<u>(196,519,827)</u>		<u>(196,519,827)</u>	
	1,424,617	1,424,617	
	3,489,767	3,489,767	
	40,169	40,169	
	(5,398,444)	(5,398,444)	
	(5,690,854)	(5,690,854)	
	(36,568)	(36,568)	
	<u>(6,171,313)</u>	<u>(6,171,313)</u>	
<u>(196,519,827)</u>	<u>(6,171,313)</u>	<u>(202,691,140)</u>	
			(16,289)
			(116)
			(4,219,145)
			200,000
			<u>(4,035,550)</u>
146,527,315		146,527,315	8,182,784
38,727,451		38,727,451	
223,840		223,840	
			1,252,067
3,001,624		3,001,624	
9,060,321		9,060,321	
1,526,766		1,526,766	
7,586,286		7,586,286	
814,646		814,646	
1,170,117		1,170,117	
94,691		94,691	
2,923,942		2,923,942	
96,312		96,312	
2,011,101	962,865	2,973,966	1,224,375
837,424	948,322	1,785,746	8,050
214,601,836	1,911,187	216,513,023	10,667,276
(5,763,264)	5,763,264		
<u>208,838,572</u>	<u>7,674,451</u>	<u>216,513,023</u>	<u>10,667,276</u>
<u>12,318,745</u>	<u>1,503,138</u>	<u>13,821,883</u>	<u>6,631,726</u>
372,424,796	564,276,085	936,700,881	74,109,540
(22,088,362)	22,088,362		
<u>350,336,434</u>	<u>586,364,447</u>	<u>936,700,881</u>	<u>74,109,540</u>
<u>\$ 362,655,179</u>	<u>\$ 587,867,585</u>	<u>\$ 950,522,764</u>	<u>\$ 80,741,266</u>

BALANCE SHEET

Governmental Funds
June 30, 2012

ASSETS	(1)			
	GENERAL	DEBT. SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 45,930,692	\$ 7,591,772	\$ 6,693,193	\$ 60,215,657
Receivables:				
Taxes	7,309,111		51,062	7,360,173
Accounts, Notes and Mortgages	4,347,854		23,832,843	28,180,697
Assessments			45,165	45,165
Intergovernmental	15,740,369	113,640	5,389,321	21,243,330
Real Estate Foreclosed	633,781			633,781
Internal Receivables	334,837		1,251,570	1,586,407
Due from Component Unit	620,533			620,533
Inventories	1,058,815			1,058,815
Miscellaneous	202,332			202,332
Assets Held for Resale			95,179	95,179
Restricted Assets:				
Cash and Cash Equivalents/Investments	912,360		31,558,330	32,470,690
Receivables:				
Accounts, Notes and Mortgages			217,004	217,004
Total Assets	<u>\$ 77,090,684</u>	<u>\$ 7,705,412</u>	<u>\$ 69,133,667</u>	<u>\$ 153,929,763</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,415,700	\$ 7,250	\$ 253,790	\$ 1,676,740
Contracts/Retainage Payable	343,221		849,756	1,192,977
Intergovernmental Payable	3,147,362			3,147,362
Customer Deposits Payable	206,355			206,355
Internal Payable			1,586,407	1,586,407
Deferred Revenues	12,696,192		25,707,995	38,404,187
Miscellaneous			78,477	78,477
Liabilities Payable From Restricted Assets:				
Accounts Payable			1,336	1,336
Contracts/Retainage Payable			5,205,765	5,205,765
Deferred Revenues			163,662	163,662
Miscellaneous	912,360			912,360
Total Liabilities	<u>18,721,190</u>	<u>7,250</u>	<u>33,847,188</u>	<u>52,575,628</u>
Fund Balances:				
Non-Spendable:				
Inventories	1,058,815			1,058,815
Prepaid Expenses	202,332			202,332
Perpetual Maintenance			2,216,735	2,216,735
Assets Held for Resale			95,179	95,179
Total Non-Spendable Fund Balance	<u>1,261,147</u>	<u></u>	<u>2,311,914</u>	<u>3,573,061</u>
Restricted:				
Stabilization by State Statute	22,301,514	460,666	5,691,892	28,454,072
Debt Covenants			22,628,519	22,628,519
Grantor Requirements:				
Highway Improvements			2,921,856	2,921,856
Total Restricted Fund Balance	<u>22,301,514</u>	<u>460,666</u>	<u>31,242,267</u>	<u>54,004,447</u>
Committed:				
For 911 Program			266,215	266,215
For Special Tax Districts			1,225,138	1,225,138
For Housing and Community Development			1,106,954	1,106,954
For Agreement with Schools - Red Light Camera Fines			612,226	612,226
For Cemetery Maintenance			68,074	68,074
For Debt Service			204,059	204,059
Total Committed Fund Balance	<u></u>	<u></u>	<u>3,482,666</u>	<u>3,482,666</u>
Assigned:				
Appropriated for Subsequent Year's Expenditures	4,675,905	2,074,153	670,428	7,420,486
Household Hazardous Waste	691,450			691,450
For Debt Service		5,163,343		5,163,343
For Capital Projects	6,616,637		946,039	7,562,676
Total Assigned Fund Balance	<u>11,983,992</u>	<u>7,237,496</u>	<u>1,616,467</u>	<u>20,837,955</u>
Unassigned	<u>22,822,841</u>	<u></u>	<u>(3,366,835)</u>	<u>19,456,006</u>
Total Fund Balances	<u>58,369,494</u>	<u>7,698,162</u>	<u>35,286,479</u>	<u>101,354,135</u>
Total Liabilities and Fund Balances	<u>\$ 77,090,684</u>	<u>\$ 7,705,412</u>	<u>\$ 69,133,667</u>	<u>\$ 153,929,763</u>

(1) After internal receivables and payables have been eliminated.

City of Greensboro
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
June 30, 2012

Total fund balances - governmental funds	\$ 101,354,135
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	353,584,228
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	32,706,679
Internal service funds are used by management to charge the costs of fleet management, equipment services, technical services, city/county telecommunications, graphic services, employee insurance, general insurance and capital leasing to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	84,972,372
Long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(215,511,310)
Miscellaneous adjustments to net assets include investment income receivable and pension assets not reported in the governmental funds.	<u>5,549,075</u>
Net assets of governmental activities	<u><u>\$ 362,655,179</u></u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

For the Fiscal Year Ended June 30, 2012

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 182,495,869	\$	\$ 5,397,180	\$ 187,893,049
Assessments			16,669	16,669
Intergovernmental	26,726,546	94,691	32,108,530	58,929,767
Licenses and Permits	6,556,073			6,556,073
Fines and Forfeitures	1,474,556			1,474,556
Charges for Current Services	20,588,224		2,559,149	23,147,373
Investment Income		1,308,798	189,980	1,498,778
Miscellaneous	2,257,909	414,986	889,989	3,562,884
Total Revenues	<u>240,099,177</u>	<u>1,818,475</u>	<u>41,161,497</u>	<u>283,079,149</u>
Expenditures:				
Current:				
General Government	21,370,996	146,586	2,501,816	24,019,398
Public Safety	107,964,734		6,075,291	114,040,025
Transportation	8,949,375		11,652,282	20,601,657
Engineering and Building Maintenance	13,112,550		8,794,779	21,907,329
Field Operations	33,667,856		937,577	34,605,433
Environmental Services	879,887			879,887
Culture and Recreation	27,933,017		7,481,533	35,414,550
Community Development and Housing	250,750		12,454,329	12,705,079
Economic Opportunity	1,388,589		3,405,682	4,794,271
Intergovernmental	1,632,793			1,632,793
Debt Service:				
Principal Retirement		16,310,990	3,040,000	19,350,990
Interest, Fees on Long-Term Debt		6,826,890	108,990	6,935,880
Total Expenditures	<u>217,150,547</u>	<u>23,284,466</u>	<u>56,452,279</u>	<u>296,887,292</u>
Excess of Revenues Over (Under) Expenditures	<u>22,948,630</u>	<u>(21,465,991)</u>	<u>(15,290,782)</u>	<u>(13,808,143)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued			10,000,000	10,000,000
General Obligation BANS Issued			310,000	310,000
Premium on Debt		152,180		152,180
Transfers In	8,060,322	20,487,181	4,128,421	32,675,924
Transfers Out	(28,404,602)		(12,437,476)	(40,842,078)
Total Other Financing Sources (Uses)	<u>(20,344,280)</u>	<u>20,639,361</u>	<u>2,000,945</u>	<u>2,296,026</u>
Net Change in Fund Balances	<u>2,604,350</u>	<u>(826,630)</u>	<u>(13,289,837)</u>	<u>(11,512,117)</u>
Fund Balances - July 1	55,765,144	8,186,416	54,576,316	118,527,876
Prior Period Adjustment		338,376	(6,000,000)	(5,661,624)
Fund Balances - July 1, (restated)	<u>55,765,144</u>	<u>8,524,792</u>	<u>48,576,316</u>	<u>112,866,252</u>
Fund Balances - June 30	<u>\$ 58,369,494</u>	<u>\$ 7,698,162</u>	<u>\$ 35,286,479</u>	<u>\$ 101,354,135</u>

City of Greensboro
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended June 30, 2012

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances----total governmental funds.	\$ (11,512,117)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, including amounts for disposals.	13,816,261
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	4,107,776
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount represents principal repayments in the current year.	10,851,896
Internal service funds are used by management to charge the costs of equipment services, technical services, city/county telecommunications, graphic services, employee insurance, general insurance, and capital leasing to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(2,526,419)
This amount represents the change in pension asset for funds contributed to the special separation allowance for law enforcement officers in excess of the actuarially determined annual pension cost.	525,426
Revenues earned in prior year that first became available in the current year in the government funds have been reclassified to beginning net assets in the statement of activities.	<u>(2,944,078)</u>
Change in net assets of governmental activities	<u><u>\$ 12,318,745</u></u>

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:				
Taxes:				
Ad Valorem Taxes-Current Year	\$ 140,645,670	\$ 140,645,670	\$ 140,891,689	\$ 246,019
Ad Valorem Taxes-Prior Year	1,817,200	1,817,200	2,126,146	308,946
Penalties and Interest	638,100	638,100	660,698	22,598
Local Option Sales Tax	37,068,480	37,418,480	38,593,496	1,175,016
Vehicle Gross Receipts Tax	200,000	200,000	223,840	23,840
Total Taxes	<u>180,369,450</u>	<u>180,719,450</u>	<u>182,495,869</u>	<u>1,776,419</u>
Intergovernmental:				
State Grants:				
Libraries	319,340	319,340	291,950	(27,390)
State-Shared:				
Utility Taxes:				
Electric Franchise Tax	9,218,500	9,218,500	9,060,321	(158,179)
Piped Natural Gas Excise Tax	1,920,600	1,920,600	1,526,766	(393,834)
PEG Channel Support	67,383	67,383	98,165	30,782
Telecommunications Sales Tax	4,550,050	4,550,050	4,454,585	(95,465)
Video Programming/Telecommunications				
Service Sales Tax	3,147,370	3,147,370	3,033,536	(113,834)
Beer and Wine Tax	1,207,600	1,207,600	1,170,117	(37,483)
State Reimbursements/Other:				
Sales Tax Hold Harmless Payment	814,645	814,645	814,646	1
Court Fees	124,200	124,200	96,312	(27,888)
Payment In Lieu of Taxes	308,575	308,575	346,095	37,520
Local Grants:				
PEG Channel Support			24,457	24,457
Economic Development		218,714	218,714	
Parks and Recreation	2,500	2,500		(2,500)
Libraries	1,458,000	1,458,000	1,451,909	(6,091)
School Resource Officer Programs	1,157,367	1,157,367	1,061,053	(96,314)
Environmental Programs	100,000	100,000	153,978	53,978
ABC Board Profit Distribution	2,731,200	2,731,200	2,923,942	192,742
Total Intergovernmental	<u>27,127,330</u>	<u>27,346,044</u>	<u>26,726,546</u>	<u>(619,498)</u>
Licenses and Permits:				
Privilege Licenses:				
Privilege Licenses-Current Year	3,100,000	3,100,000	3,242,199	142,199
Penalties on Privilege Licenses	55,000	55,000	45,864	(9,136)
Privilege Licenses-Prior Years	35,000	35,000	72,132	37,132
Penalties on Prior Years' Licenses	8,000	8,000	10,772	2,772
Motor Vehicle Licenses	660,000	660,000	643,901	(16,099)
Other Licenses and Permits	506,182	506,182	597,139	90,957
Construction Permits:				
Building Permits	767,148	767,148	757,987	(9,161)
Electrical Permits	367,000	367,000	405,160	38,160
Plumbing Permits	247,000	247,000	265,188	18,188
Mechanical Permits	447,000	447,000	515,731	68,731
Total Licenses and Permits	<u>6,192,330</u>	<u>6,192,330</u>	<u>6,556,073</u>	<u>363,743</u>

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Fines and Forfeitures:				
Parking Violations	\$ 852,650	\$ 852,650	\$ 868,622	\$ 15,972
Library Fines	199,750	199,750	194,497	(5,253)
City Code Violations	83,600	83,600	4,500	(79,100)
False Burglar Alarm Fines	595,000	595,000	406,937	(188,063)
Total Fines and Forfeitures	<u>1,731,000</u>	<u>1,731,000</u>	<u>1,474,556</u>	<u>(256,444)</u>
Charges for Current Services:				
Planning:				
Preliminary Plan Reviews	55,000	55,000	67,742	12,742
Final Plats/Declarations	5,500	5,500	10,575	5,075
Rezoning Applications	27,005	27,005	31,745	4,740
Other Planning Fees	9,225	9,225	12,995	3,770
Police Department:				
Police Department Services	31,826	31,826	31,072	(754)
Tow-In Services	34,482	34,482	30,302	(4,180)
Off-Duty Employment	1,800,000	2,050,000	2,164,063	114,063
Contracted Services	1,147,563	1,147,563	957,713	(189,850)
Fire Department:				
Hazardous Material Fees	20,000	20,000	45,675	25,675
Fire Department Plan Reviews	60,000	60,000	64,121	4,121
Fire Code Reinspections	55,000	55,000	30,415	(24,585)
Miscellaneous Permits	111,425	111,425	108,570	(2,855)
Rental and Lease			13,000	13,000
Inspections:				
Fire Code Reinspections			345	345
Vacant Lot Cleaning Fees	150,000	150,000	168,939	18,939
Junked Auto Fees	19,080	19,080	15,743	(3,337)
Boarding Vacant Houses	17,170	17,170	50,916	33,746
Transportation:				
State Highway System:				
Signals, Signs and Lights	637,205	637,205	384,942	(252,263)
Monthly Parking Fees	14,040	14,040	11,143	(2,897)
Field Operations:				
Maintenance Service-Local Agencies	22,600	22,600	44,239	21,639
State Highway System:				
Highway Maintenance	240,000	240,000	286,200	46,200
Mowing Services	75,000	75,000	88,560	13,560
Waste/Trash Collection	5,805,000	5,805,000	5,643,853	(161,147)
ABC Recycling Fees	66,000	66,000	82,470	16,470
Engineering and Building Maintenance:				
Plan Review/Water and Sewer/Roadways	120,000	120,000	74,594	(45,406)
Rental and Lease	417,950	417,950	457,150	39,200
Parks and Recreation:				
Maintenance Service-Local Agencies	47,780	47,780	35,875	(11,905)
Admissions and Charges	2,393,000	2,393,000	2,153,758	(239,242)
Rental and Lease	534,185	534,185	495,455	(38,730)
Catering Services	37,400	37,400	14,205	(23,195)

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Charges for Current Services (Continued):				
Concessions	\$ 250,450	\$ 250,450	\$ 132,637	\$ (117,813)
Concessions-Alcoholic Beverages	7,800	7,800	8,268	468
Fishing, Hunting and Boating Fees	44,300	44,300	47,744	3,444
Guilford County:				
Bur-Mil Reimbursement	488,000	488,000	333,405	(154,595)
Hagan Stone Reimbursement	323,471	323,471	221,181	(102,290)
Other Parks and Recreation Revenue	124,200	124,200	119,854	(4,346)
Library Fees	18,450	18,450	20,851	2,401
Interdepartmental Charges:				
Administrative Charges	4,143,450	4,135,950	4,146,210	10,260
Engineering Services	1,416,000	1,416,000	1,416,000	
Rents	<u>580,750</u>	<u>580,750</u>	<u>565,699</u>	<u>(15,051)</u>
Total Charges for Current Services	<u>21,350,307</u>	<u>21,592,807</u>	<u>20,588,224</u>	<u>(1,004,583)</u>
Miscellaneous:				
Sale of Assets	416,491	416,491	660,287	243,796
Miscellaneous Receivables Revenue	17,000	17,000	21,705	4,705
Donations and Private Contributions	100,300	110,300	88,125	(22,175)
Contracted Construction Projects	1,018,870	1,018,870	1,029,639	10,769
Service Charges	4,100	4,100	6,562	2,462
Other Revenue	<u>598,944</u>	<u>606,444</u>	<u>451,591</u>	<u>(154,853)</u>
Total Miscellaneous	<u>2,155,705</u>	<u>2,173,205</u>	<u>2,257,909</u>	<u>84,704</u>
Appropriated Fund Balance	<u>5,102,098</u>	<u>5,565,778</u>		<u>(5,565,778)</u>
Total Revenues	<u>244,028,220</u>	<u>245,320,614</u>	<u>240,099,177</u>	<u>(5,221,437)</u>

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Expenditures:				
General Government:				
Legislative:				
Governing Body	\$ 240,605	\$ 239,618	\$ 244,848	\$ (5,230)
Clerk of Governing Body	323,577	324,564	307,725	16,839
Elections	357,600	357,600	352,348	5,252
Total Legislative	<u>921,782</u>	<u>921,782</u>	<u>904,921</u>	<u>16,861</u>
Executive:				
City Manager	1,334,702	1,393,202	1,219,082	174,120
Internal Audit	357,727	357,727	360,843	(3,116)
Minority and Women's Business Enterprises	382,999	321,385	319,388	1,997
Total Executive	<u>2,075,428</u>	<u>2,072,314</u>	<u>1,899,313</u>	<u>173,001</u>
Public Affairs	<u>1,857,379</u>	<u>1,857,379</u>	<u>1,783,368</u>	<u>74,011</u>
Human Relations	<u>474,830</u>	<u>491,830</u>	<u>485,956</u>	<u>5,874</u>
Human Resources:				
Administration	853,100	890,100	862,534	27,566
Employment	334,909	334,909	341,116	(6,207)
Benefits	260,642	260,642	264,197	(3,555)
Employee Safety and Health	130,236	130,236	129,743	493
HRIS/Compensation/Compliance	769,839	769,839	627,772	142,067
Learning & Development	614,368	577,368	554,749	22,619
Total Human Resources	<u>2,963,094</u>	<u>2,963,094</u>	<u>2,780,111</u>	<u>182,983</u>
Budget and Evaluation	<u>645,754</u>	<u>645,754</u>	<u>628,464</u>	<u>17,290</u>
Planning	<u>1,779,227</u>	<u>1,779,227</u>	<u>1,464,082</u>	<u>315,145</u>
Finance:				
Administration	789,511	789,511	769,525	19,986
Accounting	567,159	567,159	621,657	(54,498)
Financial Reporting	280,203	280,203	284,972	(4,769)
Purchasing and Supply	536,494	369,884	349,397	20,487
Collections	1,316,796	1,316,796	1,228,222	88,574
Treasury Management	599,732	599,732	516,805	82,927
Central Contracting		228,224	164,447	63,777
Total Finance	<u>4,089,895</u>	<u>4,151,509</u>	<u>3,935,025</u>	<u>216,484</u>
Legal	<u>1,054,842</u>	<u>1,054,842</u>	<u>934,427</u>	<u>120,415</u>
Information Technology:				
Administration	469,201	469,201	471,211	(2,010)
Geographic Information Services	560,958	560,958	569,810	(8,852)
IT- Operations	241,796	230,246	181,740	48,506
Application Development	664,575	666,275	666,005	270
IT- Public Safety	2,687,983	2,700,533	2,912,361	(211,828)
Enterprise Business Solutions	1,417,905	1,415,205	932,676	482,529
Total Management Information Systems	<u>6,042,418</u>	<u>6,042,418</u>	<u>5,733,803</u>	<u>308,615</u>
Other General Government:				
NC Metropolitan Coalition	12,980	12,980	12,980	
Nondepartmental	988,593	962,403	808,546	153,857
Total Other General Government	<u>1,001,573</u>	<u>975,383</u>	<u>821,526</u>	<u>153,857</u>
Total General Government	<u>22,906,222</u>	<u>22,955,532</u>	<u>21,370,996</u>	<u>1,584,536</u>

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

(Continued)

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Public Safety:				
Police:				
Administration	\$ 2,622,862	\$ 2,463,907	\$ 2,470,061	\$ (6,154)
Resource Management	11,596,870	11,484,765	11,043,505	441,260
Information Services			968,356	(968,356)
Field Operations	29,031,369	29,843,236	29,858,191	(14,955)
Criminal Investigations	6,202,041	7,085,057	6,696,651	388,406
Special Operations	2,316,331	3,186,387	3,537,200	(350,813)
Investigative Support	5,835,906	2,437,196	2,401,197	35,999
Vice/Narcotics	2,723,818	4,272,507	3,204,035	1,068,472
Professional Standards	832,952	837,952	872,067	(34,115)
Organizational Development	932,472	932,022	2,065,183	(1,133,161)
Information and Technology	1,603,194	1,382,579	660,327	722,252
Total Police	<u>63,697,815</u>	<u>63,925,608</u>	<u>63,776,773</u>	<u>148,835</u>
Fire:				
Administration	3,023,797	3,018,297	2,974,588	43,709
Training	967,811	969,149	1,055,979	(86,830)
Fire Prevention	1,426,153	1,426,173	1,558,395	(132,222)
Emergency Services	29,817,459	29,817,459	29,654,911	162,548
Regulatory/Fleet Repair Service	5,165,049	5,165,049	5,031,419	133,630
Stations and Buildings	302,947	621,853	566,358	55,495
Total Fire	<u>40,703,216</u>	<u>41,017,980</u>	<u>40,841,650</u>	<u>176,330</u>
Inspections:				
Building Inspections	2,407,708	2,357,708	2,284,232	73,476
Local Ordinance Enforcement	1,236,691	1,236,691	1,062,079	174,612
Total Inspections	<u>3,644,399</u>	<u>3,594,399</u>	<u>3,346,311</u>	<u>248,088</u>
Total Public Safety	<u>108,045,430</u>	<u>108,537,987</u>	<u>107,964,734</u>	<u>573,253</u>
Transportation:				
Administration	1,625,768	1,618,268	1,493,943	124,325
Traffic Operations	3,440,958	3,440,958	3,173,147	267,811
Traffic Engineering	3,992,343	3,992,343	3,995,307	(2,964)
Transportation Planning	275,050	282,550	286,978	(4,428)
Total Transportation	<u>9,334,119</u>	<u>9,334,119</u>	<u>8,949,375</u>	<u>384,744</u>
Engineering and Building Maintenance:				
Administration	437,256	463,256	415,837	47,419
Engineering	4,064,028	4,064,028	3,945,986	118,042
Business and Technology	761,419	761,419	582,900	178,519
Facilities Engineering	644,900	644,900	612,706	32,194
Central City Maintenance	2,568,358	3,424,593	3,297,693	126,900
Building Maintenance	3,005,560	3,870,612	3,439,158	431,454
Energy	3,688,369	1,245,609	706,060	539,549
Franchise Administration	522,743	522,743	112,210	410,533
Total Engineering and Building Maintenance	<u>15,692,633</u>	<u>14,997,160</u>	<u>13,112,550</u>	<u>1,884,610</u>

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Field Operations:				
Administration	\$ 3,579,537	\$ 3,530,537	\$ 3,481,003	\$ 49,534
Materials Recovery Facility	880,234	878,658	774,218	104,440
Stormwater Utility Fee	2,192,335	2,192,335	2,375,733	(183,398)
Solid Waste Collections	18,050,845	17,841,245	17,121,233	720,012
Streets - Stormwater Maintenance	5,905,345	5,907,245	5,031,589	875,656
Right of Way Maintenance	4,669,042	4,856,742	4,884,080	(27,338)
Total Field Operations	<u>35,277,338</u>	<u>35,206,762</u>	<u>33,667,856</u>	<u>1,538,906</u>
Environmental Services	<u>862,440</u>	<u>931,440</u>	<u>879,887</u>	<u>51,553</u>
Culture and Recreation:				
Parks and Recreation:				
Administration	2,174,862	2,189,597	2,070,488	119,109
Planning	91,933	94,433	108,453	(14,020)
Gillespie Golf Course	468,674	535,804	537,803	(1,999)
Greensboro Sportsplex	1,009,889	1,074,051	834,385	239,666
City Arts	749,450	785,721	790,987	(5,266)
Program and Community Services	798,968	799,735	760,905	38,830
Neighborhood Playgrounds and Centers	1,834,791	2,091,676	2,034,150	57,526
Swimming Pools	522,001	659,091	601,687	57,404
Memorial Stadium	252,543	214,903	153,341	61,562
Hagan Stone Park	430,913	405,913	331,279	74,634
Hester Park	323,306	322,306	261,035	61,271
Country Park	359,783	371,115	366,522	4,593
Jaycee Park	227,760	225,260	231,325	(6,065)
Athletics	730,001	708,861	584,756	124,105
Turf/Athletic Field Maintenance	1,289,034	1,219,900	1,204,175	15,725
Regional Parks	90,074	92,074	92,975	(901)
Bur-Mil Club	1,076,738	1,076,738	972,831	103,907
Lake Wardens	442,583	442,583	561,225	(118,642)
Barber Park	412,607	399,107	379,237	19,870
Equipment Maintenance	131,708	131,708	131,922	(214)
Development and Maintenance	1,190,853	1,178,618	1,092,665	85,953
Landscape and Beautification	1,467,299	1,532,899	1,364,806	168,093
Carolyn Allen Park	537,615	496,813	454,188	42,625
Price Park	2,080	32,785	18,878	13,907
Keeley Park Operations	319,622	265,622	223,410	42,212
Trails and Greenways	326,943	326,943	242,694	84,249
Hilltop Road Park		6,500	6,476	24
Tennis	131,476	125,476	120,256	5,220
Arts Center			23,197	(23,197)
Simkins Indoor Sports Pavilion	146,096	143,096	125,728	17,368
Senior Programs	293,414	326,579	314,013	12,566
Bryan Park Operations	788,505	724,805	749,334	(24,529)
Youth First	226,509	264,058	295,938	(31,880)
Volunteer Services			40,680	(40,680)
Total Parks and Recreation	<u>18,848,030</u>	<u>19,264,770</u>	<u>18,081,744</u>	<u>1,183,026</u>

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Library:				
Administration	\$ 2,698,686	\$ 2,695,302	\$ 2,329,912	\$ 365,390
Main Library	1,696,861	1,696,861	1,652,396	44,465
Extension Services	28,538	28,538	20,018	8,520
Collection Inventory	922,459	915,843	933,952	(18,109)
Benjamin Branch Library	230,210	246,646	287,961	(41,315)
Vance H. Chavis Branch Library	328,628	340,144	328,089	12,055
Hemphill Branch Library	483,211	483,211	466,783	16,428
Glenwood Branch Library	381,646	405,778	343,063	62,715
Kathleen Clay Edwards Branch Library	501,457	501,457	490,143	11,314
McGirt-Horton Branch Library	392,269	432,489	417,566	14,923
Historical Museum	793,810	793,810	634,696	159,114
Total Library	<u>8,457,775</u>	<u>8,540,079</u>	<u>7,904,579</u>	<u>635,500</u>
Other Culture and Recreation:				
Coliseum	256,000	306,000	306,000	
Natural Science Center of Greensboro	878,850	976,500	976,500	
Greensboro Sports Commission	105,000	105,000	105,000	
Fun Fourth - Grassroots	6,750	19,750	19,735	15
Children's Museum	75,000	75,000	75,000	
Blandwood Mansion	6,750	6,750	6,750	
Greensboro Jaycees	13,500	13,500	13,500	
Festival of Lights	13,750	13,750	15,045	(1,295)
Center City Park	200,000	200,000	200,000	
Wyndham Championship		5,000	5,000	
Barber Park Environmental Cleanup	106,571	106,571	2,049	104,522
Piedmont Triad Film Commission		27,000	27,000	
Public Access - GCTV	174,895	174,895	195,115	(20,220)
Total Other Culture and Recreation	<u>1,837,066</u>	<u>2,029,716</u>	<u>1,946,694</u>	<u>83,022</u>
Total Culture and Recreation	<u>29,142,871</u>	<u>29,834,565</u>	<u>27,933,017</u>	<u>1,901,548</u>
Community Development and Housing:				
Downtown Greensboro, Inc.	103,500	103,500	103,500	
East Market Street Development Corporation	32,400	32,400	32,400	
Architectural Salvage	14,850	14,850	14,850	
Downtown Development	127,000	100,000	100,000	
Total Community Development and Housing	<u>277,750</u>	<u>250,750</u>	<u>250,750</u>	
Economic Opportunity:				
Economic Development	1,013,546	1,219,260	1,157,957	61,303
Chamber of Commerce	180,500	200,500	200,500	
Piedmont Triad Partnership	30,132	30,132	30,132	
Total Economic Opportunity	<u>1,224,178</u>	<u>1,449,892</u>	<u>1,388,589</u>	<u>61,303</u>
Intergovernmental:				
Guilford County:				
Tax Collections	963,000	963,000	965,239	(2,239)
Animal Shelter and Animal Control	552,843	508,063	543,027	(34,964)
Environmental Health Control	7,500	7,500	7,500	
Educational Access Guilford County Schools	44,980	44,980	65,200	(20,220)
Piedmont Council of Governments	55,286	59,331	59,327	4
National Guard Armory	3,000	3,000	3,000	
Total Intergovernmental	<u>1,626,609</u>	<u>1,585,874</u>	<u>1,632,793</u>	<u>(46,919)</u>
Total Expenditures	<u>224,389,590</u>	<u>225,084,081</u>	<u>217,150,547</u>	<u>7,933,534</u>

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

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Excess of Revenues Over (Under) Expenditures	\$ 19,638,630	\$ 20,236,533	\$ 22,948,630	\$ 2,712,097
Other Financing Sources (Uses):				
Transfers In:				
State Highway Allocation Fund	5,746,000	5,746,000	5,746,000	
Parking Facilities Operating Fund	237,000	237,000	237,000	
Street Improvements Bond Fund	370,000	370,000	370,000	
Equipment Services Fund	430,891	430,891	430,891	
Housing Partnership Revolving Fund	129,431	129,431	129,431	
Information Systems Fund	330,000	330,000	330,000	
Employee Risk Retention Fund	717,000	717,000	717,000	
General Risk Retention Fund	208,949	208,949	100,000	(108,949)
Total Transfers In	<u>8,169,271</u>	<u>8,169,271</u>	<u>8,060,322</u>	<u>(108,949)</u>
Transfers Out:				
Cemetery Operating Fund	437,086	437,086	437,086	
Housing Partnership Revolving Fund	148,800	148,800	148,800	
State and Federal Grants Fund	40,000	37,903	36,701	1,202
Debt Service Fund	17,068,470	17,068,470	17,068,470	
General Capital Improvements Fund	725,000	725,000	725,000	
War Memorial Coliseum Fund	1,466,775	2,066,775	2,066,775	
Solid Waste Management Fund	3,940,989	3,940,989	3,940,989	
Guilford Metro Communications Fund	3,980,781	3,980,781	3,980,781	
Total Transfers Out	<u>27,807,901</u>	<u>28,405,804</u>	<u>28,404,602</u>	<u>1,202</u>
Total Other Financing Sources (Uses)	<u>(19,638,630)</u>	<u>(20,236,533)</u>	<u>(20,344,280)</u>	<u>(107,747)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	<u>\$</u>	2,604,350	2,604,350
Fund Balance - July 1			<u>55,765,144</u>	<u>55,765,144</u>
Fund Balance - June 30			<u>\$ 58,369,494</u>	<u>\$ 58,369,494</u>

Statement of Net Assets

Proprietary Funds

June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
ASSETS				
Current Assets:				
Cash and Cash Equivalents/Investments	\$ 39,574,152	\$ 8,096,792	\$ 4,945,855	\$ 7,470,647
Receivables (Net):				
Accounts, Notes and Mortgages	12,317,916	826,565	658,385	523,947
Intergovernmental	488,368	48,125	92,093	73,783
Interest	108,097		9,144	16,810
Inventories	3,961,308		62,444	28,595
Miscellaneous	6,009,893		26,566	54,631
Total Current Assets	<u>62,459,734</u>	<u>8,971,482</u>	<u>5,794,487</u>	<u>8,168,413</u>
Noncurrent Assets:				
Restricted:				
Cash and Cash Equivalents/ Investments	37,703,838	8,052,296	94,062	1,185,485
Receivables (Net):				
Assessments	394,311			
Intergovernmental	679,344		220,002	
Interest	68,253	21,049	497	2,890
Deferred Charges	3,715,961			
Miscellaneous			200	
Assets Held for Resale				
Self-Funded Retention Deposits				
Capital Assets:				
Non-Depreciable:				
Land	16,475,489	965,152	4,257,601	5,953,501
Construction in Progress	11,105,744	1,356,062	109,718	
Intangible Assets:				
Easements	18,358,593	1,237,854		
Depreciable/Amortizable:				
Land Improvements	23,947,916	77,213	694,327	17,656,208
Buildings	176,756,335	4,127	88,377,881	7,809,422
Improvements Other than Buildings	9,475,572		250,592	21,327
Furniture, Fixtures, Machinery and Equipment	40,875,546	159,344	9,457,764	1,867,098
Infrastructure	497,114,072	106,014,250		
Less Accumulated Depreciation	(271,477,262)	(58,269,389)	(40,701,511)	(15,709,880)
Intangible Assets:				
Software and Licenses	4,438,331	290,533		
Water Rights	84,805,875			
Less Accumulated Amortization	(7,346,573)	(237,853)		
Total Noncurrent Assets	<u>647,091,345</u>	<u>59,670,638</u>	<u>62,761,133</u>	<u>18,786,051</u>
Total Assets	<u>709,551,079</u>	<u>68,642,120</u>	<u>68,555,620</u>	<u>26,954,464</u>

(1) After internal receivables and payables have been eliminated.

<u>Other Enterprise Fund</u>	<u>(1) Totals</u>	<u>Internal Service Funds</u>
\$ 1,666,561	\$ 61,754,007	\$ 67,451,605
29,820	14,356,633	1,275,000
7,679	710,048	663,600
4,151	138,202	167,572
	4,052,347	848,972
	6,091,090	30,765
<u>1,708,211</u>	<u>87,102,327</u>	<u>70,437,514</u>
907,671	47,943,352	
	394,311	
	899,346	
	92,689	
	3,715,961	
	200	
		600,000
		17,613,777
3,973,387	31,625,130	1,797,583
	12,571,524	1,994,119
	19,596,447	
56,940	42,432,604	966,381
20,016,856	292,964,621	3,007,977
165,221	9,912,712	11,108
1,174,802	53,534,554	116,940,196
	603,128,322	
(12,106,085)	(398,264,127)	(96,513,887)
49,218	4,778,082	6,413,325
	84,805,875	
(29,531)	(7,613,957)	(5,903,686)
<u>14,208,479</u>	<u>802,517,646</u>	<u>46,926,893</u>
<u>15,916,690</u>	<u>889,619,973</u>	<u>117,364,407</u>

Statement of Net Assets (continued)

Proprietary Funds

June 30, 2012

	Enterprise Funds			
	<u>Water Resources</u>	<u>Stormwater Management</u>	<u>War Memorial Coliseum</u>	<u>Solid Waste Management</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 1,260,312	\$ 48,588	\$ 4,292,480	\$ 24,829
Contracts/Retainage Payable	433,810			852,750
Intergovernmental Payable	1,185,785		7,684	
General Obligation Bonds Payable				
Revenue Bonds Payable	9,400,000			
Special Obligation Bonds Payable				575,000
Lease-Purchase and Other				
Financing Agreements Payable	181,072		225,851	
Federal Loan Obligation	254,404			
Accrued Landfill Liability				360,539
Accrued Pollution Remediation Liability				848,789
Interest Payable	971,789		13,622	23,886
Customer Deposits Payable	3,164,499			
Compensated Absences Payable	1,071,423	221,593	148,715	100,606
Miscellaneous	484,790			
Total Current Liabilities	<u>18,407,884</u>	<u>270,181</u>	<u>4,688,352</u>	<u>2,786,399</u>
Noncurrent Liabilities:				
Payable from Restricted Assets:				
Contracts/Retainage Payable	2,701,306	618,721	124,999	
Intergovernmental Payable	59,515			
General Obligation Bonds Payable				
Revenue Bonds Payable	244,274,814			
Special Obligation Bonds Payable				4,879,827
Lease-Purchase and Other				
Financing Agreements Payable	23,131		1,944,987	
Federal Loan Obligation	763,212			
Accrued Landfill Liability				25,479,541
Accrued Pollution Remediation Liability				1,274,526
Compensated Absences Payable	178,299	32,523	191,867	52,903
Other Postemployment Benefits Payable	63,839	9,063	14,174	6,905
Unearned Revenues			299,573	
Total Noncurrent Liabilities	<u>248,064,116</u>	<u>660,307</u>	<u>2,575,600</u>	<u>31,693,702</u>
Total Liabilities	<u>266,472,000</u>	<u>930,488</u>	<u>7,263,952</u>	<u>34,480,101</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	364,012,355	51,597,293	60,275,534	12,142,849
Restricted for:				
Capital Projects	21,637,322	7,454,624	189,762	1,185,485
Assets Held for Resale				
Self-Funded Retention Deposits				
Unrestricted	57,429,402	8,659,715	826,372	(20,853,971)
Total Net Assets	<u>\$ 443,079,079</u>	<u>\$ 67,711,632</u>	<u>\$ 61,291,668</u>	<u>\$ (7,525,637)</u>

(1) After internal receivables and payables have been eliminated.

Other Enterprise Fund	Totals ⁽¹⁾	Internal Service Funds
\$ 302,717	\$ 5,577,621	\$ 9,011,075
	1,637,865	6,539
	1,193,469	313,908
	9,400,000	
	575,000	
	406,923	2,984,017
	254,404	
	360,539	
	848,789	
	1,009,297	104,509
43,815	3,208,314	43,142
24,913	1,567,250	630,425
	484,790	
<u>371,445</u>	<u>26,524,261</u>	<u>13,093,615</u>
	3,445,026	
	59,515	2,828,264
	244,274,814	
	4,879,827	
	1,968,118	8,389,612
	763,212	
	25,479,541	
	1,274,526	
34,248	489,840	224,763
2,279	96,260	53,656
	299,573	
<u>36,527</u>	<u>283,030,252</u>	<u>11,496,295</u>
<u>407,972</u>	<u>309,554,513</u>	<u>24,589,910</u>
13,300,808	501,328,839	14,197,315
907,671	31,374,864	600,000
		17,613,777
1,300,239	47,361,757	60,363,405
<u>\$ 15,508,718</u>	<u>\$ 580,065,460</u>	<u>\$ 92,774,497</u>

City of Greensboro
Reconciliation of the Statement of Net Assets-Proprietary Funds
To the Statement of Net Assets
June 30, 2012

Net assets - proprietary funds	\$ 580,065,460
Amounts reported for business-type activities in the statement of net assets are different because:	
Internal service funds	<u>7,802,125</u>
Net assets of business-type activities	<u>\$ 587,867,585</u>

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Proprietary Funds

For the Fiscal Year Ended June 30, 2012

Business-Type Activities - Enterprise Funds

	<u>Water Resources</u>	<u>Stormwater Management</u>	<u>War Memorial Coliseum</u>	<u>Solid Waste Management</u>
Operating Revenues:				
Charges for Current Services	\$ 87,896,486	\$ 9,858,630	\$ 20,155,776	\$ 12,095,561
Other Operating Revenues	2,039,001	54,510	745,634	43,053
Total Operating Revenues	<u>89,935,487</u>	<u>9,913,140</u>	<u>20,901,410</u>	<u>12,138,614</u>
Operating Expenses:				
Personal Services	12,765,348	2,572,766	4,703,442	1,041,619
Fringe Benefits	5,776,216	1,313,208	1,402,053	497,481
Maintenance and Operations	34,077,867	4,265,595	16,739,802	15,564,547
Claims and Expenses				
Depreciation/Amortization	21,663,873	1,692,522	2,816,549	587,911
Total Operating Expenses	<u>74,283,304</u>	<u>9,844,091</u>	<u>25,661,846</u>	<u>17,691,558</u>
Operating Income (Loss)	<u>15,652,183</u>	<u>69,049</u>	<u>(4,760,436)</u>	<u>(5,552,944)</u>
Nonoperating Revenues (Expenses):				
Investment Income	669,511	165,876	32,002	78,597
Gain on Disposal of Capital Assets	245,792			
Miscellaneous Nonoperating Revenue	307,224		75,491	
Interest Expense	(8,078,551)		(88,290)	(263,760)
Interest Rate Exchange Payment	(3,162,353)			
Gain (Loss) on Inventory	(8,633)		(1,121)	237
Loss on Disposal of Capital Assets	(329,509)			
Amortization of Underwriters' Expense	(711,445)			(20,107)
Miscellaneous Nonoperating Expense	(860,144)		(500)	(90,519)
Total Nonoperating Revenues (Expenses)	<u>(11,928,108)</u>	<u>165,876</u>	<u>17,582</u>	<u>(295,552)</u>
Income (Loss) Before Contributions and Transfers	3,724,075	234,925	(4,742,854)	(5,848,496)
Capital Contributions	2,246,013	25,630	232,261	
Transfers In			2,066,775	3,940,989
Transfers Out		(7,500)		
Change in Net Assets	<u>5,970,088</u>	<u>253,055</u>	<u>(2,443,818)</u>	<u>(1,907,507)</u>
Net Assets - July 1	437,108,991	67,458,577	41,647,124	(5,618,130)
Prior Period Adjustment			22,088,362	
Net Assets - July 1, restated	<u>437,108,991</u>	<u>67,458,577</u>	<u>63,735,486</u>	<u>(5,618,130)</u>
Net Assets - June 30	<u>\$ 443,079,079</u>	<u>\$ 67,711,632</u>	<u>\$ 61,291,668</u>	<u>\$ (7,525,637)</u>

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

Other Enterprise Fund	Totals	Internal Service Funds
\$ 2,118,941	\$ 132,125,394	\$ 70,940,884
29,634	2,911,832	1,711,975
<u>2,148,575</u>	<u>135,037,226</u>	<u>72,652,859</u>
310,081	21,393,256	8,471,867
137,054	9,126,012	3,248,289
1,098,624	71,746,435	16,658,132
		40,221,417
614,410	27,375,265	10,084,133
<u>2,160,169</u>	<u>129,640,968</u>	<u>78,683,838</u>
<u>(11,594)</u>	<u>5,396,258</u>	<u>(6,030,979)</u>
16,879	962,865	634,653
	245,792	
	382,715	1,550,938
	(8,430,601)	(627,618)
	(3,162,353)	
	(9,517)	
	(329,509)	(538,346)
	(731,552)	
	(951,163)	(54,922)
<u>16,879</u>	<u>(12,023,323)</u>	<u>964,705</u>
5,285	(6,627,065)	(5,066,274)
	2,503,904	
	6,007,764	4,036,284
(237,000)	(244,500)	(1,633,394)
<u>(231,715)</u>	<u>1,640,103</u>	<u>(2,663,384)</u>
15,740,433	556,336,995	95,437,881
	22,088,362	
<u>15,740,433</u>	<u>578,425,357</u>	<u>95,437,881</u>
<u>\$ 15,508,718</u>	<u>\$ 580,065,460</u>	<u>\$ 92,774,497</u>

City of Greensboro
Reconciliation of the Statement of Revenues,
Expenses, and Changes in Fund Net Assets-Proprietary Funds
To the Statement of Activities
For the Fiscal Year Ended June 30, 2012

Amounts reported for business-type activities in the statement of activities are different because:

Net change in fund balances----total proprietary funds.	\$ 1,640,103
Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The net revenue (loss) of certain activities of internal service funds is reported with business-type activities.	<u>(136,965)</u>
Change in net assets of business-type activities	<u><u>\$ 1,503,138</u></u>

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 87,573,313	\$ 9,632,035	\$ 21,654,367	\$ 11,996,762
Payments to Suppliers	(37,690,994)	(4,293,066)	(16,736,168)	(12,104,373)
Payments to Employees	(18,189,779)	(3,902,745)	(6,110,804)	(1,522,324)
Other Receipts	2,268,846	54,510	821,125	43,053
Net Cash Provided by (Used for) Operating Activities	<u>33,961,386</u>	<u>1,490,734</u>	<u>(371,480)</u>	<u>(1,586,882)</u>
Cash Flows from Noncapital Financing Activities:				
Subsidies and Transfers In			2,066,775	3,940,989
Subsidies and Transfers Out		(7,500)		
Net Cash Provided by (Used for) Noncapital Financing Activities		<u>(7,500)</u>	<u>2,066,775</u>	<u>3,940,989</u>
Cash Flows from Capital and Related Financing Activities:				
Capital Debt Issued	45,250,454			
Acquisition and Construction of Capital Assets	(23,849,386)	(1,481,236)	(2,917,807)	
Proceeds from Sale of Capital Assets	323,172			
Payment to Escrow Agent for Refunding of Debt	(38,775,000)			
Principal Paid on Capital Debt	(9,261,249)		(209,023)	(3,495,000)
Interest and Fiscal Charges Paid on Capital Debt	(9,701,785)		(399,833)	(384,761)
Net Cash Used for Capital and Related Financing Activities	<u>(36,013,794)</u>	<u>(1,481,236)</u>	<u>(3,526,663)</u>	<u>(3,879,761)</u>
Cash Flows from Investing Activities:				
Interest	761,637	194,692	44,210	93,588
Economic Development Loan				
Net Cash Provided by (Used for) Investing Activities	<u>761,637</u>	<u>194,692</u>	<u>44,210</u>	<u>93,588</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,290,771)	196,690	(1,787,158)	(1,432,066)
Balances - July 1	78,568,761	15,952,398	6,827,075	10,088,198
Balances - June 30	<u>\$ 77,277,990</u>	<u>\$ 16,149,088</u>	<u>\$ 5,039,917</u>	<u>\$ 8,656,132</u>
Reconciliation of Cash and Cash Equivalents/Investments:				
Cash and Cash Equivalents/Investments - Current	\$ 39,574,152	\$ 8,096,792	\$ 4,945,855	\$ 7,470,647
Cash and Cash Equivalents/Investments - Restricted	37,703,838	8,052,296	94,062	1,185,485
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 77,277,990</u>	<u>\$ 16,149,088</u>	<u>\$ 5,039,917</u>	<u>\$ 8,656,132</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 2,117,817	\$ 132,974,294	\$ 69,604,484
(794,462)	(71,619,063)	(57,452,960)
(445,929)	(30,171,581)	(11,771,387)
29,634	3,217,168	2,077,828
<u>907,060</u>	<u>34,400,818</u>	<u>2,457,965</u>
	6,007,764	4,036,284
<u>(237,000)</u>	<u>(244,500)</u>	<u>(1,633,394)</u>
<u>(237,000)</u>	<u>5,763,264</u>	<u>2,402,890</u>
	45,250,454	
(217,472)	(28,465,901)	(9,509,075)
	323,172	1,136,127
	(38,775,000)	
	(12,965,272)	(2,316,201)
	(10,486,379)	(591,230)
<u>(217,472)</u>	<u>(45,118,926)</u>	<u>(11,280,379)</u>
16,647	1,110,774	719,123
		(1,200,000)
<u>16,647</u>	<u>1,110,774</u>	<u>(480,877)</u>
469,235	(3,844,070)	(6,900,401)
2,104,997	113,541,429	74,352,006
<u>\$ 2,574,232</u>	<u>\$ 109,697,359</u>	<u>\$ 67,451,605</u>
\$ 1,666,561	\$ 61,754,007	\$ 67,451,605
907,671	47,943,352	
<u>\$ 2,574,232</u>	<u>\$ 109,697,359</u>	<u>\$ 67,451,605</u>

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
(continued)				
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Operating Income (Loss)	\$ 15,652,183	\$ 69,049	\$ (4,760,436)	\$ (5,552,944)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Depreciation/Amortization	21,663,873	1,692,522	2,816,549	587,911
Change in Assets and Liabilities:				
Increase (Decrease) in Receivables	976,827	(226,595)	(53,688)	(98,799)
(Increase) Decrease in Inventories	(134,198)		(4,635)	1,108
(Increase) Decrease in Intergovernmental Receivables	1,010,307	(27,471)	74,752	8,553
Increase in Miscellaneous Assets	(2,897,713)		(56,423)	
Increase (Decrease) in Accounts Payable	245,560	12,723	(10,060)	28,684
Increase in Landfill Liability				2,764,046
Increase (Decrease) in Compensated Absences Payable	(55,075)	(12,694)	(21,811)	11,149
Increase in Pollution Remediation Liability				657,783
Increase in Intergovernmental Payable	21,202		4,945	
Increase (Decrease) in Miscellaneous Payable	307,224	(16,800)	1,563,836	5,627
Increase in Other Receipts (Disbursements)	(2,828,804)		75,491	
Total Adjustments	<u>18,309,203</u>	<u>1,421,685</u>	<u>4,388,956</u>	<u>3,966,062</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 33,961,386</u>	<u>\$ 1,490,734</u>	<u>\$ (371,480)</u>	<u>\$ (1,586,882)</u>
Noncash Investing, Capital and Financing Activities:				
Lease-Purchase and Other Capital Financing Agreements	\$	\$	\$	\$
Donated Assets	2,246,013	25,630	232,261	
Total Noncash Investing, Capital and Financing Activities	<u>\$ 2,246,013</u>	<u>\$ 25,630</u>	<u>\$ 232,261</u>	<u>\$</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ (11,594)	\$ 5,396,258	\$ (6,030,979)
614,410	27,375,265	10,084,133
(1,124)	596,621 (137,725)	27,188 61,780
1,446	1,067,587 (2,954,136)	170,313 (319,584)
302,717	579,624 2,764,046	(269,979)
1,221	(77,210) 657,783	(36,305)
(16)	26,147 1,859,871 (2,753,313)	(1,228,602)
<u>918,654</u>	<u>29,004,560</u>	<u>8,488,944</u>
<u>\$ 907,060</u>	<u>\$ 34,400,818</u>	<u>\$ 2,457,965</u>
\$	\$ 2,503,904	\$ 1,537,851
<u>\$</u>	<u>\$ 2,503,904</u>	<u>\$ 1,537,851</u>

Trust and Agency Funds

Police Special Separation Allowance Fund

This fund was established to account for special separation (pension) benefits, payable semi-monthly, to qualified law enforcement officers. The City is required to provide such benefits until each qualified law enforcement officer attains age 62. The City's contributions to this fund have been actuarially determined and will be funded by fringe benefit charges based on active police officers' salaries.

Other Postemployment Trust (OPEB) Fund

This fund was established to account for contributions held in trust to pay certain health and life benefits to employees following retirement, up to age 65.

City of Greensboro
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Pension Benefit <u>Trust</u>	Other Postemployment Benefit <u>Trust</u>
ASSETS		
Cash and Cash Equivalents/Investments, Restricted for:		
Pension and Other Postemployment Benefits		
Cash and Cash Equivalents	\$ 293,484	\$
US Government Agencies	4,556,919	
Money Market Mutual Funds	1,226,580	
State Other Postemployment Benefit Investment Fund:		
Short-Term OPEB Fund		2,839,302
Long-Term OPEB Fund		363,145
OPEB Equity Fund		2,182,369
Interest Receivable	<u>14,557</u>	<u>657</u>
Total Assets	<u>6,091,540</u>	<u>5,385,473</u>
Net Assets Held in Trust for:		
Pension Benefits - Police Special Separation Allowance	6,091,540	
Other Postemployment Benefits		5,385,473
Total Net Assets	<u>\$ 6,091,540</u>	<u>\$ 5,385,473</u>

City of Greensboro
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2012

	Pension Benefit Trust	Other Postemployment Benefit Trust
ADDITIONS		
Employer Contributions	\$ 2,164,186	\$ 7,962,090
Employee Contributions		1,985,494
Investment Income	<u>60,141</u>	<u>127,485</u>
Total Additions	<u>2,224,327</u>	<u>10,075,069</u>
DEDUCTIONS		
Benefits Paid		7,947,585
Separation Allowance	2,159,658	
Administrative Expenses	<u>1,501</u>	<u>5,229</u>
Total Deductions	<u>2,161,159</u>	<u>7,952,814</u>
Change in Net Assets	63,168	2,122,255
Net Assets - Beginning of the Year	<u>6,028,372</u>	<u>3,263,218</u>
Net Assets - End of the Year	<u>\$ 6,091,540</u>	<u>\$ 5,385,473</u>

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

Statement of Net Assets
Component Units
June 30, 2012

ASSETS	Greensboro Housing Dev. Partnership	Greensboro Redevelopment Commission	Greensboro Transit Authority	Greensboro ABC Board	Total Component Units
Cash and Cash Equivalents/Investments	\$ 132,361	\$	\$ 5,334,506	\$ 2,737,831	\$ 8,204,698
Receivables, Net					
Taxes			1,001,766		1,001,766
Accounts, Notes and Mortgages		4,609,150	983,789	1,022	5,593,961
Intergovernmental		35,414	6,725,424		6,760,838
Interest			1,137,516		1,137,516
Inventories			229,888	3,140,157	3,370,045
Miscellaneous				178,074	178,074
Assets Held for Resale	2,428,190	2,992,689			5,420,879
Long-Term Note Receivable			12,507,393		12,507,393
Restricted Assets:					
Temporarily Restricted:					
Cash and Cash Equivalents/Investments			92,905		92,905
Receivables, (Net):					
Intergovernmental			369,050		369,050
Capital Assets:					
Non-Depreciable:					
Land			2,923,192	454,855	3,378,047
Depreciable:					
Land Improvements			2,022		2,022
Accumulated Depreciation			(1,315)		(1,315)
Buildings			37,751,773	2,491,330	40,243,103
Accumulated Depreciation			(5,345,784)	(887,264)	(6,233,048)
Improvements Other than Buildings			13,612	311,906	325,518
Accumulated Depreciation			(2,803)	(236,401)	(239,204)
Furniture, Fixtures, Machinery and Equipment	3,723		20,025,339	1,976,710	22,005,772
Accumulated Depreciation	(3,723)		(9,667,879)	(1,686,193)	(11,357,795)
Intangible Asset - Software and Licenses	135		60,367		60,502
Accumulated Amortization	(135)		(20,122)		(20,257)
Total Assets	<u>2,560,551</u>	<u>7,637,253</u>	<u>74,120,639</u>	<u>8,482,027</u>	<u>92,800,470</u>
LIABILITIES					
Accounts Payable			31,650	2,146,837	2,178,487
Contracts/Retainage Payable			1,186,571		1,186,571
Note Payable				67,800	67,800
Due to Primary Government				620,533	620,533
Miscellaneous				168,730	168,730
Liabilities Payable from Restricted Assets:					
Accounts Payable	7,165				7,165
Contracts/Retainage Payable			138,711		138,711
Noncurrent Liabilities:					
Due Within One Year:					
Compensated Absences			39,885		39,885
Due in More Than One Year:					
Note Payable	2,492,752			251,972	2,744,724
Compensated Absences			35,238		35,238
Customer Deposits Payable			2,250		2,250
Unearned Revenue		4,609,150	30,800		4,639,950
Miscellaneous				229,160	229,160
Total Liabilities	<u>2,499,917</u>	<u>4,609,150</u>	<u>1,465,105</u>	<u>3,485,032</u>	<u>12,059,204</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt			45,738,402	2,424,943	48,163,345
Restricted for:					
Assets Held for Resale		2,992,689			2,992,689
State Highway Improvements					
Transportation					
Capital Projects			323,244		323,244
Community Development	60,634	35,414			96,048
Unrestricted			26,593,888	2,572,052	29,165,940
Total Net Assets	<u>\$ 60,634</u>	<u>\$ 3,028,103</u>	<u>\$ 72,655,534</u>	<u>\$ 4,996,995</u>	<u>\$ 80,741,266</u>

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

**Statement of Activities
 Component Units
 For the Fiscal Year Ended June 30, 2012**

	Program Revenues		
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Greensboro Housing Dev. Partnership			
Governmental Activities:			
Community Development & Housing	\$ 17,039	\$ 750	\$
Total Greensboro Housing Dev. Partnership	17,039	750	
Greensboro Redevelopment Commission			
Governmental Activities:			
Redevelopment Commission Operations	554,365	554,249	
Total Greensboro Redevelopment Commission	554,365	554,249	
Greensboro Transit Authority			
Business -Type Activities:			
Transit Operations	26,208,795	2,584,149	2,439,261
Total Greensboro Transit Authority	26,208,795	2,584,149	16,966,240
Greensboro ABC Board			
Business -Type Activities:			
ABC Board Operations	27,202,061	27,402,061	
Total Greensboro ABC Board	27,202,061	27,402,061	
Total	\$ 53,982,260	\$ 30,541,209	\$ 2,439,261

General Revenues:

Taxes:
 Property Tax
 Motor Vehicle Tax
 Investment Income
 Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets - July 1

Net Assets - June 30

**Net (Expenses) Revenue and
 Changes in Net Assets**

<u>Greensboro Housing Dev. Partnership</u>	<u>Greensboro Redevelopment Commission</u>	<u>Greensboro Transit Authority</u>	<u>Greensboro ABC Board</u>	<u>Totals</u>
\$ (16,289)	\$	\$	\$	\$ (16,289)
<u>(16,289)</u>				<u>(16,289)</u>
	(116)			(116)
	<u>(116)</u>			<u>(116)</u>
		(4,219,145)		(4,219,145)
		<u>(4,219,145)</u>		<u>(4,219,145)</u>
			200,000	200,000
			<u>200,000</u>	<u>200,000</u>
(16,289)	(116)	(4,219,145)	200,000	(4,035,550)
		8,182,784		8,182,784
		1,252,067		1,252,067
		1,224,375		1,224,375
		8,050		8,050
		<u>10,667,276</u>		<u>10,667,276</u>
(16,289)	(116)	6,448,131	200,000	6,631,726
<u>76,923</u>	<u>3,028,219</u>	<u>66,207,403</u>	<u>4,796,995</u>	<u>74,109,540</u>
<u>\$ 60,634</u>	<u>\$ 3,028,103</u>	<u>\$ 72,655,534</u>	<u>\$ 4,996,995</u>	<u>\$ 80,741,266</u>

**NOTES TO THE FINANCIAL STATEMENTS
CITY OF GREENSBORO, NORTH CAROLINA**

JUNE 30, 2012

I. Summary of Significant Accounting Policies

The accounting policies of the City of Greensboro (City) and its component units conform to GAAP as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies of the City:

A. The Financial Reporting Entity

The City is a municipal corporation governed by an elected Mayor and eight-member Council. As required by GAAP, these financial statements present the City (the primary government) and its component units (entities for which the City is considered to be financially accountable). Criteria used to establish financial accountability include appointment of a voting majority of the component unit's governing board and imposition of will or a financial benefit/burden relationship, fiscal dependency or other significant operational and financial relationships.

1. Blended Component Unit

Blended component units, although legally separate entities, are, in substance, part of the City's operation. Financial amounts from these units are combined with amounts of the primary government.

The Greensboro Center City Corporation (GCCC) assists the City in financing, acquiring and constructing public facilities and in purchasing equipment. The sole purpose of the GCCC is to provide a funding source for City assets, lease the assets to the City and to use the lease payments to repay the debt. The corporation has no other operations. The GCCC's twelve member governing board is appointed by the Mayor. A financial burden exists, as the City is required to transfer funds to the GCCC in an amount sufficient to pay the scheduled debt service on GCCC certificates of participation. The GCCC's cash and debt is considered with assets of the War Memorial Coliseum Enterprise Fund and general government liabilities for financial statement purposes.

2. Discretely Presented Component Units

The component unit column in the basic financial statements includes the financial data of the City's other component units. The units are reported in a separate column to emphasize that they are legally separate from the City.

Greensboro Housing Development Partnership, Inc. (GHDP) provides first-time buyers, with low to moderate income, affordable financing. GHDP also serves as a conduit to sell surplus land to builders to develop affordable housing for City citizens. The City appoints the voting majority of the Board and guarantees support for any deficits for certain programs and loan obligations. The City also influences the operations of the GHDP by providing loan initiatives and rehabilitation of properties. Related transactions of this partnership are reflected in the City records in a Special Revenue Fund.

The Greensboro Redevelopment Commission (Commission) conducts studies, formulates plans, purchases and sells properties and oversees redevelopment projects in the City. The Commission performs legislative duties such as defining a redevelopment area and carries out delegated activities, subject to the consent, approval and policies of the City. The governing board is composed of five residents of the City who are appointed by City Council. No actions may be taken without City approval. City Council must agree before any expenditures or contracts are made by the board or any debt entered into for which the City could be liable. Budgets for the Commission are set by City Council and any changes require City approval through normal budget procedures. The City provides all staff and other resources necessary for operations and administration of the Commission. All funding is derived from City sources and federal grants and loans. The Commission's inventory of properties and associated deferred notes receivable are recorded as "Assets Held for Resale" and "Accounts, Notes and Mortgages" and "Deferred Revenues". The Commission is considered to almost exclusively benefit the City even though it does not provide services directly to it.

The Greensboro Transit Authority (GTA) is responsible for operating the mass transit system in the municipal area. The members of GTA's governing board are appointed by City Council. City Council approves GTA's budget, transit rates and maintains substantive approval over significant operating decisions. Transit taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. The GTA is presented as an Enterprise Fund.

Greensboro ABC Board operates alcoholic beverage stores, regulates the sale of such beverages and enforces alcoholic beverage laws in the City. Members of the governing body are appointed by City Council. Financial benefit is provided to the City as a portion of the Greensboro ABC Board's profits are distributed to the City, quarterly.

Each of the discretely presented component units has a June 30 year-end. Complete financial statements for the individual component units may be obtained at their respective administrative offices. Financial transactions of the GTA are reported and audited during the City's annual audit. No separate financial statements are prepared for this entity.

ADMINISTRATIVE OFFICES

Greensboro Center City Corporation
Attention: Richard Lusk
P.O. Box 3136
Greensboro, North Carolina 27402-3136

Greensboro Housing Development
Partnership, Inc.
Attention: Linda Jones
P.O. Box 3136
Greensboro, North Carolina 27402-3136

Greensboro ABC Board
Attention: Fred McCormick
P.O. Box 16905
Greensboro, North Carolina 27416-0905

Greensboro Redevelopment Commission
Attention: Sue Schwartz
P.O. Box 3136
Greensboro, North Carolina 27402-3136

B. Governmental-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. The focus of the governmental and proprietary fund financial statements is on major funds. The City's determination of reporting major funds considered the criteria prescribed by GASB and consistency of presentation from year to year. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are summarized into a single column. Internal service funds, funds that provide goods and services to other City departments and certain outside agencies on a cost-reimbursement basis, have also been eliminated to prevent "double reporting" of their transactions. Internal service funds primarily perform services for the City's governmental funds.

The government-wide financial statements and the fund financial statements report the City's operational and fiscal accountability. Operational accountability refers to the reporting of efficiency and effectiveness of achieved operating

objectives using all resources available for that purpose, and whether additional objectives can be met in the foreseeable future. Fiscal accountability is demonstrated through additional fund information detailing compliance with finance-related legal and contractual provisions.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All assets and liabilities (whether current or non-current) associated with these activities are included in the government-wide financial statements, resulting in net assets.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are measurable and available, or when susceptible to accrual. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers sales taxes and state-shared revenues and reimbursements to be available if they are collected within 90 days after year-end and ad valorem taxes and profit distributions from the ABC Board to be available if collected within 60 days after year-end. Certain intergovernmental revenues, licenses and permits, fines and forfeitures, and charges for current services are recognized when cash is received, unless they are subject to deferral to a future period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include accumulated unpaid sick pay which is not accrued and debt service on general long-term debt and claims and judgments which are recognized when the liability is normally expected to be liquidated with available financial resources.

Only current assets and current liabilities are generally included on the balance sheets of the governmental funds. Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, the reported fund balance presents a summary of sources and uses of “available spendable resources” during a period. Since the governmental fund statements are presented on a different measurement focus and basis of accounting then the governmental column in the government-wide statements, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund-based financial statements into the governmental column of the government-wide presentation.

Proprietary funds distinguish operating revenues and expenses from non-operating items. It is the City’s policy that operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the government’s Internal Service Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses, claims payments, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

As permitted by GAAP, the City has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices in the government-wide and proprietary funds, unless those pronouncements conflict with GASB pronouncements.

The government reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the City. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund. Under GASB Statement No. 54, the Powell Bill funds previously included in the General Fund for reporting purposes are now located in a separate Special Revenue Fund.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The government reports the following major proprietary funds:

Enterprise Funds - Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Water Resources Fund provides services to more than 100,000 customers and is designed to be self-supporting. This fund also provides for principal and interest on all water and sewer debt. Outstanding Combined Enterprise System revenue bonds are recorded in this fund.

The Stormwater Management Fund was established to account for the federally mandated program of stormwater system management, which is supported by a City-wide stormwater fee.

The War Memorial Coliseum Fund administers operations of a complex that brings top artists in entertainment, education, and sports to the City. The Coliseum Fund operation supports debt service on the financing agreements for energy improvements at the facility.

The Solid Waste Management Fund accounts for waste disposal and recycling operations of the City, as well as solid waste landfill improvements. Outstanding special obligation bonds are recorded and supported in this fund.

The City's parking operations are included in "Other Enterprise Fund", a non-major fund.

Additionally, the government reports the following fund types:

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 City, or to other governments, on a cost-reimbursement basis. The City also accounts for its risk-retention transactions and major equipment purchases financed with lease-purchase agreements in the Internal Service Funds. Internal Service Funds of the City government (which traditionally provide services primarily to other funds of the government) are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the Internal Service Funds are associated with the City's governmental activities, financial statements of Internal Service Funds are consolidated into the governmental column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity.

Trust Funds - The Pension Trust and the Other Postemployment Benefit Trust Funds account for assets held by the City in a trustee capacity and accumulate funds to provide pension and certain health and life benefit payments to qualified law enforcement officers and retirees. These funds use the accrual basis of accounting and have a capital maintenance measurement focus. They are accounted for in essentially the same manner as Proprietary Funds.

The City's fiduciary funds (which have been redefined and narrowed in scope) are presented in the fund financial statements by type (Pension Benefit Trust and Other Postemployment Benefit Trust). Since by definition these assets are being held for the benefit of a third party (pension and retiree participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the rule are payments between the water resources and solid waste disposal function and the General Fund. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. Cash and Cash Equivalents/Investments

The City maintains a cash and investment pool that is used by all funds except the following, which maintain separate deposits and investments: Capital Project Bond Funds and Water Resources Bond Funds. The City is directly responsible for managing cash and cash equivalents/investments of all funds except for certain cash and cash equivalents/investments of the War Memorial Coliseum Fund managed by a third party trustee for the Greensboro Center City Corporation. Each fund type's equity and cash and cash equivalents/investments are displayed separately on a combined balance sheet. Interest is distributed to the various funds on the basis of equity in the cash and cash equivalent/investments pool and individual fund investments. For purposes of the statement of cash flows, investments (including restricted assets) are considered to be cash equivalents, since they represent highly liquid deposits of the cash and investment pool.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the Fiscal Year are referred to as "internal receivables/internal payable" (i.e., the current portion of interfund loans) and are reported "net". Residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

City ad valorem taxes are billed by the Guilford County Tax Collector after July 1, the beginning of the Fiscal Year, and are due on September 1. No penalties or interest are assessed until the following January 6. The taxes levied (other than motor vehicles) are based on assessed property values as of January 1, which is the statutory lien date on real property. Liens against personal property are coincident with action taken to levy or garnish. Collections of City taxes are made by the County and remitted to the City as collected. In accordance with State law, property taxes on certain registered motor vehicles are assessed and collected throughout the year based on a staggered registration system. Motor vehicle taxes become due the first day of the fourth month after the vehicles are registered. The taxes receivable amount for the General Fund is reduced by an allowance for uncollectible of \$250,392. The net General Fund receivable of \$7,309,111 is shown as deferred revenue on the Governmental Funds Balance Sheet.

3. Inventories/Assets Held for Resale

Inventories consist primarily of materials and supplies held for consumption. They are stated at cost, determined principally by a moving average method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Inventories of the Greensboro ABC Board are valued at the lower of cost (FIFO) or market.

Assets Held for Resale in the amount of \$2,992,689 and \$2,428,190 as of June 30, 2012, can be found in The Statement of Net Assets for Component Units, Exhibit A-15 on page 34, for the Greensboro Redevelopment Commission and the Greensboro Housing Development Partnership, respectively. Assets Held for Resale amounting to \$95,179 and \$600,000 are recorded in the Street and Sidewalk Revolving Fund and the Capital Leasing Fund, respectively, for certain other properties held by the City.

4. Restricted Assets

Certain proceeds of the City's revenue bonds and master lease agreements, as well as certain grant and tax receipts, as well as other funds are classified as restricted assets on the balance sheet because their use is limited by applicable bond/lease covenants, grantor or other third party and enabling legislative restrictions and state statutes.

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.

5. Intangible Assets

Intangible Assets of \$84,805,875 as of June 30, 2012 are recorded in the Water Resources Enterprise Fund and represent rights to future raw water allocations from the Randleman Dam and reservoir project, in accordance with a joint venture agreement established in September 1987 with five other governmental entities to form a regional water supply. The intangible asset is based on City contributions to the Piedmont Triad Regional Water Authority for construction of the dam, reservoir, water treatment plant and surrounding infrastructure improvements as well as \$828,148 of contributions recorded in Fiscal Year 2012, toward the City's administrative and operating allocation. In Fiscal Year 2011 the City began

amortizing the water rights over a period of 50 years with current year related amortization expense totaling \$1,696,118. Accumulated amortization totals \$3,375,672.

Other Intangible Assets are recorded as follows:

	<u>Easements</u>	<u>Software & Licenses</u>	<u>Accumulated Amortization</u>
<u>Governmental Activities:</u>			
General Fund	\$ -	\$ 3,198,733	\$ 2,978,770
Capital Leasing Fund	-	6,413,325	5,903,686
Total	<u>\$ -</u>	<u>\$ 9,612,058</u>	<u>\$ 8,882,456</u>
<u>Business-Type Activities:</u>			
Water Resources Fund	\$ 18,358,593	\$ 4,438,331	\$ 3,970,901
Stormwater Mgt. Fund	1,237,854	290,533	237,853
Other Enterprise Fund	-	49,218	29,531
Total	<u>\$ 19,596,447</u>	<u>\$ 4,778,082</u>	<u>\$ 4,238,285</u>

Software and Licenses are amortized over an estimated useful life of 3 to 7 years. Easements represent non-depreciable assets.

6. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. One exception is intangible assets, for internally generated software, which is capitalized if greater than \$100,000. All purchased capital assets of the City and GTA are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. General infrastructure assets, including annexed streets that were acquired, or received substantial improvements subsequent to July 1, 1980 are reported at estimated historical cost using deflated replacement values. The cost of normal maintenance and repairs that do not add value to the asset or materially extend assets lives are not capitalized.

General capital assets and the related accumulated depreciation are reported for the City and GTA using the straight-line method over the following estimated useful lives: Buildings, 40 years; Improvements, 20 years; Equipment, 5-20 years and Infrastructure as follows: Streets, 50 years; Sidewalks, 40 years; Bridges, 50 years; Water/Sewer, 40 years and Stormwater Improvements, 30-75 years. Depreciation of all exhaustible capital assets used by Proprietary Funds is charged as an expense against their operations.

Property and equipment of the Greensboro ABC Board are stated at cost and are depreciated over their useful lives on a straight-line basis as follows: Buildings, 50 years; Equipment, 3-5 years. Leasehold improvements of the Greensboro ABC Board are depreciated over the term of the lease agreement.

Property, furniture and equipment of the GHDP are stated at cost and are depreciated over their useful lives on a straight-line basis as follows: Buildings, 27 years; Furniture and Equipment, 3-5 years.

Capital assets also include intangible assets which are described in D. 5.

7. Deferred/Unearned Revenues

The City reports deferred revenue on its government-wide and fund financial statements. Deferred revenues arise when a potential revenue does not meet both the ‘measureable’ and ‘available’ criteria for recognition in the current period (fund financial statements). Deferred revenues also arise when resources are unearned by the City and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are

met, or when the City has a legal claim to the resources, the liability for deferred/unearned revenue is removed from the applicable financial statement and revenue is recognized.

Deferred/unearned revenues in the fund and basic financial statements at June 30, 2012 are composed of the following:

	Fund Financial Statements	
	General Fund	Other Non-Major Governmental Funds
Deferred Revenue:		
Taxes Receivable	\$ 7,309,111	\$ 51,062
Prepaid Taxes Not Yet Earned	659,868	
Prepaid Assessments Not Yet Earned		129,372
Prepaid Privilege Licenses Revenues	1,754,296	
Other Prepaid Deferred Revenues	351,126	1,485,063
Notes and Mortgages Receivable	2,100,000	24,160,996
Other Deferred Revenues	521,791	45,164
	<u>\$ 12,696,192</u>	<u>\$ 25,871,657</u>

	Government-wide Financial Statements	
	Governmental Activities	Business-Type Activities
Unearned Revenue		
Prepaid Taxes Not Yet Earned	\$ 659,868	\$
Prepaid Assessments Not Yet Earned	129,372	
Prepaid Privilege Licenses Not Yet Earned	1,754,296	
Other Prepaid Deferred Revenues	1,836,189	299,573
Other Deferred Revenues	1,481,445	
	<u>\$ 5,861,170</u>	<u>\$ 299,573</u>

Unearned revenues of the GTA and the Redevelopment Commission consist of \$30,800 and \$4,609,150, respectively, for prepaid taxes not yet earned, mortgage notes receivable, and other unearned amounts.

8. Long-Term Liabilities

Long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund-type statement of net assets in the government-wide financial statements, and proprietary fund-types in the fund financial statements. Bond premiums and discounts, as well as issuance costs, and losses on extinguishment of debt are deferred and amortized over the life of the bonds using the effective interest method.

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 an "Other Financing Source". 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 as "Fees and Other".

9. Fund Equity

In the governmental fund financial statements, the fund balances are composed of five classifications designed to disclose the spending hierarchy of constraints placed on how fund balance can be spent. The City reports nonspendable funds, restrictions, commitments, assignments and unassigned fund balances. Fund balances are further segregated into the following classifications:

Nonspendable Fund Balance - This classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Amounts that cannot be spent due to form, include inventories, prepaid amounts, long-term amounts of loans and notes receivable funds permanently held for cemetery care and property held for resale, unless future property sale proceeds are restricted, committed or assigned.

Inventories and Prepaids - This represents that portion of fund balance segregated for year-end inventories of supplies and prepaid items such as rent and postage; these are current assets and do not represent available spendable resources.

Assets Held for Resale - This represents that portion of fund balance segregated for assets that are intended to be resold and not used in operation.

Perpetual Maintenance – This represents Cemetery resources that are required to be retained in perpetuity for maintenance of the City’s three cemeteries.

Restricted Fund Balance – This classification can be spent only for specific purposes, as stipulated by external resource providers and creditors, by constitution or through enabling legislation that is legally enforceable by an external party. Enabling legislation that creates a revenue stream must also stipulate the purposes for which that revenue can be used. Restrictions may only be changed by parties external to the entity or imposed by law.

Restricted for Stabilization by State Statute - This represents the amount of fund balance which cannot be appropriated by the governing board. North Carolina General Statutes (G.S. 159-8(a)) limit the amount that each local government may appropriate to the sum of cash and cash equivalents/investments, less the sum of liabilities, encumbrances and deferred revenues arising from cash receipts as those amounts stand at the close of the preceding Fiscal Year. Encumbrances represent commitments outstanding at June 30, 2012 related to purchase orders and unperformed contracts.

Restricted for Debt Covenants – This fund balance is derived from debt proceeds and is governed by certain covenants contained in financing agreements and is mainly restricted to finance major capital improvements.

Restricted for Highway Improvements – This represents the amount of fund balance which can only be spent on streets, such as Powell Bill. The Powell Bill Fund is reported as a Special Revenue Fund for reporting purposes and related capital expenditures are also reported in the State Highway Allocation Capital Project Fund. These funds were established to account for Powell Bill Funds which are derived from a one and three-fourths cents per gallon motor fuel tax. The State of North Carolina collects these monies and returns a proportionate share to local governments based on local street mileage and population. Expenditures from this fund are restricted to specific highway construction and maintenance costs.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes imposed by a formal action in a majority vote by a quorum of the City of Greensboro’s governing body (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing body. These amounts are not subject to legal enforceability by external parties, as in restricted; however, amounts cannot be used for any other purpose unless the governing body removes or changes the limitation by taking the same form of action employed to previously impose the limitation. Formal action to commit an amount to a specific purpose must be made prior to the end of the Fiscal Year. The actual amount, however, may be computed after the year end as part of the preparation of the financial statements.

Committed for 911 Program – This portion of fund balance represents amounts committed to the continued operations of the Guilford Metro 911 Emergency Telephone System. by the board for special tax districts, primarily derived from specific property taxes.

Committed for Special Tax Districts – This represents the portion of fund balance committed by the board for special tax districts, primarily derived from specific property taxes.

Committed for Housing and Community Development - This portion of fund balance represents amounts committed to housing partnership and community development to fund low and moderate income housing initiatives, primarily derived from a specific property tax.

Committed for Red Light Camera Fines – This amount represents the remaining portion of fund balance intended to be remitted to schools, based on the Tolling Agreement for the discontinued Red Light Camera traffic enforcement program.

Committed for Cemetery Maintenance – This amount represents the portion of fund balance to be used for the maintenance and operation of the three cemeteries that are owned and operated by the City, primarily derived from cemetery lot sales.

Committed for Tourism Development – This amount represents the portion of fund balance committed to the financing of improvements at the Greensboro War Memorial Coliseum Complex, derived from a 3% occupancy tax on hotels and motels located within the City limits.

Assigned Fund Balance can be assigned either by any action of the governing body, or by designees with authority to assign. Amounts can be unassigned by the same process. Assignments calculations may be made after the end of the fiscal year during the process of preparation of the financial statements. The City may delegate to the City Manager (or his designee) the authority to assign amounts of a fund balance to promote sound financial operations of the City or to meet a future obligation.

Assigned for Subsequent Year's Expenditures – This represents the amount of fund balance appropriated by the City Council to balance the budget for the year ending June 30, 2013.

Assigned for Household Hazardous Waste – This amount represents the portion of fund balance used for the Household Hazardous Waste program.

Assigned for Debt Service – This represents amounts held for the future payment of general long-term debt principal and interest.

Assigned for Capital Projects – This represents funds used to finance all major capital improvements. The governing body approves the appropriation.

Unassigned Fund Balance represents the residual classification for the General Fund, which has not been restricted committed, or assigned to specific purposes within the General Fund. Council action is needed to affect the Unassigned Fund Balance (Unappropriated Fund Balance) in the General Fund. The ordinance must be approved by 7 Council members unless an emergency exists (Section 3.23 of Greensboro City Charter). The minimum fund balance policy for the General Fund is 9% of budgeted expenditures of the subsequent year, with the remaining amounts, if any, recorded as "Assigned for Capital Projects". Unassigned residual deficits may apply to other governmental funds to the extent fund balances are insufficient to satisfy restricted and committed balances.

The City of Greensboro's revenue spending policy provides guidance 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 then City funds when directing expenditures of the City.

Fund balance determination of order of expenditures – In determining the classification of total fund balance remaining at the end of the Fiscal Year when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, expenditures will be applied first to restricted fund balance and then to unrestricted fund balance. The Finance Director has the authority to deviate from this policy if it is in the best interest of the City and promotes sound financial practices. Within unrestricted fund balance, the order in which the expenditures will be applied is as follows: Committed, Assigned, Unassigned, if multiple fund balances are reported for the same program.

10. Net Assets

The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Investment in Capital Assets (net of related debt) is intended to reflect the portion of net assets which are associated with non-liquid capital assets less outstanding capital asset related debt.

Restricted Net Assets are liquid assets (typically generated from certain revenues and bond proceeds) which have third-party (statutory, bond covenant or granting agency) limitations on their use. Restrictions may also be imposed by law through constitutional provisions or enabling legislation.

At June 30, 2012, net assets restricted by enabling legislation include:

Water Resources Capital Reserve	\$ 6,580,213
Solid Waste Capital Reserve	515,447
Parking Facilities Capital Reserve	627,793

Unrestricted Net Assets represent net assets that do not meet the definitions of “Restricted” or “Invested in Capital Assets Net of Related Debt”. Unrestricted net assets may be assigned or committed for management’s or the Board’s specific internal purposes.

11. Accounting Changes and Reclassifications

During Fiscal Year 2012, management determined that debt obligations recorded in the War Memorial Coliseum Enterprise Fund, not contemplated to be repaid with the Fund’s own resources, should be reclassified to general government debt for financial reporting purposes, according to guidance in NCGAS Statement No. 1. As a result, \$7.5 million in Certificates of Participation and \$12 million in General Obligation Bonds for the Aquatic Center project and \$3.2 million in financing for a property acquisition adjacent to the Coliseum facility, was reclassified to Governmental Activities from Business-Type Activities in the Statement of Net Assets at the entity-wide reporting level, as of July 1, 2011. The debt is expected to be repaid with hotel/motel occupancy tax revenues and other general revenues. Accordingly, Beginning Net Assets in the War Memorial Coliseum Fund was also increased by \$22,088,362 as a result of this reclassification and associated treatment of bond issue costs and interest expense.

II. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities as reported in the governmental – wide statement of net assets*. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.”

The details of this (\$215,511,310) difference are as follows:

Bonds and Notes Payable (including Premium of \$7,109,738 and including Deferred Issuance Cost of \$1,825,715)	\$ 178,421,851
Intergovernmental Payable	689,889
Accrued Interest Payable	1,837,265
Certificate of Participation Payable	12,869,775
Compensated Absence	10,518,742
Lease Purchase and Other Financing Agreements Payable	10,266,306
OPEB Liability	524,751
Pollution Remediation	72,731
Combined Adjustment	<u><u>\$ 215,201,310</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and change in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances include reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimate useful lives and reported as depreciation expense”.

The details of this \$13,816,261 difference are as follows:

Capital Outlay	\$ 20,117,423
Contributed Capital	6,078,671
Disposal	(604,182)
Depreciation/Amortization Expense	(11,775,651)
Combined Adjustment	<u>\$ 13,816,261</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

The details of this (\$16,983,896) difference are as follows:

Issuance of Debt	\$ (1,479,424)
Principal Expenditure	19,350,990
Interest Expenditure	(1,069,396)
Salary Expense	214,242
Miscellaneous Expense	(32,516)
Combined Adjustment	<u>\$ 16,983,896</u>

III. Stewardship, Compliance and Accountability

A. Budgetary Information

In accordance with the General Statutes of the State of North Carolina, the City prepares and adopts its budgets on the modified accrual basis. The General Statutes also require balanced budgets for all funds for which a budget is required. The City adopts annual budgets for all funds except Capital Projects Funds, Grant Project Funds and Trust Funds. Annual budgets must be adopted no later than July 1, the beginning of the Fiscal Year. The following Special Revenue Funds have legally adopted annual budgets: Streets and Sidewalk Revolving, Cemetery, Hotel/Motel Occupancy Tax, Special Tax Districts, Housing Partnership Revolving and Emergency Telephone System Fund. Capital and Grant Project budgets are adopted for the duration of the project which may encompass several years. Appropriations for funds that adopt annual budgets lapse at the end of the budget year. Capital and Grant Project budget appropriations do not lapse until the completion of the project.

The following schedule provides the portion of General Fund fund balance available for appropriation:

Total Fund Balance - General Fund	<u>\$58,569,494</u>
Less:	
Inventories	1,058,815
Prepaid Expenditures	202,332
Stabilization by State Statute	22,301,514
Appropriated Fund Balance in FY 2013 Budget	4,675,905
Household Hazardous Waste	691,450
Capital Projects	6,816,637
Working Capital/Fund Balance Policy-9%	22,822,841

Budgets are adopted at a fund level and are amended as necessary during the Fiscal Year in one of two ways. First, the City Manager, as delegated by City Council, may make line-item transfers within individual fund budgets with subsequent monthly notice to City Council. Such transfers can neither increase nor decrease the overall budget at the fund level. Secondly, the budget may be increased or decreased at the fund level as changing circumstances dictate, subject to City Council approval. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the fund level.

As required by North Carolina General Statutes, appropriations in Governmental Funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. Even though goods and services have not been received, the transactions are accounted for as a reservation of fund balance in the year that the commitment is made. While appropriations lapse at the end of the Fiscal Year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end are as follows:

Encumbrances	General Fund	Debt Service Fund	Non-Major Funds
\$ 39,798,242	\$ 3,059,559	\$ 8,650	\$ 36,730,033

Supplemental budgetary amendments increased the General Fund appropriation by \$1,292,394 for programs being funded by local grants, revenue from police off-duty fees and appropriated fund balance. No expenditures exceeded appropriations at the legal level of control during Fiscal Year 2012.

B. Deficit Fund Equity

The following funds report deficit fund balances as of June 30, 2012:

Community Development Block Grant Fund	\$ (356,782)
HOME Program Fund	(76,182)
Fire Station Bond Fund	(21,339)
Natural Science Center Bond Fund	(574,575)

These deficits will be eliminated with future reimbursements of federal grants and with proceeds from future bond issuances.

IV. *Detailed Notes on all Funds*

A. Deposits and Investments

1. Deposits

All deposits of the City of Greensboro are either insured or collateralized by using one of the 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 agents in the City's 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, the deposits are considered to be held by the City's agent in the City's 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 under collateralization, and the risk may increase in 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 does not have a formal investment policy regarding custodial credit risk for deposits.

At June 30, 2012, the City's deposits had a carrying amount of \$12,792,165 and a bank balance of \$16,204,702. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by the collateral held under the Pooling Method.

The Greensboro ABC Board, a discretely presented component unit, held deposits in Pooling Method banks only. At June 30, 2012, the ABC Board's carrying amount of deposits was \$2,701,331 and the bank balance was \$2,642,992. All of the bank balances were covered by federal depository insurance, as well.

The Greensboro Housing Development Partnership, a discretely presented component unit, had a bank balance at June 30, 2012 of \$144,956. All of the bank balance was covered by federal depository insurance.

2. Investments

North Carolina General Statute 159-30 (c) authorizes the City to invest in obligations of the U. S. Treasury and obligations of certain federal agencies; prime quality commercial paper and bankers' acceptances bearing the highest rating of the nationally recognized statistical rating services (NRSRS); repurchase agreements with respect to either direct obligations of the United States or obligations of which the principal and interest are guaranteed by the United States; and SEC-registered mutual funds certified by the N.C. Local Government Commission. The City typically holds investments to maturity in order to realize full book value and interest earnings. As required for periods beginning after June 15, 1997 by GASB Statement No. 31, *Accounting and Financial reporting for Certain Investments and for External Investment Pools*, the City's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value determined annually by quoted market prices, using the specific identification method. Money market instruments that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. 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 has a duration of 0.17 years, and is also an eligible investment for City funds, investing in high-grade money market securities including obligations of the U.S. Treasury and the State of North Carolina. General Statute 147-69.4 allows the City to participate in an Other Postemployment Benefit (OPEB) Investment Fund 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 Fund. 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 as detailed in G.S. 147-69.2 (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 (8). The STIF securities are reported at cost and maintain a constant \$1 per share value. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The weighted average maturity of the STIF and LTIF is 1.5 years and 16.3 years, respectively.

Interest income earned in the Capital Projects funds, amounting to \$87,748 was assigned to the Debt Service Fund.

The GTA owns a percentage of the City's total investment pool. Accordingly, investment balances of the GTA are included in the following table:

<u>Investment Type</u>	<u>Reported/Fair Value</u>	<u>Weighted Average Maturity (Year)</u>
U.S. Government Agencies	\$ 187,158,889	3.473
Money Markets	5,936,709	0.003
NCCMT Cash Portfolio	43,806,941	0.003
NCCMT Term Fund	37,029,817	0.003
Total Fair Value	<u>\$ 273,932,356</u>	
Portfolio Weighted Average Maturity		2.372

Interest Rate Risk

In accordance with the formal approved City of Greensboro's Charter, Article III, Section 4.71, the Investment Manager (Assistant Treasurer) prepares a memo describing investment transactions in detail as they are purchased. This memo is sent to the Mayor, the City Manager and the Finance Director (Treasurer) for signature approval and then returned to the Investment Manager. Although the investment policy has not been formally approved by the City Council, the City has an investment policy guideline, an internally approved Finance Department document that follows North Carolina General Statute 159-30. As a means of limiting the City's exposure to declines in fair market values from rising interest rates, the City limits the weighted average maturity of its investments to less than 3 years. Also, the City purchases securities in a structured ladder with stated maturity dates to limit interest rate risk.

Credit Risk

North Carolina General Statute 159-30 limits investments in U.S. Governmental Agencies and commercial paper to those with top ratings issued by NRSRS. The City has no formal investment policy regarding credit risk, however in practice, it follows NCGS 159-30, and in effect the City limits its investment types to those with top ratings issued by NRSRS. As of June 30, 2012, the City had investments in the NCCMT Cash Portfolio, which is rated AAAM by Standard and Poor's, and in U. S. Government Agencies, all of which were rated AAA by Standard and Poor's. The City also had investments in the NCCMT Term Portfolio, which is not rated. On August 5, 2011 Standard and Poor's downgraded the U.S. debt rating to AA+. Investments in commercial paper by the City are rated either A1/P1 by Standard and Poor's or Moody's Investors Service.

Custodial Credit Risk

For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no formal policy on custodial credit risk, but the City utilizes a separate third party custodial trust agent for all book-entry transactions, all of which are held in the City's name.

Concentration of Credit Risk

The City's investment policy does not restrict the level of investment in money markets or federal agencies, but it restricts investment in commercial paper or bankers' acceptances of a single issuer to no more than 10% of the total investment portfolio. As of June 30, 2012, the City owned the following investments, which exceed 5% of the City's total investments, along with the percentage noted for each compared to the total portfolio:

Federal National Mortgage Association	44.45%
Federal Home Loan Bank	12.29
Federal Home Loan Mortgage Corporation	6.64
Federal Farm Credit Bank	15.44
NCCMT Term Fund	15.56

At June 30, 2012, the City OPEB Plan had \$5,385,473 invested in the State Treasurer's Local Government Other Post-Employment Benefits (OPEB) Investment Fund pursuant to G.S. 147-69.4. 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 invested as follows: State Treasurer's Short Term Investment Fund (STIF) 53%; State Treasurer's Long Term Investment Fund (LTIF) 7% and BlackRock's Global Ex-US Alpha Tilts Fund B and BlackRock's Russell 3000 Alpha Tilts Fund B 40%.

a. Hedging Derivative Instruments

Objective of the Interest Rate Swaps

As a means to convert variable rate obligations to synthetic fixed rate obligations to reduce the overall variable rate exposure of the City, the City entered into two interest rate swap agreements with Bank of America Merrill Lynch in October 2002, in connection with its \$13,600,000 Series 1994B Variable Rate General Obligation Bonds (Swap 1) and \$5,700,000 Series 1998 Taxable Variable Rate General Obligation Bonds (Swap 2); and in March 2005, in connection with a portion (\$31,070,000) of its \$41,070,000 Series 2005B Combined Enterprise System Revenue Bonds (Swap 3). The intention of the swaps was to effectively change the City's interest rate on the bonds (or portion thereof with regard to the Series 2005B Combined Enterprise System Revenue Bonds) to a synthetic fixed rate of 2.92% (Swap 1), 3.46% (Swap 2) and 4.99% (Swap 3), respectively.

Swap Terms

Swap1 and Swap 2. The bonds and the related swap agreements mature on April 1, 2014 (Swap 1) and April 1, 2020 (Swap 2) and at inception the combined swaps' notional amount of \$19,300,000 matched the \$19,300,000 variable-rate bonds outstanding. Starting in Fiscal Year 2007 (Swap 1) and Fiscal Year 2019 (Swap 2) the notional value of the swaps and the principal amount of the associated debt decline. The aggregate notional amount outstanding is \$9,650,000 as of June 30, 2012. Under the swaps, the City pays the counterparty a fixed payment of 2.92% (Swap 1) and 3.46% (Swap 2) and receives

a variable payment computed as 67% of 1 Month London Interbank Offered Rate (LIBOR). The bonds' variable rate coupons are closely associated with the Securities Industry and Financial Markets Municipal Swap Index (SIFMA).

Swap 3. The swapped portion (\$31,070,000) of the Series 2005B Combined Enterprise System Revenue Bonds (that portion representing mandatory sinking fund redemptions from June 1, 2006 to June 1, 2019) and the related swap agreement was scheduled to mature on June 1, 2019. The swap's original notional amount of \$31,070,000 matched the \$31,070,000 of the Series 2005B Combined Enterprise System Revenue Bonds subject to mandatory sinking fund redemption from June 1, 2006 to June 1, 2019. Starting in Fiscal Year 2006, the notional value of Swap 3 and the principal amount of the associated debt declined. Under Swap 3, the City paid the counterparty a fixed payment of 4.99% and received a variable payment computed at 72% of 1 Month LIBOR. The bond's variable rate coupons were closely associated with the SIFMA. On April 25, 2012, the City refunded \$20,400,000 of the associated 2005B Bonds and terminated the Swap 3 agreement, making a swap termination payment of \$3,162,353 and realizing net present value savings of more than \$34,000 on the 2005B Bond transaction.

Fair Value

On Swaps 1 and 2, because interest rates were lower on June 30, 2012 than at the date of the execution of the swaps, the swaps had estimated fair values as of June 30, 2012 of (\$141,592) (Swap 1) and (\$1,050,302) (Swap 2). The mark-to-market valuations were established by market quotations from the counterparty representing estimates of the amounts that would be paid for replacement transactions.

Credit Risk

As of June 30, 2012, the City is not exposed to credit risk of counterparty given the derivatives' negative fair values. The counterparty is the same for both swaps and was rated A3 by Moody's Investors services (Moody's), A by Standard and Poor's (S&P) and A by Fitch Ratings (Fitch) at June 30, 2012. No collateral or other security is required to support the hedging derivative instruments' credit risk. No master netting arrangements are maintained as there is only one counterparty to the transactions.

Interest Rate/Basis Risk

As noted above, Swap 1 and Swap 2 expose the City to basis risk should the relationship between 67% of 1 Month LIBOR and SIFMA diverge, changing the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rates of 2.92% (Swap 1) and 3.46% (Swap 2) and the actual synthetic rates as of June 30, 2012 of 2.93% (Swap 1) and 3.55% (Swap 2). As of June 30, 2012, the rate on the City's bonds was 0.18% for Swap 1 and 0.26% for Swap 2 whereas 67% of 1 Month LIBOR was 0.17%.

Termination Risk

The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The City will have the right to terminate the swaps at any time over the life of the swaps at the current market value on short-term notice. The respective Schedule to the respective Master Agreement includes an "additional termination event." That is, in the case of Swap 1 and Swap 2, the swap may be terminated by the counterparty if the outstanding debt of the City, secured by its faith, credit and taxing power, ceases to be rated at least A3 by Moody's or any successor thereto, A- by S&P or any successor thereto, or A- by Fitch, or any successor thereto or shall fail to be rated by at least one of Moody's, S&P, and Fitch. The City or the counterparty may terminate the swaps if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Termination will result in the City either making or receiving a termination payment based upon the market value on the date of termination.

Market Access Risk/Roll Over Risk

The City's swaps are for the term (maturity) of the bonds and therefore there is no market-access risk or rollover risk.

Method of Evaluating Hedge Effectiveness

The City evaluated its derivative instruments by using the synthetic instrument quantitative method and deemed both instruments to be effective hedges as of June 30, 2012.

B. Long-Term Notes Receivable

The City entered into an agreement with Duke Power Company, effective July 1, 1991, which authorized the discontinuance of transit services provided by Duke Transit in Greensboro, pursuant to a franchise agreement scheduled to expire on July 1, 2028. In exchange, the City is to receive \$55,500,000 in 37 equal annual installments of \$1,500,000 from Duke Power Company with the first installment on July 1, 1991 and the final installment on July 1, 2027, to assist in financing operations of the GTA. The annual payment is secured by a First and Refunding Mortgage Bond issued by Duke Power Company to the City. The present value of the note receivable as of June 30, 2012 is \$12,507,393. Interest income of \$10,373,196 will be recognized by the effective yield method over the remaining 15-year term of the note, based on an imputed interest rate of 8.95%.

In 2005, the City sold a downtown facility to Elon University School of Law. In exchange, the City entered into a 10-year installment note with annual interest payments of \$57,750 and a balloon principal payment of \$2,100,000 due January 2015. In 2008, the note was amended, changing the due date to October 2013. Accordingly, a note receivable and corresponding deferred revenue amount of \$2,100,000 is recorded in the General Fund as of June 30, 2012. See also Subsequent Event disclosure on page 37gg.

Terms of certain of the notes receivable of the Redevelopment Commission are such that principal and interest may be forgiven upon meeting certain conditions. In addition, corresponding revenue was not recognized at the government-wide financial statement level because the loans were not considered collectible.

C. Capital Assets

Capital asset activity of the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Capital Assets, Non-depreciable:				
Land	\$ 72,187,260	\$ 2,707,723	\$ (231,655)	\$ 74,663,328
Construction in Progress	13,540,595	8,196,489	(9,945,175)	11,791,909
Total Capital Assets Non-Depreciable	<u>85,727,855</u>	<u>10,904,212</u>	<u>(10,176,830)</u>	<u>86,455,237</u>
Capital Assets, Depreciable:				
Buildings	150,187,868	7,098,786	(541,323)	156,745,331
Improvements Other Than Buildings	26,395,481	4,396,200	(92,881)	30,698,800
Furniture, Fixtures, Machinery and Equipment	134,350,130	10,222,178	(8,762,373)	135,809,935
Infrastructure	259,325,492	13,794,366		273,119,858
Intangible Assets - Software & Licenses	9,199,274	412,784		9,612,058
Total Capital Assets, Depreciable	<u>579,458,245</u>	<u>35,924,314</u>	<u>(9,396,577)</u>	<u>605,985,982</u>
Less Accumulated Depreciation for:				
Buildings	(57,193,400)	(3,927,823)	244,597	(60,876,626)
Improvements Other Than Buildings	(13,033,334)	(1,094,387)	57,879	(14,069,842)
Furniture, Fixtures, Machinery and Equipment	(104,298,623)	(10,999,106)	8,183,229	(107,114,500)
Infrastructure	(113,697,818)	(5,502,633)		(119,200,451)
Intangible Asset - Software & Licenses	(8,546,621)	(335,835)		(8,882,456)
Total Accumulated Depreciation	<u>(296,769,796)</u>	<u>(21,859,784)</u>	<u>8,485,705</u>	<u>(310,143,875)</u>
Total Capital Assets, Depreciable, Net Governmental Activities	<u>282,688,449</u>	<u>14,064,530</u>	<u>(910,872)</u>	<u>295,842,107</u>
Capital Assets, Net	<u>\$ 368,416,304</u>	<u>\$ 24,968,742</u>	<u>\$ (11,087,702)</u>	<u>\$ 382,297,344</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:					
Capital Assets, Non-depreciable:					
Land	\$ 30,432,316	\$ 961,218	\$ 231,596	\$	\$ 31,625,130
Construction in Progress	64,631,588	8,860,011		(60,920,075)	12,571,524
Intangible Assets - Easements	18,955,767	640,680			19,596,447
Total Capital Assets Non-Depreciable	<u>114,019,671</u>	<u>10,461,909</u>	<u>231,596</u>	<u>(60,920,075)</u>	<u>63,793,101</u>
Capital Assets, Depreciable:					
Buildings	273,448,161	19,158,315	358,145		292,964,621
Improvements Other Than Buildings	30,822,206	22,058,111	47,755	(582,756)	52,345,316
Furniture, Fixtures, Machinery and Equipment	29,434,900	25,299,013	112,948	(1,312,306)	53,534,555
Infrastructure	591,678,402	11,458,938		(9,018)	603,128,322
Intangible Assets	88,371,000	1,212,957			89,583,957
Total Capital Assets, Depreciable	<u>1,013,754,669</u>	<u>79,187,334</u>	<u>518,848</u>	<u>(1,904,080)</u>	<u>1,091,556,771</u>
Less Accumulated Depreciation, Amortization for:					
Buildings	(100,711,810)	(7,464,339)	(81,476)		(108,257,625)
Improvements Other Than Buildings	(18,235,909)	(1,672,790)	(21,460)	350,372	(19,579,787)
Furniture, Fixtures, Machinery and Equipment	(22,853,291)	(2,902,316)	(112,948)	1,222,036	(24,646,519)
Infrastructure	(232,394,292)	(13,388,068)		2,164	(245,780,196)
Intangible Assets: Water Rights, Software & Licenses	(5,666,205)	(1,947,752)			(7,613,957)
Total Accumulated Depreciation	<u>(379,861,507)</u>	<u>(27,375,265)</u>	<u>(215,884)</u>	<u>1,574,572</u>	<u>(405,878,084)</u>
Total Capital Assets, Depreciable Net Business-Type Activities	<u>633,893,162</u>	<u>51,812,069</u>	<u>302,964</u>	<u>(329,508)</u>	<u>685,678,687</u>
Capital Assets, Net	<u>\$ 747,912,833</u>	<u>\$ 62,273,978</u>	<u>\$ 534,560</u>	<u>\$ (61,249,583)</u>	<u>\$ 749,471,788</u>

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

Governmental Activities:

General Government	\$ 466,237
Public Safety	1,824,136
Transportation, including depreciation of general infrastructure assets	5,603,609
Field Operations	24,583
Engineering and Building Maintenance	741,096
Culture and Recreation	3,115,990
Capital assets held by the government's Internal Service Funds are charged to the various functions based on their usage of the assets	10,084,133
Total depreciation, amortization expense - Governmental Activities	<u>\$ 21,859,784</u>

Business Activities:

Water Resources Fund including depreciation of infrastructure assets	\$ 21,663,873
Stormwater Management Fund	1,692,522
War Memorial Coliseum Fund	2,816,549
Parking Facilities Fund	614,410
Solid Waste Management Fund	587,911
Total depreciation, amortization expense - Business-Type Activities	<u>\$ 27,375,265</u>

Construction Commitments

The City has construction contract commitments on capital projects at June 30, 2012 as follows:

Governmental Funds:	
Special Revenue	\$ 2,244,750
Capital Projects	<u>12,959,036</u>
Total Governmental Funds	<u><u>15,203,786</u></u>
Enterprise Funds:	
Water Resources	12,986,507
Stormwater Management	1,466,799
Coliseum	<u>1,527,693</u>
Total Enterprise Funds	<u><u>15,980,999</u></u>
Component Units:	
GTA	<u>9,531</u>
	<u><u>\$ 31,194,316</u></u>

Discretely Presented Component Units:

Activity for GHDP for the year ended June 30, 2012, was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Non-depreciable:				
Land, Held for Sale or Development	\$ 2,446,190	\$	\$ (18,000)	<u>\$ 2,428,190</u>
Capital Assets, Depreciable, Amortized:				
Equipment	3,723			3,723
Software	135			<u>135</u>
Total Capital Assets Depreciable, Amortized	<u>3,858</u>			<u>3,858</u>
Less Accumulated Depreciation, Amortization for:				
Equipment	(3,723)			(3,723)
Software	(135)			<u>(135)</u>
Total Accumulated Depreciation, Amortization	<u>(3,858)</u>			<u>(3,858)</u>
Total Capital Assets, Depreciable, Amortized-Net				
GHDP Capital Assets, Net	<u>\$ 2,446,190</u>	<u>\$</u>	<u>\$ (18,000)</u>	<u>\$ 2,428,190</u>

Activity for GTA for the year ended June 30, 2012, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land	\$ 2,923,192	\$	\$	\$ 2,923,192
Construction in Progress	11,422,854		(11,422,854)	
Total Capital Assets, Non-depreciable	14,346,046		(11,422,854)	2,923,192
Capital Assets, Depreciable:				
Buildings	20,778,065	16,973,708		37,751,773
Improvements Other Than Buildings	15,634			15,634
Furniture, Fixtures, Machinery and Equipment	19,661,810	663,450	(299,921)	20,025,339
Intangible Assets-Software & Licenses		60,367		60,367
Total Capital Assets, Depreciable	40,455,509	17,697,525	(299,921)	57,853,113
Less Accumulated Depreciation/Amortization for:				
Buildings	(4,401,392)	(944,392)		(5,345,784)
Improvements Other Than Buildings	(3,676)	(442)		(4,118)
Furniture, Fixtures, Machinery and Equipment	(8,035,431)	(1,895,608)	263,160	(9,667,879)
Intangible Assets-Software & Licenses		(20,122)		(20,122)
Total Accumulated Depreciation	(12,440,499)	(2,860,564)	263,160	(15,037,903)
Total Capital Assets, Depreciable-Net	28,015,010	14,836,961	(36,761)	42,815,210
GTA Capital Assets, Net	\$ 42,361,056	\$ 14,836,961	\$ (11,459,615)	\$ 45,738,402

Activity for ABC Board for the year ended June 30, 2012, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land	\$ 454,855	\$	\$	\$ 454,855
Total Capital Assets, Depreciable	454,855			454,855
Capital Assets, Depreciable:				
Buildings	2,471,350	19,980		2,491,330
Improvements Other Than Buildings	238,699	73,207		311,906
Furniture, Fixtures, Machinery and Equipment	1,904,634	72,076		1,976,710
Total Capital Assets, Depreciable	4,614,683	165,263		4,779,946
Less Accumulated Depreciation, Amortization for:				
Buildings	(835,634)	(51,630)		(887,264)
Improvements Other Than Buildings	(327,676)		91,275	(236,401)
Furniture, Fixtures, Machinery and Equipment	(1,480,889)	(205,304)		(1,686,193)
Total Accumulated Depreciation	(2,644,199)	(256,934)	91,275	(2,809,858)
Total Capital Assets, Depreciable-Net	1,970,484	(91,671)	91,275	1,970,088
ABC Board Capital Assets, Net	\$ 2,425,339	\$ (91,671)	\$ 91,275	\$ 2,424,943

D. Closure and Postclosure Care Cost – White Street Landfill

The City owns and operates a regional landfill site located in the northeast portion of the City. State and federal laws require the City to place a final cover on its White Street landfill site and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each June 30. The \$24,268,675 reported as landfill closure and postclosure care liability at June 30, 2012 is based on 100% use of the estimated capacity of Phase II and Phase III, Cells 1 and 2. Phase III, Cell 3 is estimated at 47.5% of capacity.

In November 2005, the City issued \$8.4 million in Special Obligation bonds for the purpose of constructing a solid waste transfer facility. This facility, which opened in 2006, is located in an industrial section of western Greensboro and accepts waste from the City's solid waste collection services and from private haulers, with waste transported off-site daily to a private site outside of the City. It is expected that White Street Landfill will only be utilized for disposal of construction, demolition debris, yard waste and certain incinerated waste and in the event that the transfer station is not operational.

The estimated liability amounts are based on what it would cost to perform all closure and postclosure care in the current year. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. At June 30, 2012, the City had expended \$3,876,035 to complete closure of the White Street facility, Phase II. The balance of closure costs, estimated at \$14,725,514, and an estimated \$9,543,161 for post closure care will be funded over the remaining life of the landfill.

E. Pollution Remediation Obligations

Greensboro staff have identified specific City-owned properties where either it is known or reasonably believed that the sites contain certain pollutants. Most of the properties have not completed an environmental assessment of the impact or have active remediation systems in place, however each site has been reported to a North Carolina regulatory agency as having a current or reportable incident, thus voluntarily obligating the City for certain remediation activities. In addition, the City entered an administrative agreement with a state agency to voluntarily assess a site. None of the reported pollution creates an imminent endangerment to public health or welfare and many of the sources of impact have already been eliminated, as reasonably appropriate.

A pollution remediation liability of \$72,731 is recorded in the Governmental Activities in the Statement of Net Assets. This estimate was developed by analyzing pollution remediation activities for five City sites and recording amounts based on actual contracts in place for each stage of remediation that is deemed estimable. As remediation activities proceed or new information becomes available, the obligations will be reassessed. Increases or decreases in estimated costs due to price fluctuations or changes due to technology or laws and regulations cannot be estimated at this time. Obligations pertain to soil or groundwater contamination, primarily from storage of underground fuel tanks, former disposal activities or prior industrial use at the sites.

In the Solid Waste Enterprise Fund, an estimated pollution remediation obligation of \$2,123,315 is recorded in the Statement of Net Assets. This amount reflects current estimates for groundwater pollution remediation noted at the City's White Street landfill, in an active part of the disposal site, not associated with closure and postclosure activities. City staff has voluntarily worked with appropriate State regulators to assess the environmental impact and to develop a corrective action plan. The estimated cost of remediation is based on an external consultant's estimate for the corrective action plan, which involves phyto-remediation and monitored natural attenuation activities. Should further activities become necessary, such as constructing a pump and treat system, cost estimates would then be re-evaluated. Remediation activities began in Fiscal Year 2010 and are ongoing.

Certain other sites associated with pollution activity within the City have been identified, primarily pertaining to former waste disposal or prior property use, however, costs for remediation activities are not estimable as of June 30, 2012.

In addition, we estimate no recoveries to potentially reduce the recorded pollution liabilities in Fiscal Year 2012.

F. Interfund Receivables, Payables and Transfers

The following is a schedule of interfund receivables and payables and due to/from primary government and component unit at June 30, 2012:

1. Internal Receivables/Payables:

	<u>General Fund</u>	<u>Street & Sidewalk Revolving Fund</u>	<u>Housing Partnership Revolving Fund</u>	<u>Total</u>
<u>Receivable By:</u>				
Non-Major Governmental Funds	\$ 334,837	\$ 503,470	\$ 748,100	\$ 1,586,407
<u>Current Payable From:</u>				
Non-Major Governmental Funds				
Workforce Investment Act	\$ 334,837	\$	\$	\$ 334,837
Community Development Home Program			735,000 13,100	735,000 13,100
Street & Sidewalk Capital Project		503,470		503,470
Total	\$ 334,837	\$ 503,470	\$ 748,100	\$ 1,586,407

2. Due To/From Primary Government and Component Unit:

	<u>Receivable By:</u>
	<u>General Fund</u>
Payable From: Component Unit - ABC Board	<u>\$ 620,533</u>

Internal receivables and payables were recorded due to timing lags in receipt of funds from outside parties. Current internal balances represent amounts advanced to the Workforce Investment Act (WIA) Fund (\$334,837), Community Development Block Grant Fund (\$735,000), Home Program Fund (\$13,100), and the Street & Sidewalk Capital Project Fund (\$503,470) pending reimbursement receipts from grantor agencies in the next fiscal year.

3. Interfund Transfers:

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Internal Service Fund</u>
<u>Transfers From:</u>	<u>\$ (28,204,602)</u>	<u>\$ (12,437,476)</u>	<u>\$ (1,633,394)</u>
<u>Transfers To:</u>			
General Fund	\$	\$ 6,245,431	\$ 1,577,891
Debt Service	17,068,470	3,418,711	
Non-major Governmental Funds	1,347,587	2,734,623	
Enterprise Funds			
War Memorial Coliseum	1,866,775		
Solid Waste Management	3,940,989		
Internal Service Funds	3,980,781		55,503
Fiduciary Funds		38,711	
Total	<u>\$ 28,204,602</u>	<u>\$ 12,437,476</u>	<u>\$ 1,633,394</u>

	<u>Non-Major Enterprise Fund</u>	<u>Stormwater Management Fund</u>	<u>Total</u>
<u>Transfers From:</u>	<u>\$ (237,000)</u>	<u>\$ (7,500)</u>	<u>\$ (42,519,972)</u>
<u>Transfers To:</u>			
General Fund	\$ 237,000	\$	\$ 8,060,322
Debt Service			20,487,181
Non-Major Governmental Funds		7,500	4,089,710
Enterprise Funds:			
War Memorial Coliseum			1,866,775
Solid Waste Management			3,940,989
Internal Service Funds			4,036,284
Fiduciary Funds			38,711
Total	<u>\$ 237,000</u>	<u>\$ 7,500</u>	<u>\$ 42,519,972</u>

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs.

The Greensboro ABC Board transferred \$2,923,942 to the General Fund in Fiscal Year 2012, which was recorded as Intergovernmental Revenue.

G. Long-Term Debt

Long-term Bonded Debt of the City consists of General Obligation Bonds, which are collateralized by the full faith, credit and taxing power of the City and are issued for both general governmental improvements and for Proprietary Fund purposes. The City’s legal debt margin as of June 30, 2012 is \$1,570,281,642. Long-term Bonded Debt consists of the following:

1. General Governmental Improvement General Obligation Bonds/Anticipation Notes

These outstanding tax-exempt and taxable bonds bear interest, payable monthly, at variable rates along with interest payable semi-annually at fixed rates from 3.00% to 5.00%. The outstanding tax-exempt and taxable variable rate bonds are reported at .18%, .22% -.24%, .29% and .35%, respectively as of June 30, 2012. Principal is payable annually in varying amounts through 2031.

On February 27, 2012, the City issued \$10,000,000 fixed rate General Obligation Public Improvement Bonds, Series from 2% to 3% with a final maturity on March 1, 2032. The original issue premium amounted to \$150,740. This bond was issued to provide funds to construct the Greensboro Aquatic Center and the Natural Science Center, and to repay \$6 million Bond Anticipation Notes issued earlier to begin the Aquatic Center project.

On March 14, 2012, the City entered into an agreement for General Obligation monthly drawdown Bond Anticipation Note program in the amount of \$30,000,000. As of June 30, 2012, \$310,000 has been drawn down for parking lot improvements at the Natural Science Center. This agreement committed funds to acquire land at Reedy Ford Fire Station, Economic Development, Library Facilities, Street Improvements, Parks and Recreation Facilities, affordable Housing, and the Natural Science Center.

General Obligation Bonds	\$173,321,070
Bond Anticipation Notes Payable	<u>310,000</u>
	\$173,631,070

2. Internal Services Improvement General Obligation Bonds

This obligation, issued in 1998, relates to a public safety communications system and is recorded in the Technical Services Fund. Debt service will be covered by fees charged to other internal departments.

General Obligation Bonds	<u>2,958,930</u>
Total	<u>\$176,590,000</u>

3. Defeased Bonds

In prior years, the City defeased General Obligation Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt services payments on an old debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City’s financial statements. At June 30, 2012, \$34,775,000 of General Obligation Bonds outstanding are considered defeased. For details of all General Obligation outstanding bond issues refer to the Schedule of General Long Term Debt on pages 159-160.

4. General Obligation Bonds/Anticipation Notes Debt Service Requirements to Maturity are:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Annual Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012-13	\$ 13,920,000	\$ 6,353,076	\$ 20,273,076
2013-14	13,975,000	5,276,376	19,251,376
2014-15	11,330,000	4,870,849	16,200,849
2015-16	11,140,000	4,479,992	15,619,992
2016-17	11,465,000	4,106,585	15,571,585
2017-22	61,110,000	11,973,063	73,083,063
2022-27	39,335,000	4,373,501	43,708,501
2027-31	14,315,000	1,020,049	15,335,049
	<u>\$ 176,590,000</u>	<u>\$ 42,453,491</u>	<u>\$ 219,043,491</u>

5. Special Obligation Bonds

In 1997, the City issued \$16,000,000 in tax-exempt Special Obligation Bonds of which \$5,720,000 outstanding was refunded on December 17, 2009. Outstanding bonds bear interest payable semi-annually at fixed rates with principal payable annually in varying amounts through 2013. These bonds were issued to finance construction of Phase III of the existing solid waste landfill and to purchase adjacent land for the project.

On November 17, 2005, the City issued \$8,400,000 in Special Obligation Bonds Series 2005 bearing interest payable semiannually at fixed rates from 4.0% to 5.0% on June 1 and December 1, with final maturity in 2020. The original issue premium amounted to \$224,026. The proceeds of these bonds were used for the construction of a solid waste transfer station along with related equipment and improvements.

A portion of the Local Option Sales Tax is pledged for payment of debt service on the Bonds. Certain financial covenants are contained in the bond order, among the most restrictive of which provide the City maintain a long-term debt service ratio, as defined, of not less than 2.0. The coverage ratio at June 30, 2012 is 6.80. The City demonstrated compliance with bond covenants during Fiscal Year 2011-12.

Special Obligation Bonds Debt Service Requirements to Maturity are:

<u>Fiscal Year</u>	<u>Business-Type Activities</u>		
	<u>Annual Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012-13	\$ 575,000	\$ 250,700	\$ 825,700
2013-14	600,000	227,700	827,700
2014-15	625,000	197,700	822,700
2015-16	655,000	172,700	827,700
2016-17	680,000	146,500	826,500
2017-20	2,250,000	228,499	2,478,499
	<u>\$ 5,385,000</u>	<u>\$ 1,223,799</u>	<u>\$ 6,608,799</u>

6. Combined Enterprise System Revenue Bonds

In 2012, the City issued \$35,185,000 Series 2012A Refunding Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 3.0% - 5.0% on June 1 and December 1, with a final maturity in 2027. This bond was issued to defease \$40,885,000 Series 2005A and 2005B Combined Enterprise System Revenue Bonds. The net proceeds of \$41,599,354 (after payment of \$482,377 in underwriting fees and other issuance cost) were placed in escrow in an irrevocable trust to provide for all future debt service payments on the old certificates. As a result, a portion of the liability for the 2005 Series Revenue Bonds has been removed from the Water Resources Fund. The proceeds of these bonds, along with the \$3,200,000 received from the origination of Series 2012B federally taxable

Combined Enterprise System Revenue Refunding Bonds, were used to terminate the 2005B interest rate swap agreement. The net present value savings as a result of the refunding is \$1,790,610.

On April 2, 2009, the City issued \$43,180,000 Series 2009A Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 3.5% to 5.0% on June 1 and December 1, with a final maturity in 2031. In addition, the City issued \$10,000,000 in 2009B variable rate Combined Enterprise System Revenue Bonds with interest payable monthly through 2034. The original issue premium amounted to \$1,547,280. The proceeds of these bonds have been used for improvements to the City of Greensboro's water system.

In addition on April 2, 2009, the City also issued \$4,525,000 Series 2009C Combined Enterprise System Revenue Refunding Bonds to defease \$4,650,000 of Series 1998A Combined Enterprise System Revenue Bonds. The net proceeds of \$4,720,378 (after payment of \$18,728 in underwriting fees) were placed in escrow in an irrevocable trust to provide for all future debt service payments on the old certificates. The net present value interest savings as a result of the refunding was \$213,366. As a result, the liability of the 1998A Series Revenue Bonds has been removed from the Water Resources Fund. The proceeds of these bonds were used for improvements to the water and sanitary sewer system.

In June 2007, the City issued \$38,040,000 2007A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 4.0% to 5.0% on June 1 and December 1, with a final maturity in 2029. The City also issued \$10,000,000 in 2007B variable rate Combined Enterprise System Revenue Bonds with interest payable monthly through 2032. The original issue premium amounted to \$536,101. The proceeds of these bonds have been used for improvements to the City's water system and sanitary sewer system.

On December 7, 2006, the City issued \$49,480,000 Series 2006 Refunding Combined Enterprise System Revenue Bonds at a fixed rate of 4.0% to 5.25% with a final maturity in 2025. These bonds were issued to defease a portion of Combined Enterprise System Bond Series 1998A, 2001A and 2003A. The amounts were refunded at \$13,820,000, \$19,290,000 and \$19,150,000, respectively for a total defeasance of \$52,260,000. The net proceeds of \$54,971,117 (after payment of \$506,736 in underwriting fees, accrued interest, call premium and other issuance cost) were placed in escrow in an irrevocable trust to provide for all future debt service payments on the old certificates. The net present value interest savings as a result of the refunding was \$2,557,141. As a result, the liabilities for a portion of the 1998A, 2001A and 2003A Series Revenue Bonds have been removed from the Water Resources Fund. The proceeds of these bonds were used for improvements to the City's water system and sanitary sewer system and other issue costs.

On May 10, 2005, the City issued \$30,860,000 2005A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 3.5% to 5.0% on June 1 and December 1, with a final maturity in 2027. The City also issued \$10,000,000 in 2005B variable-rate Combined Enterprise System Revenue Bonds with interest payable monthly through 2030. The original issue premium amounted to \$1,729,860. The proceeds of these bonds were used for improvements to the City's water system and sanitary sewer system.

In 2005, the City issued \$31,070,000 in 2005B Refunding Combined Enterprise System Revenue Bonds to defease \$31,070,000 Series 1995 Combined Enterprise System Revenue Bonds. The net proceeds of \$31,691,400 (after payment of \$1,011,699 in underwriting fees, accrued interest, call premium and other issuance cost) were placed in escrow in an irrevocable trust to provide for all future debt service payments on the old certificates. As a result, the liability for the 1995 Series Revenue Bonds has been removed from the Water Resources Fund. The proceeds of these bonds, along with \$923,340 received from the origination of a swap agreement in connection with the variable-rate bond portion of the issue were used for improvements to the City's water system and sanitary sewer system and other issue costs.

The City has \$4,540,000 in 2003A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 4.0% to 5.0% on June 1 and December 1, with final maturity in 2015. The City also issued \$10,000,000 in 2003B variable-rate Combined Enterprise System Revenue Bonds with interest payable monthly through 2028. The original issue premium amounted to \$1,164,513. The proceeds of these bonds, along with \$2,904,000 received from the origination of a swaption agreement in connection with the variable-rate bond portion of the issue, were used for improvements to the City's water system and sanitary sewer system.

The Combined Enterprise System is currently comprised of the City's water and sanitary sewer system. Principal and interest requirements will be provided by an appropriation in the year in which they become due. The outstanding tax-exempt variable rate bonds are reported at .22%, .26% and .29% as of June 30, 2012.

The City has pledged 100% of future water and sewer customer revenues, net of specified operating expenses to the payment of and as security for the Revenue Bonds in the amounts shown below specifically to cover annual debt service through 2034. This pledge relates to all Combined Enterprise Revenue bonds outstanding, issued for the purpose of making water and sewer system improvements. Certain financial covenants are combined in the revenue bond order, among the most restrictive of which provide that the City maintain a long-term debt service coverage ratio, as defined, of not less than 1.50. Pledged revenues exceeded operating expenses by \$36,356,450 to provide a coverage ratio of 2.06 at June 30, 2012. The City was in compliance with all such covenants during Fiscal Year 2011-12.

Revenue Bonds Debt Service Requirements to Maturity are:

<u>Fiscal Year</u>	<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2012-13	\$ 9,400,000	\$ 9,328,547	\$ 18,728,547
2013-14	9,740,000	8,959,415	18,699,415
2014-15	11,970,000	8,577,170	20,547,170
2015-16	12,470,000	6,988,033	19,458,033
2016-17	13,085,000	6,378,008	19,463,008
2017-22	74,060,000	22,274,758	96,334,758
2022-27	62,005,000	9,544,842	71,549,842
2027-32	40,690,000	1,974,958	42,664,958
2032-34	6,830,000	22,726	6,852,726
	<u>\$ 240,250,000</u>	<u>\$ 74,048,457</u>	<u>\$ 314,298,457</u>

7. Certificates of Participation

In September 2010, the City issued \$7,000,000 Certificates of Participation payable annually at a fixed rate of 3.0% to 5.30% through FY 2031. Pursuant to installment purchase agreements, the City will make installment payments sufficient to pay the scheduled debt service on all certificates. Principal and interest requirements will be provided by appropriation in the year in which they become due. These payments will be appropriated in the Hotel/Motel Occupancy Tax Special Revenue Fund, as all outstanding Certificates of Participation at June 30, 2012. These certificates were issued for the Coliseum Complex Aquatic Center purposes.

Certificates of Participation of the Greensboro Center City Corporation (GCCC) have been issued in prior years for parking facilities, expansion and improvements to the War Memorial Coliseum Complex, and equipment purchases. The outstanding certificates bear interest payable semi-annually at a variable rate of .24% as of the end of June 30, 2012. Principal is payable annually in varying amounts through FY 2016.

The City defeased Certificates of Participation by placing the proceeds of new certificates in an irrevocable trust to provide for all future debt service payments on the old certificates. Accordingly, the trust account assets and the liabilities for the defeased certificates are not included in the City's financial statements. At June 30, 2012, \$2,880,000 of outstanding certificates are considered defeased.

Debt Service Requirements to Maturity are presented in the following table:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2012-13	\$ 1,475,000	\$ 321,251	\$ 1,796,251
2013-14	1,560,000	310,673	1,870,673
2014-15	1,650,000	299,615	1,949,615
2015-16	1,750,000	285,503	2,035,503
2016-17	290,000	270,775	560,775
2017-22	1,645,000	1,169,275	2,814,275
2022-27	2,005,000	813,463	2,818,463
2027-31	1,990,000	267,751	2,257,751
	<u>\$ 12,365,000</u>	<u>\$ 3,738,306</u>	<u>\$ 16,103,306</u>

8. Lease-Purchase and Other Financing Agreements

The City has entered into lease-purchase and other financing agreements for certain equipment, land and infrastructure that bear interest at fixed rates from 2.55% to 5.75% and redevelopment projects that bear interest from 2.78% to 8.12%. Interest and principal are payable monthly and quarterly through 2026. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

The City has three outstanding Installment Financing Agreements totaling \$10,736,640. One of the agreements is with RBC Bank (USA) for certain energy improvements in the amount of \$5,366,640, at a fixed tax-exempt rate of 4.38%, maturing in 2022. The other two agreements are with Bank of America for property acquisition adjacent to the Coliseum Complex, in the amount of \$3,240,000, at a fixed tax-exempt rate of 4.19%, maturing in 2014, and in the amount of \$2,130,000, at a fixed taxable rate of 4.96%, maturing in 2014, respectively.

In addition to installment financings, the City has an outstanding master lease agreement with Suntrust Bank of \$1,821,128 for equipment purchases at a fixed rate of 3.246%, maturing in 2013. An additional agreement of \$2,953,277 was entered into in February 2007, at fixed interest rate of 3.765%, maturing in 2020, for Coliseum energy improvements of which \$2,170,837 is outstanding. The City has outstanding a total of \$14,728,605 in master lease agreements and installment financings to finance purchases of equipment, energy improvements and property acquisition.

The City has outstanding fixed rate HUD Section 108 Notes of \$4,339,000. These notes bear interest as fixed rates ranging from 2.78% to 8.12% maturing in 2022. The City has HUD Section 108 variable rate interim notes outstanding of \$2,435,000 maturing in 2026. Interim and current year additional notes bear interest at a rate of 3 Month LIBOR plus 20 basis points which approximated .66% at June 30, 2012. Total notes outstanding for HUD funding is \$6,774,000 with a total original commitment of \$10,461,000.

In July 2005, the City merged fire operation with Rural Fire District #14 located in eastern Guilford County and assumed an outstanding obligation of \$422,898 at a fixed rate of 5.75% maturing in August 2019 which is collateralized by the District's real property. The outstanding amount as of June 30, 2012 is \$252,305.

The Federal Clean Water Act Amendments of 1987 provide federal funds through the North Carolina Clean Water Revolving Loan and Grant Act of 1987 to supplement the cost of wastewater improvements. The City loan was approved in May 2000 for \$4,202,675 for such improvements. The above amounts include \$1,017,616 for the outstanding Federal Wastewater Loan obligation that was passed through the State of North Carolina to the City beginning in August 2000 and maturing in June 2016, at an interest rate of 2.55%.

Debt Service Requirements to Maturity are presented in the following table:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Annual Requirements</u>		<u>Annual Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012-13	\$ 3,387,304	\$ 844,984	\$ 661,327	\$ 112,347	\$ 5,005,962
2013-14	6,917,255	856,765	502,764	93,581	8,370,365
2014-15	1,352,570	548,347	521,359	77,740	2,500,016
2015-16	1,063,290	489,905	540,982	61,196	2,155,373
2016-17	1,094,839	437,092	307,236	43,916	1,883,083
2017-22	6,900,677	1,222,744	858,989	55,750	9,038,160
2022-24	924,000	131,216			1,055,216
	<u>\$ 21,639,935</u>	<u>\$ 4,531,053</u>	<u>\$ 3,392,657</u>	<u>\$ 444,530</u>	<u>\$ 30,008,175</u>

9. Changes in Long-Term debt are as follows:

Long-term liability activity for the year ended June 30, 2012, was as follows:

	Beginning Balance	Additions	Transfers	Reductions	Ending Balance ⁽¹⁾	Due Within One Year
Governmental Activities:						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$ 176,895,000	\$ 10,000,000	\$ 6,000,000	\$ (16,615,000)	\$ 176,280,000	\$ 13,920,000
Premium on General Obligation Bonds	8,421,178	152,180		(1,463,620)	7,109,738	1,477,963
General Obligation Bond Anticipation Notes		310,000	6,000,000	(6,000,000)	310,000	
Premium on BANS	26,040			(26,040)		
Certificates of Participation	8,405,000		7,000,000	(3,040,000)	12,365,000	1,475,000
Premium on Certificates of Participation			547,789	(43,014)	504,775	43,014
Section 108 HUD Loan	7,306,000		132,000	(664,000)	6,774,000	373,000
Fire Station Loan	280,946			(28,641)	252,305	30,288
Master Lease Agreement	11,513,014		3,056,945	(2,012,189)	12,557,770	2,108,948
Total Debt Payable	212,847,178	10,462,180	22,736,734	(29,892,504)	216,153,588	19,428,213
<i>Other Liabilities</i>						
Capital Leases	1,777,016	1,537,851		(1,259,007)	2,055,860	875,068
Compensated Absences ⁽²⁾	11,624,476	7,328,974		(7,579,520)	11,373,930	7,686,910
Governmental Activity Long-Term Liability ⁽¹⁾	\$ 226,248,670	\$ 19,329,005	\$ 22,736,734	\$ (38,731,031)	\$ 229,583,378	\$ 27,990,191

	Beginning Balance	Additions	Transfers	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$ 6,000,000	\$	\$ (6,000,000)	\$	\$	\$
General Obligation Bond Anticipation Notes	6,000,000		(6,000,000)			
Special Obligation Bonds	8,880,000			(3,495,000)	5,385,000	575,000
Premium on Special Obligation Bonds	95,527			(25,700)	69,827	25,700
Revenue Bonds	249,465,000	38,385,000		(47,600,000)	240,250,000	9,400,000
Premium on Revenue Bonds	7,437,226	6,865,453		(877,865)	13,424,814	1,736,346
Certificates of Participation	7,000,000		(7,000,000)			
Premium on Certificates of Participation	547,789		(547,789)			
Master Lease Agreement	5,619,860		(3,240,000)	(209,022)	2,170,838	225,851
State Water Revolving Loan	1,272,019			(254,403)	1,017,616	254,404
Watershed Protection Bonds	388,075		(2,025)	(181,847)	204,203	181,072
Total Debt Payable	292,705,496	45,250,453	(22,789,814)	(52,643,837)	262,522,298	12,398,373
<i>Other Liabilities</i>						
Accrued Landfill Liability	23,076,034	1,192,641			24,268,675	360,539
Compensated Absences	2,134,300	1,434,924		(1,512,134)	2,057,090	1,567,250
Business-Type Activity Long-Term Liability	\$ 317,915,830	\$ 47,878,018	\$ (22,789,814)	\$ (54,155,971)	\$ 288,848,063	\$ 14,326,162

The gross amount of assets acquired under capital leases at June 30, 2012, \$1,537,851 represents computer equipment and amortization is included in depreciation expense over a three year period.

¹ Internal Service Funds predominately serve the governmental funds. Accordingly, the related long term liabilities are included as part of the above totals for governmental activities. The Internal Service Funds debt totals are noted below.

² In prior years, the General Fund primarily was used to liquidate the liabilities for compensated absences associated with governmental activities.

³ Debt obligations recorded in the War Memorial Coliseum Enterprise Fund, not contemplated to be repaid with the Fund's own resources, was reclassified to general government debt for financial reporting purposes, according to guidance in NCGAS Statement No. 1. As a result, \$7.5 million in Certificates of Participation and \$12 million in General Obligation Bonds for the Aquatic Center project and \$3.2 million in financing for a property acquisition adjacent to the Coliseum facility, was reclassified to Governmental Activities from Business-Type Activities as of July 1, 2011.

	<u>Ending Balance</u>
Internal Service Funds:	
Bonds and Notes Payable:	
General Obligation Bonds Payable	\$ 2,958,930
Premium - General Obligation Bonds Payable	183,242
Total Debt Payable	<u>3,142,172</u>
Other Liabilities:	
Capital Leases	2,055,860
Other Financing Agreements	9,317,769
Compensated Absences	<u>855,188</u>
Internal Service Fund	
Long-Term Liability	<u>\$ 15,370,989</u>

Hedging Derivatives and Associated Hedged Debt

Using rates as of June 30, 2012, debt service requirements of the variable-rate debt and net swap payments assuming current interest rates remain the same for their term, were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary. The hedging derivative instruments column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

Fiscal Year Ending June 30	Variable Rate Bonds		Interest Rate Swaps	Total
	Principal	Interest ⁽¹⁾	Net ⁽²⁾	
2013	\$ 1,950,000	\$ 21,930	\$ 296,396	\$ 2,268,326
2014	2,000,000	18,420	242,723	2,261,143
2015		14,820	187,673	202,493
2016		14,820	187,673	202,493
2017		14,820	187,673	202,493
2018		14,820	187,673	202,493
2019	2,740,000	14,820	187,673	2,942,493
2020	2,960,000	7,696	97,458	3,065,154
	<u>\$ 9,650,000</u>	<u>\$ 122,146</u>	<u>\$ 1,574,942</u>	<u>\$ 11,347,088</u>

(1) Computed at 0.18% and 0.26% on Swap 1 and Swap 2 at June 30, 2012

(2) Computed at (2.92% less 67% of 1 Month LIBOR at June 30, 2012-Swap 1) and (3.46% less 67% of 1 Month LIBOR at June 30, 2012-Swap 2)

Derivative Instrument Summary

At June 30, 2012 the City had the following hedging derivative instruments outstanding:

	<u>Changes in Fair Value</u>		<u>Notional Amount</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Fair Value at 6/30/12</u>	
	<u>Classification</u>	<u>Amount</u>				<u>Classification</u>	<u>Amount</u>
Governmental Activities:							
<i>Cash Flow Hedges</i>	Objective: Hedge of changes in cash flows on the 1994C and 1998 Series GO Bonds specifically related to changes in municipal tax-exempt and taxable interest rates.						
Pay-fixed interest rate swaps, receive variable rate	Deferred Outflow	\$ (254,091)	\$ 9,650,000	10/8/2002	4/1/2014 and 4/1/2020	Debt	\$ (1,191,894)

H. Annual Leave and Sick Leave

The City’s policy permits employees to accumulate up to 30 days of earned but unused annual leave, which would be paid to employees upon separation from the City. Accumulated annual leave at June 30, 2012 amounted to \$13,431,020 of which \$11,373,930 relates to Governmental Activities and \$2,057,090 relates to Business-Type Activities. Changes in accumulated annual leave are as follows:

<u>Fund Type</u>	<u>Balance 7/1/2011</u>	<u>Current Year</u>		<u>Balance 6/30/2012</u>	<u>Due Within One Year</u>
		<u>Increase</u>	<u>Decrease</u>		
Governmental Activities	\$ 11,624,476	\$ 7,328,974	\$ (7,579,520)	\$ 11,373,930	\$ 7,686,910
Business-Type Activities	2,134,300	1,434,924	(1,512,134)	2,057,090	1,567,250
	<u>\$ 13,758,776</u>	<u>\$ 8,763,898</u>	<u>\$ (9,091,654)</u>	<u>\$ 13,431,020</u>	<u>\$ 9,254,160</u>

Greensboro ABC Board employees may accumulate up to 20 days earned leave. The balance of the accumulated leave liability is not considered to be material. Operations of the GHDP are performed by employees of the City. Accordingly, there is no recorded liability for employee leave amounts for GHDP at June 30, 2012. GTA leave liability is \$75,123.

City employees had accumulated sick leave benefits of \$50,606,915 at June 30, 2012, based on compensation rates in effect on that date. 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. Since the City has no obligation for the accumulated sick leave until it is actually taken, no accrual has been made for sick leave. The same policy is followed by the Greensboro ABC Board.

V. *Other Information*

A. 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. The City protects itself from potential loss through a combination of purchased commercial insurance for primary and/or excess liability coverage and self-funded risk retention. Self-funded risks are primarily for health, employee workers’ compensation, general, professional, law enforcement, vehicle and underground storage tank liabilities.

The City purchases Flood Insurance coverage through the Blanket Property insurance policy with an annual aggregate flood limit of \$100,000,000 with deductibles ranging from \$100,000 to \$500,000 per location depending on the size and location of the facility. One location is covered solely by the City's self-funded insurance plan. The City has not had a flood loss in the past 30 plus years that amounted to more than \$100,000.

Bonding in the following amounts is held for City employees involved in financial transactions: Finance Officer, \$100,000, Tax Collector, \$100,000, and Employee Blanket Bond, \$100,000.

All operating funds of the City participate in the risk management program and make payments to the Employee Risk Retention Fund and the General Risk Retention Fund based on the funds' historical claims experience. Payments are for prior and current year claims and to establish a reserve for catastrophic losses.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but are not reported (IBNR's), based on actuarial computations. Settled claims have not exceeded self-retained or purchased insurance coverage in any of the past three fiscal years.

1. Employee Risk Retention

The City provides for health, dental, life and workers' compensation benefits in its Employee Risk Retention Fund.

The City's health plan currently offers two plan options through a self-funded program, and a dental plan is administered for employees and their covered dependents, supplemented by employee contributions.

Term life insurance for employees is provided by the City for the term of employment, at no cost to the employee. The amount of coverage is based on salary. For those dependents covered by the health plan, the City also provides a reduced coverage term life insurance policy at no cost to the employee. For the life plan, the City pays its contribution directly to the insurer.

The City is self-funded for workers' compensation for claims up to \$600,000 per occurrence. Claims in excess of the retention are covered through a combination of purchased insurance and self-funding participation.

The City's contributions toward employee costs are accounted for as expenditures when the funds are contributed to the Employee Risk Retention Fund.

2. General Risk Retention

The City's General Risk Retention Fund includes five separate funds in the Local Government Excess Liability Fund, Inc. (ELF) to self-fund certain types of liability claims. Up until December 31, 1999, the ELF was structured to provide varying tiers of funding, with pre-determined contribution rates, limits of coverage, repayment schedules and certain levels of transfer of risk from the five local governments and school members represented by the ELF. Annual contributions by members are periodically reviewed by the Board of Directors and the Executive Director of the ELF.

Effective January 1, 2000, the ELF was reorganized and the resulting structure provides for no transfer of risk from any of the member units to the ELF. Fund balances are segregated by member and in the event of loss, those amounts are available for claims payment by the respective member, on either a loan or withdrawal basis. The new structure of the ELF is considered to be similar to a claims-servicing arrangement. The ELF Revolving Fund – Primary Liability Coverage pays amounts in excess of \$100,000 up to \$5,000,000 per occurrence, with an aggregated available for the City of \$9,026,921 as of June 30, 2012. Additional amounts of \$3,034,515 are recorded in the ELF for payment of City claims.

In addition, a new tier of coverage was established in the ELF in April 2007, to replace purchased Excess Liability coverage and to support General Liability claims. The balance on deposit as of June 30, 2012 is \$3,451,021 which includes \$1,011,046 transferred in Fiscal Year 2011 due to a distribution of funds from a previous member-shared "run-off" account following settlement of all related claims. Accordingly, a total of \$15,662,458 is included in the City's General Risk Retention Fund as insurance deposits. In addition, the City recorded \$1,147,319 in deposits in the Employee Risk Retention Fund to reflect amounts held by the ELF to pay employer's liability and workers' compensation claims. Amounts paid by the ELF Revolving Fund – Employer's Liability/Worker's Compensation Fund are to be repaid in subsequent years by the member incurring the loss.

The City is also a member of the Local Government Property Insurance Deductible Fund, Inc. This Fund provides excess property insurance coverage through a purchased insurance policy. Property losses up to \$100,000 per occurrence are paid by the Fund after application of a \$10,000 deductible requirement.

Property insurance coverage above the annual retention provides for up to 100% replacement cost, limited to \$350,000,000 per occurrence. In Fiscal Year 2012, the City contributed \$50,000 to the Property Deductible Fund. At June 30, 2012 following distribution of net earnings to individual accounts for respective members, the fund held deposits of \$472,391 payable to the City of Greensboro for payment of future claims.

The City has the right to withdraw its contributions in the Revolving Fund – Primary Liability Coverage, the Self-Retention Fund, the Excess Liability Fund and the Revolving Fund – Employers, Liability/Workers’ Compensation of the Local Government Excess Liability Fund, Inc. and the Local Government Property Insurance Deductible Fund, Inc. when all claims against the Funds have been settled and all legal obligations have been paid for each claims year.

3. Reconciliation of Claims Liability

Changes in the City’s claims liability balance during Fiscal Years 2012 and 2011 are as follows:

	Employee Risk <u>Retention</u>	General Risk <u>Retention</u>	Total <u>2011-12</u>	Total <u>2010-11</u>
Balance-July 1	\$ 7,833,210	\$ 1,306,700	\$ 9,139,910	\$ 7,825,080
Add: Incurred Claims (including IBNR's and Changes in Estimates	33,861,997	1,331,670	35,193,667	33,301,821
Deduct: Claims Payments	(34,085,270)	(1,285,486)	(35,370,756)	(31,986,991)
Balance - June 30	<u>\$ 7,609,937</u>	<u>\$ 1,352,884</u>	<u>\$ 8,962,821</u>	<u>\$ 9,139,910</u>

B. Subsequent Events

The City has evaluated subsequent events through October 27, 2012 in connection with the preparation of these financial statements, which is the date the financial statements were ready to be issued.

On July 16, 2012, Elon University School of Law pre-paid \$2,100,000 to satisfy its note obligation due to the City in October 2013. In turn on August 31, 2012, the City used the proceeds among other revenues to pre-pay its \$3,240,000 bank-financed obligation for a previous property acquisition, originally scheduled to mature in 2014.

On July 26, 2012, the City entered into a Limited Obligation Note agreement in the amount of \$24 million with Wells Fargo Bank, N.A. Proceeds of the note will reimburse the City for improvements made to the War Memorial Coliseum facility, including significant upgrades to the arena seating and concessions area. Repayment of the debt will be provided by the City’s Hotel/Motel Occupancy Tax, levied at 3% for lodging inside the city limits and other general revenues as necessary.

On August 6, 2012, City Council adopted a termination agreement pursuant to the Revised City and County Water and Sewer Line Agreement, agreeing to the joint projects remaining to be completed and to the final distribution of the City and County Joint Water and Sewer Trust Capital Projects Fund, (“Fund”) administered by the County. The City expects to receive a payment from Guilford County approximating \$24.5 million in Fiscal Year 2013, which will be used to fund certain agreed upon projects already in progress and future water and sewer line improvements in areas east of the City, targeted for future economic development.

C. Commitments and Contingencies

1. Legalties

The City is party to a number of civil lawsuits and other legal actions. Most of these lawsuits involve construction contracts, public right of way management, and personnel issues. In the opinion of the City’s Attorney and management, the ultimate outcome of these suits is not expected to have significant impact upon the City’s financial position.

2. Authorized capital projects at June 30, 2012 are comprised of the following:

	<u>Project Authorization</u>	<u>Expended Through June 30, 2012</u>	<u>Unexpended Authorization</u>
Governmental Funds:			
Special Revenue ⁽¹⁾	\$ 42,030,638	\$ 24,396,478	\$ 17,634,160
Capital Projects	484,730,822	254,174,892	230,555,930
	<u>\$ 526,761,460</u>	<u>\$ 278,571,370</u>	<u>\$ 248,190,090</u>
Enterprise Funds:			
Water Resources	\$ 194,665,253	\$ 160,237,182	\$ 34,428,071
Stormwater Management	10,883,029	4,595,067	6,287,962
Coliseum ⁽²⁾	34,372,865	34,284,566	88,299
Solid Waste Management	6,242,050	5,705,829	536,221
Parking	280,000	227,050	52,950
	<u>\$ 246,443,197</u>	<u>\$ 205,049,694</u>	<u>\$ 41,393,503</u>
Component Units:			
GTA	<u>\$ 36,323,738</u>	<u>\$ 33,370,773</u>	<u>\$ 2,952,965</u>

- (1) Includes Powell Bill Transportation Projects.
- (2) Includes Aquatic Center

3. Financial Assistance Programs

The City participates in a number of Federal and State financial assistance programs. For the Fiscal Year ended June 30, 2012, these programs were subject to audit in accordance with the Single Audit Act Amendments of 1996, the provisions of OMB Circular A-133, and the State Single Audit Implementation Act. The amount, if any, of expenditures which may be disallowed by the granting agencies resulting from this and other audits cannot be determined at this time, although the City expects such amounts if any, to be immaterial.

4. Operating Lease Agreement – ABC Board

The Greensboro ABC Board has operating leases agreements for various store and office properties. Rental expense for the year ended June 30, 2012 totaled \$345,606. Future lease payments, less payments under sublease agreement, are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2012-13	\$ 453,100
2013-14	334,100
2014-15	176,700
2015-16	154,400
2016-17	114,600
	<u>\$ 1,232,900</u>

5. Operating Lease Payments

The City has operating lease payments for computers, printers, software/licenses, maintenance and workstations. Lease payments for the year ended June 30, 2012 totaled \$1,723,637. Future lease payments are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2012-13	\$ 1,376,387
2013-14	956,517
2014-15	251,922
2015-16	17,787
	<u>\$ 2,602,613</u>

6. Contingencies

The City is involved in discrimination lawsuits with current and former members of the Greensboro Police Department. The City will defend these suits vigorously, and although no assurances can be given as to the ultimate outcome of these lawsuits, the City's legal counsel is of the opinion that any possible liability of the City resulting from an adverse adjudication in such litigation would not have a material adverse effect on the financial position of the City.

The City has a potential liability to pay additional compensation to employees resulting from the rate of pay used to compute overtime wages for certain employees. The estimated liability for the City, as a whole, ranges from \$153,000 to \$383,000. Legal counsel is researching the matter and no decision to pay any amounts nor any appropriation of expenditure has been made as of the date the financial statements were issued.

Effective December 31, 2010, the City dissolved the City and County Water and Sewer Line Agreement with Guilford County, which provided funding for water and sewer service outside the city limits. Amounts accumulated in the joint Water and Sewer Trust Fund and the related Water and Sewer Construction Fund, administered by Guilford County, are to be distributed between the City and County in accordance with the Agreement. The City expects to receive at least \$24 million upon final dissolution and distribution of the funds, to be used for future water and sewer capital improvements.

D. Joint Venture

Piedmont Triad Regional Water Authority (Authority)

The City in conjunction with five other governmental entities formed the Authority in September 1987 to develop a regional water supply. The Authority's board is composed of ten members, three of which are appointed by the City Council. The joint venture agreement provides that each participant will annually contribute funds to acquire land, a reservoir and to construct the Randleman Dam. The City's funding share was originally 59.4%, or \$33,858,000, based on a percentage of future raw water allocations. Initial City contributions, funded from the Water and Sewer Capital Reserve Fund, total \$34,063,761, including \$205,761 for staff administration and equipment fees paid from City operations. Additional cash payments were subsequently made on a pay-as-you-go basis to further fund reservoir, infrastructure and water treatment plant construction for a total net Greensboro investment of \$81,430,203, net of amortization of \$3,375,672, as of June 30, 2012. The City contributed annual member dues in the amount of \$828,148 in FY 2012 to cover the authority's administrative and operating costs.

In December 2004, the City received a reimbursement of \$5,244,257 from Randolph County to acquire a portion of the City's future raw water allocation which effectively reduced the City's share of the project to 53.1%.

The reservoir, dam and water treatment plant projects are complete and water began flowing through the system to Greensboro on October 4, 2010. The City, on average pumps 6.4 million gallons per day from this source. This culminates a more than 20 year project that will ensure Greensboro's long-term water supply. The City's investment is reported in the Water Resources Enterprise Fund as an Intangible Asset, representing future water rights, and amortization over a 50 year term. According to the joint venture agreement, the participating governments do not have an equity interest in the joint venture, but rather rights to purchase future water from the project. Complete financial statements for the Authority may be obtained from the Authority's administrative office at 2216 West Meadowview Road, Greensboro, North Carolina.

E. Jointly Governed Organization

Greensboro/Guilford County Tourism Development Authority (Authority)

The City, in conjunction with Guilford County (County), established the Authority to promote regional tourism. The City appoints five members of the Authority's thirteen member board. The Authority receives a percentage of room occupancy taxes which are levied on gross receipts from rental accommodations within the County.

The tax is levied at 6% for establishments within the City limits of Greensboro, of which 3% is levied by the City and 3% is levied by the County. The City contributes 20% of its portion to the Authority. During Fiscal Year 2011-12, the City levied \$3,824,703 in room occupancy taxes, of which \$853,096 was remitted to the Authority for travel and tourism promotion, net of a 1% collection fee paid to the County.

F. Related Organization

Greensboro Housing Authority

The Authority was created to provide affordable housing for citizens with limited income. Although all of the members of the governing body of the Authority are appointed by the Mayor, the City has no decision in selecting the management of the Authority. Financial transactions between the City and the Authority reflect contractual agreements between the parties for the provision of services by the City. The City is not responsible for any deficits nor is it entitled to any surpluses of the Authority. The City does not significantly influence the operations of the Authority, and the Authority is not accountable to the City for its fiscal matters. In 1998, the City issued \$1.5 million in General Obligation Bonds on behalf of the Authority to fund certain housing projects. The amount is being repaid by the Authority with payments in lieu of taxes, as principal and interest payments become due.

G. Other Post-Employment Benefits (OPEB)

Plan Description

In addition to the pension benefits described in Note I, the City also provides post-employment benefits to retirees under a single-employer plan ("The Plan"), provided they participate in the North Carolina Local Governmental Employees Retirement System (NCLGERS), and are actively employed with the City at the time of retirement. In order to receive any benefits, retirees must have achieved 20 years of active service with the City or have reached age 60 with 5 years of active service. Healthcare, prescription drug coverage, as well as retiree and dependent life insurance are provided in the City's Plan. Health and prescription drug coverage ends once the retiree reaches age 65 or becomes Medicare eligible, whichever comes first. The City and retirees share the cost of healthcare, based on years of service at retirement. Approximately 80% is paid by the City for 30 years of service, with less subsidy provided for fewer years of service. Dental coverage is available at full cost to the retiree. Retirees may keep their dental insurance for life. Life insurance benefits of up to \$20,000 are provided to retirees until age 65, except for those retirees who were hired before March 1, 1975 (receive \$2,000 at age 65 for life). Dependent coverage for each of the benefits in the Plan is available, if enrolled at the time of the employee's retirement, at full cost to the retiree, with the exception of certain life insurance coverage. In addition, if the retiree ceases to have coverage or dies, dependent coverage will terminate. The City has elected to partially pre-pay the future overall cost of coverage for these benefits by establishing a Trust arrangement according to General Statutes 159-30.1(b). Investment of the OPEB Trust funds are made pursuant to a Deposit Agreement with the North Carolina Department of State Treasurer. 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 as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds deposited are held in the State Treasurer's, OPEB Long-Term Fund, 7%, OPEB Short-Term Fund, 53% and OPEB Equity Fund, 40%. At June 30, 2012, the Plan assets totaled \$5,385,473. A separate report was not issued for the Plan.

Membership of the Plan consisted of the following at December 31, 2010, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers	Retirees	Total
Retirees receiving benefits			989	989
Active plan members	2,379	650		3,029
Total	<u>2,379</u>	<u>650</u>	<u>989</u>	<u>4,018</u>

Funding Policy

The City will contribute toward the cost of the eligible retiree health and life insurance coverage based on the years of service at retirement. Dental coverage is provided at full cost to the retiree. The City has chosen to fund the healthcare benefits on a pay-as-you-go basis, with additional amounts contributed to prefund benefits, determined annually by management.

The current Annual Required Contribution (“ARC”) or \$8,472,184, is 6.19% of annual covered payroll. For the current year, the City contributed \$7,962,090 (or 5.8% of annual covered payroll) toward actual benefit payments and deposits in the OPEB Trust. The City obtains health care and dental coverage through a self-funded program and through a private insurer for life insurance benefits. The City’s obligation to contribute to the Plan is established and may be amended by the City Council during the budget process. Determination of the amounts contributed by the City and retirees is made by the Employee Benefit Executive Committee, annually, upon review of current costs and trends.

Summary of Significant Accounting Policies

Post-employment claims and premiums expenditures are made from the Employee Risk Retention Fund (Internal Service Fund), which is maintained on the accrual basis of accounting. Internal charges are made to various other City funds for the respective active employees, based upon the pre-determined City contribution rate. Short-term money market instruments and deposits are reported at cost or amortized cost, which approximates fair value as of June 30, 2012. Certain longer term securities are valued at estimated market value, as determined by the State Treasurer. Administration costs of the OPEB Investment Fund are determined by inter-agency agreement with the North Carolina Department of State Treasurer.

Annual OPEB Cost and Net OPEB Obligation

The City’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 No. 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 thirty years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the City’s net OPEB obligation for post-employment benefits:

Annual Required Contribution	\$ 8,472,184
Interest on Net Pension Obligation	(14,358)
Adjustment to Annual Required Contribution	<u>11,168</u>
Annual OPEB Cost (expense)	8,468,994
Contributions Made	<u>(7,962,091)</u>
Increase in Net OPEB Obligation	506,903
Net OPEB Asset-Beginning of Year	167,764
Net OPEB Obligation-End of Year	<u>\$ 674,667</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation/asset were as follows:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2010	\$ 4,999,407	104.2%	(198,038)
6/30/2011	8,468,994	95.7%	167,764
6/30/2012	8,468,994	94.0%	674,667

Funded Status and Funding Progress

As of the December 31, 2010 report, the most recent actuarial valuation date, the Plan was partially funded \$5,385,473 or 6.4%. The actuarial accrued liability for benefits was \$83,863,536 and the unfunded actuarial accrued liability (UAAL) was \$78,478,063. The covered payroll (annual payroll of active employees covered by the Plan) was \$136,912,251, and the ratio of the UAAL to the covered payroll was 57.3%. 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 health care 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 expectation 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 multiyear 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, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.25% investment rate of return which is the expected long-term investment return on the Trust assets calculated based on the funded level of the Plan at the valuation date, and an annual medical cost trend increase of 10.50% to 5.00% annually. Both rates included a 3.00% inflation assumption. The actuarial value of assets, if any, was determined using a market valuation. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010, was 30 years.

H. Deferred Compensation

The City offers all of its employees a Deferred Compensation Plan (Plan) in accordance with Internal Revenue Code Section 457 and 401. The Plan, available to permanent City employees, permits 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.

The City has complied with changes in laws which govern the City's Plan, requiring all assets of the Plan to be held in trust, custodial accounts or into annuity contracts for the exclusive benefit of participants and their beneficiaries. Effective January 1, 1999, the City entered in a trust arrangement in compliance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Code Section 457 Deferred Compensation Plans*. All transactions are administered by third party administrators and accordingly, Plan assets are not included in the City's financial statements.

The City contributes 3.25% of salary for participating full time employees. The City contributes an additional 1.75% to a 401(a) plan prior to FICA deduction of salary if applicable, for those engaged in firefighting, if firefighters choose to defer at least 1.75% of their salary, as well. Those employees engaged in law enforcement may participate in the 457 Plan, however, no City contributions are made on their behalf, but instead, the City contributes 5% of salary to the 401 (k) Defined Contribution Pension Plan. All employees may defer amounts up to the maximum allowed by the Internal Revenue Service each year. The employee receives credit for his contribution as well as the City's, and benefits are based on the total assets

owned in the employee's individual accounts. The fair market value of the deferred compensation accounts of employees through the year ended June 30, 2012 was \$87,405,528.

I. Pension Plan Obligations

1. Local Governmental Employee's Retirement System

a. Plan Description

All permanent full-time City of Greensboro employees participate in the statewide Local Governmental Employee's Retirement System (System), a multiple-employer, cost-sharing, defined benefit pension plan, administered by the State of North Carolina.

The City's payroll for employees covered by the System for the Fiscal Year ended June 30, 2012 was \$137,310,157 and the City's total payroll was \$148,152,273.

All employees may retire with unreduced retirement benefits after 30 years of creditable service, at age 60 with 25 years of creditable service, or at age 65 with 5 years of creditable service. Law enforcement officers may retire at age 55 with 5 years of creditable service. Employees retiring under one of the above conditions are entitled to annual retirement benefits, payable monthly for life, equal to 1.85% of their average final compensation times years of creditable service, including sick leave. Average final compensation is defined as the average of an employee's salary during the employee's highest 48 consecutive months of income. Benefits fully vest on reaching 5 years of service. The retirement system also provides death and disability benefits. Employees qualify for a vested deferred benefit after one year (death) and five years (disability) of creditable service. Article 3 of G. S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

Employees may retire with reduced benefits under the following conditions: law enforcements officers who have reached age 50 with 15 years of creditable service as an officer, or firefighters who have reached age 55 with 5 years of creditable service, or employees not engaged in public safety who have reached age 50 with 20 years of creditable service or age 60 with 5 years of creditable service.

b. Funding Policy

Covered employees are required by State statute to contribute 6% of their salary to the System. The City is required by State statute to contribute the remaining amounts necessary to pay benefits when due. The actuarially determined contribution requirements of the City for the years ended June 30, 2012, 2011, and 2010 were \$7,199,019, \$6,775,252, and \$5,191,463, respectively. The contribution made by the City equaled 100% of the required contributions in each of the past three years. The City's current required contributions for employees not engaged in law enforcement and for law enforcement officers represented 6.97% and 7.06% of covered payroll, respectively.

The System also provides retirement benefits to permanent Greensboro ABC Board employees. Covered employees contribute 6% of their individual salaries. The Board's mandatory contribution was 7.0% as of July 1, 2011, increased from 6.5%. The Board contributions to the System for the years ended June 30, 2012, 2011 and 2010 were \$432,281, \$409,131 and \$380,988, respectively, or 100% of the required contribution in each of the past three years.

The System has accrued pension liability of \$22,520 as of June 30, 2012. The contribution requirements of employees and of the City and the ABC Board are established by and may be amended by the North Carolina General Assembly.

The 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 the System. That report may be obtained by writing to the Office of the State Controller, 3512 Bush Street, Raleigh, North Carolina 27609.

2. Law Enforcement Officers Special Separation Allowance

a. Plan Description

The City is the administrator of a single-employer, defined benefit, retirement system (System) established by the City to provide special separation benefits to its law enforcement officers, as required by state law. The payroll for employees

covered by the System for the Fiscal Year ended June 30, 2012 was \$34,026,573. The City's total payroll was \$148,152,273.

All full-time City law enforcement officers are covered by the System. At December 31, 2011, the date of the latest actuarial valuation, the System's membership consisted of:

Retirees currently receiving benefits	122
Active plan members	<u>679</u>
Total	<u><u>801</u></u>

The System provides separation benefits to all full-time City law enforcement officers who meet the following requirements:

- (1) Have (i) completed 30 or more years of creditable service or, (ii) attained 55 years of age and completed 5 or more years of creditable service; and
- (2) Have not attained 62 years of age; and
- (3) Have completed at least 5 years of continuous service as a law enforcement officer immediately preceding a service retirement

The qualified law enforcement officers are entitled to an annual retirement benefit of 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the covered employee for each year of creditable service. The retirement benefits are paid semi-monthly in equal installments. Payments to retired officers cease at their death or on the last day of the month in which the officer attains 62 years of age or upon the first day of reemployment by any State department, agency, or institution.

Article 12D of G. S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

b. Summary of Significant Accounting Policies

Basis of Accounting – Financial transactions for the System are recorded using the accrual basis of accounting and are reflected as a Pension Trust Fund in the City's financial statements. The System is not included in the report of another entity and a stand-alone financial statement is not issued. Employer contributions to the plan are recognized when due and when the City has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Short-term obligations and money market accounts with a maturity of less than one year at acquisition are reported at amortized cost. Certain longer-term United States Government and United States Agency securities are valued at the last reported sales price. Investment balances are concentrated in the following:

<u>Investments</u>	<u>% of Plan Net Assets</u>
Federal National Mortgage Association	44.45%
Federal Home Loan Bank	12.29
Federal Home Loan Mortgage Corporation	6.64
Federal Farm Credit Bank	15.44
Money Market Accounts	21.18

c. Contributions

The City is required by Article 12D of G. S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned by making contributions based on actuarial valuations. For the current year, the City contributed \$2,164,186 or 6.36% of annual covered payroll. Current contributions equaled 132% of the actuarially required amounts in Fiscal Year 2011-12. There were no contributions made by employees. The City's

obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the System are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions include (a) 6.0% investment rate of return and (b) projected salary increase of 4.0%. Both (a) and (b) included an inflation component of 3.0%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The remaining amortization period at December 31, 2010 was 20 years.

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Asset</u>
6/30/2010	\$ 1,507,067	137.75	\$ (4,155,772)
6/30/2011	1,478,685	143.41	(4,797,700)
6/30/2012	1,638,760	132.06	(5,323,126)

The City's annual pension cost and net pension obligation to the System for the current year were as follows:

Annual Required Contribution	\$ 1,640,879
Interest on Net Pension Obligation	(287,862)
Adjustment to Annual Required Contribution	285,743
Annual Pension Cost	1,638,760
Contributions Made	(2,164,186)
Decrease in Net Pension Obligation	(525,426)
Net Pension Asset-Beginning of Year	(4,797,700)
Net Pension Asset-End of Year	\$ (5,323,126)

d. Funded Status and Funding Progress

As of December 31, 2011, 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 \$21,719,945 and \$15,670,223, respectively. The covered payroll (annual payroll of active employees covered by the plan) was \$34,008,872, and the ratio of the UAAL to the covered payroll was 46.08 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

e. Actuarial Methods and Assumptions

The annual required contribution (ARC) for the fiscal year ended June 30, 2013 is calculated as of December 31, 2011. In the December 31, 2010 actuarial valuation used to calculate the FY2012 contribution, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 6.0% investment rate of return, projected salary increases at 4.0% and a 3.0% inflation component. The actuarial value of assets was determined using a market valuation. The UAAL is being amortized on a level dollar, closed basis. The remaining amortization period at December 31, 2011 was 19 years.

3. Supplemental Retirement Income Plan For Law Enforcement Officers

All law enforcement officers employed by the City participate in the State of North Carolina Supplemental Retirement Income Plan, a 401(k) defined contribution pension plan, administered by the Department of State Treasurer and a Board of Trustees. Participation begins on the first day of the quarter upon reaching sworn status. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Article 5 of G. S. Chapter 135

assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Article 12E of G. S. Chapter 143 requires that the City 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. The City's contributions for the year ended June 30, 2012 were calculated using a covered payroll (base salary) in the amount of \$32,040,200. The City's total payroll was \$148,152,273. Total contributions were \$3,685,964, which consisted of \$1,602,010 from the City and \$2,083,954 from the law enforcement officers. The City's required contributions and the officer's voluntary contributions represented 5.0% and 6.5% of the covered payroll amount, respectively. 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.

Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance
 Required Supplementary Information
 Years Ended December 31, 2002 - 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Projected Unit Credit (b)	Funded Ratio (a) / (b)	Unfunded Actuarial Accrued Liability (b) - (a)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (b - a) / c)
12/31/02	\$4,428,099	\$15,831,856	28.0%	\$11,403,757	\$23,199,431	49.2%
12/31/03	4,411,127	16,260,001	27.1	11,848,874	24,027,245	49.3
12/31/04	4,465,487	18,772,248	23.8	14,306,761	25,053,871	57.1
12/31/05	4,663,140	15,975,035	29.2	11,311,895	27,006,927	41.9
12/31/06	4,928,994	17,108,957	28.8	12,179,963	28,904,571	42.1
12/31/07	5,303,623	19,222,221	27.6	13,918,598	30,409,922	45.8
12/31/08	5,508,789	20,246,141	27.2	14,737,352	32,424,296	45.5
12/31/09	5,711,795	20,222,331	28.2	14,510,536	33,925,054	42.8
12/31/10	5,929,167	21,154,975	28.0	15,225,808	32,888,679	46.3
12/31/11	6,049,722	21,719,945	27.9	15,670,233	34,008,872	46.1

Analysis of the dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication if PERS funding status is a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in the unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of PERS progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Schedule of Employer Contributions

Law Enforcement Officers' Special Separation Allowance

Required Supplementary Information

Fiscal Years Ended June 30, 2003-2012

Year Ended 6/30	Annual Required Contribution	Percentage Contributed
2003	\$ 1,258,964	121.7%
2004	1,099,000	143.1
2005	1,343,829	124.3
2006 (2)	1,727,550	103.0
2007	1,391,963	131.1
2008	1,513,009	125.6
2009	1,419,418	140.1
2010	1,524,588	136.2
2011	1,490,198	142.3
2012	1,640,879	131.9

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	12/31/2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return (1)	6.0%
Projected Salary Increases (1)	4.0%

(1) Includes inflation at 3.0%
Cost of Living Adjustments None

(2) The active service and mortality tables and assumed rates of salary were revised to reflect the results of the most recent study of the experience under the program.

Schedule of Funding Progress

Other Post Employment Benefit Plan
 Required Supplementary Information
 Years Ended December 31, 2005-2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Projected Unit Credit (b)	Funded Ratio (a) / (b)	Unfunded Actuarial Accrued Liability (b) - (a)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (b - a) / c)
12/31/05	\$ -	\$44,832,743	0%	\$44,832,743	\$118,928,047	37.7%
12/31/07	1,040,448	57,187,696	1.8	56,147,248	132,329,610	42.4
12/31/10	5,385,473	83,863,536	6.4	78,478,063	136,912,251	57.3

Analysis of the dollar amounts of Plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing Plan net assets as a percentage of the actuarial accrued liability provides one indication if funding status is a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan. Trends in the unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of Plan progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

Schedule of Employer Contributions

Other Post Employment Benefit Plan

Required Supplementary Information

Fiscal Years Ended June 30, 2008-2012

Year Ended 6/30	Annual Required Contribution	Percentage Contributed
2008	\$ 3,554,069	100.0%
2009	4,999,407	99.7
2010	4,999,407	104.2
2011	8,472,184	95.6
2012	8,472,184	94.0

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	12/31/2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level percent of pay, closed
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return (1)	7.25%
Medical Cost Trend Rate	10.50% - 5.00%
Year of Ultimate Trend Rate	2018

(1) Includes inflation at 3.00%

COMBINING BALANCE SHEET

Nonmajor Governmental Funds

June 30, 2012

ASSETS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 5,467,042	\$ 1,226,151	\$	\$ 6,693,193
Receivables:				
Taxes	51,062			51,062
Accounts, Notes and Mortgages	23,832,843			23,832,843
Assessments	45,165			45,165
Intergovernmental	4,470,063	919,258		5,389,321
Internal Receivables	1,251,570			1,251,570
Assets Held for Resale	95,179			95,179
Restricted Assets:				
Cash and Cash Equivalents/Investments		29,341,595	2,216,735	31,558,330
Receivables:				
Accounts, Notes and Mortgages	10,000	207,004		217,004
Total Assets	<u>\$ 35,222,924</u>	<u>\$ 31,694,008</u>	<u>\$ 2,216,735</u>	<u>\$ 69,133,667</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 253,790	\$	\$	\$ 253,790
Contracts/Retainage Payable	490,761	358,995		849,756
Internal Payable	1,082,937	503,470		1,586,407
Miscellaneous	78,477			78,477
Deferred Revenues	25,707,995			25,707,995
Liabilities Payable from Restricted Assets:				
Accounts Payable		1,336		1,336
Contracts/Retainage Payable		5,205,765		5,205,765
Deferred Revenues		163,662		163,662
Total Liabilities	<u>27,613,960</u>	<u>6,233,228</u>		<u>33,847,188</u>
Fund Balances:				
Non-Spendable:				
Perpetual Maintenance			2,216,735	2,216,735
Assets Held for Resale	95,179			95,179
Total Non-Spendable Fund Balance	<u>95,179</u>		<u>2,216,735</u>	<u>2,311,914</u>
Restricted:				
Stabilization by State Statute	5,648,550	43,342		5,691,892
Debt Covenants		22,628,519		22,628,519
Grantor Requirements:				
Highway Improvements	504,401	2,417,455		2,921,856
Total Restricted Fund Balance	<u>6,152,951</u>	<u>25,089,316</u>		<u>31,242,267</u>
Committed:				
For 911 Program	266,215			266,215
For Special Tax Districts	1,225,138			1,225,138
For Housing and Community Development	1,106,954			1,106,954
For Agreement with Schools - Red Light Camera Fines	612,226			612,226
For Cemetery Maintenance	68,074			68,074
For Debt Service	204,059			204,059
Total Committed Fund Balance	<u>3,482,666</u>			<u>3,482,666</u>
Assigned:				
Appropriated for Subsequent Year's Expenditures	670,428			670,428
For Capital Projects		946,039		946,039
Total Assigned Fund Balance	<u>670,428</u>	<u>946,039</u>		<u>1,616,467</u>
Unassigned	<u>(2,792,260)</u>	<u>(574,575)</u>		<u>(3,366,835)</u>
Total Fund Balances	<u>7,608,964</u>	<u>25,460,780</u>	<u>2,216,735</u>	<u>35,286,479</u>
Total Liabilities and Fund Balances	<u>\$ 35,222,924</u>	<u>\$ 31,694,008</u>	<u>\$ 2,216,735</u>	<u>\$ 69,133,667</u>

COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds
June 30, 2012

ASSETS	STREET AND SIDEWALK REVOLVING	STATE HIGHWAY ALLOCATION	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX
Cash and Cash Equivalents/Investments	\$ 1,189,799	\$ 504,401	\$ 69,619	\$ 212,609
Receivables:				
Taxes				
Accounts, Notes and Mortgages			35,378	
Assessments	31,650	13,515		
Intergovernmental	6,516		4,578	266,972
Internal Receivables	503,470			
Assets Held for Resale	95,179			
Restricted Assets:				
Receivables:				
Accounts, Notes and Mortgages				
Total Assets	<u>\$ 1,826,614</u>	<u>\$ 517,916</u>	<u>\$ 109,575</u>	<u>\$ 479,581</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$	\$	\$	\$ 7,250
Contracts/Retainage Payable				
Internal Payable				
Miscellaneous	1,693			
Deferred Revenues	161,021	13,515	30,828	
Total Liabilities	<u>162,714</u>	<u>13,515</u>	<u>30,828</u>	<u>7,250</u>
Fund Balances:				
Non-Spendable:				
Assets Held for Resale	95,179			
Restricted:				
Stabilization by State Statute	509,987		10,673	268,272
Grantor Requirements:				
Highway Improvements		504,401		
Total Restricted Fund Balance	<u>509,987</u>	<u>504,401</u>	<u>10,673</u>	<u>268,272</u>
Committed:				
For 911 Program				
For Special Tax Districts				
For Housing and Community Development				
For Agreement with Schools - Red Light Camera Fines	612,226			
For Cemetery Maintenance			68,074	
For Debt Service				204,059
Total Committed Fund Balance	<u>612,226</u>		<u>68,074</u>	<u>204,059</u>
Assigned:				
Appropriated for Subsequent Year's Expenditures	446,508			
Unassigned				
Total Fund Balances	<u>1,663,900</u>	<u>504,401</u>	<u>78,747</u>	<u>472,331</u>
Total Liabilities and Fund Balances	<u>\$ 1,826,614</u>	<u>\$ 517,916</u>	<u>\$ 109,575</u>	<u>\$ 479,581</u>

<u>SPECIAL TAX DISTRICTS</u>	<u>HOUSING PARTNERSHIP REVOLVING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>HOME PROGRAM</u>	<u>WORKFORCE INVESTMENT ACT</u>	<u>SOUTH ELM STREET REDEVELOPMENT</u>
\$ 1,460,442	\$ 1,182,960	\$ 1,392	\$ 98	\$ 525	\$ 46,656
15,186	35,876 11,274,450	4,618,336	7,470,450		
31,989	29,306 748,100	406,917	6,937	397,659	85
<u>\$ 1,507,617</u>	<u>\$ 13,270,692</u>	<u>\$ 5,026,645</u>	<u>\$ 7,477,485</u>	<u>\$ 398,184</u>	<u>\$ 46,741</u>
\$ 37,500	\$	\$ 540	\$ 70,117	\$ 31,395	\$
15,186	11,053 11,356,183	735,000 65,731 4,582,156	13,100 7,470,450	26,290 334,837	
<u>52,686</u>	<u>11,367,236</u>	<u>5,383,427</u>	<u>7,553,667</u>	<u>392,522</u>	<u>0</u>
48,793	834,648	458,602	6,937	397,659	85
<u>48,793</u>	<u>834,648</u>	<u>458,602</u>	<u>6,937</u>	<u>397,659</u>	<u>85</u>
1,225,138	1,060,298				46,656
<u>1,225,138</u>	<u>1,060,298</u>				<u>46,656</u>
181,000	8,510				
		(815,384)	(83,119)	(391,997)	
1,454,931	1,903,456	(356,782)	(76,182)	5,662	46,741
<u>\$ 1,507,617</u>	<u>\$ 13,270,692</u>	<u>\$ 5,026,645</u>	<u>\$ 7,477,485</u>	<u>\$ 398,184</u>	<u>\$ 46,741</u>

COMBINING BALANCE SHEET (continued)

Nonmajor Special Revenue Funds
June 30, 2012

ASSETS	STATE AND FEDERAL GRANTS	STATE AND FEDERAL GRANTS (ARRA)	EMERGENCY TELEPHONE SYSTEM	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
Cash and Cash Equivalents/Investments	\$ 297,173	\$ 166,154	\$ 335,214	\$ 5,467,042
Receivables:				
Taxes				51,062
Accounts, Notes and Mortgages	434,229			23,832,843
Assessments				45,165
Intergovernmental	1,931,786	1,234,376	152,942	4,470,063
Internal Receivables				1,251,570
Assets Held for Resale				95,179
Restricted Assets:				
Receivables:				
Accounts, Notes and Mortgages	10,000			10,000
Total Assets	<u>\$ 2,673,188</u>	<u>\$ 1,400,530</u>	<u>\$ 488,156</u>	<u>\$ 35,222,924</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 115,000	\$ 289,260	\$ 30,028	\$ 253,790
Contracts/Retainage Payable	137,171			490,761
Internal Payable				1,082,937
Miscellaneous				78,477
Deferred Revenues	1,433,656	645,000		25,707,995
Total Liabilities	<u>1,685,827</u>	<u>934,260</u>	<u>30,028</u>	<u>27,613,960</u>
Fund Balances:				
Non-Spendable:				
Assets Held for Resale				95,179
Restricted:				
Stabilization by State Statute	2,366,015	589,376	157,503	5,648,550
Grantor Requirements:				
Highway Improvements				504,401
Total Restricted Fund Balance	<u>2,366,015</u>	<u>589,376</u>	<u>157,503</u>	<u>6,152,951</u>
Committed:				
For 911 Program			266,215	266,215
For Special Tax Districts				1,225,138
For Housing and Community Development				1,106,954
For Agreement with Schools - Red Light Camera Fines				612,226
For Cemetery Maintenance				68,074
For Debt Service				204,059
Total Committed Fund Balance			<u>266,215</u>	<u>3,482,666</u>
Assigned:				
Appropriated for Subsequent Year's Expenditures			34,410	670,428
Unassigned	<u>(1,378,654)</u>	<u>(123,106)</u>		<u>(2,792,260)</u>
Total Fund Balances	<u>987,361</u>	<u>466,270</u>	<u>458,128</u>	<u>7,608,964</u>
Total Liabilities and Fund Balances	<u>\$ 2,673,188</u>	<u>\$ 1,400,530</u>	<u>\$ 488,156</u>	<u>\$ 35,222,924</u>

COMBINING BALANCE SHEET

Nonmajor Capital Projects Funds

June 30, 2012

ASSETS	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS	STREET IMPROVEMENT SERIES 2003, 2006 and 2008
Cash and Cash Equivalents/Investments	\$ 14,517	\$	\$ 1,211,634	\$
Receivables:				
Intergovernmental	919,258			
Restricted Assets:				
Cash and Cash Equivalents/Investments		3,393,732		11,982,467
Receivables:				
Accounts, Notes and Mortgages				43,342
Total Assets	<u>\$ 933,775</u>	<u>\$ 3,393,732</u>	<u>\$ 1,211,634</u>	<u>\$ 12,025,809</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts/Retainage Payable	\$ 358,995	\$	\$	\$
Internal Payable	503,470			
Liabilities Payable from Restricted Assets:				
Accounts Payable				1,336
Contracts/Retainage Payable		976,277	336,905	1,955,456
Deferred Revenue				
Total Liabilities Payable from Restricted Assets		<u>976,277</u>	<u>336,905</u>	<u>1,956,792</u>
Total Liabilities	<u>862,465</u>	<u>976,277</u>	<u>336,905</u>	<u>1,956,792</u>
Fund Balances:				
Restricted:				
Stabilization by State Statute				43,342
Debt Covenants				10,025,675
Grantor Requirements:				
Highway Improvements		2,417,455		
Total Restricted Fund Balance		<u>2,417,455</u>		<u>10,069,017</u>
Assigned:				
For Capital Projects	71,310		874,729	
Unassigned				
Total Fund Balances	<u>71,310</u>	<u>2,417,455</u>	<u>874,729</u>	<u>10,069,017</u>
Total Liabilities and Fund Balances	<u>\$ 933,775</u>	<u>\$ 3,393,732</u>	<u>\$ 1,211,634</u>	<u>\$ 12,025,809</u>

<u>PUBLIC TRANSPORTATION SERIES 2003, 2005A and 2008</u>	<u>PARKS & RECREATION SERIES 2003, 2005A & 2006A</u>	<u>NEIGHBORHOOD REDEVELOPMENT SERIES 2005 and 2006A</u>	<u>LIBRARY FACILITIES SERIES 2008</u>	<u>HISTORICAL MUSEUM SERIES 2008</u>
\$	\$	\$	\$	\$
404,209	4,146,562	719,615	390,339	848,530
		163,662		
<u>\$ 404,209</u>	<u>\$ 4,146,562</u>	<u>\$ 883,277</u>	<u>\$ 390,339</u>	<u>\$ 848,530</u>
\$	\$	\$	\$	\$
	268,716			
		163,662		
	268,716	163,662		
	268,716	163,662		
404,209	3,877,846	719,615	390,339	848,530
<u>404,209</u>	<u>3,877,846</u>	<u>719,615</u>	<u>390,339</u>	<u>848,530</u>
404,209	3,877,846	719,615	390,339	848,530
<u>\$ 404,209</u>	<u>\$ 4,146,562</u>	<u>\$ 883,277</u>	<u>\$ 390,339</u>	<u>\$ 848,530</u>

COMBINING BALANCE SHEET (continued)

Nonmajor Capital Projects Funds
June 30, 2012

ASSETS	ECONOMIC DEVELOPMENT SERIES 2008	FIRE STATION SERIES 2008	PUBLIC BUILDINGS SERIES 2008	WAR MEMORIAL STADIUM SERIES 2008
Cash and Cash Equivalents/Investments	\$	\$	\$	\$
Receivables:				
Intergovernmental				
Restricted Assets:				
Cash and Cash Equivalents/Investments	2,704,282	33,249		1,410,640
Receivables:				
Accounts, Notes and Mortgages				
Total Assets	<u>\$ 2,704,282</u>	<u>\$ 33,249</u>	<u>\$</u>	<u>\$ 1,410,640</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts/Retainage Payable	\$	\$	\$	\$
Internal Payable				
Liabilities Payable from Restricted Assets:				
Accounts Payable				
Contracts/Retainage Payable		54,588		
Deferred Revenues				
Total Liabilities Payable from Restricted Assets		<u>54,588</u>		
Total Liabilities		<u>54,588</u>		
Fund Balances:				
Restricted:				
Stabilization by State Statute				
Debt Covenants	2,704,282	(21,339)		1,410,640
Grantor Requirements:				
Highway Improvements				
Total Restricted Fund Balance	<u>2,704,282</u>	<u>(21,339)</u>		<u>1,410,640</u>
Assigned:				
For Capital Projects				
Unassigned				
Total Fund Balances	<u>2,704,282</u>	<u>(21,339)</u>		<u>1,410,640</u>
Total Liabilities and Fund Balances	<u>\$ 2,704,282</u>	<u>\$ 33,249</u>	<u>\$</u>	<u>\$ 1,410,640</u>

STREET IMPROVEMENTS SERIES 2010	PARKS AND RECREATION SERIES 2010	PARKS AND RECREATION AQUATIC CENTER SERIES 2010	NATURAL SCIENCE CENTER SERIES 2010	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$	\$	\$	\$	\$ 1,226,151
				919,258
1,716,089	597,875		994,006	29,341,595
				207,004
<u>\$ 1,716,089</u>	<u>\$ 597,875</u>	<u>\$</u>	<u>\$ 994,006</u>	<u>\$ 31,694,008</u>
\$	\$	\$	\$	\$ 358,995
				503,470
45,242			1,568,581	1,336
				5,205,765
<u>45,242</u>			<u>1,568,581</u>	<u>163,662</u>
<u>45,242</u>			<u>1,568,581</u>	<u>5,370,763</u>
				6,233,228
1,670,847	597,875			43,342
				22,628,519
<u>1,670,847</u>	<u>597,875</u>			<u>2,417,455</u>
				<u>25,089,316</u>
				946,039
			(574,575)	(574,575)
1,670,847	597,875		(574,575)	25,460,780
<u>\$ 1,716,089</u>	<u>\$ 597,875</u>	<u>\$</u>	<u>\$ 994,006</u>	<u>\$ 31,694,008</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 5,397,180	\$	\$	\$ 5,397,180
Assessments	16,669			16,669
Intergovernmental	26,111,930	5,996,600		32,108,530
Charges for Current Services	2,474,149	85,000		2,559,149
Investment Income	169,618	20,362		189,980
Miscellaneous	606,613	283,376		889,989
	<u>34,776,159</u>	<u>6,385,338</u>		<u>41,161,497</u>
Expenditures:				
Current:				
General Government	894,196	1,607,620		2,501,816
Public Safety	5,260,921	814,370		6,075,291
Transportation	2,644,963	9,007,319		11,652,282
Engineering and Building Maintenance	458,426	8,336,353		8,794,779
Field Operations		937,577		937,577
Culture and Recreation	1,456,874	6,024,659		7,481,533
Community Development and Housing	12,121,999	332,330		12,454,329
Economic Opportunity	3,405,682			3,405,682
Debt Service:				
Principal Retirement	3,040,000			3,040,000
Interest	15,133			15,133
Fees and Other	93,857			93,857
	<u>29,392,051</u>	<u>27,060,228</u>		<u>56,452,279</u>
Excess of Revenues Over (Under) Expenditures	<u>5,384,108</u>	<u>(20,674,890)</u>		<u>(15,290,782)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued		10,000,000		10,000,000
General Obligation BANS Issued		310,000		310,000
Transfers In	762,104	3,327,606	38,711	4,128,421
Transfers Out	(6,910,142)	(5,527,334)		(12,437,476)
	<u>(6,148,038)</u>	<u>8,110,272</u>	<u>38,711</u>	<u>2,000,945</u>
Net Change in Fund Balances	<u>(763,930)</u>	<u>(12,564,618)</u>	<u>38,711</u>	<u>(13,289,837)</u>
Fund Balances - July 1	8,372,894	44,025,398	2,178,024	54,576,316
Prior Period Adjustment		(6,000,000)		(6,000,000)
Fund Balances - July 1, (restated)	<u>8,372,894</u>	<u>38,025,398</u>	<u>2,178,024</u>	<u>48,576,316</u>
Fund Balances - June 30	<u>\$ 7,608,964</u>	<u>\$ 25,460,780</u>	<u>\$ 2,216,735</u>	<u>\$ 35,286,479</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	<u>STREET AND SIDEWALK REVOLVING</u>	<u>STATE HIGHWAY ALLOCATION</u>	<u>CEMETERY</u>	<u>HOTEL/MOTEL OCCUPANCY TAX</u>
Revenues:				
Taxes	\$	\$	\$	\$ 3,001,624
Assessments	11,183	5,486		
Intergovernmental		7,013,308		
Charges for Current Services			379,714	
Investment Income	9,434	45,973	23,862	
Miscellaneous	<u>4,824</u>			<u>400,000</u>
Total Revenues	<u>25,441</u>	<u>7,064,767</u>	<u>403,576</u>	<u>3,401,624</u>
Expenditures:				
Current:				
Public Safety				
Transportation	732,204			
Engineering				
Culture and Recreation			783,834	205,550
Community Development and Housing				
Economic Opportunity				
Debt Service:				
Principal Retirement				3,040,000
Interest				15,133
Fees and Other				<u>93,857</u>
Total Expenditures	<u>732,204</u>		<u>783,834</u>	<u>3,354,540</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(706,763)</u>	<u>7,064,767</u>	<u>(380,258)</u>	<u>47,084</u>
Other Financing Sources (Uses):				
Transfers In			437,086	
Transfers Out		<u>(6,730,000)</u>	<u>(38,711)</u>	
Total Other Financing Sources (Uses)		<u>(6,730,000)</u>	<u>398,375</u>	
Net Change in Fund Balances	(706,763)	334,767	18,117	47,084
Fund Balances - July 1	<u>2,370,663</u>	<u>169,634</u>	<u>60,630</u>	<u>425,247</u>
Fund Balances - June 30	<u>\$ 1,663,900</u>	<u>\$ 504,401</u>	<u>\$ 78,747</u>	<u>\$ 472,331</u>

<u>SPECIAL TAX DISTRICTS</u>	<u>HOUSING PARTNERSHIP REVOLVING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>HOME PROGRAM</u>	<u>WORKFORCE INVESTMENT ACT</u>	<u>SOUTH ELM STREET REDEVELOPMENT</u>
\$ 725,037	\$ 1,670,519	\$	\$	\$	\$
		2,145,901	2,133,164	3,291,560	9,469
	93,018	206,648	63,702	111,737	
15,671	26,224	28,417	17,009	551	(4)
	3,114				10,718
<u>740,708</u>	<u>1,792,875</u>	<u>2,380,966</u>	<u>2,213,875</u>	<u>3,403,848</u>	<u>20,183</u>
676,036	2,083,321	2,310,032	2,449,092	3,405,682	9,469
<u>676,036</u>	<u>2,083,321</u>	<u>2,310,032</u>	<u>2,449,092</u>	<u>3,405,682</u>	<u>9,469</u>
<u>64,672</u>	<u>(290,446)</u>	<u>70,934</u>	<u>(235,217)</u>	<u>(1,834)</u>	<u>10,714</u>
	148,800 (141,431)				
	7,369				
64,672	(283,077)	70,934	(235,217)	(1,834)	10,714
<u>1,390,259</u>	<u>2,186,533</u>	<u>(427,716)</u>	<u>159,035</u>	<u>7,496</u>	<u>36,027</u>
<u>\$ 1,454,931</u>	<u>\$ 1,903,456</u>	<u>\$ (356,782)</u>	<u>\$ (76,182)</u>	<u>\$ 5,662</u>	<u>\$ 46,741</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

(continued)	<u>STATE AND FEDERAL GRANTS</u>	<u>STATE AND FEDERAL GRANTS (ARRA)</u>	<u>EMERGENCY TELEPHONE SYSTEM</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
Revenues:				
Taxes	\$	\$	\$	\$ 5,397,180
Assessments				16,669
Intergovernmental	6,615,661	4,902,867		26,111,930
Charges for Current Services			1,619,330	2,474,149
Investment Income	1,241	(5,966)	7,206	169,618
Miscellaneous	155,169	32,788		606,613
Total Revenues	<u>6,772,071</u>	<u>4,929,689</u>	<u>1,626,536</u>	<u>34,776,159</u>
Expenditures:				
Current:				
General Government	84,809	809,387		894,196
Public Safety	3,139,261	40,333	2,081,327	5,260,921
Transportation	1,082,687	830,072		2,644,963
Engineering	458,426			458,426
Culture and Recreation	467,490			1,456,874
Community Development and Housing	792,010	3,802,039		12,121,999
Economic Opportunity				3,405,682
Debt Service:				
Principal Retirement				3,040,000
Interest				15,133
Fees and Other				93,857
Total Expenditures	<u>6,024,683</u>	<u>5,481,831</u>	<u>2,081,327</u>	<u>29,392,051</u>
Excess of Revenues Over (Under)				
Expenditures	747,388	(552,142)	(454,791)	5,384,108
Other Financing Sources (Uses):				
Transfers In	176,218			762,104
Transfers Out				(6,910,142)
Total Other Financing Sources (Uses)	<u>176,218</u>			<u>(6,148,038)</u>
Net Change in Fund Balances	923,606	(552,142)	(454,791)	(763,930)
Fund Balances - July 1	63,755	1,018,412	912,919	8,372,894
Fund Balances - June 30	<u>\$ 987,361</u>	<u>\$ 466,270</u>	<u>\$ 458,128</u>	<u>\$ 7,608,964</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2012

	<u>STREET AND SIDEWALK</u>	<u>STATE HIGHWAY ALLOCATION</u>	<u>GENERAL CAPITAL IMPROVEMENTS</u>	<u>STREET IMPROVEMENTS SERIES 2003, 2006 and 2008</u>
Revenues:				
Intergovernmental	\$ 5,996,600	\$	\$	\$
Investment Income		11,854	8,508	
Charges for Current Services	85,000			
Miscellaneous	<u>108,262</u>			<u>51,783</u>
Total Revenues	<u>6,189,862</u>	<u>11,854</u>	<u>8,508</u>	<u>51,783</u>
Expenditures:				
Current:				
General Government				20,925
Public Safety			457,836	
Transportation	8,107,095	93,130		
Engineering				8,336,353
Field Operations		937,577		
Culture and Recreation			76,450	
Community Development and Housing				
Total Expenditures	<u>8,107,095</u>	<u>1,030,707</u>	<u>534,286</u>	<u>8,357,278</u>
Excess of Revenues Under Expenditures	<u>(1,917,233)</u>	<u>(1,018,853)</u>	<u>(525,778)</u>	<u>(8,305,495)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued				
General Obligation BANS Issued				
Transfers In	1,618,606	984,000	725,000	
Transfers Out		<u>(946,326)</u>		<u>(2,470,591)</u>
Total Other Financing Sources (Uses)	<u>1,618,606</u>	<u>37,674</u>	<u>725,000</u>	<u>(2,470,591)</u>
Net Change in Fund Balances	<u>(298,627)</u>	<u>(981,179)</u>	<u>199,222</u>	<u>(10,776,086)</u>
Fund Balances - July 1	369,937	3,398,634	675,507	20,845,103
Prior Period Adjustments				
Fund Balances - July 1, (restated)	<u>369,937</u>	<u>3,398,634</u>	<u>675,507</u>	<u>20,845,103</u>
Fund Balances - June 30	<u>\$ 71,310</u>	<u>\$ 2,417,455</u>	<u>\$ 874,729</u>	<u>\$ 10,069,017</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2012

(continued)	<u>ECONOMIC DEVELOPMENT SERIES 2008</u>	<u>FIRE STATION SERIES 2008</u>	<u>PUBLIC BUILDINGS SERIES 2008</u>	<u>WAR MEMORIAL STADIUM SERIES 2008</u>
Revenues:				
Intergovernmental	\$	\$	\$	\$
Investment Income				
Charges for Current Services				
Miscellaneous				
Total Revenues				
Expenditures:				
Current:				
General Government	1,586,695			
Public Safety		356,534		
Transportation				
Engineering				
Field Operations				
Culture and Recreation				
Community Development and Housing				
Total Expenditures	1,586,695	356,534		
Excess of Revenues Under Expenditures	(1,586,695)	(356,534)		
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued				
General Obligation BANS Issued				
Transfers In				
Transfers Out	(165,120)	(676,991)	(83,180)	(124,770)
Total Other Financing Sources (Uses)	(165,120)	(676,991)	(83,180)	(124,770)
Net Change in Fund Balances	(1,751,815)	(1,033,525)	(83,180)	(124,770)
Fund Balances - July 1	4,456,097	1,012,186	83,180	1,535,410
Prior Period Adjustments				
Fund Balances - July 1, (restated)	4,456,097	1,012,186	83,180	1,535,410
Fund Balances - June 30	\$ 2,704,282	\$ (21,339)	\$	\$ 1,410,640

<u>STREET IMPROVEMENTS SERIES 2010</u>	<u>PARKS AND RECREATION SERIES 2010</u>	<u>PARKS AND RECREATION AQUATIC CENTER SERIES 2010</u>	<u>NATURAL SCIENCE CENTER SERIES 2010</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$ 5,996,600
				20,362
				85,000
<u>6,798</u>				<u>283,376</u>
<u>6,798</u>				<u>6,385,338</u>
				1,607,620
				814,370
729,830				9,007,319
				8,336,353
				937,577
	40,321		4,657,075	6,024,659
				332,330
<u>729,830</u>	<u>40,321</u>		<u>4,657,075</u>	<u>27,060,228</u>
<u>(723,032)</u>	<u>(40,321)</u>		<u>(4,657,075)</u>	<u>(20,674,890)</u>
		6,000,000	4,000,000	10,000,000
			310,000	310,000
<u>(400)</u>				<u>3,327,606</u>
<u>(400)</u>		<u>6,000,000</u>	<u>4,310,000</u>	<u>8,110,272</u>
<u>(723,432)</u>	<u>(40,321)</u>	<u>6,000,000</u>	<u>(347,075)</u>	<u>(12,564,618)</u>
2,394,279	638,196		(227,500)	44,025,398
<u>2,394,279</u>	<u>638,196</u>	<u>(6,000,000)</u>	<u>(227,500)</u>	<u>(6,000,000)</u>
<u>1,670,847</u>	<u>597,875</u>	<u>(6,000,000)</u>	<u>(574,575)</u>	<u>25,460,780</u>

Enterprise Funds

Schedule of Changes in Long-Term Debt and Water Resources Capital Assets
For the Fiscal Year Ended June 30, 2012

	Debt Outstanding June 30, 2011	Additions	Retirements	Transfer In/(Out)	Debt Outstanding June 30, 2012
Water Resources:					
Revenue Bonds - Par	\$ 249,465,000	\$ 38,385,000	\$ 47,600,000	\$	\$ 240,250,000
Federal Loan Obligation	1,272,019		254,403		1,017,616
Other Financing Agreements	388,075		181,847	(2,025)	204,203
Compensated Absences	1,304,797	939,639	994,714		1,249,722
Total Water Resources	<u>252,429,891</u>	<u>39,324,639</u>	<u>49,030,964</u>	<u>(2,025)</u>	<u>242,721,541</u>
War Memorial Coliseum:					
General Obligation Bonds - Par	6,000,000			(6,000,000)	
General Obligation BANS	6,000,000			(6,000,000)	
Certificates of Participation - Par	7,000,000			(7,000,000)	
Other Financing Agreements	5,619,860		209,022	(3,240,000)	2,170,838
Compensated Absences	362,393	181,020	202,831		340,582
Total War Memorial Coliseum	<u>24,982,253</u>	<u>181,020</u>	<u>411,853</u>	<u>(22,240,000)</u>	<u>2,511,420</u>
Parking Facilities:					
Compensated Absences	57,940	20,084	18,863		59,161
Solid Waste Management:					
Special Obligation Bonds - Par	8,880,000		3,495,000		5,385,000
Accrued Landfill Liability	23,076,034	2,764,046			25,840,080
Compensated Absences	142,360	98,316	87,167		153,509
Total Solid Waste Management	<u>32,098,394</u>	<u>2,862,362</u>	<u>3,582,167</u>		<u>31,378,589</u>
Stormwater Management:					
Compensated Absences	266,810	195,865	208,559		254,116
Total Enterprise Funds	<u>\$ 309,835,288</u>	<u>\$ 42,583,970</u>	<u>\$ 53,252,406</u>	<u>\$ (22,242,025)</u>	<u>\$ 276,924,827</u>
	Capital Assets June 30, 2011	Additions	Transfer In/(Out)	Disposals	Capital Assets June 30, 2012
Water Resources Capital Assets:					
Land	\$ 15,514,271	\$ 961,218	\$	\$	\$ 16,475,489
Construction in Progress	45,884,779	7,516,891		42,295,926	11,105,744
Intangible Assets - Easements	17,730,836	627,757			18,358,593
Land Improvements	2,945,952	21,572,315		570,351	23,947,916
Buildings	176,332,083	66,107	358,145		176,756,335
Improvements Other Than Buildings	9,487,977			12,405	9,475,572
Furniture, Fixtures, Machinery and Equipment	17,086,789	24,994,591	106,473	1,312,307	40,875,546
Infrastructure	486,738,667	10,384,424		9,019	497,114,072
Intangible Assets - Water Rights, Software	88,057,249	1,186,957			89,244,206
Accumulated Depreciation/Amortization	(258,546,584)	(21,663,873)	(187,949)	1,574,571	(278,823,835)
Water Resources Capital Assets, Net	<u>\$ 601,232,019</u>	<u>\$ 45,646,387</u>	<u>\$ 276,669</u>	<u>\$ 45,774,579</u>	<u>\$ 604,529,638</u>

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Component Unit

For the Fiscal Year Ended June 30, 2012

	GREENSBORO TRANSIT AUTHORITY
Operating Revenues:	
Charges for Current Services	\$ 2,584,149
Other Operating Revenues	2,439,261
Total Operating Revenues	<u>5,023,410</u>
Operating Expenses:	
Personal Services	555,590
Fringe Benefits	200,073
Maintenance and Operations	22,519,401
Depreciation	2,860,564
Total Operating Expenses	<u>26,135,628</u>
Operating Loss	<u>(21,112,218)</u>
Nonoperating Revenues (Expenses):	
Investment Income	1,224,375
Property Tax	8,182,784
Motor Vehicle Tax	1,252,067
Grants	16,966,240
Miscellaneous Nonoperating Revenue	8,050
Loss on Disposal of Capital Assets	(36,760)
Miscellaneous Nonoperating Expense	(36,407)
Total Nonoperating Revenues (Expenses)	<u>27,560,349</u>
Change in Net Assets	6,448,131
Net Assets - July 1	<u>66,207,403</u>
Net Assets - June 30	<u>\$ 72,655,534</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2012

	GREENSBORO TRANSIT AUTHORITY
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 7,095,402
Payments to Suppliers	(27,743,108)
Payments to Employees	(738,302)
Other Receipts	28,840,352
Net Cash Provided by Operating Activities	<u>7,454,344</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(8,145,814)
Proceeds from Sale of Capital Assets	8,050
Net Cash Used for Capital and Related Financing Activities	<u>(8,137,764)</u>
Cash Flows from Investing Activities:	
Interest	<u>1,253,771</u>
Net Increase in Cash and Cash Equivalents	570,351
Cash and Cash Equivalents/ Investments - July 1	4,857,060
Cash and Cash Equivalents/ Investments - June 30	<u>\$ 5,427,411</u>
Reconciliation of Cash and Cash Equivalents/ Investments:	
Cash and Cash Equivalents/ Investments - Current	\$ 5,334,506
Cash and Cash Equivalents/ Investments - Restricted	92,905
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 5,427,411</u>

(continued)

**GREENSBORO
TRANSIT
AUTHORITY**

**Reconciliation of Operating Loss to Net
Cash Provided by Operating Activities:**

Operating Loss	<u>\$ (21,112,218)</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	2,860,564
Change in Assets and Liabilities:	
Decrease in Receivables	4,519,653
Increase in Inventories	(37,361)
Increase in Intergovernmental Receivables	(5,165,641)
Decrease in Accounts Payable	(7,975)
Increase in Annual Leave Accrual	17,540
Decrease in Miscellaneous Payable	(21,309)
Other Receipts	<u>26,401,091</u>
Total Adjustments	<u>28,566,562</u>
Net Cash Provided by Operating Activities	<u><u>\$ 7,454,344</u></u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 2,392,880	\$ 2,584,149	\$ 191,269
Other Operating Revenues	1,401,663	2,439,261	1,037,598
Total Operating Revenues	<u>3,794,543</u>	<u>5,023,410</u>	<u>1,228,867</u>
Operating Expenses:			
Personal Services	527,860	516,421	11,439
Fringe Benefits	193,335	191,952	1,383
Maintenance and Operations	20,244,333	19,984,302	260,031
Capital Outlay	255	255	255
Total Operating Expenses	<u>20,965,783</u>	<u>20,692,675</u>	<u>273,108</u>
Operating Loss	<u>(17,171,240)</u>	<u>(15,669,265)</u>	<u>1,501,975</u>
Nonoperating Revenues:			
Investment Income	1,237,676	1,224,375	(13,301)
Property Tax Collections	8,023,055	8,182,784	159,729
Motor Vehicle Licenses	1,265,025	1,252,067	(12,958)
State and Federal Grants	6,497,663	7,018,766	521,103
Mortgage Note Principal Payment Collected	349,324	349,324	
Miscellaneous Nonoperating Revenue	8,050	8,050	8,050
Total Nonoperating Revenues	<u>17,372,743</u>	<u>18,035,366</u>	<u>662,623</u>
Excess of Revenues Over Expenses Before Other Financing Uses	<u>201,503</u>	<u>2,366,101</u>	<u>2,164,598</u>
Other Financing Uses:			
Transfers Out	<u>(434,200)</u>	<u>(353,060)</u>	<u>81,140</u>
Excess of Revenues Over (Under) Expenses and Other Financing Uses	<u>(232,697)</u>	<u>2,013,041</u>	<u>2,245,738</u>
Appropriated Fund Balance	<u>232,697</u>	<u></u>	<u>(232,697)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 2,013,041</u>	<u>\$ 2,013,041</u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 23,058,776
Total Expenses	<u>20,692,675</u>
Excess of Revenues Over Expenses Before Other Financing Uses	2,366,101
Adjustment to Full Accrual Basis:	
Depreciation	(2,860,564)
Compensated Absences	(17,540)
Inventory Gain (Loss)	(23,677)
Mortgage Note Principal Payment	(349,324)
Transit Grant Project Funds Revenues and Expenses	7,382,625
Loss on Disposal of Capital Assets	(36,760)
Transfer to Federal and State Grant Fund	<u>(12,730)</u>
Income Before Transfers and Capital Contributions	<u><u>\$ 6,448,131</u></u>

Greensboro Transit Planning and Grant Project Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total To Date</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Revenues:				
Federal Grants	\$ 29,955,583	\$ 18,821,961	\$ 8,854,845	\$ 27,676,806
State Grants	1,909,520	979,559	748,121	1,727,680
Local Grants/ In Kind Services	1,234,812	799,835	344,508	1,144,343
Total Revenues	<u>33,099,915</u>	<u>20,601,355</u>	<u>9,947,474</u>	<u>30,548,829</u>
Expenses:				
Capital Improvements:				
Section 5307 / 5309 Capital Program	4,042,452	2,645,731	116,024	2,761,755
Higher Education Area Transit (HEAT) / CMAQ	9,258,015	7,317,938	1,799,988	9,117,926
GTA Maintenance Facility	20,715,254	13,305,099	6,141,848	19,446,947
New Freedom Grant	757,447	519,899	236,546	756,445
Job Access and Reverse Commute Grant	1,473,770	733,308	545,115	1,278,423
NCDOT Apprenticeship Program	25,800			
Total Expenses	<u>36,272,738</u>	<u>24,521,975</u>	<u>8,839,521</u>	<u>33,361,496</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(3,172,823)</u>	<u>(3,920,620)</u>	<u>1,107,953</u>	<u>(2,812,667)</u>
Other Financing Sources:				
Transfers In	<u>3,172,823</u>	<u>2,795,580</u>	<u>340,330</u>	<u>3,135,910</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ (1,125,040)</u>	<u>\$ 1,448,283</u>	<u>\$ 323,243</u>

Greensboro Transit Authority Multi Modal Transportation Center

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
State Grants	\$ 51,000	\$ 9,277	\$	\$ 9,277
Expenses:				
Capital Improvements:				
Multi Modal Transportation Center	51,000	9,277		9,277
Excess of Revenues Over (Under) Expenses	\$	\$	\$	\$

Greensboro Center City Corporation - Aquatic Center Project Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment Income	\$ 6,389	\$ 10,422	\$ 72	\$ 10,494
Miscellaneous Revenue:				
Other Revenue - Sales and Use Tax Refund	266,508	266,508	(27,003)	239,505
Total Revenues	<u>272,897</u>	<u>276,930</u>	<u>(26,931)</u>	<u>249,999</u>
Expenses:				
Capital Improvements:				
Culture and Recreation:				
Bond Issue Expense	395,811	365,810	30,001	395,811
Interest Expense	463,419	155,044	308,375	463,419
War Memorial Coliseum Complex - Aquatic Center	18,961,457	17,681,043	1,257,516	18,938,559
Total Expenses	<u>19,820,687</u>	<u>18,201,897</u>	<u>1,595,892</u>	<u>19,797,789</u>
Excess of Revenues Under Expenses Before				
Other Financing Sources	<u>(19,547,790)</u>	<u>(17,924,967)</u>	<u>(1,622,823)</u>	<u>(19,547,790)</u>
Other Financing Sources:				
General Obligation Bonds/BANs Issued	12,000,000	12,000,000		12,000,000
Certificates of Participation Issued	7,000,000	7,000,000		7,000,000
Premium - General Obligation Bonds/BANs	547,790	547,790		547,790
Total Other Financing Sources	<u>19,547,790</u>	<u>19,547,790</u>		<u>19,547,790</u>
Excess of Revenues and Other Financing				
Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 1,622,823</u>	<u>\$ (1,622,823)</u>	<u>\$</u>

Special Revenue Funds

Street and Sidewalk Revolving Fund

The primary purpose of this fund is to finance the repair and or construction of streets and sidewalks. Revenues are derived primarily from a payment of street and sidewalk assessments levied on adjoining property.

State Highway Allocation Fund

This fund was established to account for Powell Bill Funds which are derived from a one and three-fourths cents per gallon fuel tax. The State of North Carolina collects these monies and returns a proportionate share to local governments based on local street mileage and population. Expenditures from this fund are restricted to specific highway construction and maintenance costs.

Cemetery Fund

The Cemetery Fund is responsible for the operation and maintenance of three cemeteries. The cemeteries are perpetually endowed by the Perpetual Care Fund which receives one-fourth of all cemetery lot sales. All interest earned by the Perpetual Care Fund is restricted for operations of the Cemetery Fund.

Hotel/Motel Occupancy Tax Fund

This fund was established to account for a 3% room occupancy tax levied on hotels and motels located within the City limits. This tax revenue is dedicated for debt service on certificates of participation issued by the Greensboro Center City Corporation to finance improvements at the Greensboro War Memorial Coliseum Complex.

Special Tax Districts Fund

This fund was established to account for a special tax on property in the College Hill and Charles B. Aycock Historic Districts, as authorized by voter referendum and a Business Improvement District in downtown Greensboro.

Housing Partnership Revolving Fund

In FY 2011-12, the Housing Partnership Revolving Fund was supported by approximately .7 cents of the property tax rate. This revenue provides resources to fund low and moderate income housing initiatives approved by City Council, including grant/loan programs, construction/renovation projects, and cooperative efforts with private and not-for-profit organizations.

Community Development Fund

The purpose of the Community Development Fund is to account for projects financed primarily with Community Development Block Grant funds which are used for revitalization of low and moderate income areas.

HOME Program Fund

The purpose of the HOME Program Fund is to account for projects financed with Housing and Urban Development funds which are used for revitalization of low and moderate income areas.

Workforce Investment Act

The purpose of the Workforce Investment Act is to account for Department of Labor grant funds used to establish programs for employment and classroom training activities. The Workforce Investment Act became effective January 2000 and replaced many of the Job Training Consortium Fund activities.

South Elm Street Redevelopment Fund

The purpose of the South Elm Street Redevelopment Fund is to account for funds used to assess and remedy environmental contamination in order to implement planned redevelopment of properties in the South Elm Street “brownfields” area.

State and Federal Grants Fund

The purpose of the State and Federal Grants Fund is to account for various projects financed primarily with State or Federal aid.

State and Federal Grants (ARRA) Fund

The purpose of the State and Federal American Recovery and Reinvestment Act (ARRA) Grants Fund is to account for various projects financed primarily with State or Federal aid from ARRA funds.

Emergency Telephone System Fund

This fund oversees Guilford Metro 911 Emergency Telephone System. Guilford Metro 911 Communications became a separate City of Greensboro department on July 1, 2004. In FY2011, the overall communications portion of the Fund’s activities were reclassified to a new Internal Service Fund, Guilford Metro Communications. The 911 activities remain in the Special Revenue Fund. The fund is supported by 911 surcharge fees.

Street and Sidewalk Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 50,000	\$ 11,183	\$ (38,817)
Investment Income	140,000	9,434	(130,566)
Miscellaneous:			
Other Reimbursements	4,824	4,824	4,824
Appropriated Fund Balance	647,226		(647,226)
Total Revenues	<u>837,226</u>	<u>25,441</u>	<u>(811,785)</u>
Expenditures:			
Transportation:			
Street Construction and Maintenance	225,000	119,979	105,021
Red Light Camera Project	612,226	612,225	1
Total Expenditures	<u>837,226</u>	<u>732,204</u>	<u>105,022</u>
Excess of Revenues Under Expenditures	<u>\$</u>	(706,763)	(706,763)
Fund Balance - July 1		<u>2,370,663</u>	<u>2,370,663</u>
Fund Balance - June 30		<u>\$ 1,663,900</u>	<u>\$ 1,663,900</u>

State Highway Allocation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
State Powell Bill	<u>\$ 6,400,000</u>	<u>\$ 7,013,308</u>	<u>\$ 613,308</u>
Assessments	<u>5,486</u>	<u>5,486</u>	<u>5,486</u>
Investment Income	<u>330,000</u>	<u>45,973</u>	<u>(284,027)</u>
Total Revenues	<u>6,730,000</u>	<u>7,064,767</u>	<u>334,767</u>
Other Financing Uses:			
Transfers Out	<u>(6,730,000)</u>	<u>(6,730,000)</u>	<u></u>
Excess of Revenues Over Other Financing Uses	<u>\$</u>	<u>334,767</u>	<u>334,767</u>
Fund Balance - July 1		<u>169,634</u>	<u>169,634</u>
Fund Balance - June 30		<u>\$ 504,401</u>	<u>\$ 504,401</u>

Cemetery Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Forest Lawn Cemetery	\$ 203,000	\$ 291,999	\$ 88,999
Maplewood Cemetery	57,000	57,375	375
Greenhill Cemetery	25,500	30,340	4,840
Total Charges for Current Services	<u>285,500</u>	<u>379,714</u>	<u>94,214</u>
Investment Income	<u>50,000</u>	<u>23,862</u>	<u>(26,138)</u>
Appropriated Fund Balance	<u>50,018</u>		<u>(50,018)</u>
Total Revenues	<u>385,518</u>	<u>403,576</u>	<u>18,058</u>
Expenditures:			
Culture and Recreation:			
Cemeteries:			
Administration	295,878	322,234	(26,356)
Forest Lawn Cemetery	275,153	243,004	32,149
Maplewood Cemetery	12,745	6,569	6,176
Greenhill Cemetery	211,578	212,027	(449)
Total Expenditures	<u>795,354</u>	<u>783,834</u>	<u>11,520</u>
Excess of Revenues Under Expenditures	<u>(409,836)</u>	<u>(380,258)</u>	<u>29,578</u>
Other Financing Sources (Uses):			
Transfers In	437,086	437,086	
Transfers Out	<u>(27,250)</u>	<u>(38,711)</u>	<u>(11,461)</u>
Total Other Financing Sources (Uses)	<u>409,836</u>	<u>398,375</u>	<u>(11,461)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	18,117	18,117
Fund Balance - July 1		<u>60,630</u>	<u>60,630</u>
Fund Balance - June 30		<u>\$ 78,747</u>	<u>\$ 78,747</u>

Hotel/Motel Occupancy Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Room Occupancy Tax	\$ 2,808,790	\$ 3,001,624	\$ 192,834
Investment Income	5,000		(5,000)
Miscellaneous:			
Donations and Contributions	400,000	400,000	
Appropriated Fund Balance	206,300		(206,300)
Total Revenues	<u>3,420,090</u>	<u>3,401,624</u>	<u>(18,466)</u>
Expenditures:			
Culture and Recreation:			
Rental of Land and Buildings	200,000	200,000	
Miscellaneous Fees	12,000	5,550	6,450
Debt Service:			
Principal Retirement	3,040,000	3,040,000	
Interest	80,000	15,133	64,867
Fees and Other	88,090	93,857	(5,767)
Total Expenditures	<u>3,420,090</u>	<u>3,354,540</u>	<u>65,550</u>
Excess of Revenues Over Expenditures	<u>\$</u>	47,084	47,084
Fund Balance - July 1		<u>425,247</u>	<u>425,247</u>
Fund Balance - June 30		<u>\$ 472,331</u>	<u>\$ 472,331</u>

Special Tax Districts Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes	\$ 554,000	\$ 591,082	\$ 37,082
Local Option Sales Tax	150,000	133,955	(16,045)
Total Taxes	<u>704,000</u>	<u>725,037</u>	<u>21,037</u>
Investment Income	<u> </u>	15,671	<u>15,671</u>
Appropriated Fund Balance	<u>197,804</u>	<u> </u>	<u>(197,804)</u>
Total Revenues	<u>901,804</u>	<u>740,708</u>	<u>(161,096)</u>
Expenditures:			
Community Development:			
Aycock Historic District	75,000	16,036	58,964
College Hill Historic District	166,804		166,804
Business Improvement District	<u>660,000</u>	<u>660,000</u>	<u> </u>
Total Expenditures	<u>901,804</u>	<u>676,036</u>	<u>225,768</u>
Excess of Revenues Over Expenditures	<u>\$</u>	64,672	64,672
Fund Balance - July 1		<u>1,390,259</u>	<u>1,390,259</u>
Fund Balance - June 30		<u>\$ 1,454,931</u>	<u>\$ 1,454,931</u>

Housing Partnership Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes	\$ 1,666,000	\$ 1,670,519	\$ 4,519
Charges for Current Services:			
Mortgage Collections	1,100	62,549	61,449
Sale of Materials		135	135
Other Revenue	28,000	30,334	2,334
Total Charges for Current Services	<u>29,100</u>	<u>93,018</u>	<u>63,918</u>
Miscellaneous:			
Sales and Use Tax Refund		3,114	3,114
Investment Income	11,000	26,224	15,224
Appropriated Fund Balance	723,033		(723,033)
Total Revenues	<u>2,429,133</u>	<u>1,792,875</u>	<u>(636,258)</u>
Expenditures:			
Housing:			
Administration	1,715,043	1,472,167	242,876
Housing Programs	<u>721,459</u>	<u>611,154</u>	<u>110,305</u>
Total Expenditures	<u>2,436,502</u>	<u>2,083,321</u>	<u>353,181</u>
Excess of Revenues Under Expenditures	(7,369)	(290,446)	(283,077)
Other Financing Sources (Uses):			
Transfers In	148,800	148,800	
Transfers Out	<u>(141,431)</u>	<u>(141,431)</u>	
Total Other Financing Sources (Uses)	<u>7,369</u>	<u>7,369</u>	
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$</u>	(283,077)	(283,077)
Fund Balance - July 1		<u>2,186,533</u>	<u>2,186,533</u>
Fund Balance - June 30		<u>\$ 1,903,456</u>	<u>\$ 1,903,456</u>

Community Development Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>	
			<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 30,436,668	\$ 26,119,899	\$ 2,145,901	\$ 28,265,800
Local Grants	85,637	85,637		85,637
Total Intergovernmental	<u>30,522,305</u>	<u>26,205,536</u>	<u>2,145,901</u>	<u>28,351,437</u>
Investment Income	<u>925,868</u>	<u>857,450</u>	<u>28,417</u>	<u>885,867</u>
Charges for Current Services:				
Program Income	209,239			
Rent	231,017	231,037	62,333	293,370
Mortgage Collections	4,000,485	4,002,785	87,918	4,090,703
Targeted Loan Pool Proceeds	235,887	266,656	55,496	322,152
NCHFA Willow Oaks Program Support	500	4,000		4,000
Sale of Real Estate	460,510	460,510		460,510
Other Revenue	151,800	163,439	901	164,340
Total Charges for Current Services	<u>5,289,438</u>	<u>5,128,427</u>	<u>206,648</u>	<u>5,335,075</u>
Total Revenues	<u>36,737,611</u>	<u>32,191,413</u>	<u>2,380,966</u>	<u>34,572,379</u>
Expenditures:				
Community Development:				
Block Grant:				
Administration	3,595,547	3,270,653	314,225	3,584,878
Community Planning	133,073	97,396		97,396
Fair Housing	166,000	147,012	18,500	165,512
Rental Rehabilitation	1,750,435	1,750,435		1,750,435
Citywide Housing Repair	40,722	40,722		40,722
Target Area Personnel	77,260	72,816	3,182	75,998
Targeted Loan Pool Program	1,210,799	856,248	24,680	880,928
Bessemer Center Redevelopment	691,000	450,000	77,929	527,929
Asheboro	1,559,410	1,048,895	150,731	1,199,626
Arlington Park	590,463	569,990	9,158	579,148
Rosewood	44,074	43,797	1	43,798
Section 108 Loan Principal Retirement	5,675,209	4,745,134	923,467	5,668,601
Eastside Park	641,147	607,948	9,063	617,011
Section 108 South Elm Street	50,000	50,000		50,000
South Elm Street	374,939	172,671	101,455	274,126
Gorrell Street	25,109	20,969	1,051	22,020
Willow Oaks	1,724,166	1,398,731	140,629	1,539,360
Housing Coalition	30,000	30,000		30,000
Homelessness Prevention	274,342	244,339	30,003	274,342
Magnolia House Motel	53,274	53,273		53,273
Episcopal Servant Center	144,913	144,913		144,913
Youth Focus	63,960	63,960		63,960
Homeowner Rehab	1,759,658	1,497,700	137,720	1,635,420
Family and Children's Services	28,742	28,742		28,742
Salvation Army	188,000	188,000		188,000
United Way	8,223	8,222		8,222
Single Family Construction RFP	14,300	14,300		14,300
Jericho House	10,608	10,608		10,608
Habitat - Holt's Chapel	65	65		65
Habitat for Humanity	15,000	15,000		15,000

Community Development Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total To Date</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Expenditures (Continued):				
Interfaith Hospitality Network	\$ 17,000	\$ 17,000	\$	\$ 17,000
Malachi House	65,000	63,983		63,983
Mary's House	58,000	58,000		58,000
Prince of Peace Shelter	23,000	23,000		23,000
Greensboro Urban Ministry	191,907	191,907		191,907
Renaissance Center	113,305	69,638	36,058	105,696
Family Service Emergency Shelter	24,751	24,751		24,751
Gulf Interfaith Emergency Shelter	16,502	16,502		16,502
Joseph's House Transition Shelter	43,881	43,881		43,881
Emergency Repair	327,837	28,125	8,999	37,124
CD Lead Remediation	409,829	246,032	122,070	368,102
Section 108 Project	1,640,000	1,639,999		1,639,999
Section 108 Project (ARRA)	510,817	479,974	30,843	510,817
International Civil Rights Museum	750,000	750,000		750,000
Maywood Street Demolition	39,483		39,483	39,483
Other Community Development:				
Kids, Inc. Day Care	117,594	75,935	12,668	88,603
Camel Street Apartments 04	178,000	178,000		178,000
Home Grants 92	987,000	987,000		987,000
Home Grants 93	651,870	651,870		651,870
Home Grants 94	756,955	756,955		756,955
Home Grants 95	2,013,117	2,013,117		2,013,117
Home Grants 96	1,814,611	1,814,611		1,814,611
Home Grants 97	1,470,598	1,470,598		1,470,598
Home Grants 98	1,620,475	1,620,475		1,620,475
HOPWA	1,228,000	1,160,044		1,160,044
Federal Emergency Shelter Grant	670,026	585,694	84,332	670,026
Bessemer Shopping Center	73,000	24,884	33,785	58,669
Total Expenditures	<u>36,752,996</u>	<u>32,634,514</u>	<u>2,310,032</u>	<u>34,944,546</u>
Excess of Revenues Over (Under) Expenditures	(15,385)	(443,101)	70,934	(372,167)
Other Financing Sources:				
Transfers In	<u>15,385</u>	<u>15,385</u>		<u>15,385</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	(427,716)	70,934	(356,782)
Fund Balance - July 1			(427,716)	
Fund Balance - June 30		<u>\$ (427,716)</u>	<u>\$ (356,782)</u>	<u>\$ (356,782)</u>

HOME Program Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 24,677,334	\$ 16,937,814	\$ 2,133,164	\$ 19,070,978
Investment Income	208,232	208,233	17,009	225,242
Miscellaneous:				
Mortgage Collections	627,622	657,127	63,702	720,829
Sale of Real Estate	41,878	41,878		41,878
Other Miscellaneous Revenue	116,638	116,638		116,638
Total Miscellaneous	786,138	815,643	63,702	879,345
Total Revenues	25,671,704	17,961,690	2,213,875	20,175,565
Expenditures:				
Housing:				
Greensboro Home Program	16,326,635	10,778,614	2,046,490	12,825,104
Greensboro Affordable Home Loans - ADDI	35,961	35,961		35,961
Guilford County Home Program	1,819,235	608,704	163,423	772,127
High Point Home Program	2,803,214	2,446,668	39,256	2,485,924
Burlington Home Program	3,193,613	2,714,796	182,580	2,897,376
Alamance County Home Program	1,477,661	1,202,527	17,343	1,219,870
Total Expenditures	25,656,319	17,787,270	2,449,092	20,236,362
Excess of Revenues Over (Under) Expenditures	15,385	174,420	(235,217)	(60,797)
Other Financing Uses:				
Transfers Out	(15,385)	(15,385)		(15,385)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	\$	159,035	(235,217)	(76,182)
Fund Balance - July 1			159,035	
Fund Balance - June 30		\$ 159,035	\$ (76,182)	\$ (76,182)

Workforce Investment Act Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants:				
WIA Adult	\$ 2,711,317	\$ 1,301,464	\$ 1,022,645	\$ 2,324,109
WIA Dislocated Worker	3,603,847	2,125,780	851,589	2,977,369
WIA Youth	3,968,099	2,026,069	771,340	2,797,409
WIA 10% Statewide Activities	614,215	297,981	266,165	564,146
Administrative Cost Pools	945,729	432,524	379,821	812,345
Wired Grants	93,439	83,501		83,501
Total Federal Grants	<u>11,936,646</u>	<u>6,267,319</u>	<u>3,291,560</u>	<u>9,558,879</u>
Local Grants:				
Golden Leaf Aviation	202,350			
Total Intergovernmental	<u>12,138,996</u>	<u>6,267,319</u>	<u>3,291,560</u>	<u>9,558,879</u>
Investment Income		(15,208)	551	(14,657)
Miscellaneous:				
Sale of Materials		3,472	1,627	5,099
Sale of Equipment		123		123
Other Miscellaneous Revenue	394,215	239,968	110,110	350,078
Total Miscellaneous	<u>394,215</u>	<u>243,563</u>	<u>111,737</u>	<u>355,300</u>
Total Revenues	<u>12,533,211</u>	<u>6,495,674</u>	<u>3,403,848</u>	<u>9,899,522</u>
Expenditures:				
Economic Opportunity:				
WIA Adult	2,721,682	1,367,322	971,749	2,339,071
WIA Dislocated Worker	3,616,812	2,135,502	969,458	3,104,960
WIA Youth	4,176,992	2,173,938	860,641	3,034,579
WIA 10% Statewide Activities	614,215	297,981	266,165	564,146
Administrative Cost Pools	945,729	432,524	230,679	663,203
Wired Grants	93,439	80,911		80,911
WIA Affordable Housing 09	55,000			
Golden Leaf Aviation	202,350			
Rental Expenditures	106,992		106,990	106,990
Total Expenditures	<u>12,533,211</u>	<u>6,488,178</u>	<u>3,405,682</u>	<u>9,893,860</u>
Excess of Revenues Over (Under) Expenditures	<u>\$</u>	7,496	(1,834)	5,662
Fund Balance - July 1			7,496	
Fund Balance - June 30		<u>\$ 7,496</u>	<u>\$ 5,662</u>	<u>\$ 5,662</u>

South Elm Street Redevelopment Fund

Schedule of Revenues and Expenditures - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
EPA Brownsfield Assessment	\$ 600,000	\$ 590,531	\$ 9,469	\$ 600,000
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>2,000,000</u>	<u>9,469</u>	<u>2,000,000</u>
Total Intergovernmental Revenue	<u>2,600,000</u>	<u>2,590,531</u>	<u>9,469</u>	<u>2,600,000</u>
Investment Income		<u>(5,215)</u>	<u>(4)</u>	<u>(5,219)</u>
Miscellaneous:				
Rent		<u>41,242</u>	<u>10,718</u>	<u>51,960</u>
Total Revenues	<u>2,600,000</u>	<u>2,626,558</u>	<u>20,183</u>	<u>2,646,741</u>
Expenditures:				
Community Development and Housing:				
South Elm Street Section 108 Project	3,000,000	3,000,000		3,000,000
EPA Brownsfield Assessment	600,000	590,531	9,469	600,000
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>2,000,000</u>		<u>2,000,000</u>
Total Expenditures	<u>5,600,000</u>	<u>5,590,531</u>	<u>9,469</u>	<u>5,600,000</u>
Excess of Revenues Over (Under) Expenditures	(3,000,000)	(2,963,973)	10,714	(2,953,259)
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>3,000,000</u>	<u>3,000,000</u>		<u>3,000,000</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	36,027	10,714	46,741
Fund Balance - July 1			<u>36,027</u>	
Fund Balance - June 30		<u>\$ 36,027</u>	<u>\$ 46,741</u>	<u>\$ 46,741</u>

State and Federal Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 24,947,245	\$ 5,343,304	\$ 4,049,034	\$ 9,392,338
State Grants	19,008,003	8,918,138	2,015,887	10,934,025
Other State Revenue	1,097,682	601,876	286,341	888,217
Local Grants	1,571,818	1,350,435	117,790	1,468,225
In-Kind and Matching Revenues	4,319,138	3,169,893	146,609	3,316,502
Total Intergovernmental	<u>50,943,886</u>	<u>19,383,646</u>	<u>6,615,661</u>	<u>25,999,307</u>
Investment Income	475	(549)	1,241	692
Miscellaneous:				
Other Miscellaneous Revenue	12,730	12,405	155,169	167,574
Total Revenues	<u>50,957,091</u>	<u>19,395,502</u>	<u>6,772,071</u>	<u>26,167,573</u>
Expenditures:				
General Government:				
Public Access Channel	637,450	550,492	84,809	635,301
Public Safety:				
Forfeiture Funds - 2008-09	390,000	359,297	22,453	381,750
Forfeiture Funds - 2009-10	439,000	350,491		350,491
Forfeiture Funds - 2010-11	950,000	229,577	453,209	682,786
Forfeiture Funds - 2011-12	843,557		223,056	223,056
State Drug Excise Fund - 2009-10	540,983	533,687	1,291	534,978
State Drug Excise Fund - 2010-11	505,000	68,189	253,188	321,377
State Drug Excise Fund - 2011-12	22,017			
RRT Homeland Security Grant - 2009	135,714	68,286	33,376	101,662
RRT Homeland Security Grant - 2010	51,429			
RRT Homeland Security Grant - 2011	25,000			
USAR Homeland Security Grant - 2008	220,000	187,592	32,408	220,000
USAR Homeland Security Grant - 2009	50,000	16,984	29,928	46,912
USAR Homeland Security Grant - 2010	45,000		6,219	6,219
Byrne Justice Assistance Grant - 2008-09	63,639	63,637	2	63,639
Byrne Justice Assistance Grant - 2010-11	222,354	37,744		37,744
Byrne Justice Assistance Grant - 2011-12	183,734			
Byrne Justice Assistance Grant - 2011-12	135,013			
Governor's Crime Commission Grant - 2010-11	5,000		2,215	2,215
Governor's Crime Commission Grant - 2011-12	131,063		83,250	83,250
Governor's Crime Commission Grant - VAWA FY 2011	198,722		59,824	59,824
PNRC Walmart Grant - 2008	1,000	828		828
PNRC Walmart Grant - 2009	1,000			
PNRC Walmart Grant - 2010	1,000	178	405	583
Violent Crime Task Force - 2010-11	13,500	12,999	496	13,495
Violent Crime Task Force - 2011-12	13,000		12,420	12,420
Financial Crimes Task Force - 2010-11	6,450	4,787	1,663	6,450
Financial Crimes Task Force - 2011-12	15,000		5,535	5,535
NC Joint Terrorism Task Force - 2009-10	16,903	15,685	(1,408)	14,277
NC Joint Terrorism Task Force - 2010-11	17,202	12,073	4,301	16,374
NC Joint Terrorism Task Force - 2011-12	17,202		12,872	12,872
NC Joint Terrorism Task Force Vehicle - 2010-11	33,872	4,406	1,070	5,476
Safe Streets Task Force - 2010-11	51,607	28,242	9,354	37,596
Safe Streets Task Force - 2011-12	51,607		28,452	28,452
US Marshal - Joint Fugitive Task Force 2011-12	16,375		12,031	12,031
US Marshal - Violent Offenders Task Force - 2010-11	17,000	12,318	4,249	16,567
Police Museum Contribution	1,300	1,297		1,297
Paul Coverdell Forensic Science Grant	125,000	121,808		121,808
Permanent Check Station Grant - 2011	1,000		1,000	1,000
Metro Medical Response System - 2003	880,557	582,618	19,183	601,801
Metro Medical Response System - 2007	258,145	258,145		258,145
Metro Medical Response System - 2008	321,221	300,976	20,245	321,221
Metro Medical Response System - 2009	311,585	96,943	137,378	234,321
Metro Medical Response System - 2010	301,548		11,643	11,643
Metro Medical Response System - 2011	267,608			
Regional Hazmat Response Team - 2009-10	57,000	51,177		51,177
Regional Hazmat Response Team - 2010-11	57,000	50,691		50,691
Regional Hazmat Response Team - 2011-12	57,000		57,000	57,000
Assistance to Firefighters (AFG) 2009	101,760	99,011		99,011
Assistance to Firefighters (AFG) 2010	27,403		27,134	27,134
Assistance to Firefighters (AFG) 2011	90,000			
Burned Children's Fund 2011-12	620			
Seat Simulator Fund 2011-12	1,980		1,980	1,980
Home Fire Sprinkler Coalition	1,000	1,000		1,000
Homeland Security - NC BOMB Grant	7,553		7,513	7,513
Community Oriented Policing Services (COPS) - 2010	4,600,230	465,413	1,560,214	2,025,627
CFGG McGruff Suit	4,112		4,112	4,112
-80- Total Public Safety	<u>12,903,565</u>	<u>4,036,079</u>	<u>3,139,261</u>	<u>7,175,340</u>

State and Federal Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Actual	
			Current Year	Total To Date
Expenditures: (Continued)				
Transportation:				
Transportation Planning - 2010-11	\$ 804,924	\$ 444,975	\$	\$ 444,975
Transportation Planning - 2011-12	710,885		548,873	548,873
Eckerson US 29 Environmental Study	1,050,000	726,343	2,738	729,081
Section 5303 Metro Planning - 2010-11	127,300	124,036		124,036
Section 5303 Metro Planning - 2011-12	127,300		125,391	125,391
Hornaday Road Improvement	6,400,000	3,206,456	131,314	3,337,770
Wendover Avenue Improvement Project - 2006-07	1,450,000	1,082,324		1,082,324
Oka T. Hester Park Dam Construction	5,069,000	3,317,192	1,547	3,318,739
NCDOT Project - School Safe Route 2009-10	293,588		272,824	272,824
Streets Improvement - U-5306-A	2,650,000			
Streets Improvement - U-5306-B	3,530,000			
Streets Improvement - U-5306-C	1,220,000			
Streets Improvement - U-5306-D	325,000			
Total Transportation	23,757,997	8,901,326	1,082,687	9,984,013
Engineering:				
Ballinger Road Bridge Replacement	2,057,071	255,106	203,257	458,363
Waste Reduction & Recycling Grant	45,670	38,140		38,140
Waste Reduction & Recycling Grant	5,576			
Piedmont Triad Water Quality Yr 7	44,195	44,195		44,195
Piedmont Triad Water Quality Yr 8	73,752	39,994	30,603	70,597
Piedmont Triad Water Quality Yr 9	49,500		5,115	5,115
Chloramines Education Partners	50,000		46,037	46,037
South Buffalo Habitat Enhancement	678,423	441,677	173,414	615,091
Total Engineering	3,004,187	819,112	458,426	1,277,538
Culture and Recreation:				
Glenwood Resource Center	219,600	210,184		210,184
LSTA Project Planning	90,000	82,244	54	82,298
LSTA Project Planning - Spring to Success	11,900	11,410		11,410
LSTA Project Planning - Strengthening Collections	25,000		25,000	25,000
LSTA Project Planning - Teen Leadership Project	30,000		19,950	19,950
Guilford County Community Collaboration	39,200	29,707		29,707
PARTF Grant - Keeley Park	1,000,000	759,966	240,034	1,000,000
PARTF Grant - Gateway Gardens	1,000,000	1,000,000		1,000,000
Gateway Gardens GBI	946,814	946,813		946,813
Gateway Gardens GBI - Landscaping	322,903	322,640	258	322,898
Title III D - Seniors Program 2010-11	3,889	3,886		3,886
Title III D - Seniors Program 2011-12	1,944		1,915	1,915
Senior Center General Purpose 2010-11	5,443	5,442		5,442
Senior Center General Purpose 2011-12	5,797		5,797	5,797
Hope Project Yr 1	200,000	200,000		200,000
Hope Project Yr 2	200,000	200,000		200,000
Hope Project Yr 3	200,000	76,314	107,069	183,383
CHIF Grant Yr 1	3,000	1,428		1,428
CHIF Grant Yr 2	12,000	3,999	6,486	10,485
Stairwell Improvement Project	10,000	2,178		2,178
MUSEP - 2011	5,000		5,000	5,000
MUSEP - 2012	3,000			
Ruth Wicker - Memorial to Women	900,000	20,000		20,000
Adopt-a-Trail Program 2010-11	5,491	4,565		4,565
Adopt-a-Trail Program 2011-12	5,000		3,677	3,677
P&R Second Chance Program 2011-12	147,000		52,250	52,250
Total Culture and Recreation	5,392,981	3,880,776	467,490	4,348,266
Community Development and Housing:				
Education Committee Project Grant	5,000	5,000		5,000
UAC - Forum Theatre Grant 2008-09	3,100			
Fair Housing Assistance - 2003-09	98,330	85,030	4,010	89,040
Fair Housing Training Grant - 2007-08	46,058	40,299	5,759	46,058
Fair Housing Training Grant - 2008-09	52,892	19,551	28,643	48,194
Fair Housing Training Grant - 2009-10	65,400	3,641	17,754	21,395
Fair Housing Training Grant - 2010-11	154,725		20,864	20,864
Scattered Site Rehab - 2007	396,500	396,250		396,250
Duke Energy Loan Pool	150,000	150,000		150,000
Duke Energy Loan Pool 2010-11	150,000	66,687		66,687
NCHFA Urgent Repair Program - 2007-09	75,000	75,000		75,000
Lead Paint Grant - 2011	3,100,000	50,538	531,397	581,935
Single Family Rehab Grant	400,000	327,691		327,691
EPA RLF Brownsfield Cleanup Grant	1,000,000	521,178	13,775	534,953
HOPWA	309,502		133,684	133,684
Sunset Hills National Register	30,000		19,000	19,000
Home Performance - Energy Star	300,000		17,124	17,124
Total Community Development and Housing	6,336,507	1,740,865	792,010	2,532,875
Total Expenditures	52,032,687	19,928,650	6,024,683	25,953,333
Excess of Revenues Over (Under) Expenditures	(1,075,596)	(533,148)	747,388	214,240

(continued)

State and Federal Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>State and Federal Grants Fund: (Continued)</i>				
<i>Other Financing Sources:</i>				
Transfers In	\$ 1,075,596	\$ 596,903	\$ 176,218	\$ 773,121
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	63,755	923,606	987,361
Fund Balance - July 1		<u> </u>	63,755	<u> </u>
Fund Balance - June 30		<u>\$ 63,755</u>	<u>\$ 987,361</u>	<u>\$ 987,361</u>

State and Federal Grants (ARRA) FundSchedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 19,550,703	\$ 8,987,559	\$ 4,902,867	\$ 13,890,426
Investment Income	2,481	(11,042)	(5,966)	(17,008)
Miscellaneous:				
Sales Tax		68,320	32,788	101,108
Total Revenues	<u>19,553,184</u>	<u>9,044,837</u>	<u>4,929,689</u>	<u>13,974,526</u>
Expenditures:				
General Government:				
Compressed Natural Gas - CNG Project	816,896		809,387	809,387
Public Safety:				
2009 JAG Recovery Act Grant	952,295	453,225	40,333	493,558
Community Development and Housing:				
NSP (HERA)	3,275,000	2,459,785	682,376	3,142,161
HPRP Grant FY09-10	781,141	513,855	267,286	781,141
Energy Efficient Grant	2,544,900	528,886	1,272,640	1,801,526
Federal EPA Brownsfield	400,000	216,083	130,168	346,251
Better Homes (ARRA)	5,000,000	311,415	1,449,569	1,760,984
Total Community Development and Housing	<u>12,001,041</u>	<u>4,030,024</u>	<u>3,802,039</u>	<u>7,832,063</u>
Transportation:				
Street Resurfacing Project	1,501,890	1,275,878		1,275,878
Lake Jeanette HW/RW Improvements	3,168,674	1,387,728	830,072	2,217,800
Elm-Eugene RW/SW Improvements	1,645,514	1,412,696		1,412,696
Total Transportation	<u>6,316,078</u>	<u>4,076,302</u>	<u>830,072</u>	<u>4,906,374</u>
Total Expenditures	<u>20,086,310</u>	<u>8,559,551</u>	<u>5,481,831</u>	<u>14,041,382</u>
Excess of Revenues Over (Under) Expenditures	(533,126)	485,286	(552,142)	(66,856)
Other Financing Sources:				
Transfers In	533,126	533,126		533,126
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	1,018,412	(552,142)	466,270
Fund Balance - July 1			1,018,412	
Fund Balance - June 30		<u>\$ 1,018,412</u>	<u>\$ 466,270</u>	<u>\$ 466,270</u>

Emergency Telephone System Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
911 Surcharge	<u>\$ 1,619,330</u>	<u>\$ 1,619,330</u>	<u>\$</u>
Investment Income	<u></u>	<u>7,206</u>	<u>7,206</u>
Appropriated Fund Balance	<u>785,290</u>	<u></u>	<u>(785,290)</u>
Total Revenues	<u>2,404,620</u>	<u>1,626,536</u>	<u>(778,084)</u>
Expenditures:			
Public Safety:			
911 Wireless	<u>2,404,620</u>	<u>2,081,327</u>	<u>323,293</u>
Excess of Revenues Under Expenditures	<u>\$</u>	<u>(454,791)</u>	<u>(454,791)</u>
Fund Balance - July 1		<u>912,919</u>	<u>912,919</u>
Fund Balance - June 30		<u>\$ 458,128</u>	<u>\$ 458,128</u>

Debt Service Fund

This fund is used to account for the retirement of ad valorem tax-supported General Obligation Bonds. The retirement of all other General Obligation Bonds is accounted for in the Technical Services Fund.

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Local Reimbursements:			
Payment In Lieu of Taxes	\$ 100,000	\$ 94,691	\$ (5,309)
Investment Income	1,052,750	1,308,798	256,048
Miscellaneous:			
Sales and Use Tax Refund		90,181	90,181
Legal Restitutions		68,805	68,805
Other Revenue	356,000	256,000	(100,000)
Total Miscellaneous	356,000	414,986	58,986
Appropriated Fund Balance	7,227,978		(7,227,978)
Total Revenues	8,736,728	1,818,475	(6,918,253)
Expenditures:			
Operating Expenditures:			
Personal Services	44,416	34,894	9,522
Fringe Benefits	16,142	5,790	10,352
Maintenance and Operations	103,250	105,902	(2,652)
Total Operating Expenditures	163,808	146,586	17,222
Debt Service:			
Principal Retirement	16,310,990	16,310,990	
Interest	11,941,119	6,624,536	5,316,583
Fees and Other	702,346	202,354	499,992
Total Debt Service Expenditures	28,954,455	23,137,880	5,816,575
Total Expenditures	29,118,263	23,284,466	5,833,797
Excess of Revenues Under Expenditures	(20,381,535)	(21,465,991)	(1,084,456)
Other Financing Sources (Uses):			
Debt Issuances:			
Premium on Debt		152,180	152,180
Transfers In	20,487,183	20,487,181	(2)
Transfers Out	(105,648)		105,648
Total Other Financing Sources (Uses)	20,381,535	20,639,361	257,826
Excess of Revenues and Other Financing Sources Under Expenditures	\$	(826,630)	(826,630)
Fund Balance - July 1		8,186,416	8,186,416
Prior Period Adjustment		338,376	338,376
Fund Balance - July 1, Restated		8,524,792	8,524,792
Fund Balance - June 30		\$ 7,698,162	\$ 7,698,162

Capital Projects Funds

Capital Projects Funds are used to account for all major capital improvements primarily financed with the proceeds of bond sales. The funds presented in this section represent those which account for general improvements. Improvements associated with the proprietary operations are reported in the Enterprise Funds and Internal Service Funds sections.

Street and Sidewalk Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grant	\$ 2,800,000	\$	\$	\$
State Grant	22,352,824	332,343	5,996,600	6,328,943
State Reimbursements - Transportation Projects	130,312	184,201		184,201
Miscellaneous:				
Donations and Private Contributions	252,000	100,000		100,000
Other Revenue	1,297,440	856,530	108,262	964,792
Total Intergovernmental	<u>26,832,576</u>	<u>1,473,074</u>	<u>6,104,862</u>	<u>7,577,936</u>
Charges for Current Services:				
Contracted Construction Projects	<u>193,803</u>	<u>57,803</u>	<u>85,000</u>	<u>142,803</u>
Total Revenues	<u>27,026,379</u>	<u>1,530,877</u>	<u>6,189,862</u>	<u>7,720,739</u>
Expenditures:				
Capital Improvements:				
Transportation:				
Transportation Improvements	<u>33,532,496</u>	<u>1,745,273</u>	<u>8,107,095</u>	<u>9,852,368</u>
Excess of Revenues Under Expenditures	<u>(6,506,117)</u>	<u>(214,396)</u>	<u>(1,917,233)</u>	<u>(2,131,629)</u>
Other Financing Sources (Uses):				
Transfers In	6,907,117	985,333	1,618,606	2,603,939
Transfers Out	<u>(401,000)</u>	<u>(401,000)</u>		<u>(401,000)</u>
Total Other Financing Sources (Uses)	<u>6,506,117</u>	<u>584,333</u>	<u>1,618,606</u>	<u>2,202,939</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	369,937	(298,627)	71,310
Fund Balance - July 1			369,937	
Fund Balance - June 30		<u>\$ 369,937</u>	<u>\$ 71,310</u>	<u>\$ 71,310</u>

State Highway Allocation Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Investment Income	\$	\$	\$ 11,854	\$ 11,854
Expenditures:				
Capital Improvements:				
Field Operations:				
Transportation Improvements	5,854,371	3,413,203	937,577	4,350,780
Transportation:				
Transportation Improvements	1,334,050	632,028	93,130	725,158
Engineering:				
Sidewalk and Crosswalk Construction	37,677	37,677		37,677
Total Expenditures	<u>7,226,098</u>	<u>4,082,908</u>	<u>1,030,707</u>	<u>5,113,615</u>
Excess of Revenues Under Expenditures	<u>(7,226,098)</u>	<u>(4,082,908)</u>	<u>(1,018,853)</u>	<u>(5,101,761)</u>
Other Financing Sources (Uses):				
Transfers In	8,670,542	7,481,542	984,000	8,465,542
Transfers Out	<u>(1,444,444)</u>		<u>(946,326)</u>	<u>(946,326)</u>
Total Other Financing Sources (Uses)	<u>7,226,098</u>	<u>7,481,542</u>	<u>37,674</u>	<u>7,519,216</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	3,398,634	(981,179)	2,417,455
Fund Balance - July 1			<u>3,398,634</u>	
Fund Balance - June 30		<u>\$ 3,398,634</u>	<u>\$ 2,417,455</u>	<u>\$ 2,417,455</u>

General Capital Improvements Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 2,000,000	\$ 2,000,000	\$	\$ 2,000,000
Investment Income		108,128	8,508	116,636
Miscellaneous:				
Other Revenue	126,000	126,000		126,000
Total Revenues	<u>2,126,000</u>	<u>2,234,128</u>	<u>8,508</u>	<u>2,242,636</u>
Expenditures:				
Capital Improvements:				
Public Affairs	214,322	214,321		214,321
Planning and Community Development	100,000			
Public Safety	525,000		457,836	457,836
Culture and Recreation	862,931	330,138	76,450	406,588
Non-Departmental	100,000			
Total Expenditures	<u>1,802,253</u>	<u>544,459</u>	<u>534,286</u>	<u>1,078,745</u>
Excess of Revenues Over (Under) Expenditures	<u>323,747</u>	<u>1,689,669</u>	<u>(525,778)</u>	<u>1,163,891</u>
Other Financing Sources (Uses):				
Transfers In	1,776,253	1,085,838	725,000	1,810,838
Transfers Out	<u>(2,100,000)</u>	<u>(2,100,000)</u>		<u>(2,100,000)</u>
Total Other Financing Sources (Uses)	<u>(323,747)</u>	<u>(1,014,162)</u>	<u>725,000</u>	<u>(289,162)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$</u>	675,507	199,222	874,729
Fund Balance - July 1			<u>675,507</u>	
Fund Balance - June 30		<u>\$ 675,507</u>	<u>\$ 874,729</u>	<u>\$ 874,729</u>

Street Improvement Bond Fund - Series 2003, 2006 and 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 3,019,600	\$ 2,140,970	\$	\$ 2,140,970
Miscellaneous:				
Donations and Private Contributions	82,000		43,342	43,342
Construction Project Developers Share	19,294	13,058	8,441	21,499
Reimbursements		84,000		84,000
	<u>3,120,894</u>	<u>2,238,028</u>	<u>51,783</u>	<u>2,289,811</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
General Government:				
Fiber Optic Project	1,630,000	246,496	20,925	267,421
Engineering:				
Transportation Bonds	1,806,058	1,781,275	59,518	1,840,793
Resurfacing and Signal Replacement	6,343,844	3,609,269	2,076,227	5,685,496
Roadway Improvements	37,142,364	28,984,649	4,464,536	33,449,185
Sidewalk and Bikeways Projects	6,548,097	6,197,937	95,325	6,293,262
Streetscape Projects	16,287,355	13,551,321	1,475,747	15,027,068
Bikeway and Park Connectors	1,810,800	651,351	165,000	816,351
	<u>71,568,518</u>	<u>55,022,298</u>	<u>8,357,278</u>	<u>63,379,576</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(68,447,624)</u>	<u>(52,784,270)</u>	<u>(8,305,495)</u>	<u>(61,089,765)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	71,750,000	71,750,000		71,750,000
Premium on Debt	1,428,711	1,428,711		1,428,711
Transfers In	2,014,300	2,014,300		2,014,300
Transfers Out	<u>(6,745,387)</u>	<u>(1,563,638)</u>	<u>(2,470,591)</u>	<u>(4,034,229)</u>
	<u>68,447,624</u>	<u>73,629,373</u>	<u>(2,470,591)</u>	<u>71,158,782</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	20,845,103	(10,776,086)	10,069,017
Fund Balance - July 1			<u>20,845,103</u>	
Fund Balance - June 30		<u>\$ 20,845,103</u>	<u>\$ 10,069,017</u>	<u>\$ 10,069,017</u>

Public Transportation Bond Fund - Series 2003, 2005A and 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Donations and Private Contributions	\$	\$	\$ 1,810	\$ 1,810
Expenditures:				
Capital Improvements:				
Transportation	1,891,823	1,412,160	77,264	1,489,424
Excess of Revenues Under Expenditures	(1,891,823)	(1,412,160)	(75,454)	(1,487,614)
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	2,000,000	2,000,000		2,000,000
Premium on Debt	41,280	41,280		41,280
Transfers Out	(149,457)	(108,177)	(41,280)	(149,457)
Total Other Financing Sources (Uses)	1,891,823	1,933,103	(41,280)	1,891,823
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	\$	520,943	(116,734)	404,209
Fund Balance - July 1			520,943	
Fund Balance - June 30		\$ 520,943	\$ 404,209	\$ 404,209

Parks and Recreation Bond Fund - Series 2003, 2005A and 2006A

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
ADA Compliance for Park Restrooms	\$ 758,980	\$ 759,279	\$	\$ 759,279
Barber Park Recreation Center	3,507,917	3,504,916		3,504,916
Barber Park Tennis Pavilion Roof	2,931,245	2,931,243		2,931,243
Carolyn Allen Community Park	2,921,946	2,921,946		2,921,946
Facility Floors and Bleacher Replacement	600,830	600,829		600,829
HVAC Installation in Recreation Centers	704,878	704,877		704,877
Keeley Park	3,564,977	2,616,908	883,016	3,499,924
Lake Facility Improvements	159,694	159,694		159,694
Playground Equipment and Bleachers	1,440,448	1,440,447		1,440,447
Southwest Greensboro Recreation Center	7,608,100	3,862,029	181,657	4,043,686
Northwest Walking Trail	184,630	184,629		184,629
Northeast Sports Center	6,147,577	6,147,575		6,147,575
Barber Park Master Plan	65,000	65,000		65,000
Gateway Garden Project	1,525,000	1,460,721	36,878	1,497,599
Short Farm Park	928,110	928,106		928,106
Caldwell Historic Park	46,790	23,437	2,400	25,837
Brightwood Neighborhood Park	43,560			
Ole Asheboro	115,275	16,214	2,854	19,068
David Caldwell Center	44,875	33,656		33,656
Sunset Hills Foot Bridge	9,200	9,200		9,200
Southside Oval	4,500	3,728		3,728
Facility Improvements	91,816	70,324		70,324
Gateway Garden Project - Phase II	50,000			
General Administration - Parks and Recreation	244,652	195,681	74,910	270,591
Total Expenditures	33,700,000	28,640,439	1,181,715	29,822,154
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	34,200,000	34,200,000		34,200,000
Premium on Debt	52,729	52,728		52,728
Transfers Out	(552,729)	(379,983)	(172,745)	(552,728)
Total Other Financing Sources (Uses)	33,700,000	33,872,745	(172,745)	33,700,000
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	5,232,306	(1,354,460)	3,877,846
Fund Balance - July 1			5,232,306	
Fund Balance - June 30		<u>\$ 5,232,306</u>	<u>\$ 3,877,846</u>	<u>\$ 3,877,846</u>

Neighborhood Redevelopment Bond Fund - Series 2005 and 2006A

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$ 209,654	\$ 210,945	\$ 7,924	\$ 218,869
Interest Collected - Rehabilitation Mortgages	38,900	41,597	8,008	49,605
Rent - Real Estate		8,636	5,170	13,806
Other Revenue	45,000	67,958	93,621	161,579
	<u>293,554</u>	<u>329,136</u>	<u>114,723</u>	<u>443,859</u>
Expenditures:				
Capital Improvements:				
Community Development and Housing	3,061,339	2,159,699	332,330	2,492,029
Excess of Revenues Under Expenditures	<u>(2,767,785)</u>	<u>(1,830,563)</u>	<u>(217,607)</u>	<u>(2,048,170)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	2,800,000	2,800,000		2,800,000
Premium on Debt	12,075	12,075		12,075
Transfers Out	(44,290)	(32,215)	(12,075)	(44,290)
	<u>2,767,785</u>	<u>2,779,860</u>	<u>(12,075)</u>	<u>2,767,785</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$ 949,297</u>	949,297	(229,682)	719,615
Fund Balance - July 1			949,297	
Fund Balance - June 30		<u>\$ 949,297</u>	<u>\$ 719,615</u>	<u>\$ 719,615</u>

Library Facilities Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 8,612,000	\$ 4,679,721	\$ 41,940	\$ 4,721,661
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	8,600,000	5,100,000		5,100,000
Premium on Debt	396,288	396,288		396,288
Transfers In	12,000	12,000		12,000
Transfers Out	(396,288)		(396,288)	(396,288)
Total Other Financing Sources (Uses)	<u>8,612,000</u>	<u>5,508,288</u>	<u>(396,288)</u>	<u>5,112,000</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	828,567	(438,228)	390,339
Fund Balance - July 1			<u>828,567</u>	
Fund Balance - June 30		<u>\$ 828,567</u>	<u>\$ 390,339</u>	<u>\$ 390,339</u>

Historical Museum Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Other Revenue	\$	\$ 15,808	\$	\$ 15,808
Expenditures:				
Capital Improvements:				
Culture and Recreation	5,300,000	4,440,120	27,158	4,467,278
Excess of Revenues Under Expenditures	(5,300,000)	(4,424,312)	(27,158)	(4,451,470)
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	5,300,000	5,300,000		5,300,000
Premium on Debt	437,568	437,568		437,568
Transfers Out	(437,568)		(437,568)	(437,568)
Total Other Financing Sources (Uses)	5,300,000	5,737,568	(437,568)	5,300,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	\$	1,313,256	(464,726)	848,530
Fund Balance - July 1			1,313,256	
Fund Balance - June 30		\$ 1,313,256	\$ 848,530	\$ 848,530

Parks and Recreation Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 5,000,000	\$	\$	\$
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	5,000,000			
Excess of Other Financing Sources Over (Under) Expenditures	\$			
Fund Balance - July 1				
Fund Balance - June 30		\$	\$	\$

Economic Development Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
General Government	\$ 9,000,000	\$ 1,709,023	\$ 1,586,695	\$ 3,295,718
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	10,000,000	6,000,000		6,000,000
Premium on Debt	165,120	165,120		165,120
Transfers Out	(1,165,120)		(165,120)	(165,120)
Total Other Financing Sources (Uses)	9,000,000	6,165,120	(165,120)	6,000,000
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	\$	4,456,097	(1,751,815)	2,704,282
Fund Balance - July 1			4,456,097	
Fund Balance - June 30		\$ 4,456,097	\$ 2,704,282	\$ 2,704,282

Fire Station Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Public Safety	\$ 24,147,467	\$ 9,857,272	\$ 356,534	\$ 10,213,806
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	24,500,000	10,545,000		10,545,000
Premium on Debt	676,992	676,991		676,991
Transfers Out	(1,029,525)	(352,533)	(676,991)	(1,029,524)
Total Other Financing Sources (Uses)	<u>24,147,467</u>	<u>10,869,458</u>	<u>(676,991)</u>	<u>10,192,467</u>
Excess of Other Financing Sources Over (Under)				
Expenditures and Other Financing (Uses)	<u>\$</u>	\$ 1,012,186	(1,033,525)	(21,339)
Fund Balance - July 1			<u>1,012,186</u>	
Fund Balance - June 30		<u>\$ 1,012,186</u>	<u>\$ (21,339)</u>	<u>\$ (21,339)</u>

Public Buildings Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
General Government	\$ 1,000,000	\$ 1,000,000	\$	\$ 1,000,000
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	1,000,000	1,000,000		1,000,000
Premium on Debt	83,180	83,180		83,180
Transfers Out	(83,180)		(83,180)	(83,180)
Total Other Financing Sources (Uses)	<u>1,000,000</u>	<u>1,083,180</u>	<u>(83,180)</u>	<u>1,000,000</u>
Excess of Other Financing Sources Over (Under)				
Expenditures and Other Financing (Uses)	<u>\$</u>	83,180	(83,180)	
Fund Balance - July 1			<u>83,180</u>	
Fund Balance - June 30		<u>\$ 83,180</u>	<u>\$</u>	<u>\$</u>

War Memorial Stadium Bond Fund - Series 2008

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 1,500,000	\$ 89,360	\$	\$ 89,360
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	1,500,000	1,500,000		1,500,000
Premium on Debt	124,770	124,770		124,770
Transfers Out	(124,770)		(124,770)	(124,770)
Total Other Financing Sources (Uses)	<u>1,500,000</u>	<u>1,624,770</u>	<u>(124,770)</u>	<u>1,500,000</u>
Excess of Other Financing Sources Over (Under)				
Expenditures and Other Financing (Uses)	<u>\$</u>	1,535,410	(124,770)	1,410,640
Fund Balance - July 1			<u>1,535,410</u>	
Fund Balance - June 30		<u>\$ 1,535,410</u>	<u>\$ 1,410,640</u>	<u>\$ 1,410,640</u>

Street Improvements Bond Fund - Series 2010

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Construction Project Development	\$	\$ 3,720	\$ 6,798	\$ 10,518
Expenditures:				
Capital Improvements:				
Transportation	132,970,750	349,441	729,830	1,079,271
Excess of Revenues Under Expenditures	(132,970,750)	(345,721)	(723,032)	(1,068,753)
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	134,000,000	2,740,000		2,740,000
Transfers Out	(1,029,250)		(400)	(400)
Total Other Financing Sources (Uses)	132,970,750	2,740,000	(400)	2,739,600
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	\$	2,394,279	(723,432)	1,670,847
Fund Balance - July 1			2,394,279	
Fund Balance - June 30		\$ 2,394,279	\$ 1,670,847	\$ 1,670,847

Parks and Recreation Bond Fund - Series 2010

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 8,000,000	\$ 341,804	\$ 40,321	\$ 382,125
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	8,000,000	980,000		980,000
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	638,196	(40,321)	597,875
Fund Balance - July 1			638,196	
Fund Balance - June 30		<u>\$ 638,196</u>	<u>\$ 597,875</u>	<u>\$ 597,875</u>

Parks and Recreation Bond - Series 2010 Aquatic Center

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
War Memorial Coliseum Complex - Aquatic Center	\$ 12,000,000	\$ 6,000,000	\$	\$ 6,000,000
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	12,000,000	6,000,000	6,000,000	12,000,000
Excess of Other Financing Sources Over Expenditures	\$		6,000,000	6,000,000
Fund Balance - July 1				
Prior Period Adjustment			(6,000,000)	(6,000,000)
Fund Balance - July 1, restated			(6,000,000)	(6,000,000)
Fund Balance - June 30		\$	\$	\$

Housing Bond Fund - Series 2010

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Community Development	\$ 1,000,000	\$	\$	\$
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	1,000,000			
Excess of Other Financing Sources Over (Under) Expenditures	\$			
Fund Balance - July 1				
Fund Balance - June 30		\$	\$	\$

Natural Science Center Bond Fund - Series 2010

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Natural Science Center	\$ 20,000,000	\$ 1,962,500	\$ 4,657,075	\$ 6,619,575
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	20,000,000	1,735,000	4,000,000	5,735,000
General Obligation BANS Issued			310,000	310,000
Total Other Financing Sources	20,000,000	1,735,000	4,310,000	6,045,000
Excess of Other Financing Sources Under Expenditures	\$	(227,500)	(347,075)	(574,575)
Fund Balance - July 1			(227,500)	
Fund Balance - June 30		\$ (227,500)	\$ (574,575)	\$ (574,575)

Perpetual Care Fund

Perpetual Care Fund

The purpose of this fund is to account for monies to be used in the maintenance of the City's cemeteries. A contribution of one-fourth of all lot sales from the Cemetery Fund is the only funding source of this fund. Income earned from the investment of the assets of this fund is credited directly to the Cemetery Fund to partially defray the costs of cemetery operations under provisions of the City Code of Ordinances. No part of the principal may be expended from this fund, which classifies this fund as a Permanent Fund. No expenses were recorded in this fund during the current year.

This fund can be found on the Combining Balance Sheet, page 42 and the Combining Statement of Revenues, Expenditures and Changes in Fund Balances, page 50.

Enterprise Funds

Water Resources Fund

The Water Resources Fund provides services to over 102,126 customers and is designed to be self-supporting. Revenues are sufficient to meet the operating expenses and to provide funds for water and sewer line construction. These revenues are also used to provide for principal and interest on all water and sewer debt. Continued expansion of the water and sewer system has been necessary to provide for the increase in residential, commercial and industrial requirements. Combined Enterprise System Revenue bonds outstanding are recorded in this fund.

Stormwater Management Fund

This fund was established to account for the federally mandated program of stormwater system management, which is supported by a citywide stormwater fee.

War Memorial Coliseum Fund

This fund administers monies necessary for the operation of the complex responsible for bringing top artists in the entertainment, educational and sports fields to Greensboro. The Coliseum Complex consists of an arena with a seating capacity of 23,500, an auditorium with a seating capacity of 2,400, the 300-seat Odeon Theatre, the 167,000-square foot Special Events Center that includes three exhibition halls, a 4,500-seat mini-arena and eight meeting rooms, the 30,000 square-foot Pavilion, the ACC Hall of Champions, and the White Oak Amphitheatre with a seating capacity of 7,688. The state-of-the-art Greensboro Aquatic Center opened in September 2011 with a seating capacity of 2,500.

Solid Waste Management Fund

This fund accounts for waste disposal and recycling operations of the City, as well as solid waste landfill improvements. Special Obligation Bonds outstanding are recorded in this fund.

Parking Facilities Fund

This fund accounts for revenues and expenses related to City-owned parking garages, lots and curbside parking spaces. The City currently operates four parking garages providing over 2,800 parking spaces in the Center City area.

Enterprise Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Non-GAAP)

The following Schedules present the results of operation for all Enterprise Funds on the modified accrual basis for comparison to the legally adopted budget for each fund. A reconciliation of the modified accrual basis to the full accrual basis (per generally accepted accounting principles) follows each Schedule.

Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 89,051,518	\$ 86,187,254	\$ (2,864,264)
Other Operating Revenues	1,257,500	1,755,499	497,999
Other Operating Revenues - Capital Reserve Fund	283,502	283,502	283,502
Total Operating Revenues	<u>90,309,018</u>	<u>88,226,255</u>	<u>(2,082,763)</u>
Operating Expenses:			
Personal Services	13,036,889	12,765,348	271,541
Fringe Benefits	5,800,428	5,776,216	24,212
Maintenance and Repairs	6,114,004	4,370,627	1,743,377
Operations	31,987,731	26,615,380	5,372,351
Capital Outlay	1,121,771	977,907	143,864
Total Operating Expenses	<u>58,060,823</u>	<u>50,505,478</u>	<u>7,555,345</u>
Operating Income	<u>32,248,195</u>	<u>37,720,777</u>	<u>5,472,582</u>
Nonoperating Revenues:			
Investment Income	421,000	385,438	(35,562)
Investment Income - Capital Reserve Fund	284,073	284,073	284,073
Miscellaneous Nonoperating Revenue	25,000	307,224	282,224
Total Nonoperating Revenues	<u>446,000</u>	<u>976,735</u>	<u>530,735</u>
Nonoperating Expenses:			
Principal Maturities	9,261,424	9,261,250	174
Interest Expense	10,889,547	8,956,414	1,933,133
Interest Rate Exchange Payment	2,708,461	3,162,353	(453,892)
Miscellaneous Nonoperating Expense	1,676,642	386,498	1,290,144
Total Nonoperating Expenses	<u>24,536,074</u>	<u>21,766,515</u>	<u>2,769,559</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	<u>8,158,121</u>	<u>16,930,997</u>	<u>8,772,876</u>
Capital Contributions		<u>2,246,013</u>	<u>2,246,013</u>
Other Financing Sources (Uses):			
Debt Issuances:			
Revenue Bonds Issued - Refunding	38,385,000	38,385,000	
Premium on Bonds Issued	6,865,454	6,865,454	
Payment to Escrow Agent for Refunding of Debt	(41,599,354)	(41,599,354)	
Transfers Out - Capital Reserve Fund	(5,508,300)	(5,508,300)	
Transfers Out - Capital Improvement Fund	(14,515,000)	(14,515,000)	
Total Other Financing Sources (Uses)	<u>(16,372,200)</u>	<u>(16,372,200)</u>	
Excess of Revenues, Contributions and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(8,214,079)</u>	<u>2,804,810</u>	<u>11,018,889</u>
Appropriated Fund Balance	<u>8,214,079</u>		<u>(8,214,079)</u>
Excess of Revenues, Contributions and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 2,804,810</u>	<u>\$ 2,804,810</u>

Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 89,202,990
Total Expenses	<u>72,271,993</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	16,930,997
Adjustment to Full Accrual Basis:	
Depreciation	(21,663,873)
Principal Maturities	9,261,250
Loss on Disposal of Capital Assets	(329,509)
Gain on Disposal of Capital Assets	245,792
Inventory Gain (Loss)	(8,633)
Amortization of Underwriters' and Other Deferred Expense	(1,101,416)
Amortization of Bond Premiums	877,865
Capital Outlay	977,907
Capital Project Net Expenses	(1,875,537)
Capital Project Cost Sharing and Other Reimbursements	1,709,232
Allowance for Uncollectible Accounts	<u>(1,300,000)</u>
Income Before Contributions and Transfers	<u>\$ 3,724,075</u>

Water Resources Capital Improvement Fund - Incinerator Project

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
TZO-Fluidized Bed Incinerator	\$ 20,965,455	\$ 19,888,479	\$ 814,212	\$ 20,702,691
Nonoperating Revenues:				
Contract Agreement Reimbursement	2,000,000	2,000,000		2,000,000
Refunds and Recoveries	16,311,982	16,311,982		16,311,982
Total Nonoperating Revenues	18,311,982	18,311,982		18,311,982
Net Expenses Before Other Financing Sources	(2,653,473)	(1,576,497)	(814,212)	(2,390,709)
Other Financing Sources:				
Transfers from Water Resources:				
Water and Sewer Operating Fund	2,653,473	2,653,473		2,653,473
Excess of Revenues and Other Financing Sources Over (Under) Expenses	\$	\$ 1,076,976	\$ (814,212)	\$ 262,764

Water Resources Bond Fund - Series 2007

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Water Treatment Plants	\$ 5,745,444	\$ 5,744,962	\$	\$ 5,744,962
Water Mains-Tanks and Supply	818,582	773,101	7,564	780,665
Sewer Mains	26,390,258	26,385,520		26,385,520
Sewer Pumping Stations	2,236,481	1,400,675	665,680	2,066,355
Osborne Treatment Plant	8,416,527	6,892,102	30,396	6,922,498
Total Capital Improvements	<u>43,607,292</u>	<u>41,196,360</u>	<u>703,640</u>	<u>41,900,000</u>
Nonoperating Expenses:				
Interest Expense	2,808,327	2,035,789		2,035,789
Bond Issue Expense	568,365	566,365		566,365
Miscellaneous Bond Expenses	16,016	8,372		8,372
Total Expenses	<u>47,000,000</u>	<u>43,806,886</u>	<u>703,640</u>	<u>44,510,526</u>
Nonoperating Revenues:				
Investment Income	<u>923,898</u>	<u>1,155,658</u>		<u>1,155,658</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(46,076,102)</u>	<u>(42,651,228)</u>	<u>(703,640)</u>	<u>(43,354,868)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
Revenue Bonds Issued	48,040,000	48,040,000		48,040,000
Premium - Revenue Bonds	536,102	536,102		536,102
Transfers Out	(2,500,000)	(2,500,000)		(2,500,000)
Total Other Financing Sources (Uses)	<u>46,076,102</u>	<u>46,076,102</u>		<u>46,076,102</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 3,424,874</u>	<u>\$ (703,640)</u>	<u>\$ 2,721,234</u>

Water Resources Bond Fund - Series 2009

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
 From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Mitchell Clearwell Replacement	\$ 1,309,230	\$ 269,120	\$ 269,120	\$ 269,120
Townsend Dam Replacement	40,094,929	33,884,495	3,797,477	37,681,972
Randleman Dam	7,949,675	7,008,549	39,390	7,047,939
Osborne Treatment Plant	2,123,596	1,482,748	523,642	2,006,390
Lake Brandt Upfit and Genset	522,000		88,620	88,620
Total Capital Improvements	<u>51,999,430</u>	<u>42,644,912</u>	<u>4,449,129</u>	<u>47,094,041</u>
Nonoperating Expenses:				
Interest Expense	2,369,878	2,369,878		2,369,878
Bond Issue Expense	709,132	696,631		696,631
Total Expenses	<u>55,078,440</u>	<u>45,711,421</u>	<u>4,449,129</u>	<u>50,160,550</u>
Nonoperating Revenues:				
Investment Income	<u>351,160</u>	<u>469,115</u>	<u>4,233</u>	<u>473,348</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(54,727,280)</u>	<u>(45,242,306)</u>	<u>(4,444,896)</u>	<u>(49,687,202)</u>
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	53,180,000	53,180,000		53,180,000
Premium-Revenue Bonds	1,547,280	1,547,280		1,547,280
Total Other Financing Sources	<u>54,727,280</u>	<u>54,727,280</u>		<u>54,727,280</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 9,484,974</u>	<u>\$ (4,444,896)</u>	<u>\$ 5,040,078</u>

Guilford County Construction Project Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Guilford County Construction:				
Reimbursements	\$ 11,358,446	\$ 4,233,312	\$ 1,709,233	\$ 5,942,545
Expenses:				
Capital Improvements:				
Forest Oaks Estate	1,419,294	240,398		240,398
Lynwood Lakes	4,086,698	828,584	559	829,143
City/County Master Plan	1,043,211	1,043,210		1,043,210
GTCC Water and Sewer Project	5,603,931	1,120,947	2,476,356	3,597,303
Alamance Elementary School Water Project	1,288,846	1,140,976		1,140,976
Total Expenses	<u>13,441,980</u>	<u>4,374,115</u>	<u>2,476,915</u>	<u>6,851,030</u>
Excess of Revenues Under Expenses Before				
Other Financing Sources	(2,083,534)	(140,803)	(767,682)	(908,485)
Other Financing Sources:				
Transfers In	<u>2,083,534</u>	<u>1,083,534</u>		<u>1,083,534</u>
Excess of Revenues and Other Financing				
Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 942,731</u>	<u>\$ (767,682)</u>	<u>\$ 175,049</u>

Water Resources Capital Improvement Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Water Line and Tank Construction	\$ 19,667,972	\$ 7,024,994	\$ 3,493,866	\$ 10,518,860
Chloramine Conversion Project	7,698,587	7,687,344	838	7,688,182
Sewer Line Construction	29,405,723	8,096,776	9,887,092	17,983,868
I-85 Bypass Stubouts	915,538	259,616	655,921	915,537
Annexation - FY 10-11	4,121,732	4,121,731		4,121,731
NCDOT Projects	341,544	252,104		252,104
Total Capital Improvements	<u>62,151,096</u>	<u>27,442,565</u>	<u>14,037,717</u>	<u>41,480,282</u>
Other Operating Revenues:				
Sales Tax Refund		<u>2,045,190</u>		<u>2,045,190</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(62,151,096)	(25,397,375)	(14,037,717)	(39,435,092)
Other Financing Sources:				
Transfers from Water Resources:				
Water Resources Operating Fund	56,642,796	42,127,813	14,515,000	56,642,813
Water Resources Capital Reserve Fund	5,508,300		5,508,300	5,508,300
Total Other Financing Sources	<u>62,151,096</u>	<u>42,127,813</u>	<u>20,023,300</u>	<u>62,151,113</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 16,730,438</u>	<u>\$ 5,985,583</u>	<u>\$ 22,716,021</u>

Stormwater Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 9,135,450	\$ 9,858,630	\$ 723,180
Other Operating Revenues	8,100	37,710	29,610
Total Operating Revenues	<u>9,143,550</u>	<u>9,896,340</u>	<u>752,790</u>
<i>Operating Expenses:</i>			
Personal Services	2,680,395	2,585,460	94,935
Fringe Benefits	1,332,570	1,313,208	19,362
Maintenance and Operations	4,015,612	2,904,143	1,111,469
Capital Outlay	84,495	84,495	(84,495)
Total Operating Expenses	<u>8,028,577</u>	<u>6,887,306</u>	<u>1,141,271</u>
Operating Income	<u>1,114,973</u>	<u>3,009,034</u>	<u>1,894,061</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>45,000</u>	<u>77,071</u>	<u>32,071</u>
Excess of Revenues Over Expenses Before Other Financing Uses	<u>1,159,973</u>	<u>3,086,105</u>	<u>1,926,132</u>
<i>Other Financing Uses:</i>			
Transfers Out	<u>(1,567,500)</u>	<u>(1,567,500)</u>	
Excess of Revenues Over (Under) Expenses and Other Financing Uses	(407,527)	1,518,605	1,926,132
Appropriated Fund Balance	<u>407,527</u>		<u>(407,527)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 1,518,605</u>	<u>\$ 1,518,605</u>

Stormwater Management Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 9,973,411
Total Expenses	<u>6,887,306</u>
Excess of Revenues Over Expenses Before	
Other Financing Uses	3,086,105
Adjustment to Full Accrual Basis:	
Depreciation	(1,692,522)
Capital Outlay	84,495
Compensated Absences	12,694
Net Capital Project Expense	<u>(1,255,847)</u>
Income Before Transfers	<u>\$ 234,925</u>

Stormwater Capital Improvement Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
From Project Inception and For the Fiscal Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Other Revenue	\$ 59,635	\$ 88,171	\$ 16,800	\$ 104,971
Expenses:				
Capital Improvements:				
Water Resources:				
Stormwater Improvements	10,883,029	1,326,312	3,268,755	4,595,067
Nonoperating Revenues:				
Investment Income		1,027,465	88,805	1,116,270
Excess of Revenues Under Expenses Before				
Other Financing Sources	(10,823,394)	(210,676)	(3,163,150)	(3,373,826)
Other Financing Sources:				
Transfers In	10,823,394	9,263,406	1,560,000	10,823,406
Excess of Revenues and Other Financing				
Sources Over (Under) Expenses	\$	\$ 9,052,730	\$ (1,603,150)	\$ 7,449,580

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 23,101,554	\$ 20,155,776	\$ (2,945,778)
Other Operating Revenues	322,605	745,634	423,029
Total Operating Revenues	<u>23,424,159</u>	<u>20,901,410</u>	<u>(2,522,749)</u>
Operating Expenses:			
Personal Services	4,975,217	4,725,254	249,963
Fringe Benefits	1,488,864	1,402,053	86,811
Maintenance and Operations	18,605,092	16,659,233	1,945,859
Capital Outlay	375,466	198,185	177,281
Total Operating Expenses	<u>25,444,639</u>	<u>22,984,725</u>	<u>2,459,914</u>
Operating Loss	<u>(2,020,480)</u>	<u>(2,083,315)</u>	<u>(62,835)</u>
Nonoperating Revenues:			
Investment Income	50,000	34,905	(15,095)
Refunds and Recoveries		48,321	48,321
Donations and Private Contributions		27,170	27,170
Total Nonoperating Revenues	<u>50,000</u>	<u>110,396</u>	<u>60,396</u>
Nonoperating Expenses:			
Principal Maturities	209,023	209,023	
Interest Expense	89,601	88,290	1,311
Miscellaneous Nonoperating Expense	2,000		2,000
Total Nonoperating Expenses	<u>300,624</u>	<u>297,313</u>	<u>3,311</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(2,271,104)</u>	<u>(2,270,232)</u>	<u>872</u>
Other Financing Sources:			
Transfers In	<u>2,066,775</u>	<u>2,066,775</u>	
Excess of Revenues and Other Financing Sources Under Expenses	(204,329)	(203,457)	872
Appropriated Fund Balance	<u>204,329</u>		<u>(204,329)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$ (203,457)</u>	<u>\$ (203,457)</u>

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 21,011,806
Total Expenses	<u>23,282,038</u>
Excess of Revenues Under Expenses Before Contributions and Other Financing Sources	(2,270,232)
Adjustment to Full Accrual Basis:	
Depreciation	(2,816,549)
Principal Maturities	209,023
Capital Outlay	198,185
Inventory Gains (Losses)	(1,121)
Compensated Absences	21,812
Change in OPEB Liability	(11,557)
Net Capital Project Expense	<u>(72,415)</u>
Loss Before Contributions and Transfers	<u>\$ (4,742,854)</u>

War Memorial Coliseum Capital Improvement Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Donations and Contributions	\$ 5,571,183	\$ 5,571,467	\$	\$ 5,571,467
Investment Income	652,003	694,600	(2,902)	691,698
Total Revenues	<u>6,223,186</u>	<u>6,266,067</u>	<u>(2,902)</u>	<u>6,263,165</u>
Expenses:				
Capital Improvements:				
Bond Issue Expense	40,000	14,327	500	14,827
Coliseum Complex Improvements	<u>13,644,178</u>	<u>13,392,305</u>	<u>211,663</u>	<u>13,603,968</u>
Total Expenses	<u>13,684,178</u>	<u>13,406,632</u>	<u>212,163</u>	<u>13,618,795</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(7,460,992)</u>	<u>(7,140,565)</u>	<u>(215,065)</u>	<u>(7,355,630)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
Other Financing Agreements	6,193,777	6,193,777		6,193,777
Transfers:				
Transfer In- General Capital Imprv. Fund	2,000,000	2,000,000		2,000,000
Transfer In- Coliseum Operating Fund	135,215	135,215		135,215
Transfer Out- Coliseum Operating Fund	<u>(868,000)</u>	<u>(868,000)</u>		<u>(868,000)</u>
Total Other Financing Sources (Uses)	<u>7,460,992</u>	<u>7,460,992</u>		<u>7,460,992</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 320,427</u>	<u>\$ (215,065)</u>	<u>\$ 105,362</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 12,260,000	\$ 12,095,561	\$ (164,439)
Other Operating Revenues	57,200	43,053	(14,147)
Total Operating Revenues	<u>12,317,200</u>	<u>12,138,614</u>	<u>(178,586)</u>
<i>Operating Expenses:</i>			
Personal Services	1,344,488	1,030,470	314,018
Fringe Benefits	593,722	497,481	96,241
Maintenance and Operations	14,647,911	12,488,073	2,159,838
Total Operating Expenses	<u>16,586,121</u>	<u>14,016,024</u>	<u>2,570,097</u>
Operating Income (Loss)	<u>(4,268,921)</u>	<u>(1,877,410)</u>	<u>2,391,511</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>140,000</u>	<u>72,023</u>	<u>(67,977)</u>
<i>Nonoperating Expenses:</i>			
Principal Maturities	3,495,000	3,495,000	
Interest Expense	344,048	289,460	54,588
Miscellaneous Nonoperating Expense	45,500	90,519	(45,019)
Total Nonoperating Expenses	<u>3,884,548</u>	<u>3,874,979</u>	<u>9,569</u>
Excess of Revenues Under Expenses			
Before Other Financing Sources	<u>(8,013,469)</u>	<u>(5,680,366)</u>	<u>2,333,103</u>
<i>Other Financing Sources:</i>			
Transfers In	<u>3,940,989</u>	<u>3,940,989</u>	
Excess of Revenues and Other Financing Sources Under Expenses	(4,072,480)	(1,739,377)	2,333,103
Appropriated Fund Balance	<u>4,072,480</u>		<u>(4,072,480)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (1,739,377)</u>	<u>\$ (1,739,377)</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 12,210,637
Total Expenses	<u>17,891,003</u>
Excess of Revenues Under Expenses	(5,680,366)
Adjustment to Full Accrual Basis:	
Depreciation	(587,911)
Principal Maturities	3,495,000
Amortization of Bond Premium	25,700
Amortization of Underwriters' Expense	(20,107)
Inventory Gain (Loss)	237
Compensated Absences	(11,149)
Estimated Landfill Closure / Postclosure expense	(2,764,046)
Net Operating Revenues - Landfill Capital Project Funds	<u>(305,854)</u>
Loss Before Contributions and Transfers	<u>\$ (5,848,496)</u>

Solid Waste Capital Improvement Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Miscellaneous Capital Projects	\$ 2,093,367	\$ 2,070,636	\$	\$ 2,070,636
Groundwater Remediation	622,000	79,343	29,171	108,514
Landfill Expansion - Cell 2 and 3	528,809	528,809		528,809
Solid Waste Transfer Station	928,059	928,058		928,058
White Street Landfill Clean Air Act	2,069,815	2,069,812		2,069,812
Total Expenses	<u>6,242,050</u>	<u>5,676,658</u>	<u>29,171</u>	<u>5,705,829</u>
Nonoperating Revenues:				
Investment Income		<u>130,132</u>	<u>6,574</u>	<u>136,706</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(6,242,050)	(5,546,526)	(22,597)	(5,569,123)
Other Financing Sources:				
Transfers In	<u>6,242,050</u>	<u>6,242,050</u>		<u>6,242,050</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 695,524</u>	<u>\$ (22,597)</u>	<u>\$ 672,927</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 2,422,899	\$ 2,118,941	\$ (303,958)
Other Operating Revenues	<u>29,634</u>	<u>29,634</u>	<u>29,634</u>
Total Operating Revenues	<u>2,422,899</u>	<u>2,148,575</u>	<u>(274,324)</u>
Operating Expenses:			
Personal Services	315,219	308,860	6,359
Fringe Benefits	137,407	137,054	353
Maintenance and Operations	2,417,055	1,060,643	1,356,412
Capital Outlay	<u>30,000</u>	<u>29,622</u>	<u>378</u>
Total Operating Expenses	<u>2,899,681</u>	<u>1,536,179</u>	<u>1,363,502</u>
Operating Income (Loss)	<u>(476,782)</u>	<u>612,396</u>	<u>1,089,178</u>
Nonoperating Revenues:			
Investment Income	<u>18,000</u>	<u>16,138</u>	<u>(1,862)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(458,782)</u>	<u>628,534</u>	<u>1,087,316</u>
Other Financing Uses:			
Transfers Out - Capital Projects Fund	(280,000)	(280,000)	
Transfers Out - General Fund	<u>(237,000)</u>	<u>(237,000)</u>	
Total Other Financing Uses	<u>(517,000)</u>	<u>(517,000)</u>	
Excess of Revenues Over (Under) Expenses and Other Financing Uses	<u>(975,782)</u>	<u>111,534</u>	<u>1,087,316</u>
Appropriated Fund Balance	<u>975,782</u>		<u>(975,782)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 111,534</u>	<u>\$ 111,534</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 2,164,713
Total Expenses	<u>1,536,179</u>
Excess of Revenues Over Expenses	
Before Other Financing Sources	628,534
Adjustment to Full Accrual Basis:	
Depreciation	(614,410)
Capital Outlay	29,622
Net Capital Project Revenue/Expense	<u>(38,461)</u>
Income Before Contributions and Transfers	<u><u>\$ 5,285</u></u>

Parking Facilities Capital Projects Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)

From Project Inception and For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Parking Facilities	\$ 280,000	\$	\$ 227,050	\$ 227,050
Nonoperating Revenues:				
Investment Income			741	741
Excess of Revenues Under Expenses Before Other Financing Sources	(280,000)		(226,309)	(226,309)
Other Financing Sources:				
Transfers In	280,000		280,000	280,000
Excess of Revenues and Other Financing Sources Over Expenses	\$	\$	\$ 53,691	\$ 53,691

Internal Service Funds

Equipment Services Fund

This fund accounts for the costs of operating a maintenance facility for automotive equipment used by City departments. The costs of providing this service are billed to user departments. Automotive equipment is owned by the Equipment Services Fund.

Technical Services Fund

This fund accounts for the City's two-way radio system and the Police mobile data system, including any peripheral equipment, except the computer hardware or software. The user departments are billed for the costs of operation.

Information Systems Fund

This fund accounts for the costs of operating, maintaining and supporting the City's network, server and telecommunications infrastructure. The user departments are billed for the costs of operation.

Graphic Services Fund

This fund accounts for all in-house printing services provided to the City, Guilford County and other agencies. The cost of providing this service is billed to user departments and agencies.

Employee Risk Retention Fund

This fund is maintained for self-funding of employee health, dental and workers' compensation coverage. The employees' premium and the City's contribution are deposited in this fund. Payments for workers' compensation coverage are made to a third-party administrator for the statement of claims plus administrative expenses. The City administers the employee dental coverage plan. Health coverage is provided by a health insurance provider and claims are paid from this fund.

General Risk Retention Fund

This fund was established to accumulate claim reserves and to pay claims and administrative fees for general liability, vehicle liability, public official liability, law enforcement liability and underground storage tank liability, in the City's self-funding program.

Capital Leasing Fund

This fund was established to account for major equipment purchases financed with lease-purchase agreements or certificates of participation.

Guilford Metro Communications Fund

This fund was established in FY2011 to account for communications administration supported by General Fund revenues.

Internal Service Funds

Combining Statement of Net Assets

June 30, 2012

ASSETS	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Information Systems</u>
Current Assets:			
Cash and Cash Equivalents/Investments	\$ 16,373,710	\$ 6,192,296	\$ 2,412,654
Receivables (Net):			
Accounts, Notes and Mortgages			
Intergovernmental	258,805	64,886	283,685
Interest	37,362	11,213	6,482
Inventories	772,296		39,302
Miscellaneous	18,712	7,328	
Total Current Assets	<u>17,460,885</u>	<u>6,275,723</u>	<u>2,742,123</u>
Noncurrent Assets:			
Assets Held for Resale			
Self-Funded Retention Deposits			
Capital Assets:			
Non-Depreciable:			
Land			
Construction in Progress	245,351	1,619,786	98,982
Depreciable/Amortized:			
Land Improvements	80,255		
Buildings	1,604,880	167,458	
Improvements Other than Buildings		11,108	
Furniture, Fixtures, Machinery and Equipment	66,519,033	7,776,819	1,733,912
Less Accumulated Depreciation	(52,339,913)	(7,800,165)	(542,187)
Intangible Assets:			
Software and Licenses			
Less Accumulated Amortization			
Total Noncurrent Assets	<u>16,109,606</u>	<u>1,775,006</u>	<u>1,290,707</u>
Total Assets	<u>33,570,491</u>	<u>8,050,729</u>	<u>4,032,830</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	61,779		
Contracts/Retainage Payable			6,539
Interest Payable		26,767	
General Obligation Bonds Payable		313,908	
Lease-Purchase and Other			
Financing Agreements Payable			420,786
Customer Deposits Payable			
Compensated Absences	206,352	39,079	52,446
Total Current Liabilities	<u>268,131</u>	<u>379,754</u>	<u>479,771</u>
Noncurrent Liabilities:			
General Obligation Bonds Payable		2,828,264	
Lease-Purchase and Other			
Financing Agreements Payable			845,135
Compensated Absences	24,791	2,962	48,472
Other Postemployment Benefits Payable			
Total Noncurrent Liabilities	<u>24,791</u>	<u>2,831,226</u>	<u>893,607</u>
Total Liabilities	<u>292,922</u>	<u>3,210,980</u>	<u>1,373,378</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	16,109,606	(1,367,166)	24,786
Restricted for Assets Held for Resale			
Restricted for Self-Funded Insurance Deposits			
Unrestricted	17,167,963	6,206,915	2,634,666
Total Net Assets	<u>\$ 33,277,569</u>	<u>\$ 4,839,749</u>	<u>\$ 2,659,452</u>

<u>Graphic Services</u>	<u>Guilford Metro Communications</u>	<u>Employee Risk Retention</u>	<u>General Risk Retention</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 97,913	\$ 1,604,805	\$ 25,266,460	\$ 13,150,392	\$ 2,353,375	\$ 67,451,605
				1,275,000	1,275,000
21,556	9,070	3,273		22,325	663,600
494	2,427	67,150	32,274	10,170	167,572
37,374					848,972
		4,725			30,765
<u>157,337</u>	<u>1,616,302</u>	<u>25,341,608</u>	<u>13,182,666</u>	<u>3,660,870</u>	<u>70,437,514</u>
				600,000	600,000
		1,951,319	15,662,458		17,613,777
	137,042			1,660,541	1,797,583
				30,000	1,994,119
	136,224			749,902	966,381
				1,235,639	3,007,977
					11,108
39,672	28,149	5,295		40,837,316	116,940,196
(23,817)	(49,538)	(1,059)		(35,757,208)	(96,513,887)
				6,413,325	6,413,325
				(5,903,686)	(5,903,686)
<u>15,855</u>	<u>251,877</u>	<u>1,955,555</u>	<u>15,662,458</u>	<u>9,865,829</u>	<u>46,926,893</u>
<u>173,192</u>	<u>1,868,179</u>	<u>27,297,163</u>	<u>28,845,124</u>	<u>13,526,699</u>	<u>117,364,407</u>
2,593		7,556,281	1,352,884	37,538	9,011,075
					6,539
				77,742	104,509
					313,908
				2,563,231	2,984,017
			43,142		43,142
60,089	248,601	18,600	5,258		630,425
<u>62,682</u>	<u>248,601</u>	<u>7,574,881</u>	<u>1,401,284</u>	<u>2,678,511</u>	<u>13,093,615</u>
					2,828,264
				7,544,477	8,389,612
8,928	112,607	24,871	2,132		224,763
		53,656			53,656
<u>8,928</u>	<u>112,607</u>	<u>78,527</u>	<u>2,132</u>	<u>7,544,477</u>	<u>11,496,295</u>
<u>71,610</u>	<u>361,208</u>	<u>7,653,408</u>	<u>1,403,416</u>	<u>10,222,988</u>	<u>24,589,910</u>
15,855	251,877	4,236		(841,879)	14,197,315
				600,000	600,000
		1,951,319	15,662,458		17,613,777
85,727	1,255,094	17,688,200	11,779,250	3,545,590	60,363,405
<u>\$ 101,582</u>	<u>\$ 1,506,971</u>	<u>\$ 19,643,755</u>	<u>\$ 27,441,708</u>	<u>\$ 3,303,711</u>	<u>\$ 92,774,497</u>

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2012

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Information Systems</u>
<i>Operating Revenues:</i>			
Charges for Current Services-Internal	\$ 14,826,543	\$ 2,258,075	\$ 7,656,761
Charges for Current Services-External	2,290	150,963	
Total Charges for Current Services	<u>14,828,833</u>	<u>2,409,038</u>	<u>7,656,761</u>
Other Operating Revenues	44,202	909,751	2,810
Total Operating Revenues	<u>14,873,035</u>	<u>3,318,789</u>	<u>7,659,571</u>
<i>Operating Expenses:</i>			
Personal Services	2,165,430	529,542	996,188
Fringe Benefits	941,995	181,001	320,486
Maintenance and Operations	5,913,762	1,375,584	6,614,964
Claims and Expenses			
Depreciation/Amortization	6,341,356	513,478	357,496
Total Operating Expenses	<u>15,362,543</u>	<u>2,599,605</u>	<u>8,289,134</u>
Operating Income (Loss)	<u>(489,508)</u>	<u>719,184</u>	<u>(629,563)</u>
<i>Nonoperating Revenues(Expenses):</i>			
Investment Income	151,348	43,079	25,865
Miscellaneous Nonoperating Revenue	1,368,677		13,787
Interest Expense		(87,132)	(26,866)
Loss on Disposal of Capital Assets	(339,755)		
Miscellaneous Nonoperating Expense	(345)	(28,529)	(26,048)
Total Nonoperating Revenues (Expenses)	<u>1,179,925</u>	<u>(72,582)</u>	<u>(13,262)</u>
Income (Loss) Before Transfers	<u>690,417</u>	<u>646,602</u>	<u>(642,825)</u>
Transfers In			
Transfers Out	(430,891)	(55,503)	(330,000)
Total Transfers	<u>(430,891)</u>	<u>(55,503)</u>	<u>(330,000)</u>
Change in Net Assets	259,526	591,099	(972,825)
Net Assets - July 1	33,018,043	4,248,650	3,632,277
Net Assets - June 30	<u>\$ 33,277,569</u>	<u>\$ 4,839,749</u>	<u>\$ 2,659,452</u>

<u>Graphic Services</u>	<u>Guilford Metro Communications</u>	<u>Employee Risk Retention</u>	<u>General Risk Retention</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 753,000	\$	\$ 37,421,803	\$ 1,479,967	\$ 4,392,049	\$ 68,788,198
172,900	1,826,533				2,152,686
<u>925,900</u>	<u>1,826,533</u>	<u>37,421,803</u>	<u>1,479,967</u>	<u>4,392,049</u>	<u>70,940,884</u>
		749,499	5,713		1,711,975
<u>925,900</u>	<u>1,826,533</u>	<u>38,171,302</u>	<u>1,485,680</u>	<u>4,392,049</u>	<u>72,652,859</u>
385,731	3,943,740	426,125	25,111		8,471,867
149,127	1,535,678	116,645	3,357		3,248,289
496,458	416,912	293,081	216,773	1,330,598	16,658,132
		38,897,687	1,323,730		40,221,417
1,984	8,219	353		2,861,247	10,084,133
<u>1,033,300</u>	<u>5,904,549</u>	<u>39,733,891</u>	<u>1,568,971</u>	<u>4,191,845</u>	<u>78,683,838</u>
<u>(107,400)</u>	<u>(4,078,016)</u>	<u>(1,562,589)</u>	<u>(83,291)</u>	<u>200,204</u>	<u>(6,030,979)</u>
2,064	14,433	263,223	100,216	34,425	634,653
				168,474	1,550,938
				(513,620)	(627,618)
				(198,591)	(538,346)
					(54,922)
<u>2,064</u>	<u>14,433</u>	<u>263,223</u>	<u>100,216</u>	<u>(509,312)</u>	<u>964,705</u>
<u>(105,336)</u>	<u>(4,063,583)</u>	<u>(1,299,366)</u>	<u>16,925</u>	<u>(309,108)</u>	<u>(5,066,274)</u>
	4,036,284				4,036,284
		(717,000)	(100,000)		(1,633,394)
	<u>4,036,284</u>	<u>(717,000)</u>	<u>(100,000)</u>		<u>2,402,890</u>
(105,336)	(27,299)	(2,016,366)	(83,075)	(309,108)	(2,663,384)
206,918	1,534,270	21,660,121	27,524,783	3,612,819	95,437,881
<u>\$ 101,582</u>	<u>\$ 1,506,971</u>	<u>\$ 19,643,755</u>	<u>\$ 27,441,708</u>	<u>\$ 3,303,711</u>	<u>\$ 92,774,497</u>

Internal Service Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2012

	Equipment Services	Technical Services	Information Systems
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 14,828,833	\$ 2,409,038	\$ 7,357,965
Payments to Suppliers	(5,880,890)	(1,303,439)	(6,604,740)
Payments to Employees	(3,118,690)	(716,343)	(1,337,139)
Other Receipts	241,581	909,751	2,810
Net Cash Provided by (Used for) Operating Activities	<u>6,070,834</u>	<u>1,299,007</u>	<u>(581,104)</u>
Cash Flows from Noncapital Financing Activities:			
Subsidies and Transfers In			
Subsidies and Transfers Out	(430,891)	(55,503)	(330,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(430,891)</u>	<u>(55,503)</u>	<u>(330,000)</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(6,981,983)	(1,637,201)	(98,982)
Proceeds from Sale of Capital Assets	1,136,127		
Principal Paid on Capital Debt		(304,010)	
Interest and Fiscal Charges Paid on Capital Debt		(111,310)	
Net Cash Used for Capital and Related Financing Activities	<u>(5,845,856)</u>	<u>(2,052,521)</u>	<u>(98,982)</u>
Cash Flows from Investing Activities:			
Interest	166,704	56,018	30,452
Economic Development Loan			
Net Cash Provided by (Used for) Investing Activities	<u>166,704</u>	<u>56,018</u>	<u>30,452</u>
Net Decrease in Cash and Cash Equivalents/Investments	(39,209)	(752,999)	(979,634)
Balances - July 1	<u>16,412,919</u>	<u>6,945,295</u>	<u>3,392,288</u>
Balances - June 30	<u>\$ 16,373,710</u>	<u>\$ 6,192,296</u>	<u>\$ 2,412,654</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ (489,508)	\$ 719,184	\$ (629,563)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	6,341,356	513,478	357,496
Changes in Assets and Liabilities:			
Increase (Decrease) in Receivables	(165)	27,353	
Increase (Decrease) in Inventories	59,399		4,619
Increase (Decrease) in Intergovernmental Receivables	65,805	73,321	5,605
Increase in Miscellaneous Assets		(28,529)	
Increase (Decrease) in Accounts Payable	(92,167)		(14,926)
Increase (Decrease) in Compensated Absences Payable	(11,265)	(5,800)	(5,539)
Increase (Decrease) in Other Receipts (Disbursements)	197,379		(298,796)
Total Adjustments	<u>6,560,342</u>	<u>579,823</u>	<u>48,459</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 6,070,834</u>	<u>\$ 1,299,007</u>	<u>\$ (581,104)</u>
Noncash Investing, Capital and Financing Activities:			
Lease-Purchase and Other Capital Financing Agreements	<u>\$</u>	<u>\$</u>	<u>\$ 1,537,851</u>

<u>Graphic Services</u>	<u>Guilford Metro Communications</u>	<u>Employee Risk Retention</u>	<u>General Risk Retention</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 925,900	\$ 1,826,533	\$ 37,421,803	\$ 1,479,967	\$ 3,354,445	\$ 69,604,484
(483,871)	(408,530)	(39,539,756)	(1,683,645)	(1,548,089)	(57,452,960)
(531,397)	(5,547,441)	(499,299)	(21,078)		(11,771,387)
		749,499	5,713	168,474	2,077,828
<u>(89,368)</u>	<u>(4,129,438)</u>	<u>(1,867,753)</u>	<u>(219,043)</u>	<u>1,974,830</u>	<u>2,457,965</u>
	4,036,284				4,036,284
		(717,000)	(100,000)		(1,633,394)
	<u>4,036,284</u>	<u>(717,000)</u>	<u>(100,000)</u>		<u>2,402,890</u>
				(790,909)	(9,509,075)
				(2,012,191)	1,136,127
				<u>(479,920)</u>	<u>(2,316,201)</u>
					(591,230)
				(3,283,020)	(11,280,379)
2,700	12,006	294,743	112,052	44,448	719,123
				(1,200,000)	(1,200,000)
<u>2,700</u>	<u>12,006</u>	<u>294,743</u>	<u>112,052</u>	<u>(1,155,552)</u>	<u>(480,877)</u>
(86,668)	(81,148)	(2,290,010)	(206,991)	(2,463,742)	(6,900,401)
<u>184,581</u>	<u>1,685,953</u>	<u>27,556,470</u>	<u>13,357,383</u>	<u>4,817,117</u>	<u>74,352,006</u>
<u>\$ 97,913</u>	<u>\$ 1,604,805</u>	<u>\$ 25,266,460</u>	<u>\$ 13,150,392</u>	<u>\$ 2,353,375</u>	<u>\$ 67,451,605</u>
\$ (107,400)	\$ (4,078,016)	\$ (1,562,589)	\$ (83,291)	\$ 200,204	\$ (6,030,979)
1,984	8,219	353		2,861,247	10,084,133
(2,238)					27,188
14,547	8,382	(373)		3,026	61,780
		(71,686)	(219,369)		170,313
278		(276,929)	76,227	37,538	(319,584)
3,461	(68,023)	43,471	7,390		(269,979)
				(1,127,185)	(36,305)
<u>18,032</u>	<u>(51,422)</u>	<u>(305,164)</u>	<u>(135,752)</u>	<u>1,774,626</u>	<u>(1,228,602)</u>
<u>\$ (89,368)</u>	<u>\$ (4,129,438)</u>	<u>\$ (1,867,753)</u>	<u>\$ (219,043)</u>	<u>\$ 1,974,830</u>	<u>\$ 2,457,965</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,537,851</u>

Internal Service Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2012

	Debt Outstanding June 30, 2011	Additions	Retirements	Debt Outstanding June 30, 2012
Equipment Services:				
Compensated Absences	\$ 242,408	\$ 215,740	\$ 227,005	\$ 231,143
Technical Services:				
General Obligation Bonds - Par	3,262,940		304,010	2,958,930
Compensated Absences	47,841	35,252	41,052	42,041
Total Technical Services	3,310,781	35,252	345,062	3,000,971
Information Systems:				
Capital Leases		1,537,851	271,930	1,265,921
Compensated Absences	106,457	55,156	60,695	100,918
Total Technical Services	106,457	1,593,007	332,625	1,366,839
Graphic Services:				
Compensated Absences	65,556	70,906	67,445	69,017
Guilford Metro Communications:				
Compensated Absences	429,231	222,738	290,761	361,208
Employee Risk Retention:				
Compensated Absences		62,097	18,626	43,471
General Risk Retention:				
Compensated Absences		12,648	5,258	7,390
Capital Leasing:				
Capital Leases	1,777,016		987,077	789,939
Master Equipment Lease Agreement	11,513,014		2,195,245	9,317,769
Total Capital Leasing	13,290,030		3,182,322	10,107,708
Total Internal Service Funds	\$ 17,444,463	\$ 2,212,388	\$ 4,469,104	\$ 15,187,747

Internal Service Fund

Schedule of Revenues, Expenses and Changes in Fund Balance

Budget and Actual (Non-GAAP)

The following Schedules present the results of operation for all Internal Service Funds on the modified accrual basis for comparison to the legally adopted budget for each fund. A reconciliation of the modified accrual basis to the full accrual basis (per generally accepted accounting principles) follows each Schedule.

Equipment Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 16,271,210	\$ 14,828,833	\$ (1,442,377)
Other Operating Revenues	83,232	44,202	(39,030)
Total Operating Revenues	<u>16,354,442</u>	<u>14,873,035</u>	<u>(1,481,407)</u>
Operating Expenses:			
Personal Services	2,199,826	2,176,695	23,131
Fringe Benefits	940,934	941,995	(1,061)
Maintenance and Operations	8,339,242	5,913,762	2,425,480
Capital Outlay	10,654,737	6,981,983	3,672,754
Total Operating Expenses	<u>22,134,739</u>	<u>16,014,435</u>	<u>6,120,304</u>
Operating Income (Loss)	<u>(5,780,297)</u>	<u>(1,141,400)</u>	<u>4,638,897</u>
Nonoperating Revenues:			
Investment Income	150,000	151,348	1,348
Miscellaneous Nonoperating Revenue	1,206,732	1,333,506	126,774
Total Nonoperating Revenues	<u>1,356,732</u>	<u>1,484,854</u>	<u>128,122</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u>5,202</u>	<u>5,202</u>	<u>5,202</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(4,428,767)</u>	<u>343,454</u>	<u>4,772,221</u>
Other Financing Uses:			
Transfers Out	<u>(430,891)</u>	<u>(430,891)</u>	<u>0</u>
Excess of Revenues Under Expenses and Other Financing Uses	(4,859,658)	(87,437)	4,772,221
Appropriated Fund Balance	<u>4,859,658</u>	<u>4,859,658</u>	<u>(4,859,658)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (87,437)</u>	<u>\$ (87,437)</u>

Equipment Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 16,357,889
Total Expenses	<u>16,014,435</u>

Excess of Revenues Over Expenses

Before Other Financing Uses	343,454
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Adjustment to Full Accrual Basis:

Depreciation	(6,341,356)
Capital Outlay	6,981,983
Loss on Disposal of Capital Assets	(339,755)
Compensated Absences	11,265
Inventory Gain (Loss)	<u>34,826</u>

Income Before Contributions and Transfers

	<u><u>\$ 690,417</u></u>
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Technical Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 2,245,000	\$ 2,409,038	\$ 164,038
Other Operating Revenues	915,000	909,751	(5,249)
Total Operating Revenues	<u>3,160,000</u>	<u>3,318,789</u>	<u>158,789</u>
Operating Expenses:			
Personal Services	573,914	535,342	38,572
Fringe Benefits	174,479	181,001	(6,522)
Maintenance and Operations	2,731,831	1,375,584	1,356,247
Capital Outlay	17,415	17,414	1
Total Operating Expenses	<u>3,497,639</u>	<u>2,109,341</u>	<u>1,388,298</u>
Operating Income (Loss)	<u>(337,639)</u>	<u>1,209,448</u>	<u>1,547,087</u>
Nonoperating Revenues:			
Investment Income	<u>130,000</u>	<u>31,792</u>	<u>(98,208)</u>
Nonoperating Expenses:			
Principal Maturities	304,010	304,010	
Interest Expense	122,758	107,911	14,847
Miscellaneous Nonoperating Expense	5,000		5,000
Total Nonoperating Expenses	<u>431,768</u>	<u>411,921</u>	<u>19,847</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(639,407)</u>	<u>829,319</u>	<u>1,468,726</u>
Other Financing Uses:			
Transfers Out	<u>(5,352,569)</u>	<u>(5,352,569)</u>	
Appropriated Fund Balance	<u>5,991,976</u>		<u>(5,991,976)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (4,523,250)</u>	<u>\$ (4,523,250)</u>

Technical Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 3,350,581
Total Expenses	<u>2,521,262</u>

Excess of Revenues Over Expenses

Before Other Financing Uses	829,319
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Adjustment to Full Accrual Basis:

Depreciation	(513,478)
Principal Maturities	304,010
Capital Outlay	17,414
Compensated Absences	5,800
Amortization of Bond Premium	20,779
Amortization of Underwriters' Expense	(28,529)
Capital Project Fund Net Revenues	<u>11,287</u>

Income Before Contributions and Transfers

	<u>\$ 646,602</u>
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Technical Services Capital Projects Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Nonoperating Revenues:</i>				
Investment Income	\$	\$	\$ 11,287	\$ 11,287
<i>Operating Expenses:</i>				
Capital Outlay	5,297,066		1,619,786	1,619,786
Excess of Revenues Under Expenses Before Other Financing Sources	(5,297,066)		(1,608,499)	(1,608,499)
<i>Other Financing Sources:</i>				
Transfers In	5,297,066		5,297,066	5,297,066
Excess of Revenues and Other Financing Sources Over Expenses	\$	\$	\$ 3,688,567	\$ 3,688,567

Information Systems Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 7,592,097	\$ 7,656,761	\$ 64,664
Other Operating Revenues	<u>2,810</u>	<u>2,810</u>	<u>2,810</u>
Total Operating Revenues	<u>7,592,097</u>	<u>7,659,571</u>	<u>67,474</u>
Operating Expenses:			
Personal Services	971,977	1,001,727	(29,750)
Fringe Benefits	314,716	320,486	(5,770)
Maintenance and Operations	7,190,837	6,614,964	575,873
Capital Outlay	<u>2,635,000</u>	<u>1,636,833</u>	<u>998,167</u>
Total Operating Expenses	<u>11,112,530</u>	<u>9,574,010</u>	<u>1,538,520</u>
Operating Income (Loss)	<u>(3,520,433)</u>	<u>(1,914,439)</u>	<u>1,605,994</u>
Nonoperating Revenues:			
Investment Income	<u>41,565</u>	<u>25,865</u>	<u>(15,700)</u>
Nonoperating Expenses:			
Principal Maturities		271,930	(271,930)
Interest Expense		<u>26,866</u>	<u>(26,866)</u>
Total Nonoperating Expenses		<u>298,796</u>	<u>(298,796)</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(3,478,868)</u>	<u>(2,187,370)</u>	<u>1,291,498</u>
Other Financing Sources (Uses):			
Debt Issuances:			
Proceeds of Capitalized Leases	2,500,000	1,537,851	(962,149)
Transfers Out	<u>(330,000)</u>	<u>(330,000)</u>	<u>(330,000)</u>
Total Other Financing Sources (Uses)	<u>2,170,000</u>	<u>1,207,851</u>	<u>(962,149)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(1,308,868)</u>	<u>(979,519)</u>	<u>329,349</u>
Appropriated Fund Balance	<u>1,308,868</u>		<u>(1,308,868)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (979,519)</u>	<u>\$ (979,519)</u>

Information Systems Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 7,685,436
Total Expenses	<u>9,872,806</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	(2,187,370)
Adjustment to Full Accrual Basis:	
Depreciation	(357,496)
Principal Maturities	271,930
Capital Outlay	1,636,833
Compensated Absences	5,539
Inventory Loss	<u>(12,261)</u>
Loss Before Contributions and Transfers	<u>\$ (642,825)</u>

Graphic Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	<u>\$ 1,095,674</u>	<u>\$ 925,900</u>	<u>\$ (169,774)</u>
<i>Operating Expenses:</i>			
Personal Services	364,642	382,272	(17,630)
Fringe Benefits	162,296	149,127	13,169
Maintenance and Operations	<u>568,736</u>	<u>496,458</u>	<u>72,278</u>
Total Operating Expenses	<u>1,095,674</u>	<u>1,027,857</u>	<u>67,817</u>
Operating Loss	<u> </u>	<u>(101,957)</u>	<u>(101,957)</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u> </u>	<u>2,064</u>	<u>2,064</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (99,893)</u>	<u>\$ (99,893)</u>

Graphic Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 927,964
Total Expenses	<u>1,027,857</u>
Excess of Revenues Under Expenses	(99,893)
Adjustment to Full Accrual Basis:	
Depreciation	(1,984)
Compensated Absences	<u>(3,459)</u>
Loss Before Contributions and Transfers	<u>\$ (105,336)</u>

Guilford Metro Communications

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,826,534	\$ 1,826,533	\$ (1)
<i>Operating Expenses:</i>			
Personal Services	4,388,550	4,011,763	376,787
Fringe Benefits	1,647,788	1,535,678	112,110
Maintenance and Operations	720,442	416,912	303,530
Total Operating Expenses	<u>6,756,780</u>	<u>5,964,353</u>	<u>792,427</u>
Operating Income (Loss)	<u>(4,930,246)</u>	<u>(4,137,820)</u>	<u>792,426</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u> </u>	<u>14,433</u>	<u>14,433</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(4,930,246)</u>	<u>(4,123,387)</u>	<u>806,859</u>
<i>Other Financing Sources:</i>			
Transfers In	<u>4,036,284</u>	<u>4,036,284</u>	<u> </u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(893,962)	(87,103)	806,859
Appropriated Fund Balance	<u>893,962</u>	<u> </u>	<u>(893,962)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$ (87,103)</u>	<u>\$ (87,103)</u>

Guilford Metro Communications

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 1,840,966
Total Expenses	<u>5,964,353</u>

Excess of Revenues Under Expenses Before
Other Financing Sources

(4,123,387)

Adjustment to Full Accrual Basis:

Depreciation	(8,219)
Compensated Absences	<u>68,023</u>

Loss Before Contributions and Transfers

\$ (4,063,583)

Employee Risk Retention Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 35,391,910	\$ 37,421,803	\$ 2,029,893
Miscellaneous Operating Revenues	550,000	749,499	199,499
Total Operating Revenues	<u>35,941,910</u>	<u>38,171,302</u>	<u>2,229,392</u>
Operating Expenses:			
Personal Services	444,917	382,654	62,263
Fringe Benefits	122,748	116,645	6,103
Maintenance and Operations	461,439	293,081	168,358
Claims and Expenses	41,419,411	38,897,687	2,521,724
Total Operating Expenses	<u>42,448,515</u>	<u>39,690,067</u>	<u>2,758,448</u>
Operating Income (Loss)	<u>(6,506,605)</u>	<u>(1,518,765)</u>	<u>4,987,840</u>
Nonoperating Revenues:			
Investment Income	<u>450,000</u>	<u>263,223</u>	<u>(186,777)</u>
Excess of Revenues Under Expenses Before Other Financing Uses	<u>(6,056,605)</u>	<u>(1,255,542)</u>	<u>4,801,063</u>
Other Financing Uses:			
Transfers Out	<u>(717,000)</u>	<u>(717,000)</u>	<u> </u>
Excess of Revenues Over/(Under) Expenses and Other Financing Uses	<u>(6,773,605)</u>	<u>(1,972,542)</u>	<u>4,801,063</u>
Appropriated Fund Balance	<u>6,773,605</u>	<u> </u>	<u>(6,773,605)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (1,972,542)</u>	<u>\$ (1,972,542)</u>

Employee Risk Retention Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 38,434,525
Total Expenses	<u>39,690,067</u>
Excess of Revenues Under Expenses Before Other Financing Uses	(1,255,542)
Adjustment to Full Accrual Basis:	
Depreciation	(353)
Compensated Absences	<u>(43,471)</u>
Loss Before Contributions and Transfers	<u>\$ (1,299,366)</u>

General Risk Retention Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,476,705	\$ 1,479,967	\$ 3,262
Other Operating Revenues	<u>5,713</u>	<u>5,713</u>	<u>5,713</u>
Total Operating Revenues	<u>1,476,705</u>	<u>1,485,680</u>	<u>8,975</u>
<i>Operating Expenses:</i>			
Personal Services	15,816	25,111	(9,295)
Fringe Benefits	4,583	3,357	1,226
Maintenance and Operations	294,500	216,773	77,727
Claims and Expenses	<u>1,630,256</u>	<u>1,323,730</u>	<u>306,526</u>
Total Operating Expenses	<u>1,945,155</u>	<u>1,568,971</u>	<u>376,184</u>
Operating Income (Loss)	<u>(468,450)</u>	<u>(83,291)</u>	<u>385,159</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>239,102</u>	<u>100,216</u>	<u>(138,886)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(229,348)</u>	<u>16,925</u>	<u>246,273</u>
<i>Other Financing Uses:</i>			
Transfers Out	<u> </u>	<u>(100,000)</u>	<u>(100,000)</u>
Excess of Revenues Over/(Under) Expenses and Other Financing Uses	<u>(229,348)</u>	<u>(83,075)</u>	<u>146,273</u>
Appropriated Fund Balance	<u>229,348</u>	<u> </u>	<u>(229,348)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (83,075)</u>	<u>\$ (83,075)</u>

General Risk Retention Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 1,585,896
Total Expenses	<u>1,568,971</u>

Income Before Contributions and Transfers	<u><u>\$ 16,925</u></u>
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Capital Leasing Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 4,131,688	\$ 4,392,049	\$ 260,361
<i>Operating Expenses:</i>			
Maintenance and Operations	1,741,289	1,330,598	410,691
Capital Outlay	693,115	431,242	261,873
Total Operating Expenses	<u>2,434,404</u>	<u>1,761,840</u>	<u>672,564</u>
Operating Income (Loss)	<u>1,697,284</u>	<u>2,630,209</u>	<u>932,925</u>
<i>Nonoperating Revenues:</i>			
Investment Income		34,425	34,425
Miscellaneous Nonoperating Revenue		168,474	168,474
Total Nonoperating Revenues		<u>202,899</u>	<u>202,899</u>
<i>Nonoperating Expenses:</i>			
Principal Maturities	2,920,723	2,999,266	(78,543)
Economic Development Loan	1,200,000	1,200,000	
Interest Expense	510,702	513,620	(2,918)
Total Nonoperating Expenses	<u>4,631,425</u>	<u>4,712,886</u>	<u>(81,461)</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(2,934,141)</u>	<u>(1,879,778)</u>	<u>1,054,363</u>
<i>Other Financing Sources:</i>			
Transfers In	<u>105,648</u>		<u>(105,648)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>(2,828,493)</u>	<u>(1,879,778)</u>	<u>948,715</u>
Appropriated Fund Balance	<u>2,828,493</u>		<u>(2,828,493)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$ (1,879,778)</u>	<u>\$ (1,879,778)</u>

Capital Leasing Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 4,594,948
Total Expenses	<u>6,474,726</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(1,879,778)
Adjustment to Full Accrual Basis:	
Depreciation / Amortization	(2,861,247)
Principal Maturities	2,999,266
Capital Outlay	431,242
Economic Development Loan	1,200,000
Loss on Disposal of Capital Assets	<u>(198,591)</u>
Loss Before Contributions and Transfers	<u>\$ (309,108)</u>

Schedule of General Capital Assets

By Source

June 30, 2012

General Capital Assets:

Land	\$ 74,663,328
Improvements Other Than Buildings	30,698,800
Buildings	156,745,331
Furniture, Fixtures, Machinery and Equipment	135,809,935
Infrastructure	273,119,858
Intangible Assets - Software & Licenses	9,612,058
Construction in Progress	11,791,909
Accumulated Depreciation/Amortization	<u>(310,143,875)</u>
 Total General Capital Assets	 <u><u>\$ 382,297,344</u></u>

Investment in General Capital Assets by Source:

General Fund	\$ 133,817,769
General Obligation Bonds	132,468,244
Grant Funds	21,904,659
Infrastructure	273,119,858
Internal Service Funds	131,130,689
Accumulated Depreciation/Amortization	<u>(310,143,875)</u>
 Total Investment in General Capital Assets	 <u><u>\$ 382,297,344</u></u>

Schedule of General Capital Assets

By Function and Activity
June 30, 2012

	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
General Government:			
Administration	\$ 1,038,715	\$ 720,388	\$ 4,276,400
Job Training Consortium			
Total General Government	<u>1,038,715</u>	<u>720,388</u>	<u>4,276,400</u>
Public Safety:			
Police	3,274,525	44,917	11,165,350
Fire	3,417,642	76,816	38,124,174
Total Public Safety	<u>6,692,167</u>	<u>121,733</u>	<u>49,289,524</u>
Transportation	519,423	1,214,547	543,187
Infrastructure	41,452,289		
Total Transportation	<u>41,971,712</u>	<u>1,214,547</u>	<u>543,187</u>
Field Operations		5,000	102,752
Engineering and Building Maintenance	4,065,857	2,849,198	27,721,784
Culture and Recreation:			
Parks and Recreation	16,248,815	24,714,011	43,008,591
Library	2,848,479	96,434	28,795,116
Total Culture and Recreation	<u>19,097,294</u>	<u>24,810,445</u>	<u>71,803,707</u>
Internal Service Funds	1,797,583	977,489	3,007,977
Accumulated Depreciation/Amortization		(14,069,842)	(60,876,626)
Total General Capital Assets	<u>\$ 74,663,328</u>	<u>\$ 16,628,958</u>	<u>\$ 95,868,705</u>

<u>Furniture, Fixtures, Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Intangible Assets - Software & Licenses</u>	<u>Construction In Progress</u>	<u>Total</u>
\$ 2,541,765	\$	\$ 2,767,293	\$	\$ 11,344,561
30,130				30,130
<u>2,571,895</u>		<u>2,767,293</u>		<u>11,374,691</u>
3,487,701		7,486	51,425	18,031,404
4,474,675		78,150	218,379	46,389,836
<u>7,962,376</u>		<u>85,636</u>	<u>269,804</u>	<u>64,421,240</u>
1,395,672				3,672,829
	273,119,858		3,463,115	318,035,262
<u>1,395,672</u>	<u>273,119,858</u>		<u>3,463,115</u>	<u>321,708,091</u>
339,834				447,586
<u>984,550</u>		<u>270,804</u>		<u>35,892,193</u>
4,578,156		75,000	5,873,544	94,498,117
1,037,256			191,327	32,968,612
<u>5,615,412</u>		<u>75,000</u>	<u>6,064,871</u>	<u>127,466,729</u>
116,940,196		6,413,325	1,994,119	131,130,689
(107,114,500)	(119,200,451)	(8,882,456)		(310,143,875)
<u>\$ 28,695,435</u>	<u>\$ 153,919,407</u>	<u>\$ 729,602</u>	<u>\$ 11,791,909</u>	<u>\$ 382,297,344</u>

Schedule of Changes in General Capital Assets

By Function and Activity

For the Fiscal Year Ended June 30, 2012

	General Capital Assets June 30, 2011	Additions
General Government:		
Administration	\$ 10,512,890	\$ 831,671
Job Training Consortium	30,130	
Total General Government	<u>10,543,020</u>	<u>831,671</u>
Public Safety:		
Police	11,895,117	6,357,308
Fire	44,161,486	2,178,271
Total Public Safety	<u>56,056,603</u>	<u>8,535,579</u>
Transportation	3,801,347	36,000
Infrastructure	300,360,057	14,212,090
Total Transportation	<u>304,161,404</u>	<u>14,248,090</u>
Field Operations	<u>455,582</u>	
Engineering and Building Maintenance	<u>36,645,420</u>	<u>70,059</u>
Culture and Recreation:		
Parks and Recreation	83,508,163	5,327,071
Library	32,905,219	24,608
Total Culture and Recreation	<u>116,413,382</u>	<u>5,351,679</u>
Internal Service Funds	<u>127,370,094</u>	<u>9,594,959</u>
Construction in Progress	<u>13,540,595</u>	<u>8,196,489</u>
Accumulated Depreciation/Amortization	<u>(296,769,796)</u>	<u>(21,859,784)</u>
Total General Capital Assets	<u>\$ 368,416,304</u>	<u>\$ 24,968,742</u>

<u>Deductions/ Disposals</u>	<u>General Capital Assets June 30, 2012</u>
\$	\$ 11,344,561
	30,130
	<u>11,374,691</u>
272,445	17,979,980
168,300	46,171,457
<u>440,745</u>	<u>64,151,437</u>
164,518	3,672,829
	314,572,147
<u>164,518</u>	<u>318,244,976</u>
7,996	447,586
<u>823,286</u>	<u>35,892,193</u>
210,661	88,624,573
152,543	32,777,284
<u>363,204</u>	<u>121,401,857</u>
<u>7,828,483</u>	<u>129,136,570</u>
<u>9,945,175</u>	<u>11,791,909</u>
<u>8,485,705</u>	<u>(310,143,875)</u>
<u>\$ 11,087,702</u>	<u>\$ 382,297,344</u>

Schedule of Long-Term Debt

June 30, 2012

<u>Issue Date</u>	<u>Description</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Original Interest Rates</u>
GENERAL OBLIGATION BONDS				
10/27/94	Public Improvement Series 1994 Tax Exempt (Swap)	\$ 13,600,000	04/01/2014	4.00 var. (2.92) ⁽¹⁾
10/27/94	Public Improvement Series 1994 Taxable	7,285,000	04/01/2014	5.30 var.
02/01/98	Public Improvement Series 1998 Taxable	6,300,000	04/01/2022	5.30 var.
02/10/98	Public Improvement Series 1998 Tax Exempt (Swap)	5,700,000	04/01/2020	4.00 var. (3.46) ⁽¹⁾
02/01/03	Public Improvement Series 2003A Tax Exempt	40,000,000	02/01/2013	2.50-4.40
02/01/03	Public Improvement Series 2003B Tax Exempt	10,000,000	02/01/2023	4.00 var.
02/01/03	Public Improvement Refunding Series 2003C Tax Exempt	22,820,000	05/01/2014	2.25-4.00
01/25/05	Public Improvement Series 2005A Tax Exempt	14,580,000	02/01/2023	3.00-4.13
02/09/06	Public Improvement Series 2006A Tax Exempt	12,000,000	02/01/2023	3.75-4.00
02/09/06	Public Improvement Series 2006B Tax Exempt	10,000,000	02/01/2026	4.00 var.
01/17/08	Public Improvement Series 2008A	40,220,000	02/01/2025	3.50-5.00
01/17/08	Public Improvement Series 2008B	10,000,000	02/01/2028	4.00 Var
01/17/08	Public Improvement Refunding Series 2008C	23,445,000	04/01/2018	3.25-5.00
11/02/10	Public Improvement Series 2010A	16,000,000	11/01/2019	3.00-5.00
11/02/10	Public Improvement Series 2010 BABs Taxable	24,000,000	11/01/2031	3.30-5.00
11/02/10	Public Improvement Refunding Series 2010C Tax Exempt	15,505,000	02/01/2020	3.00-5.00
02/27/12	Public Improvement Series 2012A Tax Exempt	10,000,000	03/01/2032	2.00-3.00
03/14/12	Public Improvement Series 2012 BAN Series 2012	30,000,000	03/06/2015	LIBOR plus 40 pts
TOTAL GENERAL OBLIGATION BONDS				
CERTIFICATES OF PARTICIPATION				
09/16/99	Coliseum Project 1999B Taxable	\$ 16,750,000	12/01/2015	5.30 var.
09/30/10	Coliseum Project 2010A Taxable	7,000,000	04/01/2031	3.00-5.25
TOTAL CERTIFICATES OF PARTICIPATION				
REVENUE BONDS				
06/09/98	Combined Enterprise System 1998B Tax Exempt	\$ 10,000,000	06/01/2024	4.00 var.
06/01/01	Combined Enterprise System 2001B Tax Exempt	20,190,000	06/01/2026	4.00 var.
08/23/03	Combined Enterprise System 2003A Tax Exempt	33,435,000	06/01/2015	2.0-5.25
08/01/04	Combined Enterprise System 2003B Tax Exempt	10,000,000	06/01/2028	4.5 var.
05/10/05	Combined Enterprise System 2005A Tax Exempt	30,860,000	06/01/2027	3.00-5.00
08/15/05	Combined Enterprise System 2005B Tax Exempt	10,000,000	06/01/2030	4.00 var.
12/07/06	Combined Enterprise System 2006 Tax Exempt	49,480,000	06/01/2025	4.00-5.25
06/14/07	Combined Enterprise System 2007A Tax Exempt	38,040,000	06/01/2029	4.00-5.00
06/14/07	Combined Enterprise System 2007B Tax Exempt	10,000,000	06/01/2032	4.5 var.
06/01/09	Combined Enterprise System 2009A Tax Exempt	43,180,000	06/01/2031	3.50-5.00
06/01/09	Combined Enterprise System 2009B Tax Exempt	10,000,000	06/01/2034	4.00 var.
06/01/12	Combined Enterprise System 2012A Refunding	35,185,000	06/01/2027	3.00-5.00
06/01/12	Combined Enterprise System 2012B Tax Exempt (Swaption)	3,200,000	06/01/2019	.50-.80
TOTAL REVENUE BONDS				
SPECIAL OBLIGATION BONDS				
11/17/05	Special Obligation Bond Ser. 2005 Tax Exempt	\$ 8,400,000	06/01/2020	3.75-5.00
TOTAL SPECIAL OBLIGATION BONDS				
STATE INFRASTRUCTURE LOAN				
05/16/00	State Infrastructure Loan 2000 Wastewater Treatment Works	\$ 3,816,049	04/01/2016	2.55
TOTAL LONG-TERM DEBT⁽²⁾				

(1) Synthetic Fixed Rate, in accordance with Interest Rate Swap.

(2) Excludes Lease Purchase and Other Financing Agreements.

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Outstanding Par Balance 6/30/2012</u>
\$ 3,950,000	\$	\$ 3,950,000
1,200,000		1,200,000
6,300,000		6,300,000
5,700,000		5,700,000
2,355,000		2,355,000
10,000,000		10,000,000
880,000		880,000
8,910,000		8,910,000
7,770,000		7,770,000
10,000,000		10,000,000
30,760,000		30,760,000
10,000,000		10,000,000
14,950,000		14,950,000
14,000,000		14,000,000
24,000,000		24,000,000
15,505,000		15,505,000
10,000,000		10,000,000
310,000		310,000
<u>\$ 176,590,000</u>	<u>\$</u>	<u>\$ 176,590,000</u>
\$ 5,365,000	\$	\$ 5,365,000
7,000,000		7,000,000
<u>\$ 12,365,000</u>	<u>\$</u>	<u>\$ 12,365,000</u>
\$	\$ 10,000,000	\$ 10,000,000
	20,190,000	20,190,000
	4,540,000	4,540,000
	10,000,000	10,000,000
	3,855,000	3,855,000
	10,000,000	10,000,000
	49,480,000	49,480,000
	33,175,000	33,175,000
	10,000,000	10,000,000
	40,625,000	40,625,000
	10,000,000	10,000,000
	35,185,000	35,185,000
	3,200,000	3,200,000
<u>\$</u>	<u>\$ 240,250,000</u>	<u>\$ 240,250,000</u>
\$	\$ 5,385,000	\$ 5,385,000
<u>\$</u>	<u>\$ 5,385,000</u>	<u>\$ 5,385,000</u>
\$	\$ 1,017,616	\$ 1,017,616
<u>\$ 188,955,000</u>	<u>\$ 246,652,616</u>	<u>\$ 435,607,616</u>

Schedule of Changes in General Long-Term Debt

For the Fiscal Year Ended June 30, 2012

	Total Par Debt Outstanding June 30, 2011	Additions
Amount Available in Debt Service Fund for Retirement of Bonded Debt	\$ 7,875,788	\$
Amount to be Provided for Retirement of Bonded Debt	<u>169,019,212</u>	<u>10,310,000</u>
Total Amount to be Provided for Retirement of Bonded Debt	<u>176,895,000</u>	<u>10,310,000</u>
Amount Available in Special Revenue Fund for Retirement of Certificates of Participation	206,300	
Amount to be Provided for Retirement of Certificates of Participation	<u>8,198,700</u>	
Total Amount to be Provided for Retirement of Certificates of Participation	<u>8,405,000</u>	
Amount to be Provided for Retirement of Other Long-Term Debt:		
Lease-Purchase and Other Financing Agreements	20,876,976	1,537,851
Compensated Absences Payable	<u>11,624,476</u>	<u>7,328,974</u>
Total Amount to be Provided for Retirement of Other Long-Term Debt	<u>32,501,452</u>	<u>8,866,825</u>
Total Available and to be Provided	<u>\$ 217,801,452</u>	<u>\$ 19,176,825</u>
General Long-Term Debt Payable:		
General Obligation Bonds Payable	\$ 176,895,000	\$ 10,310,000
Lease-Purchase and Other Financing Agreements Payable	20,876,976	1,537,851
Certificates of Participation Payable	8,405,000	
Compensated Absences Payable	<u>11,624,476</u>	<u>7,328,974</u>
Total General Long-Term Debt Payable	<u>\$ 217,801,452</u>	<u>\$ 19,176,825</u>

<u>Transfers</u>	<u>Retirements</u>	<u>Total Par Debt Outstanding June 30, 2012</u>
\$	\$ 638,292	\$ 7,237,496
<u>6,000,000</u>	<u>15,976,708</u>	<u>169,352,504</u>
<u>6,000,000</u>	<u>16,615,000</u>	<u>176,590,000</u>
	2,241	204,059
<u>7,000,000</u>	<u>3,037,759</u>	<u>12,160,941</u>
<u>7,000,000</u>	<u>3,040,000</u>	<u>12,365,000</u>
<u>3,188,945</u>	<u>3,963,837</u>	<u>21,639,935</u>
	<u>7,579,520</u>	<u>11,373,930</u>
<u>3,188,945</u>	<u>11,543,357</u>	<u>33,013,865</u>
<u>\$ 16,188,945</u>	<u>\$ 31,198,357</u>	<u>\$ 221,968,865</u>
\$ 6,000,000	\$ 16,615,000	\$ 176,590,000
3,188,945	3,963,837	21,639,935
7,000,000	3,040,000	12,365,000
<u>-</u>	<u>7,579,520</u>	<u>11,373,930</u>
<u>\$ 16,188,945</u>	<u>\$ 31,198,357</u>	<u>\$ 221,968,865</u>

Statistical Section

This part of the City of Greensboro's Comprehensive Annual Financial Report presents detailed information as a context for understanding how the information in the financial statements, note disclosures, and required supplementary information depict the government's overall financial health.

<u>Contents</u>	<u>Pages</u>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	165-174
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	175-183
<i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	184-192
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	193-196
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	197-200

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year. The City implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

The City implemented GASB Statement No. 54 in 2011 with restatement of governmental fund information for 2010 and 2011

Net Assets by Component

Fiscal Years Ended June 30, 2003-2012

(Accrual Basis of Accounting)

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ 217,732,109	\$ 193,892,058	\$ 152,734,241	\$ 176,353,629
Restricted	77,176,796	37,033,664	31,259,212	22,945,680
Unrestricted	<u>58,385,603</u>	<u>129,836,316</u>	<u>117,076,363</u>	<u>115,098,202</u>
Total Governmental Activities Net Assets	<u>353,294,508</u>	<u>360,762,038</u>	<u>301,069,816</u>	<u>314,397,511</u>
Business-Type Activities				
Invested in Capital Assets, Net of Related Debt	275,317,781	276,297,784	324,801,885	332,354,548
Restricted	16,820,517	7,745,393	24,155,414	21,268,644
Unrestricted	<u>59,261,985</u>	<u>70,405,736</u>	<u>85,953,333</u>	<u>96,550,961</u>
Total Business-Type Activities Net Assets	<u>351,400,283</u>	<u>354,448,913</u>	<u>434,910,632</u>	<u>450,174,153</u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	493,049,890	470,189,842	477,536,126	508,708,177
Restricted	93,997,313	44,779,057	55,414,626	44,214,324
Unrestricted	<u>117,647,588</u>	<u>200,242,052</u>	<u>203,029,696</u>	<u>211,649,163</u>
Total Primary Government Net Assets	<u>\$ 704,694,791</u>	<u>\$ 715,210,951</u>	<u>\$ 735,980,448</u>	<u>\$ 764,571,664</u>

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 171,266,786	\$ 180,538,570	\$ 175,050,164	\$ 195,433,730	\$ 202,602,983	\$ 207,474,983
21,384,075	22,081,439	36,072,920	23,610,833	55,974,271	51,901,619
<u>134,180,496</u>	<u>151,181,646</u>	<u>155,823,604</u>	<u>151,014,584</u>	<u>113,847,542</u>	<u>103,278,577</u>
<u>326,831,357</u>	<u>353,801,655</u>	<u>366,946,688</u>	<u>370,059,147</u>	<u>372,424,796</u>	<u>362,655,179</u>
356,095,929	348,551,583	434,954,371	441,825,003	472,354,660	501,328,839
12,125,573	15,352,993	21,151,453	29,922,858	38,553,090	31,374,864
<u>107,061,817</u>	<u>118,665,632</u>	<u>49,581,524</u>	<u>55,338,253</u>	<u>53,368,335</u>	<u>55,163,882</u>
<u>475,283,319</u>	<u>482,570,208</u>	<u>505,687,348</u>	<u>527,086,114</u>	<u>564,276,085</u>	<u>587,867,585</u>
527,362,715	529,090,153	610,004,535	637,258,733	674,957,643	708,803,822
33,509,648	37,434,432	57,224,373	53,533,691	94,527,361	83,276,483
<u>241,242,313</u>	<u>269,847,278</u>	<u>205,405,128</u>	<u>206,352,837</u>	<u>167,215,877</u>	<u>158,442,459</u>
<u>\$ 802,114,676</u>	<u>\$ 836,371,863</u>	<u>\$ 872,634,036</u>	<u>\$ 897,145,261</u>	<u>\$ 936,700,881</u>	<u>\$ 950,522,764</u>

Changes in Net Assets
Expenses, Program Revenues, and Net (Expenses)/Revenue

Fiscal Years Ended June 30, 2003-2012
(Accrual Basis of Accounting)

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses				
Governmental Activities:				
General Government	\$ 27,282,032	\$ 34,062,155	\$ 22,174,027	\$ 22,444,548
Public Safety	77,976,977	80,930,044	93,857,087	95,834,284
Transportation	23,843,714	26,157,813	22,356,011	15,391,728
Engineering and Building Maintenance	13,571,422	15,608,886	25,468,682	21,457,646
Field Operations				
Environmental Services	1,818,177	1,110,412	662,457	707,369
Culture and Recreation	27,736,118	30,831,049	37,177,821	34,313,605
Community Development & Housing	9,587,987	9,414,260	9,827,924	10,397,115
Economic Opportunity	3,061,015	2,733,096	3,101,682	4,430,040
Water Resources	1,995,056	2,305,504		
Interest, Fees on Long Term Debt	5,709,365	8,665,041	8,029,110	7,829,150
Arbitrage Rebates	547,509			
Total Governmental Activities Expenses	<u>193,129,372</u>	<u>211,818,260</u>	<u>222,654,801</u>	<u>212,805,485</u>
Business-Type Activities:				
Water Operations	39,576,801	23,993,587	26,562,064	29,166,789
Sewer Operations	26,034,854	28,068,664	33,138,469	32,739,122
Stormwater Management			8,563,728	8,168,619
War Memorial Coliseum	16,533,293	17,561,959	11,669,181	14,143,340
Solid Waste Management	21,082,600	21,699,057	22,424,921	22,827,349
Parking Facilities	1,829,999	2,191,986	2,045,382	1,743,045
Bryan Park	2,321,449			
Total Business-Type Activities	<u>107,378,996</u>	<u>93,515,253</u>	<u>104,403,745</u>	<u>108,788,264</u>
Total Primary Government Expenses	<u>300,508,368</u>	<u>305,333,513</u>	<u>327,058,546</u>	<u>321,593,749</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	16,470,340	16,687,000	15,562,235	15,861,487
Public Safety	5,351,385	4,417,610	4,005,541	4,369,069
Transportation	3,009,583	3,260,909	3,282,749	2,001,309
Engineering and Building Maintenance	3,735,377	3,939,179	5,768,440	5,225,083
Field Operations				
Environmental Services	7,079,142	8,258,369	573,946	520,650
Culture and Recreation	3,225,247	3,432,392	3,933,363	4,321,963
Community Development & Housing	1,904,006	1,034,223	1,987,527	692,039
Economic Opportunity	(872)	4,766	(4,470)	(6,079)
Water Resources	1,563	20,398		
Operating Grants and Contributions	18,137,075	18,290,377	19,046,269	21,567,402
Capital Grants and Contributions	2,999,728	5,049,099	5,073,643	2,943,094
Total Governmental Activities Program Revenues	<u>61,912,574</u>	<u>64,394,322</u>	<u>59,229,243</u>	<u>57,496,017</u>
Business-Type Activities:				
Charges for Services:				
Water Operations	23,487,145	27,493,144	36,229,488	34,244,618
Sewer Operations	24,429,889	27,735,090	32,775,950	37,633,619
Stormwater Management			8,369,025	8,467,742
War Memorial Coliseum	12,897,136	11,842,974	7,621,544	10,491,054
Solid Waste Management	14,391,695	14,425,828	10,316,091	10,522,743
Parking Facilities	1,945,922	1,933,415	1,878,684	1,811,909
Bryan Park	1,294,130			
Operating Grants and Contributions	150,000			
Capital Grants and Contributions	3,898,584	7,457,438	11,083,364	7,750,601
Total Business-Type Activities Program Revenues	<u>82,494,501</u>	<u>90,887,889</u>	<u>108,274,146</u>	<u>110,922,286</u>
Total Primary Government Revenues	<u>144,407,075</u>	<u>155,282,211</u>	<u>167,503,389</u>	<u>168,418,303</u>
Net (Expense) Revenues				
Total Primary Government Net Expenses	<u>\$ (156,101,293)</u>	<u>\$ (150,051,302)</u>	<u>\$ (159,555,157)</u>	<u>\$ (153,175,446)</u>

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 19,316,426	\$ 20,445,048	\$ 22,012,751	\$ 27,231,281	\$ 26,158,923	\$ 25,606,726
106,553,071	110,374,709	119,253,979	115,548,081	121,633,245	121,314,588
8,214,454	8,609,244	11,895,426	9,631,320	9,432,740	13,549,323
27,741,428	23,031,984	16,837,128	20,512,818	21,746,206	23,225,041
34,496,472	35,133,315	38,265,818	35,481,049	34,104,747	34,630,016
830,889	813,534	927,973	887,370	1,012,670	884,061
30,036,856	28,203,221	32,954,737	33,898,349	33,774,639	32,351,034
12,138,398	9,758,386	10,354,021	11,136,694	11,185,952	12,174,736
4,259,595	3,536,396	3,784,776	5,838,078	4,664,906	4,867,034
8,643,600	7,631,422	6,961,556	7,055,137	7,313,978	6,495,185
<u>252,231,189</u>	<u>247,537,259</u>	<u>263,248,165</u>	<u>267,220,177</u>	<u>271,028,006</u>	<u>275,097,744</u>
31,495,666	36,349,337	35,756,187	34,439,616	39,505,203	43,318,389
34,965,138	38,035,321	39,405,299	38,116,445	39,197,428	44,255,951
7,975,538	8,551,963	8,747,075	8,500,088	8,888,164	9,844,091
13,848,941	16,747,091	16,812,939	15,972,753	21,572,835	25,786,481
14,169,828	21,443,447	16,169,877	17,495,893	15,735,600	18,052,042
1,638,210	1,627,770	1,791,361	1,721,333	1,682,342	2,155,509
<u>104,093,321</u>	<u>122,754,929</u>	<u>118,682,738</u>	<u>116,246,128</u>	<u>126,581,572</u>	<u>143,412,463</u>
<u>356,324,510</u>	<u>370,292,188</u>	<u>381,930,903</u>	<u>383,466,305</u>	<u>397,609,578</u>	<u>418,510,207</u>
8,851,534	8,373,158	8,321,673	8,168,892	9,872,587	10,139,422
12,391,509	12,292,055	10,424,339	9,726,921	8,344,025	8,743,726
1,418,427	328,390	306,841	804,257	915,180	1,172,160
5,105,950	3,067,383	3,116,091	2,909,682	3,098,205	2,723,437
6,374,531	6,567,720	8,132,719	7,554,180	7,872,230	7,539,077
452,212	399,075	429,691	55,629	420,276	42,000
4,352,826	4,505,514	5,500,146	4,483,902	5,080,135	4,560,646
(396,261)	776,970	1,354,060		799,981	1,185,892
(5,168)	951	104,891			111,737
25,517,199	24,843,390	23,373,274	21,502,575	29,870,515	32,725,006
<u>2,287,976</u>	<u>3,044,745</u>	<u>4,126,577</u>	<u>10,370,933</u>	<u>3,308,412</u>	<u>9,634,814</u>
<u>66,350,735</u>	<u>64,199,351</u>	<u>65,190,302</u>	<u>65,576,971</u>	<u>69,581,546</u>	<u>78,577,917</u>
38,382,822	40,728,091	40,801,929	42,471,612	55,057,357	43,620,000
41,101,052	43,430,424	43,419,105	44,459,293	57,029,368	46,622,711
8,671,893	8,640,528	9,379,748	9,261,022	9,923,499	9,858,630
9,066,851	10,770,695	10,632,450	11,092,666	18,108,379	20,155,776
12,518,056	12,514,140	13,601,770	12,938,822	12,139,875	12,361,188
1,794,885	1,881,010	2,012,813	2,037,980	2,087,313	2,118,941
<u>8,593,835</u>	<u>5,907,740</u>	<u>10,015,990</u>	<u>3,301,816</u>	<u>2,129,700</u>	<u>2,503,904</u>
<u>120,129,394</u>	<u>123,872,628</u>	<u>129,863,805</u>	<u>125,563,211</u>	<u>156,475,491</u>	<u>137,241,150</u>
<u>186,480,129</u>	<u>188,071,979</u>	<u>195,054,107</u>	<u>191,140,182</u>	<u>226,057,037</u>	<u>215,819,067</u>
<u>\$ (169,844,381)</u>	<u>\$ (182,220,209)</u>	<u>\$ (186,876,796)</u>	<u>\$ (192,326,123)</u>	<u>\$ (171,552,541)</u>	<u>\$ (202,691,140)</u>

Changes in Net Assets

General Revenues and Total Changes in Net Assets

Fiscal Years Ended June 30, 2003-2012
(Accrual Basis of Accounting)

	Fiscal Year			
	2003	2004	2005	2006
Net (Expenses)/Revenue				
Total Primary Government Net Expense	\$ (156,101,293)	\$ (150,051,302)	\$ (159,555,157)	\$ (153,175,446)
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Tax	99,838,501	100,304,791	115,805,629	115,905,412
Local Option Sales Tax	30,023,807	34,121,791	35,542,429	38,365,460
Vehicle Gross Receipts Tax	347,416	335,546	322,227	285,450
Hotel/Motel Occupancy Tax	2,623,791	2,572,272	2,734,573	2,920,404
Electric Franchise Tax	7,884,861	6,610,820	6,764,970	7,149,137
Piped Natural Gas Tax	344,673	2,025,281	1,968,825	1,835,739
Telecommunications Sales Tax	4,655,496	3,367,138	3,612,340	3,527,728
Video Programming Services Tax				
Inventories Tax Reimbursement				
Intangibles Tax Reimbursement				
Food Stamp Tax Reimbursement				
Sales Tax Hold Harmless		1,586,365	1,012,047	820,924
Beer and Wine Tax	955,526	980,199	1,024,673	1,029,986
Payment in Lieu of Taxes				
ABC Profit Distribution	2,214,504	2,384,836	2,468,216	2,737,908
License & Permits				
Intergovernmental - unrestricted	223,882	230,675	149,050	126,145
Grants and Contributions-Non Program Specific				
Investment Income	5,991,373	1,596,552	4,944,761	5,538,900
Insurance Refunds and Claims				
Miscellaneous	172,850	637,281	849,817	880,465
Transfers In (Out)	(9,981,680)	(7,635,140)	(12,189,950)	(12,486,495)
Total Governmental Activities	145,295,000	149,118,407	165,009,607	168,637,163
Business-Type Activities:				
Investment Income	1,731,471	402,160	1,758,810	1,947,658
Miscellaneous	1,577,115	2,405,640	1,366,287	2,177,854
Transfers In (Out)	9,981,680	7,635,140	12,189,950	12,486,495
Total Business-Type Activities	13,290,266	10,442,940	15,315,047	16,612,007
Total General Revenues and Transfers	158,585,266	159,561,347	180,324,654	185,249,170
Change in Net Assets				
Total Primary Government	\$ 2,483,973	\$ 9,510,045	\$ 20,769,497	\$ 32,073,724

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ (169,844,381)	\$ (182,220,209)	\$ (182,220,209)	\$ (192,326,123)	\$ (171,552,541)	\$ (202,691,140)
127,579,363	135,373,493	145,189,852	146,133,091	144,937,075	146,527,315
40,349,395	41,356,587	37,410,417	35,673,454	36,679,574	38,727,451
300,608	304,701	296,219	200,669	213,067	223,840
2,878,116	3,053,140	2,760,548	2,658,362	2,838,994	3,001,624
7,449,510	7,847,727	7,858,247	8,493,396	8,837,828	9,060,321
1,946,025	1,884,996	1,965,020	1,956,362	1,868,357	1,526,766
5,293,114	4,570,597	8,325,847	8,105,412	7,877,205	7,586,286
	2,880,607				
344,184	61,619	228,572	1,180,020	1,410,317	814,646
1,072,401	1,113,676	1,154,957	376,418	1,182,428	1,170,117
		94,393	102,283	81,222	94,691
3,022,485	2,661,748	2,767,577	2,541,608	2,442,997	2,923,942
132,459	130,813	103,479	165,718	126,648	96,312
380,000					
11,150,975	11,560,252	7,051,138	4,091,457	1,958,935	2,011,101
172,906	908,500	214,197	1,104,183	873,218	837,424
<u>(3,174,947)</u>	<u>(3,400,250)</u>	<u>(7,702,607)</u>		<u>(4,329,757)</u>	<u>(5,763,264)</u>
<u>198,896,594</u>	<u>210,308,206</u>	<u>207,717,856</u>	<u>212,782,433</u>	<u>206,998,108</u>	<u>208,838,572</u>
4,474,133	5,248,275	2,171,501	2,095,895	1,237,085	962,865
373,972	1,731,548	2,061,965	1,595,969	1,729,210	948,322
<u>3,174,947</u>	<u>3,400,250</u>	<u>7,702,607</u>		<u>4,329,757</u>	<u>5,763,264</u>
<u>8,023,052</u>	<u>10,380,073</u>	<u>11,936,073</u>	<u>3,691,864</u>	<u>7,296,052</u>	<u>7,674,451</u>
<u>206,919,646</u>	<u>220,688,279</u>	<u>219,653,929</u>	<u>216,474,297</u>	<u>214,294,160</u>	<u>216,513,023</u>
<u>\$ 37,075,265</u>	<u>\$ 38,468,070</u>	<u>\$ 37,433,720</u>	<u>\$ 24,148,174</u>	<u>\$ 42,741,619</u>	<u>\$ 13,821,883</u>

Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2003-2012

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund				
Reserved	\$ 24,980,276	\$ 27,892,238	\$ 30,873,608	\$ 27,699,887
Unreserved	28,790,143	30,219,181	28,042,697	28,676,068
Non-Spendable				
Restricted				
Assigned				
Unassigned				
Total General Fund	<u>\$ 53,770,419</u>	<u>\$ 58,111,419</u>	<u>\$ 58,916,305</u>	<u>\$ 56,375,955</u>
All Other Governmental Funds				
Reserved	\$ 8,526,879	\$ 11,434,924	\$ 6,236,448	\$ 5,257,515
Unreserved, Reported In:				
Special Revenue Funds	15,336,704	10,669,302	7,745,203	10,245,286
Capital Projects Funds	61,592,382	42,591,219	38,113,572	35,226,506
Debt Service Funds	16,106,751	13,649,034	12,801,938	11,288,321
Non-Spendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total All Other Governmental Funds	<u>\$ 101,562,716</u>	<u>\$ 78,344,479</u>	<u>\$ 64,897,161</u>	<u>\$ 62,017,628</u>

Note: The City began to report restated fund balances for 2010 with the implementation of GASB Statement No. 54.

The change in the classifications of fund balance is discussed in Management's Discussion and Analysis and the notes to the financial statements.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010, Restated</u>	<u>2011</u>	<u>2012</u>
\$ 28,017,010	\$ 27,447,658	\$ 29,518,487			
27,634,261	30,489,633	28,825,955			
			\$ 1,057,657	\$ 1,143,729	\$ 1,261,147
			22,635,911	22,308,495	22,301,514
			6,598,317	9,865,430	11,983,992
			26,502,589	22,447,490	22,822,841
<u>\$ 55,651,271</u>	<u>\$ 57,937,291</u>	<u>\$ 58,344,442</u>	<u>\$ 56,794,474</u>	<u>\$ 55,765,144</u>	<u>\$ 58,369,494</u>
\$ 7,375,508	\$ 5,833,807	\$ 10,728,084			
7,454,273	9,241,366	7,121,628			
18,131,613	55,411,583	45,765,537			
12,630,628	16,973,266	14,772,277			
			\$ 5,364,955	\$ 2,273,203	\$ 2,311,914
			37,917,333	52,065,605	31,702,933
				2,856,673	3,482,666
			18,463,473	10,614,644	8,853,963
			(2,958,025)	(5,047,393)	(3,366,835)
<u>\$ 45,592,022</u>	<u>\$ 87,460,022</u>	<u>\$ 78,387,526</u>	<u>\$ 58,787,736</u>	<u>\$ 62,762,732</u>	<u>\$ 42,984,641</u>

Changes in Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2003-2012

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues				
Taxes	\$ 132,272,512	\$ 137,178,500	\$ 153,968,175	\$ 157,622,356
Assessments	94,922	72,064	135,315	35,138
Intergovernmental	34,107,196	39,921,275	39,412,389	40,890,658
Licenses and Permits	8,844,568	8,481,016	8,926,893	9,402,583
Fines and Forfeitures	723,536	823,071	979,352	1,029,871
Charges for Current Services	26,219,562	25,655,612	21,437,475	19,898,897
Investment Income	4,907,774	1,521,902	3,989,090	4,167,865
Miscellaneous	6,151,358	6,291,487	4,107,499	4,629,375
Total Revenues	<u>213,321,428</u>	<u>219,944,927</u>	<u>232,956,188</u>	<u>237,676,743</u>
Expenditures				
Current:				
General Government	28,368,650	29,574,624	21,871,616	22,959,738
Public Safety	76,171,096	80,146,449	90,184,454	94,305,718
Transportation	19,668,263	22,334,333	17,747,401	10,933,491
Engineering and Building Maintenance	13,369,391	15,400,304	23,891,187	20,887,622
Field Operations				
Environmental Services	(36,774)	(545,840)	655,149	709,272
Culture and Recreation	26,511,944	28,857,724	34,078,493	32,317,884
Community Development and Housing	9,893,342	9,412,480	10,126,921	10,765,672
Economic Opportunity	2,876,189	2,739,584	2,992,840	4,503,052
Water Resources	1,995,056	2,305,504		
Intergovernmental	1,149,260	1,203,854	1,325,930	1,426,149
Capital Outlay	20,906,378	23,671,881	17,826,084	32,523,826
Debt Service:				
Principal Retirement	13,132,447	12,635,492	14,772,770	15,191,850
Interest	5,925,273	7,159,689	6,557,977	7,671,250
Fees/Arbitrage Rebates	800,643	421,169	390,567	186,737
Total Expenditures	<u>220,731,158</u>	<u>235,317,247</u>	<u>242,421,389</u>	<u>254,382,261</u>
Excess of Revenues Under Expenditures	<u>(7,409,730)</u>	<u>(15,372,320)</u>	<u>(9,465,201)</u>	<u>(16,705,518)</u>
Other Financing Sources (Uses)				
Debt Issuances:				
General Obligation Bonds	40,000,000		14,580,000	22,000,000
General Obligation BANS				
Refunding Certificates	1,092,256			
Refunding Bonds	19,833,494		30,572,711	
Premium, (Discount) on Debt	771,190		2,461,317	136,148
Federal Loan Program	1,105,000	277,000	477,000	1,641,000
Loan Assumption				422,898
Transfers In	19,357,902	21,428,764	31,645,707	28,877,314
Ban Retirement				
Transfers Out	(29,525,002)	(29,499,304)	(44,483,253)	(41,762,165)
Payment to Escrow Agent for Refunded Debt	(21,529,823)		(33,058,668)	
Total Other Financing Sources (Uses)	<u>31,105,017</u>	<u>(7,793,540)</u>	<u>2,194,814</u>	<u>11,315,195</u>
Net Change in Fund Balances	<u>\$ 23,695,287</u>	<u>\$ (23,165,860)</u>	<u>\$ (7,270,387)</u>	<u>\$ (5,390,323)</u>
Debt Service as a Percentage of Noncapital Expenditures	9.77%	9.35%	9.50%	10.31%

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 170,599,206	\$ 179,557,300	\$ 184,757,654	\$ 184,224,700	\$ 184,148,620	\$ 187,893,049
32,713	391,768	181,950	152,466	141,068	16,669
45,975,553	46,193,244	46,676,173	52,735,531	56,630,157	58,929,767
9,945,375	7,669,043	6,715,858	6,054,678	6,356,164	6,556,073
1,100,791	1,058,452	1,136,282	968,660	1,553,735	1,474,556
24,724,466	24,470,347	26,261,928	24,898,485	23,483,628	23,147,373
7,543,564	7,426,799	4,238,455	2,610,546	1,225,943	1,498,778
5,349,513	6,362,477	4,646,577	4,179,530	3,624,088	3,562,884
<u>265,271,181</u>	<u>273,129,430</u>	<u>274,614,877</u>	<u>275,824,596</u>	<u>277,163,403</u>	<u>283,079,149</u>
18,743,085	17,957,272	18,634,814	23,119,333	24,031,524	23,187,727
106,601,439	111,442,110	118,598,096	115,330,430	113,829,736	113,392,924
240,177	4,586,690	7,883,202	5,542,868	5,036,501	8,469,754
26,688,656	21,888,202	16,067,259	19,917,509	21,024,528	21,837,270
34,496,472	35,097,685	38,102,465	35,458,081	34,080,164	34,605,433
837,980	822,562	887,908	893,909	1,011,909	879,887
28,222,020	29,607,979	30,625,884	31,208,104	30,890,582	28,977,862
12,513,588	10,056,877	10,707,088	11,279,526	11,685,605	12,705,079
4,387,612	3,664,806	3,873,908	5,952,251	4,692,662	4,794,271
1,476,317	1,508,637	1,724,188	1,700,955	1,703,911	1,632,793
26,619,338	13,969,354	8,764,932	17,795,361	22,002,797	20,117,422
16,558,017	17,015,171	19,290,436	19,659,424	19,941,595	19,350,990
8,285,101	7,065,043	7,532,470	6,102,910	6,126,685	6,639,669
181,281	298,780	256,978	372,788	502,571	296,211
<u>285,851,083</u>	<u>274,981,168</u>	<u>282,949,628</u>	<u>294,333,449</u>	<u>296,560,770</u>	<u>296,887,292</u>
<u>(20,579,902)</u>	<u>(1,851,738)</u>	<u>(8,334,751)</u>	<u>(18,508,853)</u>	<u>(19,397,367)</u>	<u>(13,808,143)</u>
4,300,000	70,349,877		3,745,000	34,000,000	10,000,000 310,000
13,717	5,029,982		900	15,505,000 4,826,862	152,180
2,823,000	415,000	217,000		378,000	
34,159,890	30,725,520	29,402,517	27,150,808	29,051,887 (3,745,000)	32,675,924
(37,041,123)	(34,508,973)	(33,509,776)	(33,537,613)	(35,116,087) (17,843,191)	(40,842,078)
<u>4,255,484</u>	<u>50,336,598</u>	<u>(3,890,259)</u>	<u>(2,640,905)</u>	<u>27,057,471</u>	<u>2,296,026</u>
<u>\$ (16,324,418)</u>	<u>\$ 48,484,860</u>	<u>\$ (12,225,010)</u>	<u>\$ (21,149,758)</u>	<u>\$ 7,660,104</u>	<u>\$ (11,512,117)</u>
9.58%	9.36%	9.79%	9.33%	9.49%	9.39%

Tax Revenues By Source, Governmental Funds^(a)

Fiscal Years Ended June 30, 2003-2012

(Modified Accrual Basis of Accounting)

<u>Fiscal Year Ended</u>	<u>Ad Valorem Property Tax</u>	<u>Local Option Sales Tax</u>	<u>Hotel/Motel Occupancy Tax</u>	<u>Rental Vehicle Gross Receipts Tax</u>	<u>Total</u>
2003	\$ 99,250,995	\$ 30,023,807	\$ 2,650,294	\$ 347,416	\$ 132,272,512
2004	100,122,908	34,121,791	2,598,255	335,546	137,178,500
2005	115,341,324	35,542,429	2,762,195	322,227	153,968,175
2006	116,021,482	38,365,460	2,949,964	285,450	157,622,356
2007	127,042,015	40,349,395	2,907,188	300,608	170,599,206
2008	134,812,032	41,356,587	3,083,980	304,701	179,557,300
2009	144,290,470	37,410,417	2,760,548	296,219	184,757,654
2010	145,692,215	35,673,454	2,658,362	200,669	184,224,700
2011	144,416,985	36,679,574	2,838,994	213,067	184,148,620
2012	145,940,134	38,727,451	3,001,624	223,840	187,893,049
2003-2012	47.0%	29.0%	13.3%	-35.6%	42.0%

Notes:

(a) Includes General and Special Revenue Funds.

Analysis of Current Tax Levy

For the Fiscal Year Ended June 30, 2012

	<u>City - Wide</u>			<u>Total Levy</u>	
	<u>Property Valuation</u>	<u>Basic Rate</u>	<u>Total Levy</u>	<u>Property Excluding Registered Motor Vehicles</u>	<u>Registered Motor Vehicles</u>
Original Levy:					
Property taxed at current					
year's rate	\$ 24,645,504,506	\$ 0.6325	\$ 155,882,816	\$ 144,654,576	\$ 11,228,240
Penalties			66,940	66,940	
Vehicle fee			1,937,332	16,910	1,920,422
Business Improvement District		.0900	557,626	547,011	10,615
Historic Districts		.0500/.0100	39,376	37,047	2,329
Total	<u>24,645,504,506</u>		<u>158,484,090</u>	<u>145,322,484</u>	<u>13,161,606</u>
Discoveries					
Prior year taxes	159,260,200	Various	103,025	103,025	
Penalties			19,561	19,561	
Total	<u>159,260,200</u>		<u>122,586</u>	<u>122,586</u>	
Abatements	<u>348,293,756</u>		<u>2,202,958</u>	<u>2,025,888</u>	<u>177,070</u>
Total property valuation	<u>\$ 24,456,470,950</u>				
Net levy			156,403,718	143,419,182	12,984,536
Uncollected taxes at June 30, 2012			<u>3,627,699</u>	<u>1,655,323</u>	<u>1,972,376</u>
Current year's taxes collected			<u>\$ 152,776,019</u>	<u>\$ 141,763,859</u>	<u>\$ 11,012,160</u>
Current levy collection percentage			<u>97.68%</u>	<u>98.85%</u>	<u>84.81%</u>

Assessed Value and Estimated Actual Value of All Taxable Property

Fiscal Years Ended June 30, 2003-2012

Fiscal Year Ended	Tax Year (b)	Real Property	Personal Property	Corporate Excess	Total Assessed Value (a)
2003	2002	\$ 12,496,032,410	\$ 3,707,812,375	\$ 531,613,540	\$ 16,735,458,325
2004	2003	12,751,289,348	3,635,487,740	477,767,729	16,864,544,817
2005	2004	16,668,949,428	3,747,486,309	542,354,044	20,958,789,781
2006	2005	16,918,197,134	3,828,332,622	513,325,038	21,259,854,794
2007	2006	17,524,506,527	3,995,518,469	534,612,872	22,054,637,868
2008	2007	17,919,699,370	4,140,513,368	534,486,803	22,594,699,541
2009	2008	19,320,504,905	4,313,286,742	551,042,202	24,184,833,849
2010	2009	19,650,280,337	4,156,861,685	541,009,190	24,348,151,212
2011	2010	19,741,417,184	3,958,200,231	520,167,824	24,219,785,239
2012	2011	19,878,341,347	4,071,363,605	506,765,998	24,456,470,950

- (a) The City's property tax is levied each July 1 on the assessed value listed as of the prior January 1 for all real and personal property located within the City, other than motor vehicles. Assessed valuations are established by Guilford County at 100% of estimated market value for real property and 100% of actual value for personal property. Public service company (corporate excess) property is certified by the State of North Carolina at 100% of actual value, with no distinction between real and personal property values. Property taxes on registered motor vehicles are assessed and billed throughout the year based on a staggered monthly registration system.
- (b) A revaluation of real property is required by North Carolina General Statutes at least every eight years. The last revaluation was completed for tax year 2004, effective in FY2005. The next revaluation was completed for tax year 2012, effective in FY2013.

Total Weighted Average Rate	Estimated Actual Taxable Value
.6147	\$ 16,735,458,325
.6147	16,864,544,817
.5525	20,958,789,781
.5527	21,259,854,794
.5989	22,054,637,868
.6183	22,594,699,541
.6190	24,184,833,849
.6185	24,348,151,212
.6156	24,219,785,239
.6155	24,456,470,950

Direct and Overlapping Property Tax Rates

Fiscal Years Ended June 30, 2003-2012

Fiscal Year Ended	City of Greensboro					Guilford County		
	General Fund Basic Rate	Housing Partnership Fund Basic Rate	Transit Fund Basic Rate	Business Historic Districts Basic Rate	Improvement District Basic Rate	Total Weighted Average Rate	County-Wide Direct Rate	Combined Tax Rate
	Tax Rate (Per \$100)							
2003	\$.5975	\$	\$.0200	\$.0500	\$	\$.6147	\$.6742	\$1.2889
2004	.5975		.0200	.0500		.6147	.7135	1.3282
2005	.5500		.0175	.0500	.0900	.5525	.6184	1.1709
2006 ^(a)	.5475		.0200	.0500	.0900	.5527	.6428	1.1955
2007	.5800		.0350	.0500	.0900	.5989	.6615	1.2604
2008	.6000		.0350	.0500	.0900	.6183	.6914	1.3097
2009	.6000		.0350	.0500	.0900	.6190	.7374	1.3564
2010	.6000		.0350	.0500	.0900	.6185	.7374	1.3559
2011	.5905	.0070 (b)	.0350	.0500	.0900	.6156	.7374	1.3530
2012	.5918	.0070	.0337	.01 / .05 (c)	.0900	.6155	.7824	1.3979

(a) The 2006 Tax Rate has changed due to a correction in County-Wide Direct Rate and the Total Weighted Average Rate.

(b) As of July 1, 2010, the Nussbaum Housing Partnership Revolving Fund property tax rate of \$.0070 is budgeted and deposited directly into the Special Revenue Fund instead of transferred in from the General Fund, to comply with GASB No. 54 new classification requirements for a Special Revenue Fund.

(c) As of July 1, 2011, College Hill Historic District property tax rate is \$.0100.

Tax Rate Limits: The Property Tax Rate for units of local government is limited to a combined rate of \$1.50 per \$100 of assessed value of property subject to taxation. This limit may be raised if approved by voter referendum. No limit is imposed on debt service or school tax rates.

Calculation: Total tax rate is a weighted average rate of all types of City of Greensboro tax rates. Guilford County rate is a direct rate.

Due Date for Current Taxes: September 1, other than taxes on motor vehicles which become due the 1st day of the 4th month after vehicles are registered (per staggered monthly registration system).

Date Taxes Become Delinquent: January 6

Penalty for Delinquent Taxes: On or after January 6, and before February 1, interest at the rate of 2% is added to the tax. On or after February 1, in addition to the 2%, interest at the rate of 3/4% per month shall be added to the tax.

Discounts Allowed: City of Greensboro and Guilford County - 1% of tax levy for ad valorem tax paid prior to September 1. The discount amounted to \$888,950 for 2011.

Procedures for Collecting Delinquent Taxes: Garnishment, levy, attachment and foreclosure.

School System Taxes: Funding for the Guilford County School System is provided in the County-Wide tax levy.

Sources: City of Greensboro Adopted Budget
Guilford County Adopted Budget

Principal Property Taxpayers

June 30, 2012 and June 30, 2003

Taxpayer	Type of Business	Current Year's Tax	2012		
			Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value ^(a)
Lorillard Tobacco Company	Cigarette Manufacturing	\$ 1,869,092	\$ 295,508,595	1	1.21
Koury Corporation	Real Estate Development	1,742,530	275,498,815	2	1.13
CBL, LLC	Real Estate Development	1,268,936	200,622,337	3	0.82
Proctor & Gamble Mfg. Co.	Chemicals	1,181,718	186,832,916	5	0.76
Duke Energy Corporation	Electric Utility	1,104,676	174,652,305	4	0.71
Highwoods/Forsyth Ltd.	Real Estate Development	945,000	149,407,194	7	0.61
RF Micro Devices, Inc.	Service Communications	788,989	124,741,298	6	0.51
GGP Four Seasons LLC	Real Estate Development	773,802	122,340,250	9	0.50
TYCO Electronics (AMP, Inc.)	Electronics Manufacturing	731,227	115,609,019	8	0.47
Lincoln National Life Insurance	Insurance	656,502	103,794,728	11	0.43
Koury Ventures LTD	Real Estate Development	651,207	102,957,617	10	0.42
BellSouth	Service Communications	587,830	92,937,545	12	0.38
Wal-Mart Stores Inc.	Retail	479,187	75,760,804	13	0.31
Colonial Pipeline Co.	Petroleum Carrier	476,240	75,294,926	14	0.31
Harris-Teeter	Food Distribution	443,721	70,153,561	15	0.29
Evonik Stockhausen, Inc.	Specialty Chemicals	437,696	69,200,874	16	0.28
Greensboro Auto Auction	Auction Company	390,147	61,683,292	17	0.25
Cellco Partnership/Verizon	Service Communications	371,997	58,813,716	18	0.24
Time Warner	Media & Communications	368,112	58,199,579	19	0.24
Syngenta (Novartis, CIBA)	Research & Development	363,318	57,441,569	20	0.23
VF (Wrangler)	Textile Manufacturing	354,328	56,020,274	21	0.23
Guilford Mills	Textile Manufacturing				
Cone Mills Corporation	Textile Manufacturing				
BNP/Chysson Phase I LLC	Real Estate Development				
URDT of North Carolina LLC	Real Estate Development				
Koger Equity, Inc.	Real Estate Development				
ML North Carolina Apts LP	Limited Partnership				
Totals			\$ 2,527,471,214		10.33%

(a) Total Fiscal Year 2012 Taxable Assessed Value is \$24,456,470,950
(b) Total Fiscal Year 2003 Taxable Assessed Value was \$16,735,458,323

Source: Guilford County Tax Department

2003			
Taxable Assessed	Percentage of		
Value	Rank	Total City Taxable	
		Assessed	
		Value^(b)	
\$ 205,799,376	2	1.23	
307,879,829	1	1.84	
117,164,566	8	0.70	
147,268,829	4	0.88	
125,314,300	6	0.75	
174,477,424	3	1.04	
124,734,312	7	0.75	
84,673,741	12	0.51	
88,794,317	11	0.53	
137,179,386	5	0.82	
52,742,019	17	0.32	
96,170,722	9	0.57	
59,396,642	14	0.35	
95,860,200	10	0.57	
55,928,327	15	0.33	
52,171,576	18	0.31	
66,123,841	13	0.40	
54,045,825	16	0.32	
51,399,000	19	0.31	
49,107,000	20	0.29	
<u>\$ 2,146,231,232</u>		<u>12.82%</u>	

Property Tax Levies and Collections

Fiscal Years Ended June 30, 2003-2012

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Net Levy Adjustment</u>	<u>Total Adjusted Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>	
				<u>Collections</u>	<u>Percentage of Levy</u>
2003	\$ 104,974,280	\$ (668,435)	\$ 104,305,845	\$ 103,741,401	99.46%
2004	106,015,920	(579,844)	105,436,076	104,456,282	99.07
2005	121,697,513	(1,511,523)	120,185,990	119,223,482	99.20
2006	123,108,607	(796,701)	122,311,906	120,956,549	98.89
2007	137,751,955	(841,537)	136,910,418	135,614,966	99.05
2008	145,905,434	(859,238)	145,046,196	142,749,178	98.42
2009	156,210,545	(922,957)	155,287,588	152,391,990	98.14
2010	157,226,655	(963,048)	156,263,607	153,324,377	98.12
2011	154,962,758	(65,955)	154,896,803	151,731,680	97.96
2012	156,403,718	-	156,403,718	152,776,019	97.68

Collections in Subsequent Years	Total Collections to Date	
	<u>Amount</u>	<u>Percentage of Levv</u>
\$ 327,147	\$ 104,068,548	99.77%
704,860	105,161,142	99.74
629,481	119,852,963	99.72
1,025,398	121,981,947	99.73
921,428	136,536,394	99.73
1,677,037	144,426,215	99.57
2,173,358	154,565,348	99.53
2,139,596	155,463,973	99.49
1,988,329	153,720,008	99.24
-	152,776,019	97.68

Ratios of Outstanding Debt by Type

Fiscal Years Ended June 30, 2003-2012

Fiscal Year	Governmental Activities				Business Activities	
	General Obligation Bonds ^(d)	Certificates of Participation ^(d)	Capital Leases	Other Financing	General Obligation Bonds ^(d)	Water and Sewer Revenue Bonds ^(d)
2003	\$ 176,772,202	\$ 41,532,256	\$ 3,066,211	\$ 3,860,000	\$ 4,857,798	\$ 124,430,000
2004	166,105,780	36,248,360	1,771,705	3,992,000	3,679,220	164,470,000
2005	166,549,997	37,734,360	615,237	4,163,000	2,530,003	200,610,000
2006	175,287,165	31,940,720	157,531	10,536,803	1,442,835	195,580,000
2007	165,123,593	26,211,048	1,437,544	15,798,034	851,407	234,515,000
2008	195,321,875	20,170,808	1,873,775	22,818,748	273,125	227,895,000
2009	178,462,931	13,965,000	2,731,766	30,065,761	82,069	272,935,000
2010	170,955,000	11,275,000	2,376,355	25,601,861	-	264,465,000
2011	188,895,000	15,405,000	1,777,016	22,339,960	-	249,465,000
2012	176,590,000	12,365,000	2,055,860	19,584,075	-	240,250,000

(a) The City of Greensboro and Guilford County entered into an agreement on August 17, 1989 for the purpose of providing protection to existing and proposed water supplies. The source of funds for property acquisition is county bond proceeds with the city reimbursing the county on a semi-annual basis on a 50/50 share of the county bond debt service for the portion of funds used to protect the city's water supply. The outstanding watershed bonds mature from 2012 through 2018.

(b) Assessed property values, reference Table VIII.

(c) Population for 2001-09 based on City Planning Department's estimates at end of fiscal year. Starting in FY 2009-10, population based on Office of State's Budget and Management estimates.

(d) Reported at par value outstanding. See 37dd for related premiums/discounts.

Note: Details regarding the City's Outstanding Debt can be found in the Notes to the Financial Statements, pgs. 37x-37ff.

Business-Type Activities (cont.)

Certificates of Participation^(d)	Special Obligation Bonds^(d)	Watershed Protection Bonds^(a)	Other Financing	Total Primary Government	Percentage of Actual Assessed Value of Property^(b)	Percentage of Personal Income	Per Capita^(c)
\$ 12,917,744	\$ 12,450,000	\$ 3,221,017	\$ 3,642,319	\$ 386,749,547	2.3%	8.8%	\$ 1,669
10,946,640	11,455,000	2,804,637	3,081,746	404,555,088	2.4	9.3	1,720
8,915,640	10,415,000	2,402,196	2,798,437	436,733,870	2.1	9.6	1,832
6,824,280	17,725,000	2,051,799	2,544,034	444,090,167	2.1	9.5	1,843
4,663,952	16,125,000	1,643,695	5,243,407	471,612,680	2.1	9.7	1,928
2,439,192	14,450,000	1,224,739	4,965,944	491,433,206	2.2	10.0	1,900
150,000	12,700,000	805,508	4,524,413	516,422,448	2.1	10.8	2,002
-	10,825,000	573,188	4,099,338	490,170,742	2.0	10.3	1,885
-	8,880,000	388,075	3,651,879	490,801,930	2.0	N/A	1,817
-	5,385,000	204,203	3,188,454	459,622,592	1.9	N/A	1,689

Ratio of Net General Obligation Bonded Debt

To Assessed Value and Net General Obligation Debt Per Capita

Fiscal Years Ended June 30, 2003-2012

Fiscal Year Ended	General Bonded Debt Outstanding		Less Amount Available in Debt Service Fund	Less Debt Payable from Water Resources and Other Revenues(c)	Total Net Bonded Debt
	General Obligation Bonds Debt				
2003	\$ 181,630,000		\$ 16,106,751	\$ 10,374,360	\$ 155,148,889
2004	169,785,000		13,649,034	8,970,957	147,165,009
2005	169,080,000		12,801,938	7,587,016	148,691,046
2006	176,730,000		11,288,321	6,255,226	159,186,453
2007	165,975,000		12,630,628	5,408,571	147,935,801
2008	195,595,000		16,973,266	4,387,293	174,234,441
2009	178,545,000		14,772,277	3,921,921	159,850,802
2010	170,955,000		10,727,344	3,556,345	156,671,311
2011	188,895,000		7,875,788	3,262,940	177,756,272
2012	176,590,000		7,237,496	2,958,930	166,393,574

(a) Assessed valuation represents one hundred percent (100%) of estimated market value.

(b) Population 2002-09 figures are based on the City Planning Department's estimates at end of fiscal year. Starting in FY 2009-10, population based on Office of State's Budget and Management estimates.

(c) Includes payments from the City's Technical Service Fund, an Internal Service Fund, relating to the 800 MHZ system purchased with G.O. Bonds in 1998. Internal Service Funds are included with the governmental activities in the Statement of Net Assets. As of June 30, 2011, there was no remaining general obligation debt outstanding for the Water Resources Enterprise Fund.

Note: Details regarding the City's Outstanding Debt can be found in the Notes to the Financial Statements, pgs. 37x-37ff.

Actual Assessed Value of Property^(a)	Ratio of Net Bonded Debt To Assessed Valuation	Population(b)	Net Bonded Debt Per Capita
\$ 16,735,458,325	0.9	231,740	\$ 669
16,864,544,817	0.9	235,262	626
20,958,789,781	0.7	238,440	624
21,259,854,794	0.8	240,955	661
22,054,637,868	0.7	244,610	605
22,594,699,541	0.8	258,671	674
24,184,833,849	0.7	257,997	620
24,348,151,212	0.6	260,083	602
24,219,785,239	0.7	270,063	658
24,456,470,950	0.7	272,190	611

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds

Fiscal Year Ended June 30, 2012

<u>Governmental Unit</u>	<u>Bonded Debt Outstanding</u>	<u>Percent Applicable To City (a)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Direct Debt - City of Greensboro	\$ 210,594,935	100.00%	\$ 210,594,935
Overlapping Debt- Guilford County General Improvement Bonds	<u>861,759,699</u>	48.82%	<u>420,721,997</u>
Total Direct and Overlapping Debt	<u>\$ 1,072,354,634</u>		<u>\$ 631,316,932</u>

- (a) Percentage of Direct and Overlapping Debt is based on 6/30/12 Assessed Valuation of Guilford County as compared to the 6/30/12 Assessed Valuation of the City of Greensboro.

Legal Debt Margin Information

Fiscal Years Ended June 30, 2003-2012

	<u>2003</u>	<u>2004</u>	<u>2005^(a)</u>	<u>2006</u>
Debt Limit	\$ 1,338,836,666	\$ 1,349,163,585	\$ 1,676,703,182	\$ 1,700,788,384
Total Net Debt Applicable to Limit	<u>320,301,785</u>	<u>299,254,674</u>	<u>283,143,444</u>	<u>266,354,361</u>
Legal Debt Margin	<u>\$ 1,018,534,881</u>	<u>\$ 1,049,908,911</u>	<u>\$ 1,393,559,738</u>	<u>\$ 1,434,434,023</u>
Legal Debt Margin	76.08%	77.82%	83.11%	84.34%

(a) Appraised Value increased \$4,094,244,964 due to 2004 Revaluation.

Note: Under state finance law, the City's outstanding general obligation debt may not exceed 8 percent of total assessed property value. However, the City has established a more conservative internal limit of no more than 2 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed Value	\$ 24,456,470,950
Debt Limit (8 % of assessed value)	1,956,517,676
Debt Applicable to Limit:	
Bonds Authorized and Unissued	179,690,000
General Obligation Bonds	176,590,000
Other Long Term Debt	37,397,592
Less: Amount Set Aside For Repayment of General Obligation and Other Debt	(7,441,555)
Statutory Deductions: Water Utility	-
Total Net Debt Applicable to Limit	<u>386,236,037</u>
Legal Debt Margin	<u>\$ 1,570,281,639</u>

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 1,764,371,029	\$ 1,807,575,963	\$ 1,934,786,708	\$ 1,947,852,097	\$ 1,937,582,819	\$ 1,956,517,676
<u>310,569,931</u>	<u>286,841,815</u>	<u>425,933,103</u>	<u>424,210,158</u>	<u>408,374,842</u>	<u>386,236,037</u>
<u>\$ 1,453,801,098</u>	<u>\$ 1,520,734,148</u>	<u>\$ 1,508,853,605</u>	<u>\$ 1,523,641,939</u>	<u>\$ 1,529,207,977</u>	<u>\$ 1,570,281,639</u>
82.40%	84.13%	77.99%	78.22%	78.92%	80.26%

Pledged Revenue Coverage

Fiscal Years Ended June 30, 2003-2012

Fiscal Year Ended June 30	Water Resources Enterprise Fund (a)						
	Gross Revenues(c)	Less Operating Expenses(d)	Net Available Revenue	Debt Service Expenditures (e)			Coverage (f)
				Principal	Interest	Total	
2003	\$ 49,486,992	\$ 34,432,254	\$ 15,054,738	\$ 3,170,000	\$ 5,371,060	\$ 8,541,060	1.76
2004	54,752,946	35,851,060	18,901,886	3,395,000	5,201,640	8,596,640	2.20
2005	63,641,182	38,713,873	24,927,309	4,720,000	6,125,286	10,845,286	2.30
2006	72,982,941	42,004,665	30,978,276	5,030,000	7,169,093	12,199,093	2.54
2007	81,600,371	42,243,043	39,357,328	6,325,000	7,942,399	14,267,399	2.76
2008	87,367,218	48,224,607	39,142,611	6,620,000	8,216,874	14,836,874	2.64
2009	85,134,662	47,546,036	37,588,626	8,015,000	8,811,277	16,826,277	2.23
2010	86,650,483	48,248,298	38,402,185	8,470,000	7,969,938	16,439,938	2.34
2011	91,649,195	51,317,135	40,332,060	9,960,000	9,674,910	19,634,910	2.05
2012	89,165,280	52,808,830	36,356,450	8,825,000	8,797,162	17,622,162	2.06

- (a) The City issued Water and Sewer Revenue bonds in the amount of \$50,000,000 dated June 1995 (refunded in 2001 and 2005), \$40,000,000 dated June 1998 (partially refunded in 2009), \$45,740,000 dated June 2001, \$43,435,000 dated July 2003, \$40,780,000 dated June 2005 (partially refunded in 2012), \$48,040,000 dated June 2007 and \$53,180,000 dated April 2009. Portions of the 1998, 2001, and 2003 issues were also refunded in December 2006.
- (b) The City issued Landfill Special Obligation Bonds in the amount of \$16,000,000 dated May 1997 and \$8,400,000 dated November 2005.
- (c) Gross revenues are for the combined Water Resources Enterprise Fund for the fiscal year.
- (d) Operating expenses exclude depreciation and bond interest.
- (e) Includes principal and interest of revenue bonds only.
- (f) The most restrictive required coverage is 1.50.
- (g) As defined in Articles 40 and 42 of the Sales Tax Act.
- (h) The required coverage is 2.00.

Solid Waste Management Fund (b)					
	Sales Tax Revenue Pledged (g)	Debt Service Expenditures			Coverage (h)
		Principal	Interest	Total	
\$	11,501,475	\$ 950,000	\$ 684,476	\$ 1,634,476	7.04
	10,701,029	995,000	626,144	1,621,144	6.60
	11,093,510	1,040,000	588,403	1,628,403	6.81
	13,099,271	1,090,000	533,236	1,623,236	8.07
	14,580,712	1,600,000	827,453	2,427,453	6.01
	14,981,061	1,675,000	742,923	2,417,923	6.20
	13,509,711	1,750,000	693,547	2,443,547	5.53
	14,404,728	1,875,000	538,958	2,413,958	5.97
	14,766,660	1,945,000	375,826	2,320,826	6.36
	15,632,609	2,010,000	289,460	2,299,460	6.80

Demographic and Economic Statistics

2003-2012

<u>Calendar Year</u>	<u>Population(a)</u>	<u>Total Personal Income (thousands of dollars) (e)</u>	<u>Median Household Income(e)</u>	<u>Per Capita Income(b)</u>	<u>Median Age(h)</u>	<u>School Enrollment(c)</u>	<u>Unemployment Rate(d)</u>
2003	231,740	\$ 4,380,653	\$ 35,307	\$ 31,451	35	64,500	6.5
2004	235,262	4,361,773	34,656	33,068	35	67,099	5.6
2005	238,440	4,531,075	35,767	34,170	35	67,099	5.1
2006	240,955	4,677,297 (j)	37,947 (i)	35,658	36	69,171 (g)	4.6
2007	244,610	4,846,043	40,211	37,013	34 (i)	70,409	4.9
2008	258,671	4,891,248	47,735	38,534	35	71,176	6.5
2009	257,997	4,781,620	45,830	37,658	34	70,968	11.3
2010	260,083	4,752,848	44,743	36,748	35	70,710	10.5
2011	270,063 (l)	(f)	41,399	(f)	38	71,227	10.9
2012	272,190	(f)	(f)	(f)	(f)	71,587	9.9 (k)

(a) Greensboro Planning Department estimates.

(b) Bureau of Economic Analysis.(For Guilford County)

(c) Greensboro City and Guilford County Consolidated School System.

(d) US Department of Labor: Bureau of Labor Statistics.

(e) *Sales & Marketing Magazine*: Annual Survey of Buying Power.

(f) Information not available.

(g) NC State Board of Education: Department of Public Instruction.

(h) Statistic available only at the County level, NC Office of Budget & Management: State Demographer's Office.

(i) Source was changed in 2006 to U.S. Census Bureau American Community Survey.

(j) Source was changed in 2006 to Editor & Publisher Market Guide.

(k) Division of Employment Security (DES) - North Carolina Department of Commerce as of July 2012

(l) Source was changed in 2011 to North Carolina Office of Budget and Management

Principal Employers in the City and the Metropolitan Area

June 30, 2012 and June 30, 2003

<u>Employer</u>	<u>Product or Service</u>	<u>2012</u>		<u>Percentage of Total Employment</u>
		<u>Employees</u>	<u>Rank</u>	
Guilford County School System	Public Schools	10,351	1	4.07%
Cone Health	Health Care	8,408	2	3.31
City of Greensboro	Local Government	2,985	3	1.17
US Postal Service	Postal Service	2,800	4	1.10
University of North Carolina, Greensboro	Education	2,560	5	1.01
Guilford County	Local Government	2,401	6	0.94
High Point Regional Health System*	Health Care	2,254	7	0.89
Bank of America, N.A. (Nations Bank)	Banking Services	2,000	8	0.79
American Express, Inc.	Financial Services	2,000	9	0.79
TYCO Electronics (AMP, Inc.)	Electronics	2,000	10	0.79
United Parcel Service				
Lorillard Tobacco				
Totals		<u>37,759</u>		<u>14.86%</u>

Source: Division of Employment Security (DES) - North Carolina Department of Commerce, Greensboro Chamber of Commerce
Employees presented are based on calendar years.

The 2012 total is 254,309

The 2003 total is 238,367

* In Guilford County

2003		
<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
7,900	1	3.31%
7,000	2	2.94
2,550	6	1.07
3,367	3	1.41
1,940	10	0.81
2,700	5	1.13
2,000	8	0.84
3,200	4	1.34
2,100	7	0.88
1,950	9	0.82
<u>34,707</u>		<u>14.55%</u>

Full-Time Equivalent City Government Employees by Function/Program

Fiscal Years Ended June 30, 2003-2012

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government	309	317	314	250	254	253	248	259	245	242
Public Safety	1,156	1,165	1,217	1,270	1,323	1,344	1,405	1,396	1,378	1,410
Transportation	140	140	143	143	72	72 (a)	64	77	80	77
Engineering and Building Maintenance	83	86	86	151	150	149	146	143	177	152
Field Operations					268	265 (a)	271	270	256	254
Environmental Services	17	17	17	17	17	17	17	17	17	16
Culture and Recreation	434	404	421	422	359	358 (a)	351	342	328	323
Community Development & Housing	26	26	27	29	29	30	30	30	32	27
Economic Opportunity	63	63	65	65	63	67	64	62	57	71
Water Operations	139	139	145	147	148	149	145	146	146	145
Sewer Operations	164	165	174	176	179	179	175	174	172	172
Stormwater Management	76	77	77	76	76	76	79	78	76	77
War Memorial Coliseum	87	87	75	71	71	71	69	69	69	70
Solid Waste Management (Disposal)	150	150	161	166	36	36 (a)	34	34	34	34
Parking Facilities	12	12	12	12	12	12	11	11	11	11
Total	<u>2,856</u>	<u>2,848</u>	<u>2,934</u>	<u>2,995</u>	<u>3,057</u>	<u>3,078</u>	<u>3,109</u>	<u>3,108</u>	<u>3,078</u>	<u>3,081</u>

(a) Field Operations Department was created by moving employees from Transportation, Parks and Recreation and Solid Waste functions; this division includes solid waste collection.

Source: City Adopted Budget FY 2012-13

Operating Indicators by Function

Fiscal Years Ended June 30, 2003-2012

Function	Fiscal Year					
	2003	2004	2005	2006	2007	2008
General Government						
Development plans submitted	770	600	700	274	225	228
Zoning violations investigated ⁽ⁱ⁾	266	250	250	276	502	546
Budget adjustments	347	373	395	458	483	451
Water and sewer mains inspected ^(b)	62	90,076	100,000	327,375	285,560	341,252
Work orders completed	13,850	13,950	14,230	13,714	12,706	11,951
Roadway footage inspected	295,189	407,934	358,300	309,252	185,127	133,390
Sidewalk footage inspected	6,030	(d)	10,496	41,823	29,464	8,759
Payments/receipts processed ^(h)	558,267	564,000	549,108	553,338	557,039	636,681
Employment applications processed	(d)	6,500	7,000	3850	3,948	5,852
Public Safety						
Police ^(c)						
Response calls for service	147,840	119,614	139,587	152,398	198,328	185,276
Average patrol response time (all types)	6:50	9:30	13:22	11:52	13:51	13:11
Fire						
Total fire responses	865	976	1,150	1,318	1285	1,350
Fire investigations conducted	223	252	265	419	450	381
Total responses	19,990	20,391	20,980	14,859	26,162	28,541
Transportation						
Total route miles	(d)	1.28	1.32	1.34	1.78	2.11
Number of passengers (millions)	2.0	2.3	2.6	3.0	3.8	3.7
Engineering and Inspections						
Inspections performed on closed dwellings/units	1,186	2,392	1,150	989	906	878
Inspections performed on Local Ordinance Enforcement	23,481	27,420	21,000	20,086	17,854	21,691
Environmental Services						
Educational initiatives (per month)	63	63	83	223	670	887
Users of household hazardous waste disposal facility	7,215	8,108	7,977	11,183	11,797	12,700
Waste collected (pounds)	417,326	492,623	427,912	380,189	400,185	371,873
Water Operations						
Water customer accounts	91,300	93,800	96,300	97,300	99,462	102,041
Significant industrial users	34	35	35	42	35	34
Meters read annually ^(b)	503,000	503,000	506,000	510,000	511,600	537,999
Water meters	93,130	94,220	95,060	97,398	101,759	104,650
New connections	(d)	(d)	(d)	2,275	2,162	2,810
Water main breaks	152	113	97	118	142	178
Average water MGD treated daily ^(f)	29	31	32	33	34	25
Average daily consumption (millions of gallons)	29	31	31	33	34	32
Sewer Operations						
Average wastewater MGD treated daily	34	32	34	29	29	29
War Memorial Coliseum						
Total number of events	875	751	748	787	865	852
Total attendance (millions)	1.4	1.3	1.0	1.4	1.2	1.4
Aquatic Center						
Total number of events						
Total attendance (millions)						
Solid Waste Management						
Residential refuse collected (average tons per month)	5,023	4,751	4,888	4,993	5,174	5,165
Recyclables collected (average tons per month)	1,768	1,812	1,917	1,879	2,315	2,441
Yard waste collected (average tons per month)	1,494	1,422	1,206	1,172	1,180	1,046
White goods collected (average items per month) ^(e)	790	747	598	498	503	21
Phase II (tons processed per year)	140,000	140,000	140,000	140,000	130,950	95,755
Phase III (tons processed per year)	200,000	200,000	200,000	200,000	73,612	9,604
Transfer Station (tons processed per year) ^(g)					160,226	239,916
Compost Facility (tons processed per year)	30,000	30,000	30,000	30,000	31,345	26,587

(a) 2010 and 2011 column is an estimate based on the individual department's data.

(b) As of FY2004, the water and sewer laterals inspected changed to water and sewer laterals footage inspected.

(c) As of FY2003, the Police Department changed their reporting of response calls for service to include all calls where officers were dispatched.

(d) Information not available.

(e) As of FY2008, White Goods items are tracked by items and not tonnage.

(f) The Average water MGD treated daily beginning in FY08 does not include purchased water from other cities.

(g) Transfer Station began operations in September 2006.

(h) During FY2009, the City moved from allowing Quarterly Billing to mandatory Monthly Billing which lead to an increase in payments processed.

(i) FY2010, the increase in Zoning violations is due to a number of new ordinances being passed by City Council.

* This is for minimum housing, nuisance, vehicles and zoning.

** This represents the number of reinspections performed on minimum housing cases.

Sources: City Departments (Police, GTA, Planning, Water, Field Operations), Budget Documents and CAFR.

Fiscal Year (cont.)			
<u>2009</u>	<u>2010</u>	<u>2011</u>^(a)	<u>2012</u>
246	121	123	193
523	1,533	1,086	2,026
396	302	311	297
174,054	65,020	144,690	67,378
10,782	12,823	11,831	11,164
87,975	43,725	67,810	208,315
5,399	14,034	5,956	223,146
938,076	1,065,037	1,073,695	1,065,499
5,880	7,317	8,735	8,485
126,361	126,596	146,830	142,524
16:58	13:37	9:49	9:40
1,188	1,058	1,197	1,128
322	290	211	255
28,475	29,225	30,393	30,816
3.40	3.20	3.50	2.1
4.0	4.1	4.6	4.7
919	806	175	1,143**
17,206	9,824	3,738	17,296*
908	886	925	950
14,829	17,839	19,500	21,000
348,486	326,483	425,000	540,000
100,844	100,997	101,544	102,116
57	35	35	35
1,219,200	1,272,051	1,250,816	1,245,139
100,844	101,561	102,006	102,512
881	678	541	572
74	134	140	130
28	27	26	25.0
31	32	34	34
29	30	28	27
838	871	899	1,016
1.3	1.3	1.5	1.4
			100
			120,884
5,467	5,330	5,128	5,039
2,496	2,404	2,426	2,375
1,226	1,239	1,297	1,238
17	7	7	46
72,124	46,914	43,906	42,710
7,766	8,240	7,778	7,321
238,806	236,909	223,296	218,290
29,790	16,100	30,735	31,623

Capital Asset Statistics by Function

Fiscal Years Ended June 30, 2003-2012

Function	2003	2004	2005	2006	2007^(l)
General Government:					
Melvin Municipal Office Building (square footage)	131,475	131,475	131,475	131,475	131,475
Service Center (square footage)	156,757	156,757	156,757	156,757	156,757
Cone Building (square footage)	35,316	35,316	35,316	35,316	35,316
J. Edward Kitchen Operations Center (square footage)	(j)	(j)	(j)	119,000	119,000
Public Safety:					
Police^(b)					
Stations ^(k)	5	5	6	6	5
District Offices	2	2	3	3	3
Patrol Units	(j)	(j)	(j)	127	313
Fire^(c)					
Fire Stations	18	18	19	20	22
Fire Trucks	(j)	(j)	(j)	36	29
Auxiliary Response Vehicles	(j)	(j)	(j)	47	21
Transportation:^(d)					
Streets (miles)	901	912	931	946	950
Highways (miles)	235	246	376	377	379
Sidewalks (miles)	(j)	(j)	(j)	373	398
Streetlights	(j)	(j)	(j)	18,457	24,218
Traffic signals	(j)	(j)	(j)	310	545
Metered Spaces					
Culture and Recreation:^(e)					
Libraries					
Main Building/Branches	7	6	7	7	7
Mobile Library - Reading Railroad	1	1	1	1	1
Parks and Recreation					
Parks, Open Spaces, Beautification Areas ^(m)	310	312	350	353	492
Acres ^(m)	3,912	4,043	5,749	5,781	5,416
Arboretum/ Bicentennial Garden/Bog Garden/Arts Center/Historical Tannenbaum Park	5	5	5	6	6
Camp for Special Populations/Recreation Centers/ Multicultural Center ^(m)	15	15	15	15	14
Golf Courses	2	2	2	2	3
Tennis Courts	112	112	112	112	111
Swimming Pools ^(m)	7	7	7	7	7
Ball Fields	56	56	56	56	96
Basketball Courts	38	44	44	44	45
Cemeteries	4	4	4	4	4
Yard Waste Vehicles ⁽ⁱ⁾	4	4	4	4	
Water Management:^(f)					
Peak consumption (millions of gallons)	35	38	41	41	45
Average Annual System Capacity (millions of gallons)	36	36	41	41	41
Public Water Main (miles)	1,538	1,557	1,385	1,429	1,448
Sewer Management:^(f)					
Public Sanitary Sewer (miles)	1,343	1,363	1,486	1,355	1,366
Treatment Capacity (millions of gallons per day)	56	56	56	56	56
Stormwater Management:^(f)					
Storm Sewer (miles)	(j)	(j)	(j)	786	836
War Memorial Coliseum (Arena, Auditorium, Special Events Center, Meeting Rooms):^(g)					
Arena Seating Capacity	23,300	23,500	23,500	23,500	23,500
Auditorium Seating Capacity	2,376	2,376	2,430	2,400	2,400
Special Events Center Capacity (with Mini-Arena) (in square feet)	120,000	167,000	167,000	167,000	167,000
ACC Hall of Champions (in square feet)					
White Oak Amphitheatre (seating capacity)					
Terrace (in square feet)					
Aquatic Center Capacity (in square feet)					
Aquatic Center Seating Capacity					
Odeon Theatre Seating Capacity					
Solid Waste Management					
Landfill ^(h)	1	1	1	1	1
Solid Waste Vehicles ⁽ⁱ⁾	84	89	89	91	92
Parking Facilities:^(d)					
Davie Street Parking Deck (number of spaces)	415	415	415	415	415
Greene Street Parking Deck (number of spaces)	706	706	706	706	706
Church Street Parking Deck (number of spaces)	424	424	424	424	417
Bellemeade Street Parking Deck (number of spaces)	1,276	1,276	1,276	1,276	1,276

- (a) City of Greensboro Engineering Department
- (b) City of Greensboro Police Department
- (c) City of Greensboro Fire Department
- (d) City of Greensboro Transportation Department
- (e) City of Greensboro Library and Parks and Recreation Departments
- (f) City of Greensboro Water Resources Department
- (g) www.greensborocoliseum.com/press_facts.cfm
- (h) City of Greensboro Environmental Services Department
- (i) City of Greensboro Financial & Administrative Services Department
- (j) Information Not Available
- (k) Metro 911 is no longer part of the Police Department.
- (l) 2011 column is an estimate based on the individual department's data.
- (m) Reflects ownership transfer of Hagan-Stone Park to Guilford County

Fiscal Year (cont)				
2008	2009	2010	2011⁽¹⁾	2012
131,475	131,475	131,475	131,475	131,475
156,757	156,757	156,757	156,757	156,757
35,316	35,316	35,316	35,316	35,316
119,000	119,000	119,000	119,000	119,000
6	6	6	6	6
4	4	4	4	4
254	254	280	349	292
23	23	23	23	24
30	30	37	46	43
21	21	30	21	21
1,003	1,015	1,015	1,022	1,026
405	432	432	438	370
406	438	443	453	475
25,029	25,431	25,561	25,698	25,812
578	598	608	611	618
		1,037	1,071	1,071
7	7	7	6	6
1	1	1	1	1
492	491	491	492	492
6,477	6,068	6,068	6,186	6,186
6	6	6	7	7
14	13	13	12	12
3	2	3	3	3
111	111	111	111	111
7	6	6	6	6
96	96	96	96	96
45	45	45	45	45
4	4	4	4	4
				0
46	42	42	46	42
41	41	41	42	47
1,458	1,465	1,469	1,479	1,479
1,456	1,395	1,400	1,404	1,407
56	56	56	56	56
874	977	1,042	1,056	1,073
23,500	23,500	23,500	23,500	23,500
2,400	2,400	2,400	2,400	2,400
167,000	167,000	167,000	167,000	167,000
			9,000	9,000
			7,688	7,688
			12,000	12,000
				78,323
				2,500
				302
1	1	1	1	1
93	94	94	94	94
415	415	415	415	415
706	706	706	706	706
417	417	417	417	417
1,276	1,276	1,276	1,276	1,276

Single Audit Section

The Single Audit Section is established to comply with the Federal and State Single Audit Acts. These Acts establish audit requirements for state and local governments that receive federal and state financial assistance. It provides for independent audits of financial operations, including compliance with certain provisions of federal law and regulations. These requirements are established to insure that audits are made on an organization-wide basis, rather than on a grant-by-grant basis. The accompanying financial statements are presented to reflect state and federal participation in various projects and programs, as adopted by the Greensboro City Council.



Independent Auditors' 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*

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Greensboro Transit Authority (the "Authority") and the Greensboro Redevelopment Commission (the "Commission"), which are discretely presented component units, each major fund, and the aggregated remaining fund information of the City of Greensboro, North Carolina (the "City"), as of and for the year ended June 30, 2012, which collectively comprises the City's basic financial statements, and have issued our report thereon dated October 27, 2012. Our report includes references to other auditors. 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. Other auditors audited the financial statements of the Greensboro ABC Board (the "Board") and the Greensboro Housing Development Partnership (the "Partnership") as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Board and the Partnership were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 City's financial statements will not be prevented, or detected and corrected on a timely basis.

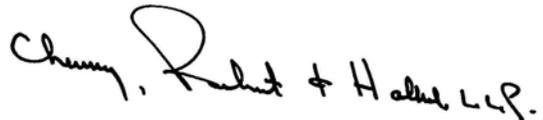
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the City, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in black ink that reads "Cherry, Bekaert & Holland L.L.P." in a cursive, slightly slanted script.

Raleigh, North Carolina
October 27, 2012



Independent Auditors' Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act

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

Compliance

We have audited the City of Greensboro, North Carolina, (the "City"), 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's major federal programs for the year ended June 30, 2012. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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; 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 noncompliance 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'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. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

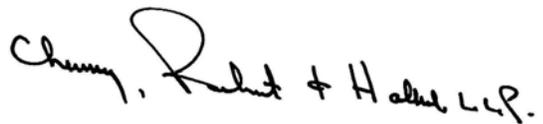
Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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, noncompliance 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 noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the City, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in black ink that reads "Cherry, Bekaert & Holland L.L.P." in a cursive, slightly slanted script.

Raleigh, North Carolina
October 27, 2012



Independent Auditors' Report On Compliance With Requirements Applicable To Each Major State Program and Internal Control Over Compliance In Accordance With Applicable Sections of OMB Circular A-133 and the State Single Audit Implementation Act

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

Compliance

We have audited the City of Greensboro, North Carolina (the "City"), compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, which could have a direct and material effect on each of its major State programs for the year ended June 30, 2012. The City's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of 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 noncompliance 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'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. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

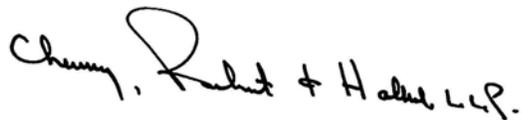
Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, 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, noncompliance 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the City, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in black ink that reads "Cherry, Bekaert & Holland L.L.P." The signature is written in a cursive, flowing style.

Raleigh, North Carolina
October 27, 2012

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material Weaknesses identified? yes no
- Significant deficiency(s) identified that are not considered to be Material weaknesses yes none reported

Noncompliance material to financial Statements noted yes no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? yes no
- Significant deficiency(s) identified that are not considered to be Material weaknesses yes none reported

Noncompliance material to federal awards yes no

Type of auditor’s report issued on compliance for major federal program: Unqualified

Any audit findings disclosed that are required to be Reported in accordance with Section 510(a) of Circular A-133 yes no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
17.258, 17.259, 17.260, 17.278	Workforce Investment Act Cluster
81.128	Energy Efficiency Grant
81.128	ARRA – Better Homes Grant
14.218	Community Development Block Grant
14.218	ARRA – Community Development Block Grant
20.205	Highway Planning and Construction
20.205	ARRA – Highway Planning and Construction
81.041	ARRA – Compressed Natural Gas–CNG Project
16.710	Community Policing Services (COPS) Grant

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012**

Dollar threshold used to distinguish

Between Type A and Type B Programs \$1,078,631

Auditee qualified as low-risk auditee X yes no

State Awards

Internal control over major State programs:

- Material weaknesses identified? yes X no
- Significant deficiency(s) identified that are not considered to be Material weaknesses yes X none reported

Noncompliance material to State awards yes X no

Type of auditor's report issued on compliance of major State programs: Unqualified

Any audit findings disclosed that are required to be Reported in accordance with the State Single Audit Implementation Act yes X no

Identification of major State programs:

Program Name

Powell Bill

State Maintenance Assistance Program

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012**

II. - Findings Related to the Audit of the Basic Financial Statements of the City

None reported

III. – Findings and Questioned Costs Related to the Audit of Federal Awards

None reported.

IV. – Findings and Questioned Costs Related to the Audit of State Awards

None reported

**City of Greensboro, North Carolina
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2012**

None

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Housing and Urban Development:		
CDBG Entitlement Cluster:		
Community Development Block Grants	14.218	B-03-MC-37-0007
Community Development Block Grants	14.218	B-04-MC-37-0007
Community Development Block Grants	14.218	B-05-MC-37-0007
Community Development Block Grants	14.218	B-06-MC-37-0007
Community Development Block Grants	14.218	B-07-MC-37-0007
Community Development Block Grants	14.218	B-08-MC-37-0007
Community Development Block Grants	14.218	B-09-MC-37-0007
Community Development Block Grants	14.218	B-10-MC-37-0007
Community Development Block Grants	14.218	B-11-MC-37-0007
Section 108 Project	14.218	
Section 108 Project (ARRA)	14.218	
Day Care-Kids - 2005-06	14.218	
Day Care-Kids - 2006-07	14.218	
Day Care-Kids - 2007-08	14.218	
Day Care-Kids - 2008-09	14.218	
Day Care-Kids - 2009-10	14.218	
Day Care-Kids - 2010-11	14.218	
Day Care-Kids - 2011-12	14.218	
Bessemer Shopping Center	14.218	
Camel Street Apartments - 2003-04	14.218	
Total CDBG Entitlement Cluster		
Homes - 1992	14.239	M-92-DC-37-0206
Homes - 1993	14.239	M-93-DC-37-0206
Homes - 1994	14.239	M-94-DC-37-0206
Homes - 1995	14.239	M-95-DC-37-0206
Homes - 1996	14.239	M-96-DC-37-0206
Homes - 1997	14.239	M-97-DC-37-0206
Homes - 1998	14.239	M-98-DC-37-0206
Homes - 1999	14.239	M-99-DC-37-0206
Homes - 2000	14.239	M-00-DC-37-0206
Homes - 2001	14.239	M-01-DC-37-0206
Homes - 2002	14.239	M-02-DC-37-0206
Homes - 2003	14.239	M-03-DC-37-0206
Homes - 2004	14.239	M-04-DC-37-0206
Homes - 2005	14.239	M-05-DC-37-0206
Homes - 2006	14.239	M-06-DC-37-0206
Homes - 2007	14.239	M-07-DC-37-0206
Homes - 2008	14.239	M-08-DC-37-0206
Homes - 2009	14.239	M-09-DC-37-0206
Homes - 2010	14.239	M-10-DC-37-0206
Homes - 2011	14.239	M-11-DC-37-0206
Emergency Shelter Grants Program - 1993	14.231	S-93-MC-37-0004
Emergency Shelter Grants Program - 2005	14.231	S-05-MC-37-0004
Emergency Shelter Grants Program - 2006	14.231	S-06-MC-37-0004
Emergency Shelter Grants Program - 2007	14.231	S-07-MC-37-0004
Emergency Shelter Grants Program - 2008	14.231	S-08-MC-37-0004
Emergency Shelter Grants Program - 2009	14.231	S-09-MC-37-0004
Emergency Shelter Grants Program - 2010	14.231	S-10-MC-37-0004
Emergency Shelter Grants Program - 2011	14.231	S-11-MC-37-0004
HOPWA	14.241	NC19H02-F003
HOPWA	14.241	NCH11-F003
Brownfield Economic Development - 2003	14.246	B-03-BD-37-0041
Single Family Rehab	14.239	SFR 0809 01
Neighborhood Stabilization Program (HERA)	14.228	B-09-MY-37-007
HRRP Grant - FY09 -10 (HERA)	14.257	B-09-MY-37-007
Energy Efficient Grant (HERA)	81.128	
Better Homes Grant (ARRA)	81.128	
Total Other Community Development Programs		
Office of Fair Housing & Equal Opportunity:		
Fair Housing Assistance Program	14.401	FF-204K-06-4013
Fair Housing Assistance Program	14.401	FF-205K-08-4013
Fair Housing Assistance Program	14.401	FF-204K-03-4013
Fair Housing Assistance Program	14.401	FF-204K-09-4013
Fair Housing Assistance Program	14.401	FF-204K-10-4013
Fair Housing Assistance Program	14.401	FF-204K-11-4013
Total Office of Fair Housing & Equal Opportunity		
Office of Healthy Homes & Lead Hazard Control:		
Lead Based Paint Grant - 2011	14.900	NCLHB0471-10
Total Office of Healthy Homes & Lead Hazard Control		
Total Department of Housing and Urban Development		
Department of Justice:		
Office of Justice:		
Federal Asset Forfeiture Funds	16.005	
Joint Terrorism Task Force - 2009-10	16.614	
Joint Terrorism Task Force - 2010-11	16.614	
Joint Terrorism Task Force - 2010-11	16.614	
Joint Terrorism Task Force - 2011-12	16.614	

Expenditures

Program or Award Amount	Prior Years	Current Year	Total to Date
\$ 3,156,580	\$ 3,052,486	\$ 31,355	\$ 3,083,841
2,812,713	2,594,431	66,870	2,661,301
2,882,132	2,881,907	55	2,881,962
2,233,072	2,059,048	23,024	2,082,072
2,829,182	2,721,319	38,886	2,760,205
2,541,837	2,334,387	80,828	2,415,215
2,029,223	1,881,705	57,772	1,939,477
2,581,527	1,650,075	411,270	2,061,345
1,954,667		1,438,344	1,438,344
4,640,000	4,639,999		4,639,999
510,817	479,974	30,843	510,817
20,265	12,762		12,762
20,020	10,464	792	11,256
20,265	13,814	398	14,212
20,265	16,188	2,705	18,893
20,265	14,729		14,729
8,257	7,978	497	8,475
8,257		8,276	8,276
73,000	24,884	33,785	58,669
178,000	178,000		178,000
28,540,344	24,574,150	2,225,700	26,799,850
987,000	987,000		987,000
651,870	651,870		651,870
756,955	756,955		756,955
2,013,117	2,013,117		2,013,117
1,786,215	1,786,215		1,786,215
1,442,832	1,442,832		1,442,832
1,591,000	1,591,000		1,591,000
1,786,979	1,786,979		1,786,979
1,810,327	1,798,922	11,405	1,810,327
1,940,013	1,874,028	61,884	1,935,912
2,052,634	2,039,553	9,292	2,048,845
1,785,540	1,388,762	324,400	1,713,162
2,711,561	2,196,671	145,009	2,341,680
2,132,585	1,639,908	90,487	1,730,395
2,254,556	2,095,373	26,183	2,121,556
1,882,891	1,386,537	344,105	1,730,642
1,741,831	628,301	224,808	853,109
1,831,906	742,909	345,669	1,088,578
1,959,474	209,327	827,085	1,036,412
1,766,022		38,765	38,765
82,000	82,000		82,000
83,985	83,985		83,985
83,531	83,531		83,531
84,247	84,247		84,247
83,785	83,785		83,785
83,741	83,741		83,741
84,405	84,405		84,405
84,332		84,332	84,332
1,228,000	1,160,044		1,160,044
309,502		133,684	133,684
2,000,000	2,000,000		2,000,000
400,000	327,691		327,691
3,275,000	2,459,785	682,376	3,142,161
781,141	513,855	267,286	781,141
2,544,900	528,886	1,272,640	1,801,526
5,000,000	311,415	1,449,569	1,760,984
51,093,877	34,903,629	6,338,979	41,242,608
46,058	40,299	5,759	46,058
67,264	59,419	3,110	62,529
31,066	25,611	900	26,511
52,892	19,551	28,643	48,194
65,400	3,641	17,754	21,395
154,725		20,864	20,864
417,405	148,521	77,030	225,551
3,100,000	50,538	531,397	581,935
3,100,000	50,538	531,397	581,935
83,151,626	59,676,838	9,173,106	68,849,944
2,622,557	939,365	698,718	1,638,083
16,903	15,685	(1,408)	14,277
17,202	12,073	4,301	16,374
33,872	4,406	1,070	5,476
17,202		12,872	12,872

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Justice:		
Office of Justice:		
US Marshal-Joint Fugitive Task Force 10-11	16.614	
US Marshal-Joint Fugitive Task Force 11-12	16.614	
FBI Safe Streets Task Force 10-11	16.579	
FBI Safe Streets Task Force 11-12	16.579	
Paul Coverdell Forensic Science Grant	16.742	
Community Policing Services (COPS) Grant	16.710	
Governor's Crime Commission - VCA - FY11 Child Initiative	16.575	2011-VA-GX-0035
Governor's Crime Commission - VAWA - FY08	16.588	2008-WF-AX-0048
Passed through NC Department of Crime Control and Public Safety and/or the City of High Point:		
Justice Assistance Grants Programs Cluster		
Byrne Justice Assistance Grant - 2008	16.738	
Byrne Justice Assistance Grant - 2010	16.738	
Byrne Justice Assistance Grant - 2011	16.738	
Byrne Justice Assistance Grant - 2012	16.738	
Byrne Justice Assistance Grant - 2009 (ARRA)	16.804	
Governor's Crime Commission - BJA - Crime Stoppers	16.738	2011-DJ-BX-2091
Total Justice Assistance Grants Programs Cluster		
Total Office of Justice		
Passed through NC Department of Crime Control and Public Safety		
Bureau of Alcohol, Tobacco and Firearms:		
Violent Crimes Task Force 2010-11	21.052	
Violent Crimes Task Force 2010-11	21.052	
Total Bureau of Alcohol, Tobacco and Firearms		
Total Department of Justice		
Department of Homeland Security:		
U.S. Secret Service:		
Financial Crimes Task Force - 2010-11	21.100	
Financial Crimes Task Force - 2011-12	21.100	
Total U.S. Secret Service		
Federal Emergency Management Agency:		
Assistance To Firefighters Grant (AFG) 2009	97.044	
Assistance To Firefighters Grant (AFG) 2010	97.044	
Assistance To Firefighters Grant (AFG) 2011	97.044	
Home Fire Sprinkler Coalition	97.044	
Total Federal Emergency Management Agency		
Passed through NC Department of Crime Control and Public Safety:		
Homeland Security Cluster:		
Metro Medical Response System - 2003	97.071	233-01-0040
Metro Medical Response System - 2007	97.071	
Metro Medical Response System - 2008	97.071	
Metro Medical Response System - 2009	97.071	
Metro Medical Response System - 2010	97.071	
Metro Medical Response System - 2011	97.071	
RRT Homeland Security Grant - 2009	97.067	
RRT Homeland Security Grant - 2010	97.067	
RRT Homeland Security Grant - 2011	97.067	
Total Homeland Security Cluster		
USAR Homeland Security Grant - 2008	97.073	
USAR Homeland Security Grant - 2009	97.073	
USAR Homeland Security Grant - 2010	97.073	
USAR Homeland Security Grant - 2011	97.073	
Total Passed through NC Department of Crime Control and Public Safety		
Total Department of Homeland Security		
Department of Interior:		
Passed through NC Department of Cultural Resources		
Office of Archives and History		
Sunset Hill National Register	15.904	
Total Passed through NC Department of Cultural Resources		
Total Department of Energy		
Department of Energy:		
Passed through NC State University		
Triangle J. Council of Government		
Compressed Natural Gas - CNG Project - (ARRA)	81.041	
Total Passed through NC State University		
Total Department of Energy		
Institute of Museum and Library Science		
Passed through NC Department of Cultural Resources		
LSTA Project Planning Grant	45.310	
LSTA Project Planning Grant - 2010	45.310	
LSTA Project Planning Grant - 2011	45.310	
LSTA Project Planning Grant - 2012	45.310	
Total Institute of Museum and Library Science		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 17,000	\$ 12,318	\$ 4,249	\$ 16,567
16,375		12,031	12,031
51,607	28,242	9,354	37,596
51,607		28,452	28,452
125,000	121,808		121,808
4,600,230	465,413	1,560,214	2,025,627
104,850		66,520	66,520
149,040		44,868	44,868
63,164	63,164		63,164
222,354	37,744		37,744
183,734			
135,013			
952,295	453,225	40,333	493,558
3,750		1,237	1,237
1,560,310	554,133	41,570	595,703
9,383,755	2,153,443	2,482,811	4,636,254
13,500	12,999	496	13,495
13,000		12,420	12,420
26,500	12,999	12,916	25,915
9,410,255	2,166,442	2,495,727	4,662,169
6,450	4,787	1,663	6,450
15,000		5,535	5,535
21,450	4,787	7,198	11,985
81,408	79,209		79,209
21,923		21,707	21,707
72,000			
1,000	1,000		1,000
176,331	80,209	21,707	101,916
880,557	582,618	19,183	601,801
258,145	258,145		258,145
321,221	300,976	20,245	321,221
311,585	96,943	137,378	234,321
301,548		11,643	11,643
267,608			
135,714	68,286	33,376	101,662
51,429			
25,000			
2,552,807	1,306,968	221,825	1,528,793
220,000	187,592	32,408	220,000
50,000	16,984	29,928	46,912
45,000		6,219	6,219
7,553		7,513	7,513
2,875,360	1,511,544	297,893	1,809,437
3,073,141	1,596,540	326,798	1,923,338
18,000		11,400	11,400
18,000		11,400	11,400
18,000		11,400	11,400
283,770		298,640	298,640
283,770		298,640	298,640
283,770		298,640	298,640
90,000	82,244	54	82,298
11,900	11,410		11,410
20,000		20,000	20,000
20,000		13,300	13,300
141,900	93,654	33,354	127,008

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Labor:		
Employment and Training Administration		
Workforce Investment Act Cluster:		
WIA Adult 2009	17.258	2009 2020 42
WIA Adult 2010	17.258	2010 2020 42
WIA Adult 2011	17.258	2011 2020 42
WIA Dislocated Worker 2008	17.260	2008 2030 42
WIA Dislocated Worker 2009	17.260	2009 2030 42
WIA Dislocated Worker 2010	17.278	2010 2030 42
WIA Dislocated Worker 2011	17.278	2011 2030 42
WIA Dislocated Emergency Rapid Response 2009	17.260	2009 2031 42
WIA Dislocated Emergency Rapid Response 2010	17.278	2010 2031 42
WIA Youth 2008	17.259	2008 2040 42
WIA Youth 2009	17.259	2009 2040 42
WIA Youth 2010	17.259	2010 2040 42
WIA Youth 2011	17.259	2011 2040 42
WIA 10% Statewide Activities 2009	17.258	2009 2050 42
	17.259	
	17.260	
WIA 10% Statewide Activities 2010	17.258	2010 2050 42
	17.259	
	17.278	
2009 Administration Cost Pool	17.258	2009 2010 42
	17.259	
	17.260	
2010 Administration Cost Pool	17.258	2010 2010 42
	17.259	
	17.278	
2011 Administration Cost Pool	17.258	2011 2010 42
	17.259	
	17.278	
Total Workforce Investment Act Cluster:		
WIREED 10	17.268	
Total Other Employment and Training Administration		
Total Department of Labor		
Department of Transportation:		
Federal Transit Administration:		
Section 5303 Metro Planning - 2010-11	20.505	
Section 5303 Metro Planning - 2011-12	20.505	
Total Federal Transit Administration		
Federal Transit Cluster:		
Section 5307 Operating Assistance - 2006-07	20.507	NC-90-X412-01
CMAQ/HEAT Year 2 - 2007-08	20.507	NC-95-X009-00
CMAQ/HEAT Year 3 - 2008-09	20.507	NC-95-X018-00
CMAQ/HEAT Year 2 - 2010-11	20.507	NC-95-X044-00
CMAQ/HEAT Year 3 - 2011-12	20.507	NC-95-X044-00
CMAQ Extended Service Grant	20.507	NC-95-X022-01
Section 5307 Capital Assistance Grant - 2004	20.507	NC-90-X338
Section 5307 Planning Assistance Grant - 2004	20.507	NC-90-X338
Section 5307 Capital Assistance Grant - 2007	20.507	NC-04-0030-00
Section 5307 Capital Assistance Grant - 2008	20.507	NC-90-X452-00
Section 5307 Capital Assistance Grant - 2009	20.507	NC-90-X437-00
Section 5307 Capital Assistance Grant - 2010	20.507	NC-90-X479-00
Section 5307 Capital Assistance Grant - 2011	20.507	
Section 5307 Capital Assistance Grant GTA Center (ARRA)	20.507	NC-96-X008-00
Section 5307 Planning Grant - 2008	20.507	NC-90-X437-00
Section 5307 Planning Grant - 2009	20.507	NC-90-X437-00
Section 5309 Capital - Bus & Facility	20.500	NC-04-0042-00
New GTA Maintenance Facility	20.500	NC-04-0026-00
New GTA Maintenance Facility	20.500	NC-04-0026-00
New GTA Facility Grant	20.507	NC-95-X034-00
Total Federal Transit Cluster		
Transit Services Programs Cluster:		
Job Access and Reverse Commute - 2008	20.516	NC-37-X015-00
Job Access and Reverse Commute - 2009	20.516	NC-37-X020-00
Job Access and Reverse Commute - 2011	20.516	NC-37-X024-00
New Freedom Grant - 2008	20.521	NC-57-X004-01
New Freedom Grant -2009	20.521	NC-57-X009-00
New Freedom Grant -2010	20.521	NC-57-X009-00
New Freedom Grant -2011	20.521	NC-57-X013-00
Total Transit Services Programs Cluster		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 881,007	\$ 881,007	\$	\$ 881,007
873,210	486,315	386,895	873,210
967,465		584,854	584,854
841,562	841,562		841,562
558,390	558,390		558,390
1,079,571	681,293	398,278	1,079,571
1,073,373		561,523	561,523
48,900	48,897	1	48,898
15,016	5,360	9,656	15,016
868,966	868,966		868,966
895,933	895,933		895,933
1,041,403	210,326	831,077	1,041,403
1,170,690		29,564	29,564
276,337	92,762		92,762
	123,990		123,990
	59,585		59,585
337,878	7,639	75,482	83,121
	3,303	129,171	132,474
	10,702	61,512	72,214
257,122	87,041		87,041
	114,315		114,315
	55,766		55,766
331,771	61,908	37,337	99,245
	26,765	80,634	107,399
	86,729	38,398	125,127
356,836		36,958	36,958
		1,868	1,868
		35,484	35,484
<u>11,875,430</u>	<u>6,208,554</u>	<u>3,298,692</u>	<u>9,507,246</u>
<u>93,439</u>	<u>80,911</u>		<u>80,911</u>
<u>93,439</u>	<u>80,911</u>		<u>80,911</u>
<u>11,968,869</u>	<u>6,289,465</u>	<u>3,298,692</u>	<u>9,588,157</u>
101,840	99,229		99,229
<u>101,840</u>		<u>100,313</u>	<u>100,313</u>
203,680	99,229	100,313	199,542
4,636,491		5,230,468	5,230,468
3,660,627	3,123,923	536,704	3,660,627
1,828,628	1,459,428	269,806	1,729,234
655,000	655,000		655,000
655,000		655,000	655,000
863,031	863,031		863,031
298,000	294,973		294,973
100,000	99,185		99,185
1,159,699	1,128,565		1,128,565
411,414	242,671	12,556	255,227
141,153	131,692	8,443	140,135
147,843	93,731	53,585	147,316
41,000			
5,455,967	5,152,448	148,350	5,300,798
100,000	99,320		99,320
100,000	36,066	13,892	49,958
740,769			
3,861,794	2,737,960	330,564	3,068,524
593,662	493,959		493,959
<u>7,773,432</u>	<u>3,209,639</u>	<u>4,562,651</u>	<u>7,772,290</u>
<u>33,223,510</u>	<u>19,821,591</u>	<u>11,822,019</u>	<u>31,643,610</u>
299,503	243,241	47,422	290,663
303,429	186,247	82,391	268,638
218,463		159,425	159,425
232,306	184,459	47,847	232,306
93,958	93,797		93,797
92,214	92,214		92,214
92,691		92,691	92,691
<u>1,332,564</u>	<u>799,958</u>	<u>429,776</u>	<u>1,229,734</u>

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Passed through NC Department of Transportation		
Highway Planning and Construction Programs Cluster:		
Ballinger Road Bridge Replacement	20.205	B-4695
Transportation Planning - 2010-11	20.205	
Transportation Planning - 2011-12	20.205	
Street Resurfacing Project (ARRA)	20.205	STM-000S (567)
Street Resurfacing Project EL-5157D	20.205	U-5157-D
Lake Jeanette Highway/Roadway Improvements (ARRA)	20.205	STM-0708 (23)
Elm-Eugene Sidewalk/Roadway Improvement (ARRA)	20.205	STM-0708 (24)
Battleground Rail Trail Grant	20.205	E-4709
Streets Improvement U-5306-A	20.205	U-5306-A
Streets Improvement U-5306-B	20.205	U-5306-B
Streets Improvement U-5306-C	20.205	U-5306-C
Streets Improvement U-5306-D	20.205	U-5306-D
Sidewalk Construction EL-5101A	20.205	EL-5101A
Sidewalk Construction EL-5101B	20.205	EL-5101B
Sidewalk Construction EL-5101C	20.205	EL-5101C
Sidewalk Construction EL-5101DA	20.205	EL-5101DA
Sidewalk Construction EL-5101DB	20.205	EL-5101DB
Sidewalk Construction EL-5101DC	20.205	EL-5101DC
Sidewalk Construction EL-5101DD	20.205	EL-5101DD
Sidewalk Construction EL-5101DH	20.205	EL-5101DH
Sidewalk Construction EL-5101DI	20.205	EL-5101DI
Sidewalk Construction EL-5101DJ	20.205	EL-5101DJ
Sidewalk Construction EL-5101DE	20.205	EL-5101DE
Sidewalk Construction EL-5101DF	20.205	EL-5101DF
Sidewalk Construction EL-5101DG	20.205	EL-5101DG
Sidewalk Construction EL-5101DK	20.205	EL-5101DK
Sidewalk Construction EL-5101DM	20.205	EL-5101DM
Sidewalk Construction U-5157-E	20.205	U-5157-E
Sidewalk Improvement EL-5101DL	20.205	EL-5101DL
Sidewalk Improvement U-5322	20.205	U-5322
Intersection Improvement U-5326	20.205	U-5326
Fleming Road Project	20.205	U-5505
Greenway Project	20.205	EL-5101DO
Total Highway Planning and Construction Programs Cluster		
Federal Transit Cluster:		
New Garden Phase II	20.207	
Total Passed through NC Department of Transportation		
Total Department of Transportation		
Environmental Protection Agency:		
Office of Solid Waste and Emergency Response:		
Brownsfield Assessment & Cleanup	66.818	
Federal EPA Brownsfield (ARRA)	66.818	
Federal EPA RLF Brownsfield Cleanup	66.818	
Total Office of Solid Waste and Emergency Response		
Total Environmental Protection Agency		
Total Federal Financial Assistance		

Program or Award <u>Amount</u>	<u>Expenditures</u>		
	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
\$ 1,645,657	\$ 204,085	\$ 162,605	\$ 366,690
635,939	355,980		355,980
560,708		439,098	439,098
1,501,890	1,275,878		1,275,878
3,300,000		3,198,707	3,198,707
3,168,674	1,387,728	830,072	2,217,800
1,645,514	1,412,696		1,412,696
2,869,600	1,990,970		1,990,970
2,120,000			
2,824,000			
976,000			
260,000			
1,067,507	332,343		332,343
1,229,000	72,902	743,264	816,166
1,651,000	71,689	947,460	1,019,149
923,855	312	307,239	307,551
494,600		11,074	11,074
813,000	104	299,230	299,334
1,424,700		93,893	93,893
724,776		586,596	586,596
224,136		190,210	190,210
693,000			
590,629			
876,677		65	65
1,429,144			
560,000			
352,000			
1,193,000			
725,000			
80,000		1,600	1,600
960,000			
3,040,800			
<u>2,800,000</u>			
43,360,806	<u>7,104,687</u>	<u>7,811,113</u>	<u>14,915,800</u>
150,000	150,000		150,000
<u>43,510,806</u>	<u>7,254,687</u>	<u>7,811,113</u>	<u>15,065,800</u>
<u>78,270,560</u>	<u>27,975,465</u>	<u>20,163,221</u>	<u>48,138,686</u>
600,000	590,531	9,469	600,000
400,000	216,083	130,168	346,251
<u>1,000,000</u>	<u>521,178</u>	<u>13,775</u>	<u>534,953</u>
2,000,000	1,327,792	153,412	1,481,204
<u>2,000,000</u>	<u>1,327,792</u>	<u>153,412</u>	<u>1,481,204</u>
<u>\$ 188,318,121</u>	<u>\$ 99,126,196</u>	<u>\$ 35,954,350</u>	<u>\$ 135,080,546</u>

State Programs

Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2012

<u>State Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Cultural Resources:		
Office of Arts and Libraries:		
State Aid to Public Libraries		
Total Office of Arts and Libraries		
Total Department of Cultural Resources		
NC Dept. of Insurance		
FD-Seat Simulator FY 2012		
Total NC Dept. of Insurance		
Department of Environmental Health and Natural Resources:		
Waste Reduction & Recycling Grant -2010		3255-2300
Waste Reduction & Recycling Grant -2011		4142 -2300
Adopt-a-Trail Program FY 2010		2010-AAT 3517
Adopt-a-Trail Program FY 2011		2011-AATP 4238
PARTF Grant - Keely Park		2007-532 P08077
PARTF Grant - Gateway Gardens		2008-557 P1273
Clean Water - S Buffalo Habitat Enhancement		2008-404
Total Department of Environmental Health and Natural Resources		
Department of Crime Control and Public Safety:		
Division of Emergency Management:		
Regional Hazardous Materials Response Team - 2009-10		RRT 5 - 2009
Regional Hazardous Materials Response Team - 2010-11		RRT 5 - 2010
Regional Hazardous Materials Response Team - 2011-12		RRT 5 - 2011
FY 11 Permanent Checking Station - Fire Department		
Total Division of Emergency Management		
Total Department of Crime Control and Public Safety		
Department of Juvenile Justice and Delinquency Prevention:		
Pass through Guilford County:		
Juvenile Justice and Delinquency Prevention - 2nd Chance		36428 01/12-166
Total Department of Juvenile Justice and Delinquency Prevention		
NC Governor's Office		
ACC Hall of Fame		
Total NC Governor's Office		
Department of Transportation:		
Federal Transit Administration:		
Section 5303 Metro Planning - 2010-11	20.505	
Section 5303 Metro Planning - 2011-12	20.505	
Section 5303 - New GTA Facility	20.500	09-04-026
NCDOT Apprenticeship Grant	20.507	13-DG-018
New GTA Facility Grant	20.507	
Total Federal Transit Administration		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 319,340	\$	\$ 319,340	\$ 319,340
319,340		319,340	319,340
319,340		319,340	319,340
1,980		1,980	1,980
1,980		1,980	1,980
35,000	30,247		30,247
4,000			
5,000	4,565		4,565
5,000		3,677	3,677
500,000	379,983	120,017	500,000
500,000	500,000		500,000
325,000	211,586	50,082	261,668
1,374,000	1,126,381	173,776	1,300,157
57,000	51,177		51,177
57,000	50,691		50,691
57,000		57,000	57,000
1,000		1,000	1,000
172,000	101,868	58,000	159,868
172,000	101,868	58,000	159,868
147,000		52,250	52,250
147,000		52,250	52,250
2,000,000	2,000,000		2,000,000
2,000,000	2,000,000		2,000,000
12,730	12,404		12,404
12,730		12,539	12,539
539,944	389,775	41,321	431,096
23,220			
971,679	401,205	570,331	971,536
1,560,303	803,384	624,191	1,427,575

State Programs

Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2012

<u>State Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Federal Transit Cluster:		
CMAQ/HEAT Grant - 2007-08	20.507	09-95-009
CMAQ/HEAT Grant - 2008-09	20.507	09-95-022
Section 5307 Capital - 2003-04	20.507	
Section 5307 Planning - 2003-04	20.507	
Section 5307 Security - 2008-09	20.507	09-90-437
Section 5307 Planning - 2008-09	20.507	09-90-437
Section 5307 Capital - 2008-09	20.507	08-04-030
Section 5307 Planning - 2008-09	20.507	09-90-437
Total Federal Transit Cluster		
Federal Highway Administration:		
NCDOT Proj- School Safe Route 09-10	20.205	SR-5001AD
Eckerson/US 29 Environmental Study	20.205	
Street Improvement U-5306-A	20.205	U-5306-A
Street Improvement U-5306-B	20.205	U-5306-B
Street Improvement U-5306-C	20.205	U-5306-C
Street Improvement U-5306-D	20.205	U-5306-D
Total Federal Highway Administration		
Division of Highways:		
Hornaday Road Improvement - 2005		U-4750 WBS 39581.1.1
Wendover Avenue - Moving Ahead		MA07224R WBS 40761
Depot Landscaping		P-3801 WBS 34309.2.2
Total Division of Highways		
Oka T. Hester Park Dam Construction		6.498016T
State Maintenance Assistance Program Funds		
Powell Bill:		
1995 Allocation		
1996 Allocation		
1997 Allocation		
1998 Allocation		
1999 Allocation		
2000 Allocation		
2001 Allocation		
2002 Allocation		
2003 Allocation		
2004 Allocation		
2005 Allocation		
2006 Allocation		
2007 Allocation		
2008 Allocation		
2009 Allocation		
2010 Allocation		
2011 Allocation		
2012 Allocation		
Total Department of Transportation		
Total State Financial Assistance		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 150,808	\$ 150,808	\$	\$ 150,808
57,151	47,530		47,530
17,440	17,263		17,263
12,500	12,398		12,398
36,000	31,175	4,343	35,518
12,500	12,415		12,415
111,778	108,250		108,250
12,500	4,508	1,737	6,245
<u>410,677</u>	<u>384,347</u>	<u>6,080</u>	<u>390,427</u>
293,588		272,824	272,824
1,050,000	726,343	2,738	729,081
530,000			
706,000			
244,000			
65,000			
<u>2,888,588</u>	<u>726,343</u>	<u>275,562</u>	<u>1,001,905</u>
6,400,000	3,206,456	(8,134)	3,198,322
1,450,000	1,082,324		1,082,324
51,000	9,277		9,277
<u>7,901,000</u>	<u>4,298,057</u>	<u>(8,134)</u>	<u>4,289,923</u>
5,052,328	3,317,192	1,547	3,318,739
1,861,172		1,788,298	1,788,298
6,087,152	6,087,152		6,087,152
6,437,040	6,437,040		6,437,040
7,065,172	7,065,172		7,065,172
7,406,768	7,406,768		7,406,768
7,641,257	7,641,257		7,641,257
6,517,131	6,517,131		6,517,131
6,881,019	6,881,019		6,881,019
7,195,474	7,195,474		7,195,474
6,826,430	6,826,430		6,826,430
6,259,575	6,259,575		6,259,575
6,590,139	6,590,139		6,590,139
6,600,397	6,600,397		6,600,397
6,960,155	6,960,155		6,960,155
7,865,962	7,865,962		7,865,962
7,437,942	7,437,942		7,437,942
6,708,735	6,708,735		6,708,735
6,814,530	2,633,090	4,181,440	6,814,530
7,013,308		2,468,976	2,468,976
<u>143,982,254</u>	<u>122,642,761</u>	<u>9,337,960</u>	<u>131,980,721</u>
<u>\$147,996,574</u>	<u>\$125,871,010</u>	<u>\$9,943,306</u>	<u>\$135,814,316</u>

Notes to the Schedule of Expenditures of Federal and State Awards

For the Fiscal Year Ended June 30, 2012

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City of Greensboro 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 States, Local Governments, 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 general purpose financial statements.

Note 2. Subrecipients

Of the federal and state expenditures presented in the schedule, the City of Greensboro provided awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number/ State Award Number</u>	<u>Amount Provided to Subrecipients</u>
<u>Federal</u>		
Community Development Block Grant--Entitlement Grants	14.218	\$30,003
Community Development Block Grant--Emergency Shelter Grant	14.231	84,332
HOPWA FY11-12	14.241	133,684



City of
Greensboro
North Carolina

Office of the City Manager

City of Greensboro
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336.373.2002

**Office of Financial
& Administrative Services**

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