

City of Greensboro North Carolina



Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2008

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2008

City of Greensboro

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Letter of Transmittal



November 19, 2008

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, 2008, 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, 2008, 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 U.S. generally accepted accounting principles (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 U.S. GAAP, in all material respects, the financial position of the City of Greensboro, North Carolina, as of June 30, 2008. 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.

U.S. 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's one blended component unit, the Greensboro Center City Corporation, is reported in the Proprietary Funds. 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 and the Greensboro ABC Board are presented as discrete component units.

Additional information on all three of these legally separate entities can be found in Note I. A.



Profile of the Government

City of Greensboro

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 258,671 and presently covers a land area of approximately 131.35 square miles. This past spring, Greensboro celebrated the 200th year anniversary of its founding with a series of historical, religious, educational and multicultural events.

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. The City held a public hearing in November 2007 and approved an annexation of more than 8 square miles in the northwest quadrant, effective June 30, 2008.

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, golf course facilities, downtown parking facilities and government access cable television.



The annual budget serves as the foundation for the City's financial planning and control. The 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. 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 "pre-audit" certification that funds are available prior to the placement of all purchase orders and contracts. Outstanding purchase orders and contracts are reported as a reservation of fund balance at June 30, 2008.



The appropriated budget is prepared by fund, function (e.g. public safety), and department (e.g. police). The City Manager then presents the proposed budget to Council for review as well as the citizens of Greensboro for questions and/or concerns. 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 the special approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. A budgetary comparison for the General Fund is presented 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 60.

COUNCIL BUDGET PRIORITIES

- Maintain a Stable Property Tax Rate
- Continue Basic City Services and Programs
- Develop New Revenue Sources for New Services and Programs
- Enhance Financial Condition and Continue Fund Balance Policies
- Maintain Enterprise Funds with User Fees
- Continue Productivity Improvements
- Provide Adequate Employee Compensation

Within these priorities, six strategic issues are the primary focus for FY 2007-08 funding:

- Economic Development – \$10 million bond referendum approved for economic development site preparation
- Public Safety – Fire Stations and 32 new police officer patrol positions
- Protection of Natural Resources and Growth Management – Comprehensive Land Use Plan
- Maintenance of Existing Facilities and Assets – Energy saving contracts and two-thirds bonds for building maintenance
- Community Relations – Library initiatives and partnerships formed
- Fiscal Management – Privatization and efficient scheduling of recycling program to match service demand



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 40-mile beltway around Greensboro, is under construction at a cost of \$900 million. The target date for overall completion of the Eastern, Southern and Western Loops is after 2012; however, the Southeastern section is open for travel and the Southwestern section, serving PTIA, will open in 2009. Nearly one-third of the region’s transportation/logistics cluster of industries are located in the greater Greensboro area. Some of the largest specialized freight trucking firms, the leader in the transport category, include Old Dominion, Epes and MGM Transport Corporation. Logistics Consulting Services also account for 20.3% of this cluster of industries. (Bryan School of Business and Economics, University of North Carolina – Greensboro, Center for Business and Economic Research, 2007) The Colonial Pipeline is also located in the Triad with a large fuel transfer/storage facility near PTIA.



The employment mix remained relatively stable through the fourth quarter of 2007 with a slight change in manufacturing jobs noted, declining from 13.9% to 13.3%. Service jobs, at 39% of the County’s total employment, continue to be the largest sector in the region. While the Greensboro area is diversifying from manufacturing and textiles to more service and technology jobs, the financial services sector here is not as heavily impacted by the recently announced large banking mergers and acquisitions, as potentially in other parts of the State.

According to the NC Employment Security Commission, 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, 2006.....	45
Number of affected establishments, thru December 2007.....	47
Job losses, 2006.....	1,650
Job losses, thru December 2007	947

Source: www.piedmonttriadnc.com (4th Qtr 2007)



% Employment Distribution (Guilford County)

	<u>Numbers</u>	<u>Percentage</u>
Agriculture & Mining	244	.09%
Construction	13,941	4.96
Manufacturing	37,266	13.26
Transportation, Information & Utilities	20,238	7.20
Wholesale Trade	17,049	6.07
Retail Trade	31,894	11.35
Finance, Insurance & Real Estate	19,014	6.77
Services	110,049	39.16
Government	31,308	11.14
Total Employment	281,003	100.00%

Source: www.piedmonttriadnc.com (4th Qtr 2007)

Located in the vicinity of Piedmont Triad International Airport (“Airport”) are various major industrial and business parks, with fully developed infrastructure, covering about 700 acres. 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. Expansion and preparations for the \$500 million Federal Express Mid-Atlantic Hub site continue, which is scheduled to be completed and operational in 2009. The new 1 million square-foot facility is expected to sort 24,000 packages per hour serving the eastern United States. Currently, a third parallel runway is being constructed to accommodate the hub operation. Last year, Honda Aircraft Company, a new wholly owned subsidiary of Honda Motor Company, announced it will locate its operations at the Airport where the HondaJet prototype was assembled and tested over the past several years. The first HondaJet is planned to be delivered in 2010.

The Honda Aircraft investment of over \$100 million and 400 jobs helped earn the area a number 1 ranking by Site Selection Magazine for the second straight year, for new business attraction among similar sized metros. Site Selection’s rankings are based on states with the most new and expanded corporate facilities. To qualify, a project must include a capital investment of at least \$1 million, create 50 or more jobs or involve new floor space of at least 20,000 square feet. In March 2008, Fortune Small Business Magazine ranked Greensboro 50th of the 100 top places to live and launch a small business. In addition, a Greensboro site, located in eastern Guilford County, was named as one of the best sites in the United States for location of a data center project because of its superior power redundancy and fiber optic connectivity, according to Ronald Bowman, Jr., Business Continuity Planning for Data Centers and Systems, July 2008.



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. A new \$20 million minor league baseball stadium with a 6,000 seat capacity, opened in 2005 with annual attendance topping 400,000 in each of the past three years. The Greensboro “Grasshoppers” are a Class A affiliate team of the Florida Marlins.



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 \$493,000 in FY08 for downtown improvement projects. Considerable residential development has occurred in the downtown area in recent years, as well as Center City Park, a thriving 2.2 acre \$12 million urban park in the heart of downtown. Over 75,000 people attended events and approximately 100,000 people enjoyed the park for casual, daily use during its first year. Also included in Greensboro’s Parks and Recreation Master Plan, is a proposed 4.8 mile downtown greenway, a pedestrian and cycling loop to be funded through public-private partnership. In addition, to add 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 business expansion news, another member of the Sweden-based Volvo Group, Mack Trucks, Inc., will relocate its headquarters and some support functions to Greensboro. Approximately 500 professional jobs are expected to be added, at an average annual salary of more than \$73,800. Mack Trucks will invest approximately \$17.7 million over the next three years.

In November 2006, Greensboro voters approved \$10 million in general obligation economic development bonds, of which \$2 million have been issued as of June 30, 2008.

Area businesses experienced slowing growth and development in 2008 that is expected to continue into early 2009. The City is now projecting general fund revenues to be less than budgeted in FY 2009 by approximately \$3 million, with sales tax revenue expected to be \$2 million less than budgeted and building permit revenue to be lower by approximately \$450,000 due to slowing construction activity. However, property tax revenue grew by 2.5% in FY 2008 and is expected to increase by 3.0% in FY 2009. According to *Guilford County Business Index*, July 2008, “Planned building activity, as measured by residential building permits (1,878), fell 30.1% compared to July of last year (2,686). Single-family permits (1,090) were down 43.1%. Housing prices in Guilford County declined 1.6% over the past 4 quarters, through July 2008, with the average price of an existing home in Guilford County at \$215,460. In the 2nd quarter of 2008, there were 1,083 existing single-family homes sold in Guilford County, an increase of 1.8% over the past year, and up 4.3% in the 2nd quarter alone. At the current sales pace, it will take 8.9 months to exhaust the existing inventory of homes on the market.



The number of real estate foreclosures in Guilford County totaled 446 in July 2008, up 56.6% from the same period last year, while nationwide, foreclosures have risen 55.1%.” (Dr. G. Donald Jud, Bryan School of Business & Economics, UNCG).

In October 2008 City management announced it was taking several measures to address anticipated revenue shortfalls in FY 2009, including planned cost reductions and limiting hiring activities and travel expenses. Other measures may become necessary should the State of North Carolina withhold any portion of shared tax revenues from local governments in order to address State budget shortfalls.

% Greensboro Unemployment										
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January	2.5	2.9	3.7	6.3	6.2	5.8	5.2	4.5	4.6	5.0
February	2.6	3.2	3.9	6.4	6.0	5.8	5.5	5.0	4.9	5.1
March	2.3	2.7	3.7	6.5	5.9	4.9	5.0	4.4	4.3	4.9
April	2.0	2.2	3.9	6.3	6.0	4.9	4.9	4.2	4.2	4.9
May	2.3	2.7	4.2	6.7	6.1	5.2	4.9	4.5	4.5	5.6
June	2.5	3.0	4.8	7.2	7.0	6.3	5.6	4.9	5.2	6.1
July	2.6	3.1	5.0	7.4	7.0	6.2	6.0	5.1	5.2	6.7
August	2.9	2.9	5.2	6.9	6.6	5.4	5.5	4.7	4.7	6.8
September	2.4	3.0	5.1	6.4	6.1	4.9	5.0	4.3	4.3	-
October	2.6	2.9	5.2	6.4	6.7	5.1	5.0	4.2	4.4	-
November	2.6	3.3	6.2	6.3	6.2	5.5	5.0	4.6	4.6	-
December	2.3	2.9	5.9	6.3	5.8	5.4	4.5	4.4	4.4	-

Source: North Carolina Employment Security Commission

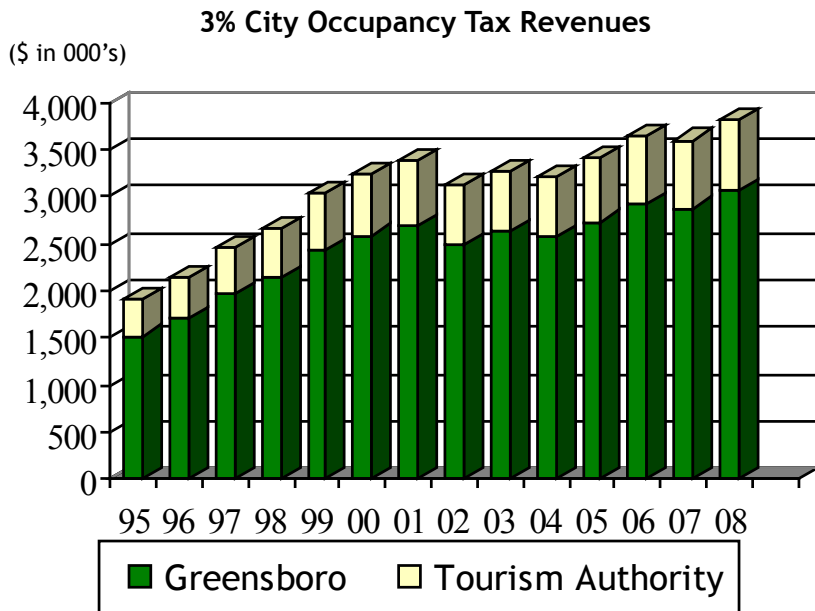
The following is a comparison of average annual unemployment rates (%) for the City, County, State and United States:

Average Annual Unemployment Rates (%)				
<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>US</u>
1997	3.3	3.1	3.7	5.0
1998	2.8	2.6	3.4	4.5
1999	2.5	2.4	3.2	4.2
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	4.6	4.7	4.8	4.6
2007	4.6	4.7	4.7	4.6

Source: North Carolina Employment Security Commission



There are currently 9,225 hotel/motel rooms throughout the City, with 2 new hotels either planned or under construction that will add 148 more rooms. Receipts from the City's 3% occupancy tax totaled \$3,053,140 in FY 2007-08, increasing 6.1% over the prior year. Taxes collected in the first quarter of FY09 have decreased by 9.5% compared to the same period last 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 the War Memorial Coliseum improvements.



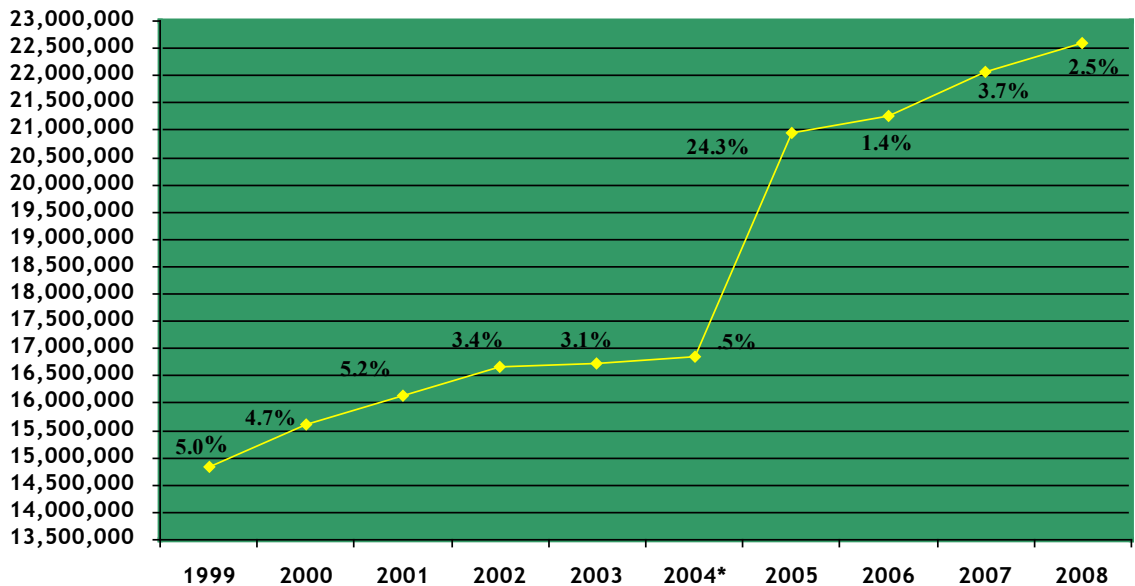
Greensboro Area Largest Employers

<u>Company</u>	<u>Product / Service</u>	<u>Approximate Number of Full-Time Employees</u>
Guilford County Public Schools	Education	8,000
Moses H. Cone Health System & Affiliates	Health Care	7,440
U.S. Postal Service	Postal Service	2,800
City of Greensboro	Government	2,904
Guilford County	Government	2,700
High Point Regional Hospital	Health Care	2,390
Bank of America, N.A.	Banking Services	2,200
American Express, Inc.	Financial Services	2,100
United Parcel Service	Shipping	2,000
The University of North Carolina at Greensboro	Education	1,940
Lorillard Tobacco Company	Tobacco Products	1,800
RF Micro Devices	Microchips & Integrated Circuits	1,800
TIMCO Aviation Services, Inc.	Aviation Maintenance Services	1,675
Tyco Electronics Corporation	Electronics	1,650
Volvo Trucks North America	Truck Production	1,600
Thomas Built Buses	Bus Manufacturing	1,425
Gilbarco Veeder-Root	Service Station Equipment	1,300
International Textile Group	Textile Manufacturing/Office	1,300
VF (Vanity Fair) Corporation	Apparel	1,245
Procter & Gamble Corporation	Consumer Products	800

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

Growth in Assessed Valuation

(\$000's)



2007 Population Characteristics

	<u>Median Age</u>	<u>Median Household Income</u>	<u>% Households Earning Above Poverty Level</u>	<u>% Bachelor's Degree or Higher</u>
Greensboro	37.7	\$42,486	87.9	25.8
Guilford County	36.9	45,922	89.2	32.8
North Carolina	36.8	44,670	89.4	25.6
United States	36.7	50,740	90.5	27.5

American Factfinder, U.S. Census Bureau, 2006 American Community Survey

<http://factfinder.census.gov>, 10/22/08

Regional Business Investment FY2008 Summary

	<u>New Jobs</u>	<u>Investment</u>
Expanding Firms	110	\$ 100,000,000
New Firms	1,428	160,000,000
Total	1,538	\$260,000,000

Source: Greensboro Economic Development Alliance, 2007 Annual Report

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

Retail Sales Data

<u>Fiscal Year</u>	<u>% Increase Over Retail Sales</u>	<u>Previous Year</u>
1992	\$ 3,897,081,800	3.4
1993	4,172,198,401	7.1
1994	4,684,753,591	12.3
1995	5,280,097,083	12.7
1996	5,344,766,815	1.2
1997	5,624,445,628	5.2
1998	6,080,301,316	8.1
1999	6,450,317,470	6.1
2000	6,365,659,377	(1.3)
2001	6,573,713,784	3.3
2002	5,929,164,086	(9.8)
2003	5,780,945,375	(2.5)
2004	5,947,188,265	2.9
2005	6,582,550,668	10.7
2006	4,294,458,558	**
2007	4,389,894,167	2.2
2008	4,425,824,405	.8

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. As a result, the figures for the fiscal years ended June 30, 2006-2008 in the above table represent taxable sales as opposed to gross retail sales and are not comparable to the gross retail sales figures for prior fiscal years.





B. Long-Term Financial Planning

The City currently has \$55,000,000 in authorized (2000, 2006) 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 several years in accordance with Greensboro's capital improvement program, Council's strategic priorities and the economic outlook:

Street Improvements	\$ 15,500,000
Public Transportation	500,000
Neighborhood Redevelopment	1,300,000
Parks and Recreational Facilities	11,600,000
Fire Stations	14,300,000
Libraries	3,800,000
Economic Development	8,000,000

In the spring of 2009, the City also intends to issue approximately \$75 million in Combined Enterprise System Revenue Bonds for water and wastewater system improvements, primarily for replacement of the Townsend Dam and other system improvements. The City has capital plans for an additional \$125 million in revenue bonds to be issued in 2010 and 2011 for related improvements.

On November 4, 2008, Greensboro voters considered four separate general obligation bond referendum ballot issues as follows:

Street Improvements	\$134,000,000
War Memorial Auditorium Improvements	\$50,000,000
Parks and Recreational Facilities	\$20,000,000
Housing	\$1,000,000

All issued, except for the War Memorial Auditorium, were approved at an approximate 57% to 59% passage rate. Guilford County voters defeated a proposed additional one-quarter % sales tax increase by more than a 2 to 1 margin.

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.

The proposed six-year Capital Improvement Plan (CIP) includes approximately \$862.4 million for projects that will be undertaken during FY 2008-2014 and will be funded primarily with the proceeds of authorized or proposed bond sales, state and federal grants and Enterprise Fund revenues. This is approximately 46% over the capital plan adopted last year. A substantial portion of the CIP relates to environmental protection such as water resources projects, funded from Enterprise Fund net revenues and proceeds of Combined Enterprise System Revenue Bonds. Additional amounts are planned for street and sidewalk projects, War Memorial Coliseum and Parks and Recreation.



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 100% of its required ARC, or \$3,554,069. Total estimated liabilities associated with providing these benefits range from \$44.8 million to \$52.2 million according to 12/31/2005 and 12/31/2007 actuarial studies, respectively. 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 an analysis of the level of benefits currently provided to retirees, exploring setting aside funds in trust and pursuing special legislation to provide new investment authority for the City's employee benefit funds. On July 23, 2007, NC Senate Bill 221 was ratified and provides broader investment options for the City's funds held for OPEB purposes. The State of North Carolina also operates a trust arrangement for OPEB contributions, in which local units may participate.

C. Cash Management Policies and Practices

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, 2008 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 \$14,258,859 for the fiscal year ended June 30, 2008 as compared to \$17,403,301 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 \$300,949,611 during the year. The City's average yield on investments for the year was 4.7%, decreasing from the prior year due to a slowing economy and several Federal Reserve actions to lower interest rates. Interest earned on bond proceeds was used to offset the cost of debt service. Interest earnings were the equivalent of nearly 6.3 cents on the tax rate for FY 2007-08.

D. Risk Management

The City has a risk management program where resources are being accumulated to meet potential losses due to employee injuries, damage to assets, and natural disasters to name a few. In addition, various internal control techniques, including employee accident prevention sessions, have been implemented to minimize accident-related losses and to safeguard assets.

Additional information on the City's risk management activity can be found in Note V. A of the notes to the financial statements.





E. Pension and Other Postemployment Benefits

The City provides pension benefits for all permanent, full-time employees through the statewide Local Governmental Employees' Retirement System, (System) a multiple-employer, cost-sharing, defined benefit pension plan, administered by the State of North Carolina. 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, based on an actuarially determined contribution requirement. The City of Greensboro has no obligation in connection with employee benefits offered through this plan beyond its annual contractual payment to the State.

The General Statutes of North Carolina require the City to provide a special separation allowance for law enforcement officers. Each year, an independent actuary engaged by the pension plan calculates the amount of the annual contribution that the City must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. The actuarial present value of the total accrued actuarial liabilities as of December 31, 2007, the date of the last actuarial valuation, amounted to \$19,222,221 of which 27.6% was funded. The valuation projects that an annual contribution of 4.67% of law enforcement payroll or \$1,419,418 is required in FY 2009 to provide sufficient funding for this liability. Increased hiring of police officers due to Council service priorities and higher levels of federal funding have raised City contributions to \$1,900,274 in FY 2007-08, which represents 126% of the required amount. This amount was funded in the current year.

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 State of North Carolina. The City is required to contribute 5% of each officer's salary, as well as the law enforcement officers may make voluntary contributions to the plan.

The City of Greensboro also provides certain postretirement health benefits for retirees until age 65. As of the December 31, 2005 actuarial valuation, there were 1,378 retirees receiving these benefits, which are financed on a pay-as-you-go basis.

Additional information on the City of Greensboro's pension arrangements and postemployment benefits can be found in Notes V, G and I in the notes to the financial



City of Greensboro Awards & Acknowledgements

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-three consecutive years, (1975 through 2007). 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 2008-09 is stable, with some decrease in revenue categories forecasted, offset by current 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 and the Internal Audit staff. 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,

Mitchell E. Johnson
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, 2007

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.



Oliver S. Cox

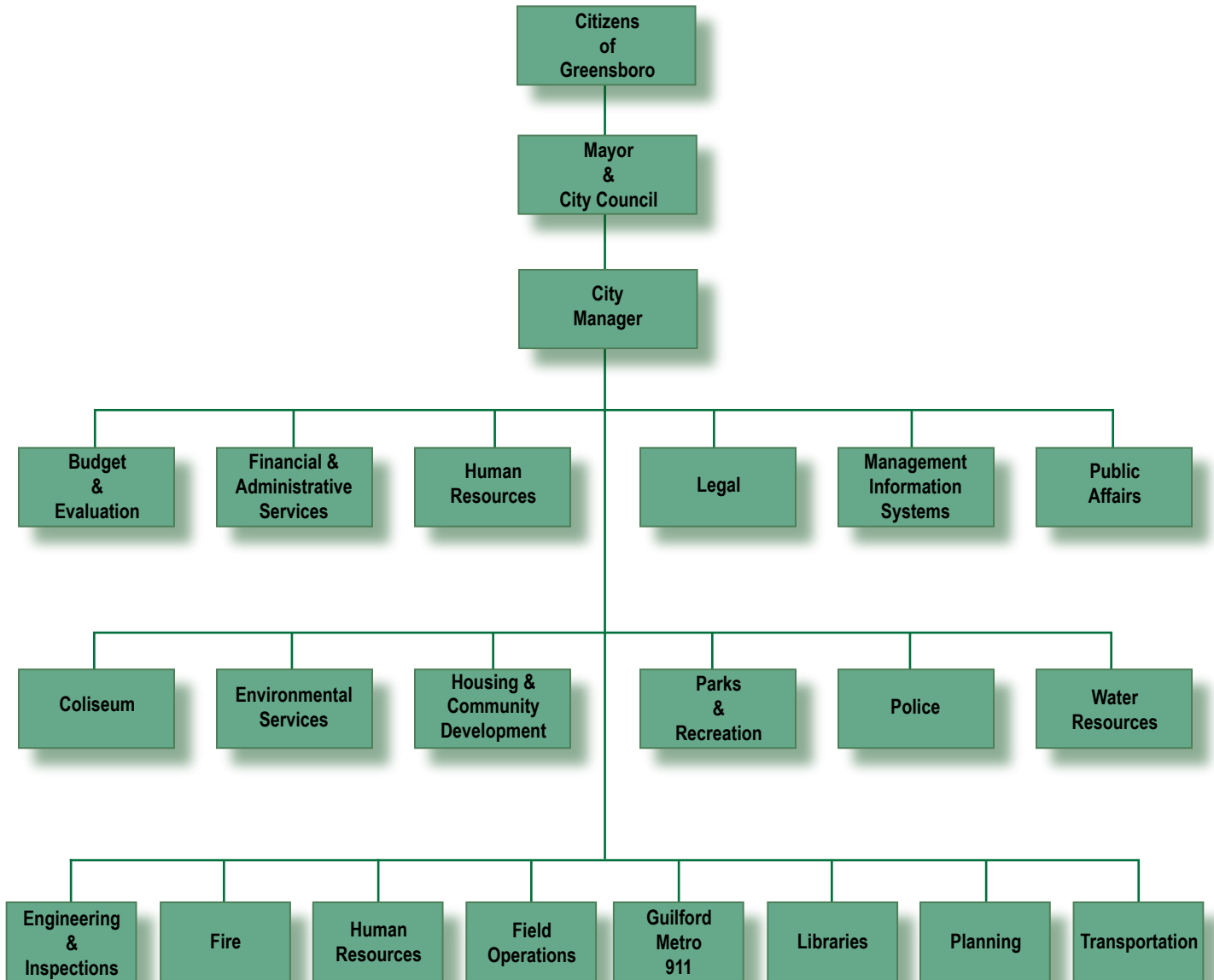
President

Jeffrey R. Emer

Executive Director



Organizational Chart *City of Greensboro*





Greensboro City Council *City of Greensboro*



The Greensboro City Council

- Yvonne J. Johnson, Mayor
- Sandra Anderson Groat, Mayor Pro Tem
- Robbie Perkins, At Large
- Mary C. Rakestraw, At Large
- T. Dianne Bellamy-Small, District 1
- Goldie F. Wells, District 2
- Zack Matheny, District 3
- Mike Barber, District 4
- Trudy Wade, District 5



City Manager
Mitchell E. Johnson



Finance Director
Richard L. Lusk







Independent Auditors' Report

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 aggregate 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, 2008, 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 these 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 opinion, insofar as it relates to the amounts included for the Board and 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 report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the 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, 2008, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

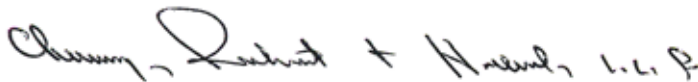


In accordance with Government Auditing Standards, we have also issued our report dated November 19, 2008 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. 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.

Management's Discussion and Analysis and the Required Supplementary Information as listed in the Table of Contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules and the statistical section, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules, as well as the schedule of expenditures of federal and state awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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



Raleigh, North Carolina
November 19, 2008



Management's Discussion & Analysis

City of Greensboro

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, 2008. 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.

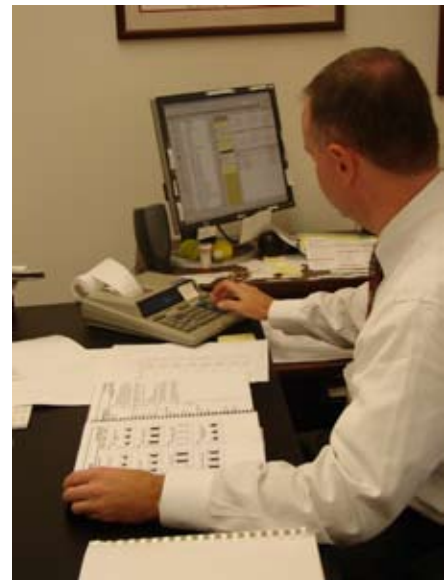
Since the MD&A is structured to focus on the current years' activities, resulting changes and currently known facts, we encourage readers to consider the information presented here in conjunction with the transmittal letter, which can be found beginning on page I of this report, and the City's financial 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 \$836 million (net assets).

The City's net assets increased by \$38.4 million (4.3%) compared to FY 2007. The governmental net assets increased by \$26.9 million (8.3%) due to bond funding of capital projects for street improvements, public transportation, fire station, library facilities, parks and recreation facilities, economic development, historical museum renovations, war memorial stadium improvements and improvements to other City facilities. The business-type net assets increased by \$11.5 million (1.5%) primarily due to an increase in capital projects for improvements to water and wastewater facilities. Various prior period adjustments decreased total net assets by \$4.2 million. The net effect of these adjustments resulted from recording cumulative depreciation business-type expense for assets previously included in Construction in Progress that had been completed in prior periods. Assets were reclassified to the appropriate capital asset accounts and accumulated depreciation recorded. Note I.D.11 on page 30i.

- The governmental activities program revenue decreased by \$2.1 million, 3.2% less than last year, largely due to the slowing of construction and building related fees as well as certain grants. General revenues for property taxes increased by \$7.8 million from prior year due to an increased tax rate and 2.4% growth in the tax base. Investment earnings were the equivalent of 6.3 cents on the property tax rate compared to 7.9 cents last year. In the City's business-type activities, program revenues increased by \$3.7 million or 3.1% to \$123.8 million. The change in business-type activities is largely due to higher utility rates adopted January 1, 2008 and due to an increased demand for utility services. The Coliseum also posted gains in revenue of approximately \$1.7 million. City-wide, charges for services increased \$5.8 million or 3.3%.



- During the year, the City's governmental expenses were \$247.5 million, a decrease of \$4.7 million or 1.9% less than last year primarily related to budget conservation due to a slowing economy. In all, expenses increased 17.9% in the City's business-type activities primarily due to continuing closure and postclosure care costs at the City's landfill as well as rising transportation and fuel costs.
- Of the City's various business-type service areas, water and sewer operations, stormwater management and parking facilities generated sufficient revenues in their programs to cover expenses. No significant new funding sources were noted in FY 2008.
- The total cost of all City programs increased by \$18.6 million or 4.7% compared to FY 2007.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$145 million, an increase of approximately \$44.1 million in comparison with the prior year, largely due to increased funding related to capital projects for bonds issued in recent years. Approximately 71.7% of this total amount or \$104.3 million is unreserved, less amounts appropriated for next year's budget.
- At the end of the current fiscal year, the total unreserved fund balance for the General Fund specifically was \$30.5 million, or 12.6% of total general fund expenditures and transfers for the fiscal year. Of this balance, \$5.4 million is designated for appropriation next year. It is also the City's policy to hold aside 9% of the subsequent year's General Fund budget as "undesignated" to remain available for appropriation. This amounted to \$23 million as of June 30, 2008.
- Charges for services for the City's largest enterprise activity, the Water Resources Fund, comprising water and sewer operations increased 5.9% in FY 2008, largely due to an average rate increase of approximately 5% as of January 2008. The City water supply purchased from four neighboring municipalities in the current year was approximately \$5.4 million. Current year contributions of \$859,935 were made to the PTRWA for reservoir and surrounding infrastructure improvements associated with the Randleman Dam, which should be fully operational by 2008. In addition, the City contributed \$33,544,093 in FY 08 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 \$81.3 million as of June 30, 2008.
- Deficit fund balances were reported in the Community Development Block Grant Fund (\$397,690), the South Elm Street Redevelopment Fund (\$39,117) and the Solid Waste Management Fund (\$8,440,442), respectively, as of the end of the fiscal year. These deficits will be funded with grant and other reimbursements from governmental agencies, potential waste disposal rate increases and transfers from the General Fund in FY 2009.



- The General Fund budget for the fiscal year ended June 30, 2008 was adopted with a \$.6350 per \$100 assessed valuation property tax rate, and is \$.02 higher than FY 2007. This rate increase is due to significant operations expansion such as, the opening of the Refuse Transfer Station and the opening of Painter Boulevard Fire Station.
- As of June 30, 2008, the City had collected approximately \$242 million or 97.5% of its amended budgeted General Fund revenues and had incurred \$240.9 million or 97.1% of its budgeted expenditures. The net effect on General Fund fund balance was an increase of approximately \$1.15 million this year.
- For historical comparison purposes in 2007, overall General Fund budget appropriations were reallocated as a result of the development of the Field Operations department to combine all waste collection and maintenance-related services from Transportation, Solid Waste and Parks and Recreation into one department. These services include the collection of garbage, recycling, leaf and yard waste as well as, street maintenance services including cleaning, snow and ice removal and stormwater maintenance. Also, included are right-of-way and park maintenance. Inspections and Local Code Enforcement functions were also reclassified from the Engineering and Building Maintenance category to Public Safety for reporting purposes.
- In 2008, all assets, liabilities and operating transactions of the State Highway Allocation Fund (Powell Bill) formerly a Special Revenue Fund, were reclassified to the General Fund and represent activities of the Field Operations department.

Key Ratios					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ Bonded Debt Per Capita	\$689	\$624	\$681	\$645	\$648
Legal Debt Margin as a % of Debt Limit	84.13%	82.40%	84.34%	83.11%	77.82%
% of Property Tax Levy Collected	98.31	98.45	99.06	99.15	99.23
% Increase in Assessed Property Valuation	2.4	3.7	1.42	24.31	.8



- Revaluation of assessed property occurred in 2004 and was previously adjusted in 1996.
- The City's total general bonded debt increased by \$30.2 million due to issuance of \$50.220 million of general obligation bonds during FY2008, retiring the two outstanding General Obligation Public Improvement Bond Anticipation Notes for \$4.3 million and \$2.5 million in addition to refunding certain prior debt and normal debt service retirements. Interest rates on the City's variable rate debt were 1.52%-2.55% for tax-exempt and taxable general obligation bonds at June 30, 2008.
- The City of Greensboro maintained its AAA general obligation (GO) credit rating from Standard and Poor's and Fitch Ratings along with its Aaa by 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 Aa1 & Aa2	Target Aa1
Enterprise System Revenue Bonds	Currently Aa2	Target Aa1

Fitch Ratings (Fitch)

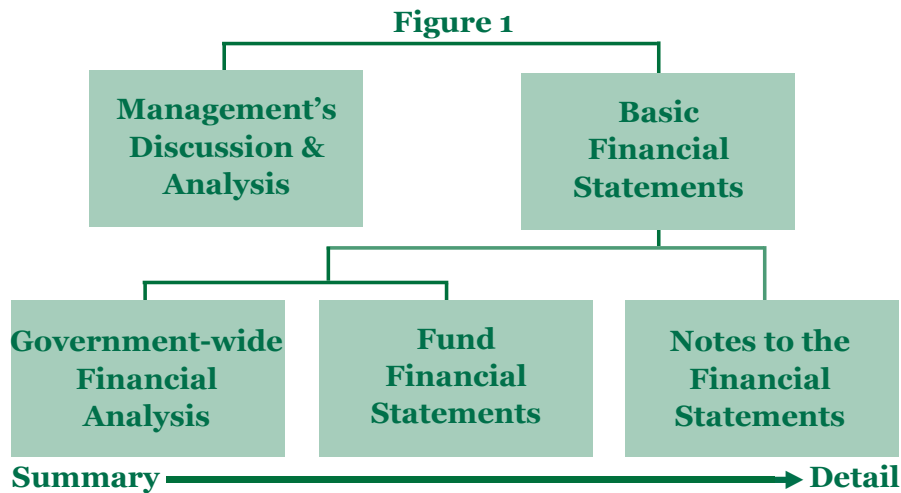
General Obligation Bonds	Currently AAA	Target AAA
Certificates of Participation	Currently AA+	Target AA+
Enterprise System Revenue Bonds	Currently AA+	Target AA+



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



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 it cover the costs of certain services it provides. The City's water and sewer system and other water resources, parking facilities, solid waste facilities and coliseum are included here.

Component Units - The City includes three other discretely presented component entities in its report—Greensboro Housing Development Partnership, Inc., the Alcoholic Beverage Control Board (ABC) and the Greensboro Transit Authority. The activities of Greensboro Center City Corporation are also 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 the 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 7-11 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 129-136.

The proprietary fund financial statements can be found on pages 12-23 of this report.

Fiduciary Funds - The City is the trustee, or fiduciary, for its Police Special Separation Allowance Pension Trust. The City is responsible for ensuring that the assets reported in this fund 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 24-26 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 30 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 postemployment to certain of its employees. Required supplementary information can be found on pages 31-34 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. Combining and individual fund statements and schedules can be found starting on page 35 of this report.





Government-Wide Financial Analysis



The government-wide financial statements for the fiscal year ended June 30, 2008 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 changes you see in 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 \$836,371,863 at the close of June 30, 2008 compared to \$797,903,793 (restated) in the previous year. The net assets for the City as a whole increased 4.8% at June 30, 2008. This increase of \$38 million represents a combination of increased rates and tax collections and generally stable economic conditions through the close of the fiscal year, but considers rising fuel costs.

The largest portion of the City of Greensboro's net assets \$529,090,153 (63.3%) 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 \$37,434,432 (4.4%), represents resources that are subject to 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 \$241,242,313 at June 30, 2007 to \$269,847,278 (37.3%) at the end of this year. However, it should be noted that of this total reported "unrestricted" amount, only approximately \$25 million is available and unobligated 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)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>		<u>%</u>
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2007-08</u>
Current and Other Assets	\$279,560	\$219,366	\$185,624	\$214,221	\$465,184	\$433,587	7.3%
Capital Assets, Net	361,929	359,436	593,973	571,971	955,902	931,407	2.6%
Total Assets	641,489	578,802	779,597	786,192	1,421,086	1,364,994	4.1%
Long-Term Debt Outstanding	247,105	210,899	259,778	272,359	506,883	483,258	4.9%
Other Liabilities	40,582	41,072	37,248	38,549	77,830	79,621	-2.2%
Total Liabilities	287,687	251,971	297,026	310,908	584,713	562,879	3.9%
Net Assets	\$353,802	\$326,831	\$482,571	\$475,284	\$836,373	\$802,115	4.3%
Invested in Capital Assets, Net of Related Debt	\$180,538	\$171,267	\$348,551	\$356,096	\$529,089	\$527,363	0.3%
Restricted	22,082	21,384	15,353	12,126	37,435	33,510	11.7%
Unrestricted	151,182	134,180	118,666	107,062	269,848	241,242	11.9%
Total Net Assets	\$353,802	\$326,831	\$482,570	\$475,284	\$836,372	\$802,115	4.3%

*For more detailed information, see the Statement of Net Assets on pages 3-4



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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2008	2007	2008	2007	2008	2007
Revenues:						
Program Revenues:						
Charges for Services	\$36,311	\$38,546	\$117,965	\$111,536	\$154,276	\$150,082
Operating Grants & Contributions	24,843	25,517	24,843	25,517		
Capital Grants & Contributions	3,045	2,288	5,908	8,593	8,953	10,881
General Revenues:						
Property Taxes	135,373	127,579	135,373	127,579		
Other Taxes	65,735	62,656	65,735	62,656		
Investment Income	11,560	11,151	5,248	4,474	16,808	15,625
Other	1,039	685	1,732	374	2,771	1,059
Total Revenues	277,906	268,422	130,853	124,977	408,759	393,399
Expenses:						
General Government	20,445	19,317			20,445	19,317
Public Safety	110,375	106,553			110,375	106,553
Transportation	8,609	8,214			8,609	8,214
Engineering & Building Maintenance	23,032	27,741			23,032	27,741
Field Operations	35,133	34,496			35,133	34,496
Environmental Services	813	831			813	831
Culture and Recreation	28,203	30,037			28,203	30,037
Community Development & Housing	9,758	12,138			9,758	12,138
Economic Opportunity	3,536	4,260			3,536	4,260
Interest, Fees on Long Term Debt	7,632	8,644			7,632	8,644
Water Resources			74,385	66,460	74,385	66,460
Stormwater Management			8,552	7,976	8,552	7,976
War Memorial Coliseum			16,747	13,849	16,747	13,849
Solid Waste Management			21,443	14,170	21,443	14,170
Parking Facilities			1,628	1,638	1,628	1,638
Total Expenses	247,536	252,231	122,755	104,093	370,291	356,324
Net Increase in Net Assets						
Before Transfers	30,370	16,191	8,098	20,884	38,468	37,075
Transfers	(3,400)	(3,175)	3,400	3,175		
Increase in Net Assets	26,970	13,016	11,498	24,059	38,468	37,075
Beg. Net Assets, Restated	326,831	313,815	471,072	451,225	797,903	765,040
Ending Net Assets	\$353,801	\$326,831	\$482,570	\$475,284	\$836,371	\$802,115



Table A-3 Summary of Financing/Interest Earnings - Governmental Activities (In thousands of dollars)				
	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$11,151	\$11,560	\$409	3.7%
Interest Expense	8,644	7,631	(1,013)	-11.7%
Net	\$2,507	\$3,929	\$1,422	56.7%

Summary of Financing/Interest Earnings - Business Activities (In thousands of dollars)				
	<u>FY2007</u>	<u>FY2008</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$4,474	\$5,248	\$774	17.3%
Interest Expense	8,875	8,839	(36)	-0.4%
Net	(\$4,401)	(\$3,591)	\$810	18.4%

A. Governmental Activities

Governmental activities increased the City’s net assets by approximately \$26.9 million. Key elements of this increase are as follows:

Public Safety expenditures increased by \$5.1 million due to the addition of 32 new police positions that were added along with the addition of 15 positions to open a new fire station.

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

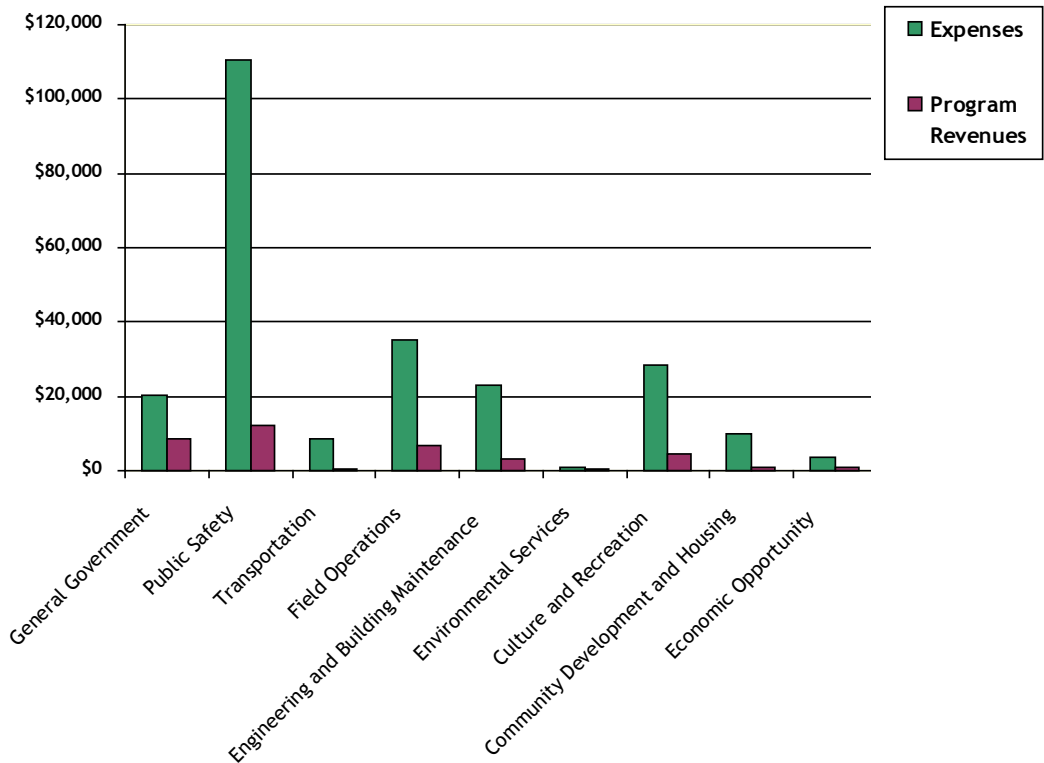


Table A-4 Net Cost - Governmental Activities (In thousands of dollars)						
	Total Cost of Services		% Change	Net Cost of Services		% Change
	2007	2008		2007	2008	
	General Government	\$19,317	\$20,445	5.8%	(\$10,458)	(\$12,072)
Public Safety	106,553	110,375	3.6%	(89,941)	(93,404)	-3.9%
Transportation	8,214	8,609	4.8%	3,430	728	-78.8%
Engineering and Building						
Maintenance	27,741	23,032	-17.0%	(22,582)	(19,899)	11.9%
Field Operations	34,496	35,133	1.8%	(28,118)	(23,969)	14.8%
Environmental Services	831	814	-2.0%	(258)	(300)	-16.3%
Culture and Recreation	30,037	28,203	-6.1%	(22,771)	(21,061)	7.5%
Community Development and Housing	12,138	9,758	-19.6%	(6,080)	(5,030)	17.3%
Economic Opportunity	4,260	3,536	-17.0%	(459)	(700)	-52.5%
Total	\$243,587	\$239,905	-1.5%	(\$177,237)	(\$175,707)	0.9%

B. Business-Type Activities

Business-type activities increased the City of Greensboro's net assets by \$11.5 million, largely attributable to higher revenues in the City's water and sewer utility which were partially offset by increased water purchases from surrounding communities. The Solid Waste Management fund reduced net assets due to close and post-closure care of the City's landfill and remediation of certain groundwater contaminations.

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. The following schedule reflects the change in net assets before and after depreciation for each of the enterprises compared to the preceding year.

Table B-1 Change in Net Assets- Business-Type Activities (in thousands of dollars)				
	Change in Net Assets Before Depreciation		Change in Net Assets After Depreciation*	
	2007	2008	2007	2008
Enterprise Activities				
Water Resources	\$35,840	\$33,732	\$23,438	\$18,295
Stormwater Management	2,627	2,297	986	625
War Memorial Coliseum	(425)	12	(2,493)	(2,063)
Parking Facilities	2,194	2,493	1,634	1,848
Solid Waste Management	(734)	(7,936)	(1,589)	(8,548)
Total	\$39,502	\$30,598	\$21,976	\$10,157

*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 \$82,555,506 as compared to \$77,451,021 for the preceding year, an increase of 6.6%. Operating expenses increased by 14.7% and totaled \$66,698,751 as compared to \$58,141,888 for the preceding year. An approximate 5% increase in water and sewer rates was effective January 2008 to help offset debt service associated with a variety of ongoing capital improvements and to meet environmental regulations. The City has established a capital reserve account to provide for future needs of the water and sewer system. An account balance of \$2,028,280 is available in the restricted assets total of the Water Resources Fund. This reserve will be used primarily to fund future contributions to the PTRWA for improvements associated with the Randleman Dam, Lake and Water Plant Project and other capital improvements. PTRWA initiated construction of the Dam in 2002 which is now complete. The City continues to make a significant investment in water resource needs to replace and expand existing infrastructure and to meet new environmental regulations. PTRWA will construct a Water Treatment Plant to be financed from revenue bonds, expected to be issued in FY 2008-2009. In FY08, the City contributed \$33,544,093 from its operating fund and capital reserve account for this project. Due to the interlocal agreements, conservation measures and the purchase of a small dam on the Haw River, the City has been able to adequately manage its water resources. Ongoing improvements are expected and included in our long-range planning.

3) Stormwater Management Fund

Charges for current services totaled \$8,640,528 as compared to \$8,671,893 for the preceding year, a decrease of .4%. Operating expenses (excluding depreciation) increased by 6% and totaled \$6,879,636 as compared to \$6,487,390 for the preceding year. 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 \$10,770,695 as compared to \$9,066,851 for the preceding year, an increase of 18.8%. The total number of events in FY 2007-08 decreased from 865 to 852 with an increase in attendance to approximately 1.4 million compared to about 1.2 million last year. In the current year, the Greensboro Coliseum hosted the Women's ACC Basketball tournament. The Men's ACC basketball tournament is scheduled to return to Greensboro in March 2010 along with the Men's NCAA Division I championship games in 2009. Along with hosting the Women's ACC Basketball tournament from 2007 to 2015 and NCAA events, Greensboro is quickly



becoming known as “Tournament Town”. Operating expenses totaled \$16,643,679 as compared to \$14,013,790 for the preceding year, an increase of 18.76%. The General Fund contributed \$2,000,000 toward Coliseum operating activities this year, comparable to the transfer last year.

The War Memorial Coliseum Fund is not charged with the retirement of its general long-term debt. City residents have voted to tax themselves for the cost of major bond financed improvements. Proceeds of the Hotel/Motel Room Occupancy Tax will retire the debt on improvements financed with certificates of participation, except for catering kitchen improvements to be funded from catering revenues.

5) Parking Facilities Fund

Charges for current services totaled \$1,881,010 as compared to \$1,794,885 in the preceding year, an increase of 4.8%. Operating expenses totaled \$1,540,779 as compared to \$1,489,129 for the preceding year, an increase of 3.5%. This fund incurs interest payments on outstanding debt for parking facilities certificates of participation. General Fund support in FY 2007-08 totaled \$1,600,000, compared to \$1,452,157 last year.

6) Solid Waste Management Fund

Charges for current services totaled \$12,514,140 as compared to \$12,518,056 for the preceding year, a decrease of .03% due to stable solid waste disposal fees and interdepartmental charges for landfill services.

There were no General Fund contributions during the year or in the prior year, due to the inception of interdepartmental billing for landfill disposal services provided to governmental fund activities, in line with enterprise fund accounting. Operating expenses totaled \$20,896,966 as compared to \$13,409,678 for the preceding year, an increase of 55.8%, due to updated closure and post-closure estimates for the landfill and accrual of ground water contamination remediation costs related to solid waste functions.

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. Rising fuel and transportation costs have increased this operation in FY08.



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

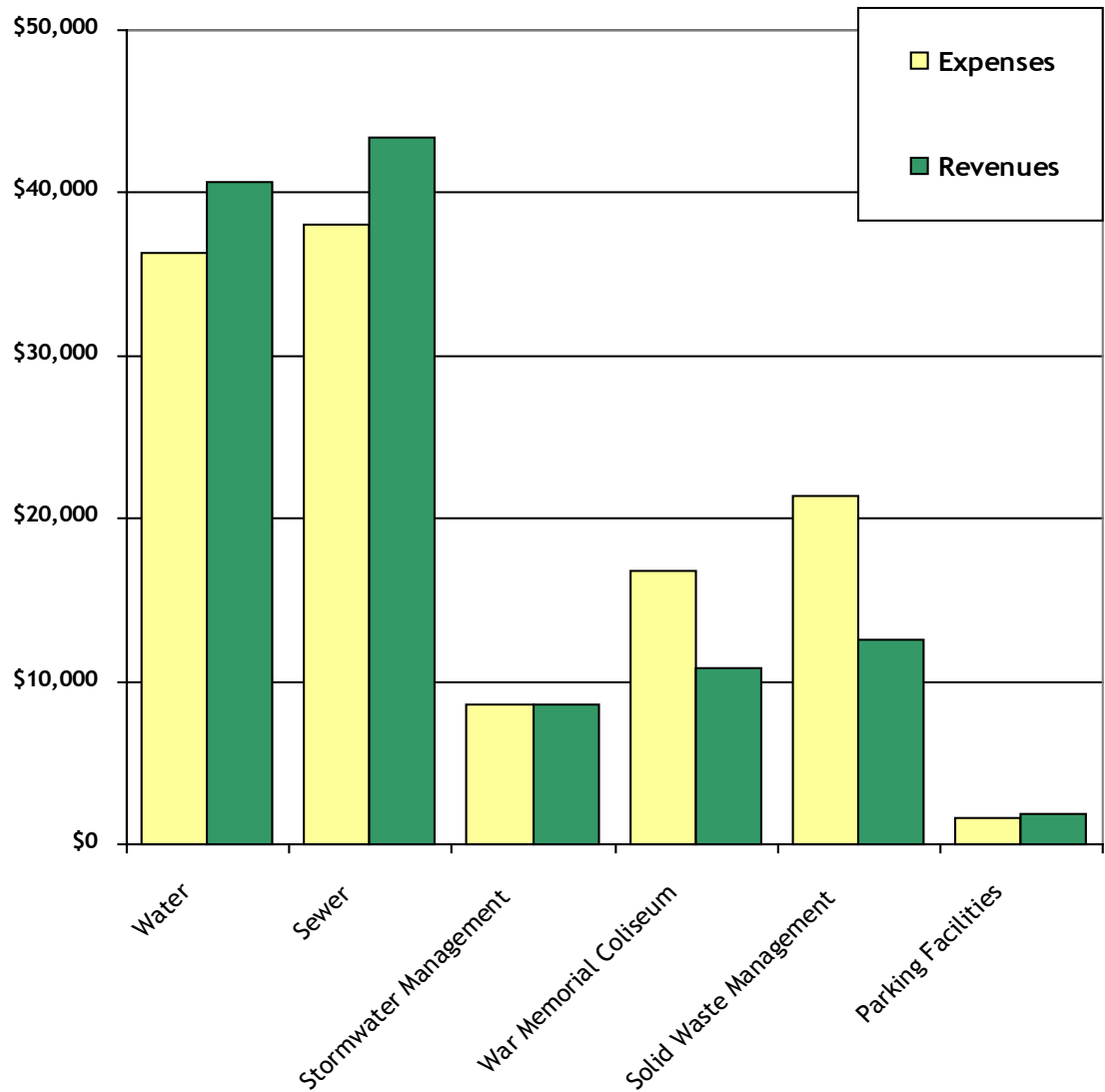
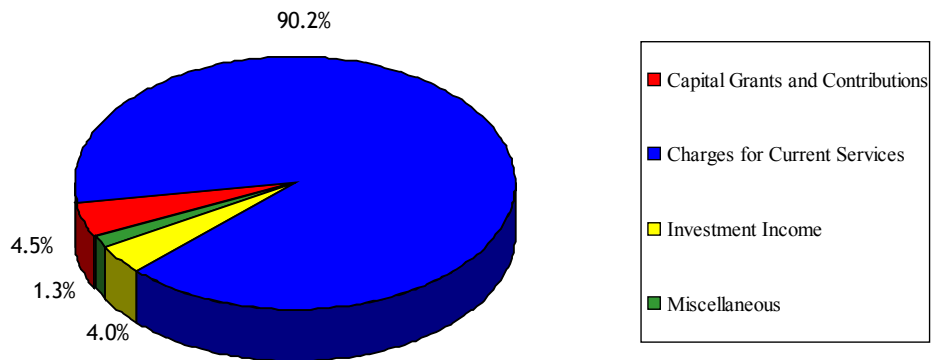


FIGURE 4
Revenues by Sources - Business-Type Activities



Financial Analysis of the City's Funds



A. Governmental Funds

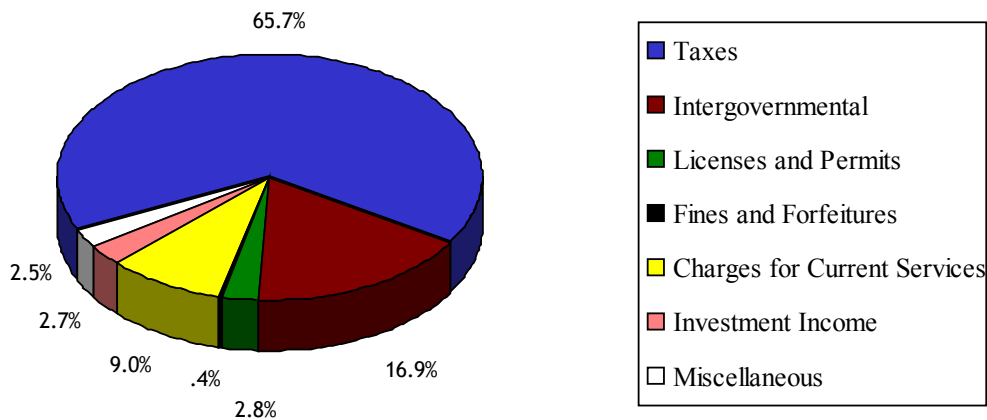
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2008, governmental funds reported a combined fund balance of \$145,397,313 an increase of approximately \$48 million in comparison with June 2007. \$33,281,465 or 23% of the total amount has been reserved to indicate that it is not available for new spending due to commitments to (1) liquidate contracts and purchase orders of the previous year, 2) adhere to State statutes that limit the amount that may be appropriated by the governing board, 3) segregate funds for future capital projects or 4) for other restricted purposes. The remainder of fund balance represents unrestricted funds, known as unreserved fund balance.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the General Fund, \$30,489,633, exemplifies 52.6% of the total General Fund fund balance. Of this amount, \$5,442,603 is designated for appropriation in next year's budget, \$1,992,276 is designated for hazardous waste material collection, and \$23,054,754 or 9% of the subsequent years' budget is undesignated and retained for working capital purposes as well as unforeseen emergencies. Fund balance increased by \$1.2 million primarily due to the reclassification of the State Highway Allocation Fund activity and fund balances to the General Fund.

The Debt Service Fund has a total fund balance of \$17,104,407 compared to \$13,383,383 in the prior year. Amounts are designated for debt service in FY 2009 (\$16,973,266) and succeeding years. Fund balance increased \$3.7 million in the current year primarily due to increased transfers in to support debt service, lower average variable interest rates on debt, and the premium on general obligation bonds issued to refund certain debt.

Revenues for general governmental functions (General, Special Revenue and Debt Service Funds) amounted to \$273,098,590 for the fiscal year ended June 30, 2008 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 \$142,749,178. The current year rate of collections as of the end of the fiscal year was 98.31%, with collections for prior year levies in excess of 99%.

The property tax rate increased by two cents in FY 2007-08. There was no increase for the Transit Fund.

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund	\$.6000	\$.5800	\$.5475	\$.5500
Transit Authority	.0350	.0350	.0200	.0175
Total Tax Rate	\$.6350	\$.6150	\$.5675	\$.5675

The *local option sales tax* collection amounted to \$41,356,587 as compared to the previous year's collection of \$40,349,395 an increase of \$1,007,192 or 2.5% from last year. The State of North Carolina grants local governments the authority to levy a local sales tax of up to 2.25% (previously 2.5% prior to October 1, 2008), with the state sales tax at 4.5%, effective October 1, 2008 (previously 4.25%). Guilford County uses the "ad valorem" (property tax) method to distribute sales tax to municipalities within the County and as a result, sales tax receipts for Greensboro may fluctuate from year to year, depending on the property tax policies of each of the municipalities within the County, compared to the total collected. The distribution currently requires that 1% be distributed back to the County point of sale. This and the remaining 1.25% are distributed within the county based upon either the "per capita" or "ad valorem" method. Local option sales taxes represent approximately 15% of overall general government revenues in FY08.

Intergovernmental Revenues amounted to \$46,193,244 as compared to previous year revenues of \$45,975,553 an increase of .47% from last year. State-shared and grant revenues are a major source of funding for municipal operations and services, with intergovernmental revenues comprising 17% of total general governmental revenues, as compared to 17% in the previous year.

Licenses and permits amounted to \$7,669,043 compared to previous year revenues of \$9,945,375 a decrease of 22.9% due to lower collections of building permits fees and reclassification of Cable TV franchise licensing to a state-shared revenues.

Fines and forfeitures amounted to \$1,058,452 as compared to the previous year's collection of \$1,100,791 a decrease of 3.8% over last year. The decrease is primarily due to decreased city code violations, false burglar alarm fines and library fines.

Charges for current services amounted to \$24,470,347 as compared to the previous year's revenue of \$24,724,466. The slight decrease is primarily due to a reduction in planning fees related to the decrease in new construction as a result of a slowing economy.



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 2007-08 was adopted at \$245,195,941 (excluding carry-forward encumbrances) and represents an increase of 7% over the adopted FY 2006-07 budget. Encumbrances of \$2,410,079 were carried forward from FY07 commitments. Significant variances from the original and final amended budget follow:

- Original revenue appropriations were increased by \$5.9 million in charges for services due to the reclassification of the State Highway Allocation Fund operations to the General Fund.
- Original expenditure appropriations were increased by net \$22.7 million to reallocate the operations of the State Highway Allocation Fund operations to the General Fund.

The net increases were funded from available beginning fund balance and current year revenues.

As of June 2008, the City had collected approximately \$242 million or 97.5% of its budgeted General Fund revenues and had incurred \$240 million or 97.1% of its budgeted expenditures. Significant differences between actual results and the final amended budget are highlighted below:

- Increased revenues were noted for local option sales taxes, property taxes and intergovernmental revenues primarily due to the reclassification of the state highway allocation operations to the General Fund. Increased expenditures were noted in general government functions across the board in all departments and the addition of state highway allocation operations.

Capital Asset and Debt Administration

A. Capital Assets

The City's investment in capital assets for both its governmental and business-type activities as of June 30, 2008, amounts to \$955,901,684 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities and vehicles among other types of assets. This investment represents an increase of \$24,494,047 or 2.6% over the prior year.



Table C-1 Capital Assets (Net of Depreciation-in thousands of dollars)						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2008	2007	2008	2007	2008	2007
Land	\$68,494	\$57,169	\$43,028	\$40,116	\$111,522	\$97,285
Construction in Progress	5,566	47,279	37,356	113,838	42,922	161,117
Buildings	94,219	89,338	173,167	136,208	267,386	225,546
Improvements Other Than Buildings	10,561	4,135	12,932	11,002	23,493	15,137
Furniture, Fixtures, Machinery and Equipment	39,131	41,696	8,523	8,499	47,654	50,195
Infrastructure	143,957	119,819	318,967	262,308	462,924	382,127
Total Capital Assets	\$361,928	\$359,436	\$593,973	\$571,971	\$955,901	\$931,407

This year's major capital asset additions included:

- Construction in progress for the business activities increased by over \$53 million primarily due to construction of the North Buffalo sewer line project.
- Improvements were completed at a cost of approximately \$2.3 million at Oka T. Hester Park and are in response to growing service needs for parks and recreation areas.

Construction in progress for governmental-type and business-type capital assets totaled \$5,565,503 and \$37,356,373, respectively as of June 30, 2008. No major demolitions were recorded this year.

The City adopted the FY 2008-2014 Capital Improvements Program (CIP) totaling \$862,448,812 or a 46% increase from the prior year plan amounts. Funding for major improvements is allocated as follows:

Table C-2 CIP Expenditures - 5 Year Plan	
<u>CIP Expenditure Category by Service Area</u>	<u>% of Total CIP</u>
Environmental Protection	38%
Transportation	26%
Culture and Recreation	26%
Public Safety	7%
Economic and Community Development	3%
General Government	<1%
	100%



**Table C-3
CIP Funding Sources - 5 Year Plan**

<u>CIP Funding Source</u>	<u>% of Total CIP</u>
Revenue Bonds	26%
Authorized Bonds	10%
Grants/Other	3%
Enterprise Funds	11%
Unauthorized Bonds	49%
Miscellaneous Sources	< 1%
	100%

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, 2008, the City had total bonded debt outstanding of \$437,940,000, with \$195,595,000 backed by the full faith, credit and taxing power of the City.

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
General Obligation Bonds	\$195,322	\$165,124	\$273	\$851	\$195,595	\$165,975
Special Obligation Bonds			14,450	16,125	14,450	16,125
Revenue Bonds			227,895	234,515	227,895	234,515
Total	\$195,322	\$165,124	\$242,618	\$251,491	\$437,940	\$416,615

The City’s total outstanding long-term liabilities increased by approximately \$50.220 million during the current fiscal year due to the issuance of general obligation bonds. The issuance of these bonds supports continued enhancements to the City’s parks and recreation facilities, street improvements, public transportation system, libraries, fire stations, museum facilities, economic development and other improvement projects. To accommodate these and future projects, utility rates were increased an average 5% effective January 1, 2008 with a future rate increase of 9% anticipated in January 2009.

The City of Greensboro has a general obligation bond rating of Aaa from Moody’s Investors Service and an AAA rating from 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 a strong and diverse economy, 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 \$1,520,734,148. The City has \$55,000,000 in authorized, but unissued bonds at June 30, 2008.

City Council selected four new bond issues to place on the November 2008 election ballot for a total of \$205,000,000. These issues represented \$134 million for Street Improvements, \$50 million for War Memorial Auditorium Bonds, \$20 million for Parks and Recreational Facilities and \$1 million for Housing Bonds. Each referendum item was voted on separately. All bond issues passed except for \$50 million for War Memorial Auditorium Bonds.

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

Economic Factors and Next Year's Budgets and Rates

As noted in the national economy, the Greensboro area economy has slowed in the recent months since the close of FY 2008. Unemployment has increased to 6.8% compared to 4.7% in August 2007; local option sales taxes and hotel/motel occupancy taxes declined in fall 2008 and planned building activity fell 30.1% compared to July of last year. We expect overall revenues to be down by approximately \$3 million, compared to FY09 projections. Certain cost-saving measures were implemented in October 2008 to help offset any anticipated revenue shortfalls, including a 2% reduction in departmental expenses, a hiring freeze and limitations on employee travel. Salary increases will vary based on employee performance, but should average 2.3% across the organization.

The FY09 budget was adopted with a property tax rate of \$.6350 cents per \$100 of assessed value and includes 3.5 cents and .60 cents to fund transit and housing initiatives, respectively. The tax rate remained unchanged from the prior year, even though the FY09 budget includes an additional \$10.7 million to service surrounding annexations of approximately 10,000 residents, which became effective on June 30, 2008. The budget includes an estimated \$5.9 million in property tax revenue to be generated from the annexed areas. Certain fund balances of the Debt Service Fund, Equipment Service Fund and State Highway Allocation Fund (Powell Bill) were appropriated in FY09, as well as other budget reduction strategies, generally short-term in nature, were employed to achieve a stable property tax rate. The projected second year budget for FY 2009-10 recommends a return to service levels or funding strategies that were currently in place in FY08.

Considering the above factors when adopting the operating budget for the next fiscal year, the City's adopted FY 2008-09 budget increased, 5.2% to approximately \$415 million, absent approximately \$10.7 million of expenditures related to annexations. Growth in overall assessed value of all real and personal property is assumed at 2.75% in FY09.



City management and City Council has reaffirmed its intention to continue to maintain the undesignated General Fund balance at 9% of the 2009 fiscal year budget.

Budget Highlights for the Fiscal Year Ending June 30, 2009

Governmental Activities:

During FY 2007-08, City Council gave direction for the elimination of 49 positions throughout the organization, of which 30 were deleted in the General Fund. The adopted FY09 budget, however, includes an addition of 78 positions, primarily to service the newly annexed areas northeast of the City. Other increased staffing needs were funded for the establishment of a Police Gang Suppression Unit. As a result, net full-time positions increased by 43 in FY09. Debt service expenses increased by approximately \$6.7 million, including a \$3.1 million increase in general obligation bond principal and interest payments, due to issuance of voter-approved debt from the 2000 and 2006 bond referendums. Expenditure reductions were made in landscaping at various City facilities and City-maintained locations, among other cost reductions. The projected General Fund transfer of funds to the Solid Waste Management Fund will increase by \$4.4 million in FY09 to support a variety of operational costs, including several maintenance projects at the White Street landfill, as described below.

Business-Type Activities:

The Water Resources budget increased by \$6.7 million (7.9%) to fund pay-as-you-go capital improvements, purchased water supply, increasingly stringent environmental regulations and additional debt service due to the significant capital improvement program in recent years. Water Resources will implement a 9% rate increase (average residential customer) beginning in January 2009 to help offset rising debt service expenses and the continuing costs of meeting environmental regulations. In addition, the current year annexation will produce a revenue loss of approximately \$775,000 for the Water Resource enterprise, because customers outside of the City limits pay double rates compared to “single” rates inside the City. The FY09 budget has increased by approximately \$4 million (27%) for the Solid Waste Management enterprise, due to transportation costs and rising fuel prices associated with the Refuse Transfer Station, along with closure, post-closure and other increased maintenance costs at the landfill site. Effective July 1, 2008, the State will impose a \$2/ton surcharge on the disposal of municipal solid waste and construction and demolition debris in any permitted landfill or transfer of waste to a transfer station. Rate increases to customers are built into the FY09 budget to offset the estimated \$820,000 surcharge. Eventually, a portion of the surcharge will be distributed back to the City from the State.

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, 2008

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and Cash Equivalents/Investments	\$ 146,322,890	\$ 40,265,641	\$ 186,588,531	\$ 7,304,622
Receivables, Net				
Taxes	4,912,643		4,912,643	519,837
Accounts, Notes and Mortgages	27,007,816	15,363,675	42,371,491	17,296
Assessments	109,984		109,984	
Intergovernmental	19,992,087	604,224	20,596,311	329,192
Interest	973,305	379,620	1,352,925	1,253,727
Real Estate Foreclosed	459,664		459,664	
Internal Balances	(6,509,531)	6,509,531		
Due from Component Unit	623,168		623,168	
Inventories	1,748,832	3,003,273	4,752,105	2,674,589
Miscellaneous	403,756	5,957,737	6,361,493	87,278
Assets Held for Resale	95,180		95,180	
Self-Funded Insurance Deposits	14,654,794		14,654,794	
Deferred Charges	1,684,508		1,684,508	
Long-Term Note Receivable				13,741,747
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments	61,989,571	28,969,472	90,959,043	
Receivables, (Net):				
Accounts, Notes and Mortgages	18,543		18,543	178,593
Assessments		267,103	267,103	
Intergovernmental		1,281,082	1,281,082	
Interest		121,897	121,897	
Miscellaneous		1,602,944	1,602,944	13,000
Permanently Restricted:				
Cash and Cash Equivalents/Investments	2,089,396		2,089,396	
Intangible Assets		81,297,310	81,297,310	
Net Pension Asset	2,983,092		2,983,092	
Capital Assets, Net				
Non-Depreciable:				
Land	68,494,305	43,028,205	111,522,510	2,521,884
Construction in Progress	5,565,503	37,356,373	42,921,876	465,971
Depreciable:				
Land Improvements	21,293,202	19,425,215	40,718,417	2,022
Accumulated Depreciation	(10,738,656)	(13,257,319)	(23,995,975)	(910)
Buildings	140,918,196	254,131,314	395,049,510	22,599,847
Accumulated Depreciation	(46,698,743)	(80,964,264)	(127,663,007)	(3,669,608)
Improvements Other than Buildings	11,108	10,299,260	10,310,368	219,914
Accumulated Depreciation	(4,464)	(3,534,614)	(3,539,078)	(201,073)
Furniture, Fixtures, Machinery and Equipment	131,116,574	36,142,654	167,259,228	16,354,161
Accumulated Depreciation	(91,985,402)	(27,620,551)	(119,605,953)	(7,081,132)
Infrastructure	242,526,558	513,146,630	755,673,188	
Accumulated Depreciation	(98,569,262)	(194,180,138)	(292,749,400)	
Total Assets	641,488,617	779,596,274	1,421,084,891	57,330,957

<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	\$ 11,696,722	\$ 3,857,942	\$ 15,554,664	\$ 1,920,726
Contracts/Retainage Payable	1,225,148	850,294	2,075,442	977,148
Notes Payable				45,750
Intergovernmental Payable	6,136,864	985,091	7,121,955	
Customer Deposits Payable	10,397	2,260,153	2,270,550	525
Accrued Interest Payable	1,817,732	1,155,904	2,973,636	
Due to Primary Government				623,168
Compensated Absences	6,667,933	1,474,111	8,142,044	28,082
Miscellaneous	114,970		114,970	60,446
Accrued Landfill Liability		500,000	500,000	
Unearned Revenues				156,878
Liabilities Payable from Restricted Assets:				
Accounts Payable	21,375		21,375	
Contracts/Retainage Payable	1,547,904		1,547,904	38,500
Miscellaneous	737,523		737,523	
Noncurrent Liabilities:				
Due Within One Year:				
General Obligation Bonds	16,858,944	191,056	17,050,000	
Lease Purchase and Other Financing Agreements Payable	5,093,818	606,360	5,700,178	
Revenue Bonds Payable		8,015,000	8,015,000	
Special Obligation Bonds Payable		1,750,000	1,750,000	
Certificates of Participation Payable	6,205,808	2,289,192	8,495,000	
Federal Loan Obligation		254,403	254,403	
Miscellaneous		277	277	
Due in More Than One Year:				
Payable from Restricted Assets:				
Accounts Payable		1,809,305	1,809,305	
Contracts/Retainage Payable		5,519,930	5,519,930	
Intergovernmental Payable		26,572	26,572	
General Obligation Bonds	178,462,931	82,069	178,545,000	
Lease Purchase and Other Financing Agreements Payable	19,598,705	3,549,096	23,147,801	
Revenue Bonds Payable		219,880,000	219,880,000	
Special Obligation Bonds Payable		12,700,000	12,700,000	
Certificates of Participation Payable	13,965,000	150,000	14,115,000	
Premium on Debt	6,920,208	8,530,878	15,451,086	
Discount on Debt		(956)	(956)	
Federal Loan Obligation		1,780,824	1,780,824	
Note Payable				1,491,136
Compensated Absences	4,068,773	547,423	4,616,196	19,472
Accrued Landfill Liability		17,902,884	17,902,884	
Unearned Revenues	6,536,207	358,258	6,894,465	
Miscellaneous				120,652
Total Liabilities	287,686,962	297,026,066	584,713,028	5,482,483
 NET ASSETS				
Invested in Capital Assets, Net of Related Debt	180,538,570	348,551,583	529,090,153	30,799,886
Restricted for:				
Highway Improvements	293,790		293,790	
Transportation	35,514		35,514	7,593
Culture and Recreation	419,567		419,567	
Capital Projects	1,333,890	15,352,993	16,686,883	
Community Development	2,745,875		2,745,875	115,487
Public Safety	477,789		477,789	
Engineering and Building Maintenance	23,398		23,398	
Workforce Training	7,426		7,426	
Self-Funded Insurance Deposits	14,654,794		14,654,794	
Perpetual Care:				
Permanent	2,089,396		2,089,396	
Unrestricted	151,181,646	118,665,632	269,847,278	20,925,508
Total Net Assets	\$ 353,801,655	\$ 482,570,208	\$ 836,371,863	\$ 51,848,474

**City of Greensboro
Statement of Activities
For the Fiscal Year Ended June 30, 2008**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General Government	\$ 20,445,048	\$ 8,373,158	\$	\$
Public Safety	110,374,709	12,292,055	3,604,665	1,074,457
Transportation	8,609,244	328,390	7,103,821	1,905,138
Engineering and Building Maintenance	23,031,984	3,067,383		65,150
Field Operations	35,133,315	6,567,720	4,596,722	
Environmental Services	813,534	399,075	114,593	
Culture and Recreation	28,203,221	4,505,514	2,637,037	
Community Development & Housing	9,758,386	776,970	3,951,086	
Economic Opportunity	3,536,396	951	2,835,466	
Interest, Fees on Long-Term Debt	7,631,422			
Total Governmental Activities	<u>247,537,259</u>	<u>36,311,216</u>	<u>24,843,390</u>	<u>3,044,745</u>
Business-Type Activities:				
Water Operations	36,349,337	40,728,091		2,953,870
Sewer Operations	38,035,321	43,430,424		2,953,870
Stormwater Management	8,551,963	8,640,528		
War Memorial Coliseum	16,747,091	10,770,695		
Solid Waste Management	21,443,447	12,514,140		
Parking Facilities	1,627,770	1,881,010		
Total Business-Type Activities	<u>122,754,929</u>	<u>117,964,888</u>		<u>5,907,740</u>
Total Primary Government	<u>\$ 370,292,188</u>	<u>\$ 154,276,104</u>	<u>\$ 24,843,390</u>	<u>\$ 8,952,485</u>
Component Units:				
Greensboro Housing Dev. Partnership	\$ 164,951	\$ 165,212	\$	\$
Greensboro Transit Authority	20,266,509	1,986,606	5,253,695	3,319,287
Greensboro ABC Board	24,576,153	25,025,779		
Total Component Units	<u>\$ 45,007,613</u>	<u>\$ 27,177,597</u>	<u>\$ 5,253,695</u>	<u>\$ 3,319,287</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
Video Programming Services Tax
Sales Tax Hold Harmless
Beer and Wine Tax
ABC Profit Distribution-unrestricted
Intergovernmental - unrestricted
Investment Income
Miscellaneous

Transfers In (Out)

Total General Revenues and Transfers

Change in Net Assets

Net Assets - July 1
Prior Period Adjustments
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	
\$ (12,071,890)	\$	\$ (12,071,890)	\$
(93,403,532)		(93,403,532)	
728,105		728,105	
(19,899,451)		(19,899,451)	
(23,968,873)		(23,968,873)	
(299,866)		(299,866)	
(21,060,670)		(21,060,670)	
(5,030,330)		(5,030,330)	
(699,979)		(699,979)	
(7,631,422)		(7,631,422)	
<u>(183,337,908)</u>		<u>(183,337,908)</u>	
	7,332,624	7,332,624	
	8,348,973	8,348,973	
	88,565	88,565	
	(5,976,396)	(5,976,396)	
	(8,929,307)	(8,929,307)	
	253,240	253,240	
	<u>1,117,699</u>	<u>1,117,699</u>	
<u>(183,337,908)</u>	<u>1,117,699</u>	<u>(182,220,209)</u>	
			261
			(9,706,921)
			<u>449,626</u>
			<u>(9,257,034)</u>
135,373,493		135,373,493	7,850,709
41,356,587		41,356,587	
304,701		304,701	
			952,513
3,053,140		3,053,140	
7,847,727		7,847,727	
1,884,996		1,884,996	
4,570,597		4,570,597	
2,880,607		2,880,607	
61,619		61,619	
1,113,676		1,113,676	
2,661,748		2,661,748	
130,813		130,813	
11,560,252	5,248,275	16,808,527	1,535,926
908,500	1,731,548	2,640,048	188,739
(3,400,250)	3,400,250		
<u>210,308,206</u>	<u>10,380,073</u>	<u>220,688,279</u>	<u>10,527,887</u>
26,970,298	11,497,772	38,468,070	1,270,853
326,831,357	475,283,319	802,114,676	50,590,415
	(4,210,883)	(4,210,883)	(12,794)
<u>326,831,357</u>	<u>471,072,436</u>	<u>797,903,793</u>	<u>50,577,621</u>
<u>\$ 353,801,655</u>	<u>\$ 482,570,208</u>	<u>\$ 836,371,863</u>	<u>\$ 51,848,474</u>

BALANCE SHEET

Governmental Funds
June 30, 2008

ASSETS	(1)			
	GENERAL	DEBT. SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 46,600,962	\$ 16,973,266	\$ 16,558,396	\$ 80,132,624
Receivables:				
Taxes	4,902,773		9,870	4,912,643
Accounts, Notes and Mortgages	3,602,257		23,405,559	27,007,816
Assessments	27,137		82,847	109,984
Intergovernmental	17,733,636	131,141	1,470,715	19,335,492
Real Estate Foreclosed	459,664			459,664
Internal Receivables			587,000	587,000
Due from Component Unit	623,168			623,168
Inventories	867,419			867,419
Miscellaneous	196,498			196,498
Assets Held for Resale			95,180	95,180
Restricted Assets:				
Cash and Cash Equivalents/Investments			57,348,644	57,348,644
Receivables:				
Accounts, Notes and Mortgages			18,543	18,543
Assessments				
Intergovernmental				
Miscellaneous				
Total Assets	\$ 75,013,514	\$ 17,104,407	\$ 99,576,754	\$ 191,694,675
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 3,219,354	\$	\$ 285,053	\$ 3,504,407
Contracts/Retainage Payable	302,820		757,240	1,060,060
Intergovernmental Payable	2,759,412			2,759,412
Internal Payable			587,000	587,000
Miscellaneous			114,970	114,970
Deferred Revenues	10,057,114		25,907,597	35,964,711
Liabilities Payable From Restricted Assets:				
Accounts Payable			21,375	21,375
Contracts/Retainage Payable			1,547,904	1,547,904
Miscellaneous	737,523			737,523
Total Liabilities	17,076,223		29,221,139	46,297,362
Fund Balances:				
Reserved by State Statute	19,988,070	131,141	3,112,591	23,231,802
Reserved for Encumbrances	2,611,982		405,499	3,017,481
Reserved for Inventories	867,419			867,419
Reserved for Assets Held for Resale			95,180	95,180
Reserved for Capital Projects	3,980,187			3,980,187
Reserved for Perpetual Care			2,089,396	2,089,396
Total Reserved Fund Balance	27,447,658	131,141	5,702,666	33,281,465
Unreserved, Reported In:				
Designated for Subsequent Year's Expenditures:				
General Fund	5,442,603			5,442,603
Special Revenue Funds			2,375,035	2,375,035
Total Unreserved-Subsequent Year's Expenditures	5,442,603		2,375,035	7,817,638
Designated for Debt Service:				
Debt Service Fund		16,973,266		16,973,266
Designated for Specific Purposes:				
General Fund	1,992,276			1,992,276
Special Revenue Funds			5,416,123	5,416,123
Capital Projects Funds			55,411,583	55,411,583
Total Unreserved-Specific Purposes	1,992,276		60,827,706	62,819,982
Undesignated:				
General Fund	23,054,754			23,054,754
Special Revenue Funds			1,450,208	1,450,208
Total Unreserved-Undesignated	23,054,754		1,450,208	24,504,962
Total Fund Balances	57,937,291	17,104,407	70,355,615	145,397,313
Total Liabilities and Fund Balances	\$ 75,013,514	\$ 17,104,407	\$ 99,576,754	\$ 191,694,675

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

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

City of Greensboro
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
June 30, 2008

Total fund balances - governmental funds	\$ 145,397,313
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.	324,415,162
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	29,428,504
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.	87,538,166
Long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(236,592,692)
Miscellaneous adjustments to net assets include investment income receivable and pension assets not reported in the governmental funds.	<u>3,615,202</u>
Net assets of governmental activities	<u><u>\$ 353,801,655</u></u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

For the Fiscal Year Ended June 30, 2008

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 175,746,251	\$	\$ 3,780,209	\$ 179,526,460
Assessments			391,768	391,768
Intergovernmental	32,981,925	105,651	13,105,668	46,193,244
Licenses and Permits	7,669,043			7,669,043
Fines and Forfeitures	1,058,452			1,058,452
Charges for Current Services	19,926,162		4,544,185	24,470,347
Investment Income		5,951,455	1,475,344	7,426,799
Miscellaneous	2,700,954	115,792	3,545,731	6,362,477
Total Revenues	<u>240,082,787</u>	<u>6,172,898</u>	<u>26,842,905</u>	<u>273,098,590</u>
Expenditures:				
Current:				
General Government	19,264,475		327,988	19,592,463
Public Safety	103,528,032		11,556,635	115,084,667
Transportation	8,700,110		4,198,763	12,898,873
Engineering and Building Maintenance	13,683,823		8,625,547	22,309,370
Field Operations	34,181,949		1,042,038	35,223,987
Environmental Services	822,562			822,562
Culture and Recreation	27,794,172		3,154,397	30,948,569
Community Development and Housing	317,000		9,739,877	10,056,877
Economic Opportunity	839,180		2,825,626	3,664,806
Debt Service:				
Principal Retirement		14,474,931	2,540,240	17,015,171
Interest, Fees on Long-Term Debt		6,418,084	945,739	7,363,823
Total Expenditures	<u>209,131,303</u>	<u>20,893,015</u>	<u>44,956,850</u>	<u>274,981,168</u>
Excess of Revenues Over (Under)				
Expenditures	<u>30,951,484</u>	<u>(14,720,117)</u>	<u>(18,113,945)</u>	<u>(1,882,578)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued		20,129,877	50,220,000	70,349,877
Federal Loan Program			415,000	415,000
Premium on Debt		1,641,517	3,388,465	5,029,982
Payment to Escrow Agent for Refunding of Debt		(21,674,808)		(21,674,808)
Transfers In	1,972,392	18,344,555	10,408,573	30,725,520
Transfers Out	(31,769,508)		(2,739,465)	(34,508,973)
Total Other Financing Sources (Uses)	<u>(29,797,116)</u>	<u>18,441,141</u>	<u>61,692,573</u>	<u>50,336,598</u>
Net Change in Fund Balances	1,154,368	3,721,024	43,578,628	48,454,020
Fund Balances - July 1	<u>56,782,923</u>	<u>13,383,383</u>	<u>26,776,987</u>	<u>96,943,293</u>
Fund Balances - June 30	<u>\$ 57,937,291</u>	<u>\$ 17,104,407</u>	<u>\$ 70,355,615</u>	<u>\$ 145,397,313</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, 2008

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

Net change in fund balances----total governmental funds.	\$ 48,454,020
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.	4,838,116
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,603,412
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.	(35,568,274)
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.	9,025,845
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.	415,638
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>(2,798,459)</u>
Change in net assets of governmental activities	<u>\$ 26,970,298</u>

CITY OF GREENSBORO
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 174,681,300	\$ 174,681,300	\$ 175,746,251	\$ 1,064,951
Intergovernmental	29,197,867	31,571,687	32,981,925	1,410,238
Licenses and Permits	10,534,710	8,470,710	7,669,043	(801,667)
Fines and Forfeitures	1,128,971	1,128,971	1,058,452	(70,519)
Charges for Current Services	20,212,040	20,212,040	19,926,162	(285,878)
Miscellaneous	3,223,840	3,223,840	2,700,954	(522,886)
Appropriated Fund Balance	<u>6,829,900</u>	<u>6,829,900</u>		<u>(6,829,900)</u>
Total Revenues	<u>245,808,628</u>	<u>246,118,448</u>	<u>240,082,787</u>	<u>(6,035,661)</u>
Expenditures:				
Current:				
General Government	21,898,176	21,915,855	19,264,475	2,651,380
Public Safety	102,817,372	103,087,126	103,528,032	(440,906)
Transportation	8,473,528	8,473,528	8,700,110	(226,582)
Engineering and Building Maintenance	15,445,166	15,350,277	13,683,823	1,666,454
Field Operations	28,277,061	34,938,211	34,181,949	756,262
Environmental Services	899,482	889,482	822,562	66,920
Culture and Recreation	28,983,724	29,428,359	27,794,172	1,634,187
Community Development and Housing	425,000	425,000	317,000	108,000
Economic Opportunity	<u>1,302,044</u>	<u>1,013,645</u>	<u>839,180</u>	<u>174,465</u>
Total Expenditures	<u>208,521,553</u>	<u>215,521,483</u>	<u>209,131,303</u>	<u>6,390,180</u>
Excess of Revenues Over Expenditures	<u>37,287,075</u>	<u>30,596,965</u>	<u>30,951,484</u>	<u>354,519</u>
Other Financing Sources (Uses):				
Transfers In	1,797,392	1,972,392	1,972,392	
Transfers Out	<u>(39,084,467)</u>	<u>(32,569,357)</u>	<u>(31,769,508)</u>	<u>799,849</u>
Total Other Financing Sources (Uses)	<u>(37,287,075)</u>	<u>(30,596,965)</u>	<u>(29,797,116)</u>	<u>799,849</u>
Net Change in Fund Balances			1,154,368	1,154,368
Fund Balances - July 1			<u>56,782,923</u>	<u>56,782,923</u>
Fund Balances - June 30	<u>\$</u>	<u>\$</u>	<u>\$ 57,937,291</u>	<u>\$ 57,937,291</u>

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

Statement of Net Assets

Proprietary Funds

June 30, 2008

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
ASSETS				
Current Assets:				
Cash and Cash Equivalents/Investments	\$ 26,748,422	\$ 4,214,224	\$ 3,618,498	\$ 4,935,024
Receivables (Net):				
Accounts, Notes and Mortgages	14,282,825	151,174	464,029	453,050
Intergovernmental	464,359	10,826	60,970	57,251
Interest	283,450	24,657	37,294	33,055
Inventories	2,927,529		51,056	24,688
Miscellaneous	5,922,933		1,654	
Total Current Assets	<u>50,629,518</u>	<u>4,400,881</u>	<u>4,233,501</u>	<u>5,503,068</u>
Noncurrent Assets:				
Restricted:				
Cash and Cash Equivalents/Investments	18,300,083	6,120,165	2,247,100	2,302,109
Receivables (Net):				
Accounts, Notes and Mortgages				
Assessments	267,103			
Intergovernmental	1,280,515	567		
Interest	81,120	29,301		11,476
Miscellaneous	1,467,884			135,060
Self-Funded Insurance Deposits				
Intangible Assets	81,297,310			
Capital Assets:				
Non-Depreciable:				
Land	29,843,842	1,839,438	1,416,154	5,955,384
Construction in Progress	36,762,465	352,076	241,832	
Depreciable:				
Land Improvements	2,327,048	30,613	107,873	16,902,741
Buildings	162,153,570	1,734	64,149,732	7,809,422
Improvements Other than Buildings	9,832,277		265,875	35,887
Furniture, Fixtures, Machinery and Equipment	24,599,920	153,295	8,805,710	1,778,875
Infrastructure	410,047,324	103,099,306		
Less Accumulated Depreciation	<u>(213,442,457)</u>	<u>(51,476,576)</u>	<u>(31,575,515)</u>	<u>(13,337,355)</u>
Total Noncurrent Assets	<u>564,818,004</u>	<u>60,149,919</u>	<u>45,658,761</u>	<u>21,593,599</u>
Total Assets	<u>615,447,522</u>	<u>64,550,800</u>	<u>49,892,262</u>	<u>27,096,667</u>

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

Other Enterprise Fund	(1) Totals	Internal Service Funds
\$ 749,473	\$ 40,265,641	\$ 66,190,266
12,597	15,363,675	
10,818	604,224	656,595
1,164	379,620	341,195
	3,003,273	881,413
33,150	5,957,737	207,258
<u>807,202</u>	<u>65,574,170</u>	<u>68,276,727</u>
15	28,969,472	6,730,323
	267,103	
	1,281,082	
	121,897	
	1,602,944	
		14,654,794
	81,297,310	
3,973,387	43,028,205	1,660,541
	37,356,373	380,063
56,940	19,425,215	830,156
20,016,856	254,131,314	2,825,984
165,221	10,299,260	11,108
804,854	36,142,654	111,971,178
	513,146,630	
(9,724,983)	(319,556,886)	(80,165,273)
<u>15,292,290</u>	<u>707,512,573</u>	<u>58,898,874</u>
<u>16,099,492</u>	<u>773,086,743</u>	<u>127,175,601</u>

(Continued)

Statement of Net Assets (continued)

Proprietary Funds

June 30, 2008

	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	\$ 1,462,491	\$ 146	\$ 2,380,671	\$ 14,634
Contracts/Retainage Payable	240,834	20,077	20,000	569,383
Intergovernmental Payable	963,130		21,961	
General Obligation Bonds Payable	191,056			
Revenue Bonds Payable	8,015,000			
Special Obligation Bonds Payable				1,750,000
Lease-Purchase and Other				
Financing Agreements Payable	419,231		187,129	
Certificates of Participation Payable			140,000	
Federal Loan Obligation	254,403			
Accrued Landfill Liability				500,000
Interest Payable	1,092,247			57,795
Customer Deposits Payable	2,213,201			600
Compensated Absences Payable	968,331	211,861	134,364	134,833
Miscellaneous	277			
Total Current Liabilities	<u>15,820,201</u>	<u>232,084</u>	<u>2,884,125</u>	<u>3,027,245</u>
Noncurrent Liabilities:				
Payable from Restricted Assets:				
Accounts Payable	84,305			1,725,000
Contracts/Retainage Payable	5,445,897	74,033		
Intergovernmental Payable	26,572			
General Obligation Bonds Payable	82,069			
Premium-General Obligation Bonds Payable				
Revenue Bonds Payable	219,880,000			
Premium-Revenue Bonds Payable	8,358,252			
Special Obligation Bonds Payable				12,700,000
Premium-Special Obligation Bonds Payable				172,626
Lease-Purchase and Other				
Financing Agreements Payable	805,508		2,743,588	
Certificates of Participation Payable			150,000	
Discount-Certificates of Participation			(956)	
Federal Loan Obligation	1,780,824			
Accrued Landfill Liability				17,902,884
Compensated Absences Payable	276,710	62,346	175,294	9,354
Unearned Revenues			358,258	
Total Noncurrent Liabilities	<u>236,740,137</u>	<u>136,379</u>	<u>3,426,184</u>	<u>32,509,864</u>
Total Liabilities	<u>252,560,338</u>	<u>368,463</u>	<u>6,310,309</u>	<u>35,537,109</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	229,468,536	53,999,886	40,577,709	4,852,838
Restricted for:				
Capital Projects	7,160,037	6,076,000	1,870,357	246,599
Self-Funded Insurance Deposits				
Unrestricted	126,258,611	4,106,451	1,133,887	(13,539,879)
Total Net Assets	<u>\$ 362,887,184</u>	<u>\$ 64,182,337</u>	<u>\$ 43,581,953</u>	<u>\$ (8,440,442)</u>

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

<u>Other Enterprise Fund</u>	<u>Totals</u> ⁽¹⁾	<u>Internal Service Funds</u>
\$	\$ 3,857,942	\$ 8,192,314
	850,294	165,088
	985,091	
	191,056	274,316
	8,015,000	
	1,750,000	
	606,360	4,715,599
2,149,192	2,289,192	3,500,000
	254,403	
	500,000	
5,862	1,155,904	197,518
46,352	2,260,153	10,397
24,722	1,474,111	274,742
	277	
<u>2,226,128</u>	<u>24,189,783</u>	<u>17,329,974</u>
	1,809,305	
	5,519,930	
	26,572	
	82,069	3,839,852
		266,359
	219,880,000	
	8,358,252	
	12,700,000	
	172,626	
	3,549,096	11,594,064
	150,000	
	(956)	
	1,780,824	
	17,902,884	
23,719	547,423	97,655
	358,258	
<u>23,719</u>	<u>272,836,283</u>	<u>15,797,930</u>
<u>2,249,847</u>	<u>297,026,066</u>	<u>33,127,904</u>
13,143,083	342,042,052	20,049,592
	15,352,993	
		14,654,794
706,562	118,665,632	59,343,311
<u>\$ 13,849,645</u>	<u>\$ 476,060,677</u>	<u>\$ 94,047,697</u>

City of Greensboro
Reconciliation of the Statement of Net Assets-Proprietary Funds
To the Statement of Net Assets
June 30, 2008

Net assets - proprietary funds	\$ 476,060,677
Amounts reported for business-type activities in the statement of net assets are different because:	
Internal service funds	<u>6,509,531</u>
Net assets of business-type activities	<u>\$ 482,570,208</u>

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

Proprietary Funds

For the Fiscal Year Ended June 30, 2008

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	\$ 82,555,506	\$ 8,640,528	\$ 10,770,695	\$ 12,514,140
Other Operating Revenues	<u>3,013,372</u>	<u>14,391</u>	<u>1,554,664</u>	<u>154,770</u>
Total Operating Revenues	<u>85,568,878</u>	<u>8,654,919</u>	<u>12,325,359</u>	<u>12,668,910</u>
Operating Expenses:				
Personal Services	13,241,024	2,756,364	4,256,418	1,350,443
Fringe Benefits	5,108,974	1,156,064	1,108,349	481,538
Maintenance and Operations	32,911,611	2,967,208	9,204,006	18,453,212
Insurance Claims and Expenses				
Depreciation	<u>15,437,142</u>	<u>1,672,327</u>	<u>2,074,906</u>	<u>611,773</u>
Total Operating Expenses	<u>66,698,751</u>	<u>8,551,963</u>	<u>16,643,679</u>	<u>20,896,966</u>
Operating Income (Loss)	<u>18,870,127</u>	<u>102,956</u>	<u>(4,318,320)</u>	<u>(8,228,056)</u>
Nonoperating Revenues (Expenses):				
Investment Income	3,832,676	529,084	420,392	447,152
Miscellaneous Nonoperating Revenue	83,116		148	1,038
Interest Expense	(7,844,343)		(158,799)	(742,923)
Loss on Disposal of Capital Assets				
Amortization of Underwriters' Expense	(194,177)			(20,107)
Miscellaneous Nonoperating Expense	<u>(675,990)</u>		<u>(4,858)</u>	<u>(4,810)</u>
Total Nonoperating Revenues (Expenses)	<u>(4,798,718)</u>	<u>529,084</u>	<u>256,883</u>	<u>(319,650)</u>
Income (Loss) Before Contributions and Transfers	14,071,409	632,040	(4,061,437)	(8,547,706)
Capital Contributions	4,414,261			
Transfers In			2,000,000	
Transfers Out	<u>(190,500)</u>	<u>(7,500)</u>	<u>(1,750)</u>	
Change in Net Assets	<u>18,295,170</u>	<u>624,540</u>	<u>(2,063,187)</u>	<u>(8,547,706)</u>
Net Assets - July 1	348,501,760	63,557,797	45,645,140	107,264
Prior Period Adjustments	<u>(3,909,746)</u>			
Net Assets - July 1, restated	<u>344,592,014</u>	<u>63,557,797</u>	<u>45,645,140</u>	<u>107,264</u>
Net Assets - June 30	<u>\$ 362,887,184</u>	<u>\$ 64,182,337</u>	<u>\$ 43,581,953</u>	<u>\$ (8,440,442)</u>

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

Other Enterprise Fund	Totals	Internal Service Funds
\$ 1,881,010	\$ 116,361,879	\$ 62,649,972
6,537	4,743,734	1,847,234
1,887,547	121,105,613	64,497,206
349,207	21,953,456	4,252,345
133,455	7,988,380	1,494,729
413,195	63,949,232	14,454,188
		26,209,604
644,922	20,441,070	12,085,309
1,540,779	114,332,138	58,496,175
346,768	6,773,475	6,001,031
18,971	5,248,275	4,452,840
	84,302	1,254,222
(92,867)	(8,838,932)	(856,342)
		(696,160)
(21,657)	(235,941)	(18,208)
(2,732)	(688,390)	(154,269)
(98,285)	(4,430,686)	3,982,083
248,483	2,342,789	9,983,114
	4,414,261	
1,600,000	3,600,000	431,280
	(199,750)	(48,077)
1,848,483	10,157,300	10,366,317
12,302,299	470,114,260	83,681,380
(301,137)	(4,210,883)	
12,001,162	465,903,377	83,681,380
\$ 13,849,645	\$ 476,060,677	\$ 94,047,697

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, 2008

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

Net change in fund balances----total proprietary funds.	\$ 10,157,300
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>1,340,472</u>
Change in net assets of business-type activities	<u><u>\$ 11,497,772</u></u>

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 83,478,502	\$ 8,688,113	\$ 10,841,695	\$ 12,588,101
Payments to Suppliers	(34,775,104)	(2,868,969)	(9,179,743)	(12,457,399)
Payments to Employees	(17,797,575)	(3,893,570)	(5,351,166)	(1,832,582)
Other Receipts	3,077,337	14,391	1,554,664	154,770
Net Cash Provided by (Used for) Operating Activities	<u>33,983,160</u>	<u>1,939,965</u>	<u>(2,134,550)</u>	<u>(1,547,110)</u>
Cash Flows from Noncapital Financing Activities:				
Subsidies and Transfers In			2,000,000	
Subsidies and Transfers Out	(190,500)	(7,500)	(1,750)	
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(190,500)</u>	<u>(7,500)</u>	<u>1,998,250</u>	
Cash Flows from Capital and Related Financing Activities:				
Capital Debt Issued				
Acquisition and Construction of Capital Assets	(47,308,493)	(959,258)	(501,550)	(793,423)
Investment in Joint Venture	(34,404,028)			
Principal Paid on Capital Debt	(7,871,643)		(153,060)	(1,675,000)
Interest and Fiscal Charges Paid on Capital Debt	(8,510,064)		(159,051)	(776,169)
Net Cash Provided by (Used) for Capital and Related Financing Activities	<u>(98,094,228)</u>	<u>(959,258)</u>	<u>(813,661)</u>	<u>(3,244,592)</u>
Cash Flows from Investing Activities:				
Interest	<u>3,945,475</u>	<u>549,356</u>	<u>412,677</u>	<u>490,976</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(60,356,093)	1,522,563	(537,284)	(4,300,726)
Balances - July 1	105,404,598	8,811,826	6,402,882	11,537,859
Balances - June 30	<u>\$ 45,048,505</u>	<u>\$ 10,334,389</u>	<u>\$ 5,865,598</u>	<u>\$ 7,237,133</u>
Reconciliation of Cash and Cash Equivalents/Investments:				
Cash and Cash Equivalents/Investments - Current	\$ 26,748,422	\$ 4,214,224	\$ 3,618,498	\$ 4,935,024
Cash and Cash Equivalents/Investments - Restricted	18,300,083	6,120,165	2,247,100	2,302,109
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 45,048,505</u>	<u>\$ 10,334,389</u>	<u>\$ 5,865,598</u>	<u>\$ 7,237,133</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 1,882,674	\$ 117,479,085	\$ 61,849,267
(417,868)	(59,699,083)	(41,811,174)
(479,798)	(29,354,691)	(5,835,530)
6,537	4,807,699	1,983,722
<u>991,545</u>	<u>33,233,010</u>	<u>16,186,285</u>
1,600,000	3,600,000	431,280
	(199,750)	(48,077)
<u>1,600,000</u>	<u>3,400,250</u>	<u>383,203</u>
		12,581,482
(219,623)	(49,782,347)	(9,201,725)
		968,475
		(3,569,553)
	(34,404,028)	
(2,094,760)	(11,794,463)	(5,860,171)
(101,311)	(9,546,595)	(713,394)
<u>(2,415,694)</u>	<u>(105,527,433)</u>	<u>(5,794,886)</u>
18,679	5,417,163	4,538,012
194,530	(63,477,010)	15,312,614
554,958	132,712,123	57,607,975
<u>\$ 749,488</u>	<u>\$ 69,235,113</u>	<u>\$ 72,920,589</u>
\$ 749,473	\$ 40,265,641	\$ 66,190,266
15	28,969,472	6,730,323
<u>\$ 749,488</u>	<u>\$ 69,235,113</u>	<u>\$ 72,920,589</u>

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2008

	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)	\$ 18,870,127	\$ 102,956	\$ (4,318,320)	\$ (8,228,056)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Depreciation	15,437,142	1,672,327	2,074,906	611,773
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	922,996	47,585	(109,866)	73,962
(Increase) Decrease in Inventories	279,930		(17,971)	12,383
Increase (Decrease) in Intergovernmental Receivables	(443,759)	(570)	(20,486)	120,515
(Increase) Decrease in Miscellaneous Assets	(1,436,599)	98,662	(379)	
Increase (Decrease) in Accounts Payable	35,456	147	63,099	(25,323)
Increase in Landfill Liability				5,888,237
Increase (Decrease) in Compensated Absences Payable	105,517	18,858	14,064	(601)
Increase (Decrease) in Intergovernmental Payable	279,926		(463)	
Decrease in Customer Deposits Payable				
Increase (Decrease) in Miscellaneous Payable	(131,541)		180,866	
Increase in Other Receipts	63,965			
Total Adjustments	<u>15,113,033</u>	<u>1,837,009</u>	<u>2,183,770</u>	<u>6,680,946</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 33,983,160</u>	<u>\$ 1,939,965</u>	<u>\$ (2,134,550)</u>	<u>\$ (1,547,110)</u>
Noncash Investing, Capital and Financing Activities:				
Lease-Purchase and Other Capital Financing Agreements	\$	\$	\$	\$
Donated Assets	4,414,261			
Total Noncash Investing, Capital and Financing Activities	<u>\$ 4,414,261</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 346,768	\$ 6,773,475	\$ 6,001,031
644,922	20,441,070	12,085,309
1,664	936,341	(110,235)
(4,672)	274,342	(79,845)
	(348,972)	(10,355)
	(1,338,316)	(869,681)
	73,379	42,857
	5,888,237	
1,244	139,082	(24,236)
	279,463	(47,220)
		(3,114)
1,619	50,944	(798,226)
	63,965	
<u>644,777</u>	<u>26,459,535</u>	<u>10,185,254</u>
<u>\$ 991,545</u>	<u>\$ 33,233,010</u>	<u>\$ 16,186,285</u>
\$	\$	\$ 1,168,358
	4,414,261	
<u>\$</u>	<u>\$ 4,414,261</u>	<u>\$ 1,168,358</u>

Police Special Separation Allowance Fund

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.

City of Greensboro
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2008

	Pension Benefit <u>Trust</u>
ASSETS	
Cash and Cash Equivalents/Investments,	
Restricted for:	
Pension Benefits-Police Special	
Separation Allowance	
Cash and Cash Equivalents	\$ 241,843
US Government Agencies	4,342,681
Money Market Mutual Funds	829,102
Interest Receivable	<u>29,185</u>
Total Assets Held in Trust for	
Pension Benefits	<u><u>\$ 5,442,811</u></u>

City of Greensboro
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2008

	Pension Benefit Trust
ADDITIONS	
Employer Contributions	\$ 1,900,274
Investment Income	286,621
Total Additions	<u>2,186,895</u>
DEDUCTIONS	
Benefits Paid-Police Special Separation Allowance	1,894,632
Administrative Expenses	2,648
Total Deductions	<u>1,897,280</u>
Change in Net Assets	289,615
Net Assets - Beginning of the Year	<u>5,153,196</u>
Net Assets - End of the Year	<u>\$ 5,442,811</u>

Statement of Net Assets

Component Units

June 30, 2008

ASSETS	Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Total Component Units
Cash and Cash Equivalents/Investments	\$ 164,750	\$ 4,975,716	\$ 2,164,156	\$ 7,304,622
Receivables, Net				
Taxes		519,837		519,837
Accounts, Notes and Mortgages		7,642	9,654	17,296
Intergovernmental	183,892	145,300		329,192
Interest		1,253,727		1,253,727
Inventories		163,750	2,510,839	2,674,589
Miscellaneous			87,278	87,278
Long-Term Note Receivable		13,741,747		13,741,747
Restricted Assets:				
Temporarily Restricted:				
Receivables, (Net):				
Accounts, Notes and Mortgages		178,593		178,593
Miscellaneous		13,000		13,000
Capital Assets:				
Non-Depreciable:				
Land	411,190	1,595,839	514,855	2,521,884
Construction in Progress		48,664	417,307	465,971
Depreciable:				
Land Improvements		2,022		2,022
Accumulated Depreciation		(910)		(910)
Buildings		20,940,893	1,658,954	22,599,847
Accumulated Depreciation		(2,893,477)	(776,131)	(3,669,608)
Improvements Other than Buildings		13,612	206,302	219,914
Accumulated Depreciation		(1,442)	(199,631)	(201,073)
Furniture, Fixtures, Machinery and Equipment	3,858	14,832,552	1,517,751	16,354,161
Accumulated Depreciation	(3,858)	(5,810,622)	(1,266,652)	(7,081,132)
Total Assets	<u>759,832</u>	<u>49,726,443</u>	<u>6,844,682</u>	<u>57,330,957</u>
LIABILITIES				
Accounts Payable		22,820	1,897,906	1,920,726
Contracts/Retainage Payable		977,148		977,148
Note Payable			45,750	45,750
Due to Primary Government			623,168	623,168
Customer Deposits Payable		525		525
Compensated Absences		28,082		28,082
Unearned Revenues		156,878		156,878
Miscellaneous		31	60,415	60,446
Liabilities Payable from Restricted Assets:				
Contracts/Retainage Payable		38,500		38,500
Due in More Than One Year:				
Note Payable	644,345		846,791	1,491,136
Compensated Absences		19,472		19,472
Miscellaneous			120,652	120,652
Total Liabilities	<u>644,345</u>	<u>1,243,456</u>	<u>3,594,682</u>	<u>5,482,483</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt		28,727,131	2,072,755	30,799,886
Restricted for:				
Transportation		7,593		7,593
Community Development	115,487			115,487
Unrestricted		19,748,263	1,177,245	20,925,508
Total Net Assets	<u>\$ 115,487</u>	<u>\$ 48,482,987</u>	<u>\$ 3,250,000</u>	<u>\$ 51,848,474</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, 2008**

	<u>Program Revenues</u>			
	<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	\$ 164,951	\$ 165,212	\$	\$
Total Greensboro Housing Dev. Partnership	<u>164,951</u>	<u>165,212</u>	<u></u>	<u></u>
Greensboro Transit Authority				
Business Type Activities:				
Transit Operations	<u>20,266,509</u>	<u>1,986,606</u>	<u>5,253,695</u>	<u>3,319,287</u>
Total Greensboro Transit Authority	<u>20,266,509</u>	<u>1,986,606</u>	<u>5,253,695</u>	<u>3,319,287</u>
Greensboro ABC Board				
Business Type Activities:				
ABC Board Operations	<u>24,576,153</u>	<u>25,025,779</u>	<u></u>	<u></u>
Total Greensboro ABC Board	<u>24,576,153</u>	<u>25,025,779</u>	<u></u>	<u></u>
Total	<u>\$ 45,007,613</u>	<u>\$ 27,177,597</u>	<u>\$ 5,253,695</u>	<u>\$ 3,319,287</u>

General Revenues:

Taxes:
 Property Tax
 Motor Vehicle Tax
 Investment Income
 Miscellaneous

Total General Revenues

Change in Net Assets

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

Net Assets - June 30

Net (Expenses) Revenue and Changes in Net Assets			
Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Totals
\$ 261	\$	\$	\$ 261
<u>261</u>			<u>261</u>
	(9,706,921)		(9,706,921)
	(9,706,921)		(9,706,921)
		449,626	449,626
		449,626	449,626
261	(9,706,921)	449,626	(9,257,034)
	7,850,709		7,850,709
	952,513		952,513
	1,485,552	50,374	1,535,926
	188,739		188,739
	10,477,513	50,374	10,527,887
261	770,592	500,000	1,270,853
128,020	47,712,395	2,750,000	50,590,415
(12,794)			(12,794)
<u>115,226</u>	<u>47,712,395</u>	<u>2,750,000</u>	<u>50,577,621</u>
<u>\$ 115,487</u>	<u>\$ 48,482,987</u>	<u>\$ 3,250,000</u>	<u>\$ 51,848,474</u>

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

JUNE 30, 2008

I. Summary of Significant Accounting Policies

The accounting policies of the City of Greensboro (City) and its component units conform to accounting principles generally accepted in the United States of America (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 generally accepted accounting principles, 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 this unit 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 City 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 combined with assets and liabilities of the Other Enterprise (Parking) and the Capital Leasing Funds for financial statement purposes.

2. Discretely Presented Component Units

The component unit column in the basic financial statements include 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 voting majority of the Board not only rests with the City, but also the financial burden, as the City 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 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. The Greensboro ABC Board's profits are distributed to the City, quarterly.

Each of the blended and 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

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. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the City as a whole or major individual funds (within the 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. The previous reporting model did not summarize or present net cost by function or activity.

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.

As of January 1, 1993, state law changed the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. For those motor vehicles registered under the staggered system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the Fiscal Year in which they become due. Therefore, taxes for vehicles registered from March 2007 through February 2008 apply to the Fiscal Year ended June 30, 2008. Uncollected taxes that were billed during this period are shown as a receivable on the financial statements. Those taxes for vehicle registered from March 1 through the Fiscal Year end apply to the Fiscal Year 2008-2009 and are not shown as receivables at June 30, 2008.

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 than 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 accounting principles generally accepted in the United States of America, 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 Enterprise Funds.

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.

Debt Service Fund - The Debt Service Fund is used to account for 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 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 Water Resources Fund provides services to approximately 100,000 customers and is designed to be self-supporting. This fund also provides for principal and interest on all water and sewer debt. Combined Enterprise System revenue bonds as well as General Obligation bonds outstanding are recorded in this fund.

The War Memorial Coliseum Fund administers operation of a complex that brings top artists in entertainment, education, and sports to the City.

The Solid Waste Management Fund accounts for waste disposal and recycling operations of the City, as well as solid waste landfill improvements.

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 self-insurance transactions and major equipment purchases financed with lease-purchase agreements or certificates of participation 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 a government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity.

Pension Trust Fund - The Pension Trust Fund account for assets held by the City in a trustee capacity and accumulates funds to provide pension benefit payments to qualified law enforcement officers. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus. It is 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). Since by definition these assets are being held for the benefit of a third party (pension 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, Water Resources Bond Funds and Coliseum Improvements Fund. 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 Capital Leasing 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 leading/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 are based on the assessed 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. Property taxes on certain registered motor vehicles are assessed and collected throughout the year. The taxes receivable amount for the General Fund is reduced by an allowance for uncollectible of \$199,330. The net General Fund receivable of \$4,902,773 is shown as deferred revenue on the Governmental Funds Balance Sheet.

3. Inventories

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.

4. Restricted Assets

Certain proceeds of the City's revenue bonds and certificates of participation, as well as certain grant and tax receipts, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by applicable bond covenants, grantor or enabling legislative restrictions.

5. Intangible Assets

Intangible Assets of \$81,297,310 as of June 30, 2008 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 and surrounding infrastructure improvements of which \$859,935 in contributions were recorded in Fiscal Year 2008. \$33,544,093 was reclassified to Intangible Asset in Fiscal Year 2008, representing the City's contribution to the Water Treatment Plant Project. Upon completion of the project, the water rights will be amortized over a period of 50 years.

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. General infrastructure assets that were acquired or received substantial improvements subsequent to July 1, 1980 are reported at estimated historical cost using deflated replacement values.

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.

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.

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, 2008 are composed of the following:

	<u>Fund Financial Statements</u>	
	General	Other Non-Major Special Revenue
	<u>Fund</u>	<u>Funds</u>
Deferred Revenue:		
Taxes Receivable	\$ 4,902,773	\$ 9,871
Prepaid Taxes Not Yet Earned	506,251	768
Prepaid Assessments Not Yet Earned		124,502
Prepaid Privilege Licenses Revenues	1,634,980	
Other Prepaid Deferred Revenues	358,820	3,225,204
Notes and Mortgages Receivable	2,100,000	22,464,405
Other Deferred revenues	554,290	82,847
	<u>\$ 10,057,114</u>	<u>\$ 25,907,597</u>

	<u>Government-wide Financial Statements</u>	
	Governmental	Business-Type Activities
	Activities	
Unearned Revenue		
Prepaid Taxes Not Yet Earned	\$ 507,019	
Prepaid Assessments Not Yet Earned	124,502	
Prepaid Privilege Licenses Not Yet Earned	1,634,980	
Other Prepaid Deferred Revenues	3,584,024	358,258
Other Deferred Revenues	685,682	
	<u>\$ 6,536,207</u>	<u>\$ 358,258</u>

Unearned revenues of the GTA consist of \$156,878 for prepaid taxes not yet earned 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. Bonds payable are reported at par, with a separate line shown for the applicable bond premium or discount.

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.

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Fund balances are segregated into the following classifications:

- a. Reserved by State Statute – This represents the amount of fund balance, which cannot be appropriated by the governing board. North Carolina General Statutes limit the amount that each local government may commit for purposes of future expenditures to the sum of cash and cash investments, less the sum of liabilities, encumbrances and deferred revenues arising from cash receipts as those amounts stand at the close of the Fiscal year.
- b. Reserved for encumbrances – This represents commitments outstanding at June 30, 2008 related to purchase orders and unperformed contracts.
- c. Reserved for Inventories – This represents that portion of fund balance segregated for inventories of supplies; these are current assets which do not represent available spendable resources.
- d. Reserved for Assets Held for Resale – This represents a portion of fund balance segregated for an inventory of properties that will be resold and does not represent spendable resources.
- e. Reserved for WIA – This represents that portion of fund balance segregated for Workforce Investment Act grant expenditures.
- f. Reserved for Capital Projects – This represents the proceeds of bond sales used to finance major capital improvements not yet completed and funds accumulated for future capital projects.
- g. Reserved for Perpetual Care – This represents a portion of fund balance segregated for maintenance of the City's cemeteries.
- h. Designated for Subsequent Year's Expenditures – This represents the amount of fund balance appropriated by the City Council to the budget for the year ending June 30, 2009.
- i. Designated for Debt Service – This represents amounts held for the future payment of general long-term debt principal and interest.
- j. Designated for Specific Purposes – This represents that portion of fund balance which has been specifically set aside by the City for use in future periods.
- k. Undesignated – This represents the amount of fund balance which is available for future appropriations.

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. The net related debt is also reduced by an associated unamortized deferred cost, typically for bond issuance costs.

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, 2008, net assets restricted by enabling legislation include:

State Highway Allocation (included with General Fund)	\$ 1,546,686
Water Resources Capital Reserve Fund	2,028,280
Solid Waste Capital Reserve Fund	135,181
Hotel/Motel Occupancy Tax Fund	377,955

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 designated for management’s specific internal purposes.

11. Accounting Changes and Reclassifications

Effective July 1, 2007, the City adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Accordingly, the City obtained an actuarial report to calculate the annual required contribution (ARC) necessary to fund its future actuarial liability for benefits. The City contributed 100% of the ARC as of June 30, 2008 and has chosen to continue to use the “pay-as-you-go” method during the year of implementation.

In Fiscal Year 2008, the City also adopted GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. This statement provides guidance on the required disclosure for all debt that is backed by a specific revenue source when that revenue source is not the entity’s predominate source of revenue.

The City adopted GASB Statement No. 50, *Pension Disclosures* and added additional disclosures for the Police Special Separation Allowance Pension Plan.

In addition, the City recorded two prior period adjustments which decreased beginning Net Assets of the Water Resources Fund and the Parking Facilities Enterprise Funds, by \$3,909,746 and \$301,137, respectively. These adjustments resulted from recording depreciation expense for assets previously included in “Construction in Progress”, however, that had been completed in prior periods. Assets were reclassified to the appropriate capital asset accounts and accumulated depreciation was recorded as of June 30, 2008.

Revenues and receivables of the Greensboro Housing Development Partnership were overstated in the prior year due to an accounting error and resulted in a prior period adjustment (decrease) of Beginning Net Assets of \$12,794.

All assets, liabilities and operating transactions of the State Highway Allocation Fund (Powell Bill) formerly a Special Revenue Fund, were reclassified to the General Fund in Fiscal Year 2008 and represent activities of the “Field Operations” department.

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 \$236,592,692 difference are as follows:

Bonds and Notes Payable (including Premium of \$6,653,849 and including Deferred Issuance Cost of \$1,684,508)	\$ 196,177,049
Intergovernmental Payable	3,377,452
Accrued Interest Payable	1,620,214
Certificate of Participation Payable	16,670,808
Compensated Absence	10,364,309
Lease Purchase and Other Financing Agreements Payable	8,382,860
Combined Adjustment	<u><u>\$ 236,592,692</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 \$4,838,116 difference are as follows:

Capital Outlay	\$ 13,969,354
Adjustments	3,710,592
Disposal	(347,281)
Depreciation Expense	(12,494,549)
Combined Adjustment	<u><u>\$ 4,838,116</u></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 (\$35,568,274) difference are as follows:

Issuance of Debt	\$ (51,744,012)
Principal Expenditure	17,015,171
Interest Expenditure	(588,743)
Salary Expense	(218,174)
Miscellaneous Expense	(32,516)
Combined Adjustment	<u><u>\$ (35,568,274)</u></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 a Trust Fund. 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 Guilford Metro 911 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.

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 transfer 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.

The City Council officially adopts the annual budget ordinance and all project ordinances in June and amends such ordinances as necessary to recognize changes in resources or reallocations of budgets. 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.

Supplemental budgetary amendments increased the General Fund appropriation by \$484,420, primarily for environmental testing at a City park site. No expenditures exceeded appropriations at the legal level of control during Fiscal Year 2007-2008.

B. Deficit Fund Equity

The following funds report deficit fund balances as of June 30, 2008:

Community Development Block Grant Fund	\$	(397,690)
South Elm Street Redevelopment Fund		(39,117)

These deficits will be eliminated with future reimbursements of federal grants and are largely due to timing differences for grantor processing.

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, 2008, the City's deposits had a carrying amount of \$5,842,314 and a bank balance of \$4,310,050. Of the bank balance, \$100,000 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, 2008, the ABC Board's carrying amount of deposits was \$2,130,556 and the bank balance was \$2,189,111. 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, 2008 of \$164,750. 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 service (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 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. The North Carolina Capital Management Trust (NCCMT) Cash Portfolio's securities are valued at fair value, which is the NCCMT's share price. Money market instruments that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Interest income earned in the Capital Projects funds, amounting to \$2,073,024 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	\$ 183,836,171	1.620
U.S. Government Securities	418,819	0.027
Money Markets	99,929,009	0.003
Total Fair Value	<u>\$ 284,183,999</u>	
Portfolio Weighted Average Maturity		1.047

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 the 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 2 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, we follow the 159-30 statute, and in effect the City limits its investment types to those with top ratings issued by NRSRS. As of June 30, 2008, the City had investments in the NCCMT Cash Portfolio which is rated AAA by Standard and Poor's. The City also invests in U. S. Government Agencies, all of which are AAA rated by Standard and Poor's. Investments in commercial paper by the City are rated either A1/P1 by Standard and Poor's or Moody's Investors Service.

Concentration of Credit Risk

The City does not limit the amount of investment in any one issuer. As of June 30, 2008, 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	34.83%
Federal Home Loan Bank	19.80
Federal Home Loan Mortgage Corporation	26.94

a. Interest Rate Swap

Objective of the Interest Rate Swap

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 three interest rate swap agreements with Bank of America, N.A. in October 2002, in connection with its \$13,600,000 Series 1994B Variable Rate General Obligation Bonds (Swap 1) and \$5,700,000 Series 1994 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 notional amount outstanding is \$16,450,000 as of June 30, 2008. 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 mature on June 1, 2019, and 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. The notional amount outstanding is \$26,225,000, as of June 30, 2008. Under Swap 3, the City pays the counterparty a fixed payment of 4.99% and receives a variable payment computed as 72% of 1 month LIBOR. The bond's variable rate coupons are closely associated with the SIFMA.

Fair Value

On Swaps 1, 2 and 3, because interest rates were lower on June 30, 2008 than at the date of the execution of the swaps, the swaps had estimated fair values as of June 30, 2008 of (\$106,012) (Swap 1), (\$197,788) (Swap 2) and (\$2,732,902) (Swap

3). 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, 2008, the City is exposed to credit risk in the amount of the derivatives' fair values. The swaps' counterparty was rated Aaa by Moody's Investors services (Moody's), AA+ by Standard and Poor's (S&P) and AA by Fitch Ratings (Fitch).

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 synthetic rates as of June 30, 2008 of 2.79% (Swap 1) and 3.33% (Swap 2). As of June 30, 2008, the rate on the City's bonds was 1.52%, whereas 67% of 1 Month LIBOR was 1.65%.

As also noted above, Swap 3 exposes the City to basis risk should the relationship between 72% of 1 Month LIBOR and SIFMA diverge, change the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rate of 4.99% and the synthetic rate as of June 30, 2008 of 4.77%. As of June 30, 2008, the rate on the City's bonds was 1.55%, whereas 72% of 1 Month LIBOR was 1.77%.

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. In the case of Swap 3, the swap may be terminated by the counterparty if the outstanding Combined Enterprise System Revenue Bond debt of the City 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 (or in the case of Swap 3, are for the term (maturity) of the portion of the Series 2005B Combined Enterprise System Revenue Bond that are related to Swap 3) and therefore there is no market-access risk or rollover risk.

B. Long-Term Notes Receivable

The GTA 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, GTA 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. The annual payment is secured by a First and Refunding Mortgage Bond issued by Duke Power Company to GTA. The present value of the note receivable as of June 30, 2008 is \$13,741,747. Interest income of \$15,028,367 will be recognized by the effective yield method over the remaining 19-year term of the note, based on an imputed interest rate of 8.95%.

Previously, the City sold a downtown facility associated with its library services to Elon University School of Law. In exchange, the City will receive annual interest payments of \$57,750 until 2015 when the principal payment of \$2,100,000 is

due. Accordingly, a note receivable and corresponding deferred revenue amount of \$2,100,000 is recorded in the General Fund as of June 30, 2008.

C. Capital Assets

Capital asset activity of the year ended June 30, 2008 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>					
Capital Assets, Non-depreciable:					
Land	\$ 57,169,116	\$ 11,394,497	\$	\$ (69,308)	\$ 68,494,305
Construction in Progress	47,278,914	11,223,647	(22,374,305)	(30,562,753)	5,565,503
Total Capital Assets Non-Depreciable	<u>104,448,030</u>	<u>22,618,144</u>	<u>(22,374,305)</u>	<u>(30,632,061)</u>	<u>74,059,808</u>
Capital Assets, Depreciable:					
Buildings	132,146,433	3,166,097	6,081,925	(476,259)	140,918,196
Improvements Other Than buildings	13,454,788	4,481,864	3,392,033	(24,375)	21,304,310
Furniture, Fixtures, Machinery and Equipment	126,584,598	11,584,110	463,861	(7,515,995)	131,116,574
Infrastructure	213,267,695	16,948,360	12,436,486	(125,983)	242,526,558
Total Capital Assets, Depreciable	<u>485,453,514</u>	<u>36,180,431</u>	<u>22,374,305</u>	<u>(8,142,612)</u>	<u>535,865,638</u>
Less Accumulated Depreciation for:					
Buildings	(42,808,510)	(3,692,583)	(430,920)	233,270	(46,698,743)
Improvements Other Than Buildings	(9,319,142)	(966,031)	(468,179)	10,232	(10,743,120)
Furniture, Fixtures, Machinery and Equipment	(84,889,002)	(13,644,837)	(250,554)	6,798,991	(91,985,402)
Infrastructure	(93,448,412)	(4,866,296)	(380,537)	125,983	(98,569,262)
Total Accumulated Depreciation	<u>(230,465,066)</u>	<u>(23,169,747)</u>	<u>(1,530,190)</u>	<u>7,168,476</u>	<u>(247,996,527)</u>
Total Capital Assets, Depreciable, Net Governmental Activities	<u>254,988,448</u>	<u>13,010,684</u>	<u>20,844,115</u>	<u>(974,136)</u>	<u>287,869,111</u>
Capital Assets, Net	<u>\$ 359,436,478</u>	<u>\$ 35,628,828</u>	<u>\$ (1,530,190)</u>	<u>\$ (31,606,197)</u>	<u>\$ 361,928,919</u>

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Adjustments</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-Type Activities:</u>					
Capital Assets, Non-depreciable:					
Land	\$ 40,115,631	\$ 2,458,286	\$ 454,288	\$	\$ 43,028,205
Construction in Progress	113,838,349	33,921,246	(50,298,659)	(60,104,563)	37,356,373
Total Capital Assets Non-Depreciable	<u>153,953,980</u>	<u>36,379,532</u>	<u>(49,844,371)</u>	<u>(60,104,563)</u>	<u>80,384,578</u>
Capital Assets, Depreciable:					
Buildings	208,379,141	18,916,142	26,836,031		254,131,314
Improvements Other Than buildings	27,212,760	2,450,434	61,281		29,724,475
Furniture, Fixtures, Machinery and Equipment	33,645,981	1,504,759	991,914		36,142,654
Infrastructure	443,680,378	47,511,107	21,955,145		513,146,630
Total Capital Assets, Depreciable	<u>712,918,260</u>	<u>70,382,442</u>	<u>49,844,371</u>		<u>833,145,073</u>
Less Accumulated Depreciation for: Buildings	(72,171,248)	(6,481,906)	(2,311,110)		(80,964,264)
Improvements Other Than Buildings	(16,210,637)	(575,200)	(6,096)		(16,791,933)
Furniture, Fixtures, Machinery and Equipment	(25,146,816)	(1,954,319)	(519,416)		(27,620,551)
Infrastructure	(181,372,380)	(11,429,645)	(1,378,113)		(194,180,138)
Total Accumulated Depreciation	<u>(294,901,081)</u>	<u>(20,441,070)</u>	<u>(4,214,735)</u>		<u>(319,556,886)</u>
Total Capital Assets, Depreciable					
Net Governmental Activities	<u>418,017,179</u>	<u>49,941,372</u>	<u>45,629,636</u>		<u>513,588,187</u>
Capital Assets, Net	<u>\$ 571,971,159</u>	<u>\$ 86,320,904</u>	<u>\$ (4,214,735)</u>	<u>\$ (60,104,563)</u>	<u>\$ 593,972,765</u>

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

Governmental Activities:	
General Government	\$ 658,435
Public Safety	1,638,704
Transportation, including depreciation of general infrastructure assets	5,005,245
Field Operations	35,630
Engineering and Inspections	985,740
Culture and Recreation	2,760,684
Capital assets held by the government's Internal Service Funds are charged to the various functions based on their usage of the assets	12,085,309
Total depreciation expense - Governmental Activities	<u>\$ 23,169,747</u>
Business Activities:	
Water Resources Fund including depreciation of infrastructure assets	\$ 15,437,142
Stormwater Management Fund	1,672,327
War Memorial Coliseum Fund	2,074,906
Parking Facilities Fund	644,922
Solid Waste Management Fund	611,773
Total depreciation expense - Business-Type Activities	<u>\$ 20,441,070</u>

Construction Commitments

The City has construction contract commitments on capital projects at June 30, 2008 as follows:

Governmental Funds:	
Special Revenue	\$ 1,250,655
Capital Projects	<u>3,301,555</u>
Total Governmental Funds	<u>4,552,210</u>
Enterprise Funds:	
Water Resources	16,980,327
War Memorial Coliseum	<u>409,377</u>
Total Enterprise Funds	<u>17,389,704</u>
	<u>\$ 21,941,914</u>

Discretely Presented Component Units:

Activity for GHDP for the year ended June 30, 2008, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land, Held for Sale or Development	\$ 37,500	\$ 373,690	\$	<u>\$ 411,190</u>
Capital Assets, Depreciable, Amortized:				
Equipment	3,723			3,723
Software	135			135
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)			(135)
Total Accumulated Depreciation, Amortization	<u>(3,858)</u>			<u>(3,858)</u>
Total Capital Assets, Depreciable, Amortized-Net				
GHDP Capital Assets, Net	<u>\$ 37,500</u>	<u>\$ 373,690</u>	<u>\$</u>	<u>\$ 411,190</u>

Activity for GTA for the year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Non-depreciable:				
Land	\$ 1,595,839	\$	\$	\$ 1,595,839
Construction in Progress	928,737	48,664	(928,737)	48,664
Total Capital Assets, Non-depreciable	<u>2,524,576</u>	<u>48,664</u>	<u>(928,737)</u>	<u>1,644,503</u>
Capital Assets, Depreciable:				
Buildings	19,828,011	1,112,882		20,940,893
Improvements Other Than Buildings	15,634			15,634
Furniture, Fixtures, Machinery and Equipment	13,206,380	1,937,669	(311,497)	14,832,552
Total Capital Assets, Depreciable	<u>33,050,025</u>	<u>3,050,551</u>	<u>(311,497)</u>	<u>35,789,079</u>
Less Accumulated Depreciation, Amortization for:				
Buildings	(2,369,357)	(524,120)		(2,893,477)
Improvements Other Than Buildings	(1,911)	(441)		(2,352)
Furniture, Fixtures, Machinery and Equipment	(4,842,998)	(1,204,716)	237,092	(5,810,622)
Total Accumulated Depreciation	<u>(7,214,266)</u>	<u>(1,729,277)</u>	<u>237,092</u>	<u>(8,706,451)</u>
Total Capital Assets, Depreciable-Net	<u>25,835,759</u>	<u>1,321,274</u>	<u>(74,405)</u>	<u>27,082,628</u>
GTA Capital Assets, Net	<u>\$ 28,360,335</u>	<u>\$ 1,369,938</u>	<u>\$ (1,003,142)</u>	<u>\$ 28,727,131</u>

Activity for ABC Board for the year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Non-depreciable:				
Land	\$ 339,855	\$ 175,000	\$	\$ 514,855
Construction in Progress		417,307		417,307
Total Capital Assets, Depreciable	<u>339,855</u>	<u>592,307</u>		<u>932,162</u>
Capital Assets, Depreciable:				
Buildings	1,658,954			1,658,954
Improvements Other Than Buildings	205,358	944		206,302
Furniture, Fixtures, Machinery and Equipment	1,483,998	33,753		1,517,751
Total Capital Assets, Depreciable	<u>3,348,310</u>	<u>34,697</u>		<u>3,383,007</u>
Less Accumulated Depreciation Amortization for:				
Buildings	(741,529)	(34,602)		(776,131)
Improvements Other Than Buildings	(194,370)	(5,261)		(199,631)
Furniture, Fixtures, Machinery and Equipment	(1,120,815)	(145,837)		(1,266,652)
Total Accumulated Depreciation	<u>(2,056,714)</u>	<u>(185,700)</u>		<u>(2,242,414)</u>
Total Capital Assets, Depreciable-Net	<u>1,291,596</u>	<u>(151,003)</u>		<u>1,140,593</u>
ABC Board Capital Assets, Net	<u>\$ 1,631,451</u>	<u>\$ 441,304</u>	<u>\$</u>	<u>\$ 2,072,755</u>

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 post closure care costs as an operating expense in each period based on landfill capacity used as of each June 30. The \$18,402,884 reported as landfill closure and post closure care liability at June 30, 2008 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 45% of capacity.

In November 2005, the City issued \$8.4 million in Special Obligation bonds for the purpose of construction a solid waste transfer facility. This facility, located in an industrial section of western Greensboro, 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. The White Street Landfill will only be utilized for disposal of construction, demolition debris and yard waste and in the event that the transfer station is not operational. Construction of the transfer station was completed in September 2006, with operations fully transitioned by October 31, 2006.

The estimated liability amounts are based on what it would cost to perform all closure and post closure care in the current year. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. At June 30, 2008, the City had expended \$3,876,035 to complete closure of the White Street facility, Phase II. The balance of closure costs, estimated at \$9,694,115, and an estimated \$8,705,769 for post closure care will be funded over the remaining life of the landfill.

E. 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, 2008:

1. Internal Receivables/Payables:

	<u>State and Federal Grants</u>	<u>Housing Partnership Revolving Fund</u>	<u>Total</u>
<u>Receivable By:</u>			
Non-Major Governmental Funds	\$ 210,000	\$ 377,000	\$ 587,000
<hr/>			
<u>Current Payable From:</u>			
Non-Major Governmental Funds			
Workforce Investment Act	\$ 210,000	\$	\$ 210,000
Community Development		335,000	335,000
South Elm Street Redevelopment		42,000	42,000
Total	<u>\$ 210,000</u>	<u>\$ 377,000</u>	<u>\$ 587,000</u>

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

	<u>Receivable By:</u>
	<u>General Fund</u>
Payable From: Component Unit - ABC Board	<u>\$ 623,168</u>

Internal receivables and payable were recorded due to timing in receipt of funds from outside parties. Current internal balances represent amounts advanced to the Community Development Block Grant Fund (\$335,000), Workforce Investment Act (WIA) Fund (\$210,000) and the South Elm Street Redevelopment Fund (\$42,000) 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>	\$ (31,769,508)	\$ (2,739,465)	\$ (48,077)
<u>Transfers To:</u>			
General Fund	\$	\$ 1,972,392	\$
Debt Service	18,298,500	46,055	
Non-major Governmental Funds	9,580,228	691,335	48,077
Enterprise Funds			
War Memorial Coliseum	2,000,000		
Other Non-Major Fund	1,600,000		
Internal Service Funds	290,780		
Fiduciary Funds		29,683	
Total	\$ 31,769,508	\$ 2,739,465	\$ 48,077

	<u>Water Resources Fund</u>	<u>Coliseum Fund</u>	<u>Stormwater Management Fund</u>	<u>Total</u>
<u>Transfers From:</u>	\$ (190,500)	\$ (1,750)	\$ (7,500)	\$ (34,756,800)
<u>Transfers To</u>				
General Fund	\$	\$	\$	\$ 1,972,392
Debt Service				18,344,555
Non-Major Governmental Funds	50,000	1,750	7,500	10,378,890
Enterprise Funds:				
War Memorial Coliseum				2,000,000
Other Non-major Fund				1,600,000
Internal Service Funds	140,500			431,280
Fiduciary Funds				29,683
Total	\$ 190,500	\$ 1,750	\$ 7,500	\$ 34,756,800

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.

During the 2008 fiscal year, expenditures of the State Highway Allocation Fund have been combined with the General Fund and are no longer treated as a transfer for reporting purposes.

The Greensboro ABC Board transferred \$2,661,748 to the General Fund in Fiscal Year 2008, which was recorded as Intergovernmental Revenue. In addition, \$138,894 was reflected as an operational expense and revenue for a transfer from the GTA to the Street and Federal Grant Fund, and \$108,177 was reflected as an operational expense and revenue for a transfer from the Public Transportation Bond Fund-Series 03 to GTA.

F. 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, 2008 is \$1,520,734,148. Long-term Bonded Debt consists of the following:

1. General Governmental Improvement General Obligation Bonds

These outstanding tax-exempt and taxable bonds bear interest, payable monthly, at variable rates along with interest payable semi-annually at fixed rates from 3.0% to 5.25%. The outstanding tax-exempt and taxable variable rate bonds are reported at 1.52% and 2.55%, respectively as of June 30, 2008. Principal is payable annually in varying amounts through 2028. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

\$191,207,707

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.

4,114,168

3. Enterprise Improvement General Obligation Bonds

These General Obligation Bonds were issued for water and sewer improvements. It is expected that the revenues produced by this enterprise will meet the debt service required for bond retirement. Outstanding tax-exempt bonds bear interest, payable semi-annually, at a rate of .52% to 1.31%. Principal is payable annually in varying amounts through 2010. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

273,125
\$195,595,000

4. 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. In January 2008, the City defeased additional bonds, as described below. At June 30, 2008, \$56,005,000 of General Obligation Bonds outstanding are considered defeased.

5. General Obligation Bonds Debt Service Requirements to Maturity are:

On June 27, 2007, the City issued \$4,300,000 fixed rate General Obligation Public Improvement Bond Anticipation Notes payable at 4.25% on February 1, 2008. The original issue premium of \$13,717 was retired as of June 30, 2008. The \$4,300,000 in Bond Anticipation Notes were reclassified to a current liability account awaiting retirement in Fiscal Year 2007-2008. In addition, on October 30, 2007, the City issued \$2,500,000 fixed rate General Obligation Public Improvement Bond Anticipation Notes payable at 4.25% on February 1, 2008. The original issue premium amounted to \$1,549. The City retired both the 2007 and the 2008 Bond Anticipation Notes on February 1, 2008, in conjunction with the issuance of the 2008 General Obligation Public Improvement Bonds.

On January 17, 2008, the City issued \$40,220,000 2008A General Obligation Public Improvement Bonds at fixed rates from 3.5% to 5.0% payable semi-annually on February 1 and August 1 with a final maturity in 2025. The original issue premium amounted to \$3,386,915. The City also issued \$10,000,000 in 2008B variable rate General Obligation Public Improvement Bonds with interest payable monthly and a final maturity of 2028. The proceeds of these bonds will be used for parks and recreational facilities, street improvements, public transportation system, libraries, fire stations, museum facilities, economic development and improvements to other City facilities.

The City also issued on January, 17, 2008, \$23,445,000 Series 2008 General Obligation Public Improvement Refunding Bonds to defease \$24,380,000 Series 1998A Public Improvement General Obligation Bonds. The net proceeds of \$25,244,361 (net of \$107,650 in underwriting fees, accrued interest and other issuance costs) were placed in escrow in an irrevocable trust to provide all future debt service payments on the old bonds. As a result, the debt service payments have been reduced by \$1,873,922 for the 11 year period and the liability of the 1998 General Obligation Bonds has been removed from the City's financial statements. The General Obligation Public Improvement Refunding Bonds Series 2008 were issued at fixed rates from 3.25% to 5% payable semi-annually on April 1 and October 1 with a final maturity in 2018. The original issue premium amounted to \$1,907,876.

Fiscal Year	Governmental Activities Annual Requirements		Business-Type Activities Annual Requirements		Total
	Principal	Interest	Principal	Interest	
2008-09	\$ 16,858,944	\$ 7,078,904	\$ 191,056	\$ 13,540	\$ 24,142,444
2009-10	17,252,931	6,505,648	82,069	4,017	23,844,665
2010-11	17,365,000	5,915,924			23,280,924
2011-12	14,615,000	5,278,036			19,893,036
2012-13	11,420,000	4,782,393			16,202,393
2013-18	47,390,000	19,273,046			66,663,046
2018-23	47,220,000	6,626,764			53,846,764
2023-28	23,200,000	1,212,174			24,412,174
	<u>\$ 195,321,875</u>	<u>\$ 56,672,889</u>	<u>\$ 273,125</u>	<u>\$ 17,557</u>	<u>\$ 252,285,446</u>

6. Special Obligation Bonds

In 1997, the City issued \$16,000,000 in tax-exempt Special Obligation Bonds. Outstanding bonds bear interest payable semi-annually at fixed rates from 5.0% to 5.2%. Principal is 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, 2008 is 6.20. The City demonstrated compliance with bond covenants during Fiscal Year 2007-08.

Special Obligation 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>	
2008-09	\$ 1,750,000	\$ 693,546	\$ 2,443,546
2009-10	1,835,000	610,946	2,445,946
2010-11	1,920,000	522,640	2,442,640
2011-12	2,020,000	429,160	2,449,160
2012-13	2,115,000	330,780	2,445,780
2013-18	3,275,000	857,100	4,132,100
2018-20	1,535,000	115,999	1,650,999
	<u>\$ 14,450,000</u>	<u>\$ 3,560,171</u>	<u>\$ 18,010,171</u>

7. Combined Enterprise System Revenue Bonds

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 will be used for improvements to the City's water system and sanitary sewer system.

On December 7, 2006, the City issued \$49,480,000 Series 2006A 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 is \$2,557,141. As a result, the liabilities for a portion of the 1998A, 2001A and 2003A Series Revenue Bonds have been removed for the Water Resources Fund. The proceeds of these bonds will be 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 will be 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 \$9,710,000 in 2003A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 3.0% 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 City has \$9,365,000 fixed rate 2001A bearing interest rates from 4.25% to 5.50% maturing in 2014. The \$20,190,000 Series 2001B variable rate tax-exempt Combined Enterprise System Revenue Bonds mature in 2026. A portion of the 2001B bonds were issued to defease \$10,000,000 Variable Rate 1995B tax-exempt bonds.

The City has \$6,055,000 in outstanding tax-exempt 1998A Revenue Bonds bearing interest payable semi-annually at fixed rates from 4.6% to 5.5% maturing in 2012. In addition, \$10,000,000 in tax-exempt variable rate 1998B Revenue Bonds are outstanding with principal payable annually in varying amounts through 2024.

The Combined Enterprise System is currently comprised of the City's water and sanitary sewer system. Principal and interest requirements will be provided by and appropriation in the year in which they become due. The outstanding tax-exempt variable rate bonds are reported from 1.52% to 2.55% as of June 30, 2008.

The City has pledged future water and sewer customer revenues, net of specified operating expenses to the payment of and as security for the Revenue Bonds. 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. The coverage ratio at June 30, 2008 is 2.64. The City was in compliance with all such covenants during Fiscal Year 2007-08.

Revenue Bonds Debt Service Requirements to Maturity are:

Fiscal Year	Business-Type Activities		Total
	Principal	Interest	
2008-09	\$ 8,015,000	\$ 10,799,077	\$ 18,814,077
2009-10	8,485,000	10,515,642	19,000,642
2010-11	8,765,000	10,198,078	18,963,078
2011-12	9,175,000	9,855,648	19,030,648
2012-13	9,470,000	8,808,332	18,278,332
2013-18	54,630,000	31,271,665	85,901,665
2018-23	63,885,000	16,365,465	80,250,465
2023-28	47,885,000	5,642,938	53,527,938
2028-32	17,585,000	670,161	18,255,161
	<u>\$ 227,895,000</u>	<u>\$ 104,127,006</u>	<u>\$ 332,022,006</u>

8. Certificates of Participation

In June 2005, the Greensboro Center City Corporation (GCCC) issued \$7,000,000 in tax-exempt Certificates of Participation to finance equipment purchases of the City. The certificates bear interest, payable quarterly, at a variable rate. Principal and interest is payable annually in varying amounts through June 2009.

Certificates of Participation of the GCCC have been issued in prior years for parking facilities, expansion and improvements to the War Memorial Coliseum Complex, and equipment purchases. Outstanding certificates bear interest payable monthly and quarterly at variable rates and payable semi annually at fixed rates on taxable and tax exempt issues from 3% to 7.25%. The outstanding taxable variable rate bonds are reported from 1.54% to 2.55% as of the end of June 30, 2008. Principal is payable annually in varying amounts through 2016. 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 Parking Facilities Enterprise Fund for the debt service attributable to parking facilities; in the Hotel/Motel Occupancy Tax Special Revenue Fund and War Memorial Coliseum Enterprise Fund for the portion of the debt service attributable to the Coliseum expansion and improvements; and in the Capital Leasing Internal Service Fund for the debt service attributable to equipment purchases.

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, 2008, \$14,345,000 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>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>	
2008-09	\$ 6,205,808	\$ 544,219	\$ 2,289,192	\$ 36,318	\$ 9,075,537
2009-10	2,690,000	354,480	150,000	3,825	3,198,305
2010-11	2,870,000	266,858			3,136,858
2011-12	3,040,000	193,673			3,233,673
2012-13	1,220,000	116,153			1,336,153
2013-16	4,145,000	174,548			4,319,548
	<u>\$ 20,170,808</u>	<u>\$ 1,649,931</u>	<u>\$ 2,439,192</u>	<u>\$ 40,143</u>	<u>\$ 24,300,074</u>

9. 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 5.92% and redevelopment projects that bear interest from 2.7% to 8.12%. Interest and principal are payable monthly and quarterly through 2023. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

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>	
2008-09	\$ 5,093,818	\$ 954,286	\$ 860,763	\$ 205,156	\$ 7,114,023
2009-10	4,985,677	798,798	657,396	177,413	6,619,284
2010-11	3,762,596	624,415	632,572	155,641	5,175,224
2011-12	2,474,352	493,974	645,447	134,388	3,748,161
2012-13	2,451,062	405,819	661,501	112,615	3,630,997
2013-18	3,041,657	1,261,742	2,202,792	309,482	6,815,673
2018-23	2,883,361	382,382	530,212	23,405	3,819,360
	<u>\$ 24,692,523</u>	<u>\$ 4,921,416</u>	<u>\$ 6,190,683</u>	<u>\$ 1,118,100</u>	<u>\$ 36,922,722</u>

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 \$2,035,227 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 and interest rate of 2.55%

The City has outstanding fixed rate HUD Section 108 Notes of \$5,731,000. 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 \$2,294,000 including a current year addition of \$415,000 maturing in 2023. Interim and current year additional notes bear interest at a rate of 3 Month LIBOR plus 20 basis points which approximated 2.73% at June 30, 2008. Total notes outstanding for HUD funding is \$8,025,000 with a total commitment of \$10,461,000.

In June 2008, the City entered into a master lease agreement with Suntrust Bank for \$9,000,000 at a fixed rate of 3.246%, maturing in 2013. In addition, the City has outstanding \$8,366,605 in Bank of America master lease agreements to finance equipment purchases. The City entered into the initial lease agreement of \$4,715,384 at a fixed rate of 5.92% in April 2006 that matures in 2010. Additional agreements of \$4,200,000 and \$2,953,277 were entered into in December 2006 and February 2007, at fixed interest rates of 3.657% and 3.765%, maturing in 2011 and 2020, respectively. The City has outstanding a total of \$17,366,605 in master lease agreements.

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 2018 which is collateralized by the District's real property. The outstanding amount as of June 30, 2008 is \$357,860.

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

Long-term liability activity for the year ended June 30, 2008, was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u> ⁽¹⁾	Due Within <u>One Year</u>
Governmental Activities:					
<i>Bonds and Notes Payable:</i>					
General Obligation Bonds	\$ 165,123,593	\$ 76,165,000	\$ (45,966,718)	\$ 195,321,875	\$ 16,858,944
Certificates of Participation	26,211,048		(6,040,240)	20,170,808	6,205,808
Section 108 HUD Loan	7,933,000	415,000	(323,000)	8,025,000	354,000
Fire Station Loan	380,762		(22,902)	357,860	24,219
Master Lease Agreement	7,484,272	9,000,000	(2,048,384)	14,435,888	3,830,768
<i>Less Deferred Amounts:</i>					
For Issuance Premium	2,328,185	5,296,341	(704,318)	6,920,208	
Total Debt Payable	<u>209,460,860</u>	<u>90,876,341</u>	<u>(55,105,562)</u>	<u>245,231,639</u>	<u>27,273,739</u>
<i>Other Liabilities</i>					
Capital Leases	1,437,544	1,168,358	(732,127)	1,873,775	884,831
Compensated Absences ⁽²⁾	10,542,768	8,406,822	(8,212,884)	10,736,706	6,667,933
Governmental Activity Long-Term Liability	<u>\$ 221,441,172</u>	<u>\$ 100,451,521</u>	<u>\$ (64,050,573)</u>	<u>\$ 257,842,120</u>	<u>\$ 34,826,503</u>
	Beginning <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u>	Due Within <u>One Year</u>
Business-Type Activities:					
<i>Bonds and Notes Payable:</i>					
General Obligation Bonds	\$ 851,407		\$ (578,282)	\$ 273,125	\$ 191,056
Special Obligation Bonds	16,125,000		(1,675,000)	14,450,000	1,750,000
Revenue Bonds	234,515,000		(6,620,000)	227,895,000	8,015,000
Certificates of Participation	4,663,952		(2,224,760)	2,439,192	2,289,192
Master Lease Agreement	2,953,777		(23,060)	2,930,717	187,129
State Water Revolving Loan	2,289,630		(254,403)	2,035,227	254,403
Watershed Protection Bonds	1,643,695		(418,956)	1,224,739	419,231
<i>Less Deferred Amounts:</i>					
For Issuance Discounts	(5,376)		4,420	(956)	
For Issuance Premiums	9,321,479		(790,601)	8,530,878	
Total Debt Payable	<u>272,358,564</u>		<u>(12,580,642)</u>	<u>259,777,922</u>	<u>13,106,011</u>
<i>Other Liabilities</i>					
Accrued Landfill Liability	12,514,647	5,888,237		18,402,884	500,000
Compensated Absences	1,882,452	1,833,156	(1,694,074)	2,021,534	1,474,111
Business-Type Activity Long-Term Liability	<u>\$ 286,755,663</u>	<u>\$ 7,721,393</u>	<u>\$ (14,274,716)</u>	<u>\$ 280,202,340</u>	<u>\$ 15,080,122</u>

The gross amount of assets acquired under capital leases at June 30, 2008, (\$1,168,358) 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.

	<u>Ending Balance</u>
Internal Service Funds:	
Bonds and Notes Payable:	
General Obligation Bonds Payable	\$ 4,114,168
Premium - General Obligation Bonds Payable	266,359
Certificate of Participation Payable	3,500,000
Total Debt Payable	<u>7,880,527</u>
Other Liabilities:	
Capital Leases	1,873,775
Other Financing Agreements	14,435,888
Compensated Absences	372,397
Internal Service Fund	
Long-Term Liability	<u>\$ 24,562,587</u>

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

Swap Payments and Associated Debt

Using rates as of June 30, 2008, 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. For further description of the transactions, see Derivative disclosure in Note IV. A, Deposits and Investments.

Fiscal Year Ending <u>June 30</u>	<u>Variable Rate Bonds</u>		Interest Rate Swaps,		<u>Total</u>
	<u>Principal</u>	<u>Interest</u> ⁽¹⁾	<u>Net</u> ⁽²⁾		
2009	\$ 3,350,000	\$ 656,528	\$ 1,083,374	\$	5,089,902
2010	3,670,000	605,068	1,005,781		5,280,849
2011	3,755,000	548,678	919,840		5,223,518
2012	3,960,000	491,000	833,112		5,284,112
2013	4,175,000	430,175	741,736		5,346,911
2014	4,345,000	366,048	645,391		5,356,439
2015	2,470,000	299,300	544,550		3,313,850
2016	2,600,000	261,015	465,090		3,326,105
2017	2,735,000	220,715	381,448		3,337,163
2018	2,880,000	178,323	293,463		3,351,786
2019	5,775,000	133,683	200,813		6,109,496
2020	2,960,000	44,992	53,580		3,058,572
	<u>\$ 42,675,000</u>	<u>\$ 4,235,525</u>	<u>\$ 7,168,178</u>	<u>\$</u>	<u>54,078,703</u>

(1) Computed at 1.52% on Swap 1 and Swap 2 and 1.55% on swap 3 at June 30, 2008

(2) Computed at (2.92% less 67% of 1 Month LIBOR at June 30, 2008-Swap 1) and (3.46% less 67% of 1 Month LIBOR at June 30, 2008-Swap 2) and (4.99% less 72% of 1 Month LIBOR at June 30, 2008-Swap 3)

G. 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, 2008 amounted to \$12,758,240 of which \$10,736,706 relates to Governmental Activities and \$2,021,534 relates to Business-Type Activities. Changes in accumulated annual leave are as follows:

<u>Fund Type</u>	<u>Balance 7/1/2007</u>	<u>Current Year</u>		<u>Balance 6/30/2008</u>	<u>Due Within One Year</u>
		<u>Increase</u>	<u>Decrease</u>		
Governmental Activities	\$ 10,542,768	\$ 8,406,822	\$ (8,212,884)	\$ 10,736,706	\$ 6,667,933
Business-Type Activities	1,882,452	1,833,156	(1,694,074)	2,021,534	1,474,111
	<u>\$ 12,425,220</u>	<u>\$ 10,239,978</u>	<u>\$ (9,906,958)</u>	<u>\$ 12,758,240</u>	<u>\$ 8,142,044</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, 2008. GTA leave liability is \$47,554.

City employees had accumulated sick leave benefits of \$45,452,514 at June 30, 2008, 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, Employee Blanket Bond \$ 100,000.

All operating funds of the City participated in the risk management program and make payments to the Employee Insurance Fund and the General Insurance Fund based on the insured 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 Insurance

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

2. General Insurance

The City's General Insurance Fund consists of the five separate funds in the 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 Corporation. 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 Revolving Fund – Primary Liability Coverage pays amounts in excess of \$100,000 up to \$4,400,000 per occurrence, with an aggregated available for the City of \$9,066,266 as of June 30, 2008. Additional amounts of \$2,978,026 are recorded in the Excess Liability Fund – Tier 1 for payment of City claims. A new tier of coverage was established in April 2007, to replace purchased Excess Liability coverage and to support General Liability claims. The balance on deposit as of June 30, 2008 is \$843,202. Amounts paid by the Revolving Fund – Employer's Liability/Worker's Compensation Fund are to be repaid in subsequent years by the member incurring the loss. Accordingly, a total of \$12,887,494 is included in the City's General Insurance Fund as insurance deposits. A portion of the Excess Liability Fund – Tier 1, \$976,868 is also available to be used as a "run-off" account for any unsettled claims which occurred as of December 31, 1999 and were reported by January 7, 2000. This amount will be handled under the old fund structure and will be shared by members in accordance with the original bylaws. In addition, the City recorded \$1,108,300 in insurance deposits in the Employee Insurance Fund to reflect amounts held by the ELF to pay employer's liability and workers' compensation claims.

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 2008, the City contributed \$50,000 to the Property Deductible Fund. At June 30, 2008 following distribution of net earnings to individual accounts for respective members, the fund held deposits of \$393,475, 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 Excess Liability Fund – Tier 1, 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 2008 and 2007 are as follows:

	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Total 2007-08</u>	<u>Total 2006-07</u>
Balance-July 1	\$ 6,631,334	\$ 1,282,213	\$ 7,913,547	\$ 7,372,160
Add: Incurred Claims (including IBNR's and Changes in Estimates	23,863,086	751,828	24,614,914	24,380,959
Deduct: Claims Payments	(23,767,421)	(741,401)	(24,508,822)	(23,839,572)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance - June 30	\$ 6,726,999	\$ 1,292,640	\$ 8,019,639	\$ 7,913,547
	<hr/>	<hr/>	<hr/>	<hr/>

B. Subsequent Events

On July 16, 2008, the Greensboro City Council authorized the placement of four general obligation bond issues for voter approval on the November 4, 2008 referendum ballot, as follows:

Street Improvements Bonds	\$ 134,000,000	(Passed)
War Memorial Auditorium Bonds	50,000,000	(Defeated)
Parks and Recreational Facilities Bonds	20,000,000	(Passed)
Housing Bonds	1,000,000	(Passed)
	<hr/>	
	\$ 205,000,000	
	<hr/>	

C. Commitments and Contingencies

1. Legalities

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, 2008 are comprised of the following:

	<u>Project Authorization</u>	<u>Expended Through June 30, 2008</u>	<u>Unexpended Authorization</u>
Governmental Funds:			
General Fund ⁽¹⁾	\$ 8,225,980	\$ 7,922,139	\$ 303,841
Special Revenue	2,660,865	1,920,353	740,512
Capital Projects	378,798,331	262,476,657	116,321,674
	<hr/>	<hr/>	<hr/>
	\$ 389,685,176	\$ 272,319,149	\$ 117,366,027
	<hr/>	<hr/>	<hr/>
Enterprise Funds:			
Water Resources	\$ 289,404,627	\$ 214,189,857	\$ 75,214,770
Coliseum	6,308,992	5,364,453	944,539
Stormwater Management	9,890,082	4,409,029	5,481,053
Solid Waste Management	13,442,050	13,287,281	154,769
	<hr/>	<hr/>	<hr/>
	\$ 319,045,751	\$ 237,250,620	\$ 81,795,131
	<hr/>	<hr/>	<hr/>

(1) Powell Bill Transportation Projects.

3. Financial Assistance Programs

The City participates in a number of Federal and State financial assistance programs. For the Fiscal Year ended June 30, 2008, 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, 2008 total \$288,557. Future lease payments, less payments under sublease agreement, are as follows:

Fiscal Year	Lease Payments
2008-09	\$ 294,700
2009-10	226,600
2010-11	182,700
2011-12	108,700
2012-13	58,100
	<u>\$ 870,800</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, 2008 totaled \$2,107,865. Future lease payments are as follows:

Fiscal Year	Lease Payments
2008-09	\$ 1,708,564
2009-10	1,018,572
2010-11	434,409
2011-12	34,896
	<u>\$ 3,196,441</u>

6. Contingencies

During 1996, the City entered into a line of credit loan guarantee agreement with a financial institution to guarantee obligations up to \$150,000 for GHDP for housing rehabilitation in the Asheboro Target Area. In August 1999, the amount was increased to \$300,000 for additional rehabilitation work. Subsequently, the agreement was re-negotiated and increased to \$650,000 in 2001 to allow for new construction in the Bingham Street neighborhood. In 2002, the City Council authorized an additional loan guarantee in the amount of \$215,000 in conjunction with the development of the Southside neighborhood. During Fiscal Year 2005, all of the \$215,000 loan guarantee was repaid by GHPD, with a pledge of 25% of the proceeds from the sale of each newly constructed home unit. In addition, the \$650,000 line of credit was fully paid as of June 30, 2008.

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 as of June 30, 2008. 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 to 53.1%.

The Authority began construction of the dam in August 2001, which is currently complete. The Authority will also construct a Water Treatment Plant to be financed from revenue bonds, expected to be issued by the Authority in FY 2008-2009. The City has contributed an additional \$19,020,218 as of June 2008 for reservoir and infrastructure improvements and an additional \$33,544,093 in FY 08 for the Water Treatment Plant Project. The City's investment, \$81,297,310, is reported in the Water Resources Enterprise Fund as an Intangible Asset, representing future water rights. 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, established the Authority to promote regional tourism. The City appoints five members of the Authority's thirteen member board. The Authority receives room occupancy taxes which are levied on gross receipts from rental accommodations within Guilford 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 Guilford County. During Fiscal Year 2007-08, the City levied \$3,816,425 in room occupancy taxes, of which \$763,285 was remitted to the Authority of travel and tourism promotion.

F. Related Organization

Greensboro Housing Authority (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 City 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

Plan Description

In addition to the pension benefits described in Note I, the City also provides post-employment benefits to retirees ("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. 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. A separate report was not issued for the Plan.

Membership of the Plan consisted of the following at December 31, 2005, the date of the latest actuarial valuation:

	General <u>Employees</u>	Law Enforcement <u>Officers</u>	<u>Firefighters</u>	<u>Total</u>
Retirees receiving benefits	-	-	-	1,378
Active plan members	<u>1,932</u>	<u>564</u>	<u>430</u>	<u>2,926</u>
Total	<u><u>1932</u></u>	<u><u>564</u></u>	<u><u>430</u></u>	<u><u>4,304</u></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.

The current Annual Required Contribution (“ARC”) or \$3,554,069, is 2.88% of annual covered payroll. For the current year, the City contributed \$3,554,069 (or 2.88% of annual coverage payroll) toward actual benefit payments. 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. 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 expenditures are made from the Employee Insurance 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. No funds have been set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB and Net OPEB Obligations

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

Annual Required Contribution	\$ 3,554,069
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB Cost (expense)	3,554,069
Contributions Made	<u>(3,554,069)</u>
Increase (decrease) in Net OPEB Obligation	-
Net OPEB Obligation-Beginning of Year	-
Net OPEB Obligation-End of Year	<u><u>\$ -</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 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>
6/30/2008	\$ 3,554,069	100.0%	\$ -0-

Funded Status and Funding Progress

In the December 31, 2005, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$ 44,832,743. The covered payroll (annual payroll of active employees covered by the Plan) was \$118,928,047, and the ratio of the UAAL to the covered payroll was 37.7%. 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, 2005 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return which is the expected long-term investment return on the employer's own investments calculated based on the funded level of the Plan at the valuation date, and an annual medical cost trend increase of 12.00 to 6.00 percent annually. Both rates included a 3.75 percent 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 an open basis. The remaining amortization period at December 31, 2005, 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 and is also holding annuity contracts in compliance with GASB Statement 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% of salary, less FICA, if applicable, to the Plan for participating full time employees. The City contributes an additional 2% of salary, less FICA, if applicable, for those engaged in firefighting, if firefighters choose to defer at least 2% of their salary, as well. Those employees engaged in law enforcement may participate in the Plan, however, no City contributions are made on their behalf, but instead are contributed in 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, 2008 was \$67,215,099.

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, 2008 was \$135,989,513 and the City's total payroll was \$145,425,239.

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 enforcement 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, 2008, 2007, and 2006 were \$5,095,563, \$4,967,564, and \$4,778,308, 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 4.90% and 4.87% of covered payroll, respectively.

The System also provides retirement benefits to permanent Greensboro ABC Board employees. Covered employees contribute 6% of their individual salaries. Effective July 1, 2005, the Board's mandatory contribution was 4.9%. The Board contributions to the System for the years ended June 30, 2008, 2007 and 2006 were \$378,790, \$360,758, and \$342,150, respectively or 100% of the required contribution in each of the past three years.

The System has no unfunded accrued pension liability as of June 30, 2008. The contribution requirements of employee's 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.

The payroll for employees covered by the System for the Fiscal Year ended June 30, 2008 was \$31,999,063. The City's total payroll was \$145,425,239.

All full-time City law enforcement officers are covered by the System. At December 31, 2007, the date of the latest actuarial valuation, the System's membership consisted of:

Retirees currently receiving benefits	116
Active plan members	<u>571</u>
Total	<u><u>687</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 .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 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 federal agencies as follows:

<u>Agency</u>	<u>% of Plan Net Assets</u>
Federal Home Loan Bank	19.80%
Federal National Mortgage Association	34.83
Federal Home Loan Mortgage Corporation	26.94

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 \$1,900,274 or 5.9% of annual covered payroll. Current contributions equaled 126% of the actuarially required amounts in Fiscal Year 2007-08. 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, 2007 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 3.75%. 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, 2007 was 23.

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Obligation</u>
6/30/2006	\$ 1,754,808	101.40	\$ (2,164,533)
6/30/2007	1,421,830	128.34	(2,567,453)
6/30/2008	1,484,635	128.00	(2,983,092)

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

Annual Required Contribution	\$ 1,513,009
Interest on Net Pension Obligation	(186,140)
Adjustment to Annual Required Contribution	157,766
Annual Pension Cost	<u>1,484,635</u>
Contributions Made	<u>(1,900,274)</u>
Decrease in Net Pension Obligation	(415,639)
Net Pension Obligation-Beginning of Year	<u>(2,567,453)</u>
Net Pension Obligation-End of Year	<u><u>\$ (2,983,092)</u></u>

d. Funded Status and Funding Progress

As of December 31, 2007, 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 \$19,222,221 and \$13,918,598, respectively. The covered payroll (annual payroll of active employees covered by the plan) was \$30,409,922, and the ratio of the UAAL to the covered payroll was 45.8 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

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 6.00 percent investment rate of return, projected salary increases at 4.00 percent and a 3.75 percent 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, 2007 was 23 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, 2008 were calculated using a covered payroll (base salary) in the amount of \$29,960,471. The City's total payroll was \$145,425,239. Total contributions were \$3,368,485, which consisted of \$1,498,024 from the City and \$1,870,461 from the law enforcement officers. The City's required contributions and the officer's voluntary contributions represented 5.0% and 6.24% 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, 1998 - 2007

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)
12/31/98	\$2,617,828	\$10,512,393	24.9%	\$7,894,565	\$19,370,384	40.8%
12/31/99	2,700,772	11,397,369	23.7	8,696,597	20,497,436	42.4
12/31/00	* 3,244,197	14,006,640	23.2	10,762,443	21,823,165	49.3
12/31/01	3,980,402	14,890,819	26.7	10,910,417	22,633,569	48.2
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

* Reflects changes in actuarial assumptions.

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, 1999 - 2008

Year Ended 6/30	Annual Required Contribution	Percentage Contributed
1999	\$ 876,382	100.0%
2000	976,812	133.1
2001	1,069,146	146.2
2002	1,233,895	122.5
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

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	12/31/2007
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Closed
Remaining Amortization Period	23 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 3.75%
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

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability - Projected Unit Credit (b)</u>	<u>Funded Ratio (a) / (b)</u>	<u>Unfunded Actuarial Accrued Liability (b) - (a)</u>	<u>Covered Payroll (c)</u>	<u>Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (b - a) / c)</u>
12/31/05	\$ -	\$44,832,743	0%	\$44,832,743	\$118,928,047	37.7%

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 Year Ended June 30, 2008

Year Ended 6/30	Annual Required Contribution	Percentage Contributed
2008	\$3,554,069	100.0%

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	12/31/2005
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level percent of pay, open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return (1)	4.0%
Medical Cost Trend Rate	12.0% - 6.0%
Year of Ultimate Trend Rate	2010

(1) Includes inflation at: 3.75%

COMBINING BALANCE SHEETNonmajor Governmental Funds
June 30, 2008

ASSETS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 12,848,191	\$ 3,710,205	\$	\$ 16,558,396
Receivables:				
Taxes	9,870			9,870
Accounts, Notes and Mortgages	23,405,559			23,405,559
Assessments	82,847			82,847
Intergovernmental	1,470,715			1,470,715
Internal Receivables	587,000			587,000
Assets Held for Resale	95,180			95,180
Restricted Assets:				
Cash and Cash Equivalents/Investments	1,846,598	53,412,650	2,089,396	57,348,644
Receivables:				
Accounts, Notes and Mortgages	18,543			18,543
Total Assets	<u>\$ 40,364,503</u>	<u>\$ 57,122,855</u>	<u>\$ 2,089,396</u>	<u>\$ 99,576,754</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 285,053	\$	\$	\$ 285,053
Contracts/Retainage Payable	615,247	141,993		757,240
Internal Payable	587,000			587,000
Miscellaneous	114,970			114,970
Deferred Revenues	25,907,597			25,907,597
Liabilities Payable from Restricted Assets:				
Accounts Payable		21,375		21,375
Contracts/Retainage Payable		1,547,904		1,547,904
Total Liabilities	<u>27,509,867</u>	<u>1,711,272</u>		<u>29,221,139</u>
Fund Balances:				
Reserved by State Statute	3,112,591			3,112,591
Reserved for Encumbrances	405,499			405,499
Reserved for Assets Held for Resale	95,180			95,180
Reserved for Perpetual Care			2,089,396	2,089,396
Total Reserved Fund Balance	<u>3,613,270</u>		<u>2,089,396</u>	<u>5,702,666</u>
Unreserved, Reported In:				
Designated for Subsequent Year's Expenditures:				
Special Revenue Funds	2,375,035			2,375,035
Capital Projects Funds				
Total Unreserved-Subsequent Year's Expenditures	<u>2,375,035</u>			<u>2,375,035</u>
Designated for Specific Purposes:				
Special Revenue Funds	5,416,123			5,416,123
Capital Projects Funds		55,411,583		55,411,583
Total Unreserved-Specific Purposes	<u>5,416,123</u>	<u>55,411,583</u>		<u>60,827,706</u>
Undesignated:				
Special Revenue Funds	1,450,208			1,450,208
Total Fund Balances	<u>12,854,636</u>	<u>55,411,583</u>	<u>2,089,396</u>	<u>70,355,615</u>
Total Liabilities and Fund Balances	<u>\$ 40,364,503</u>	<u>\$ 57,122,855</u>	<u>\$ 2,089,396</u>	<u>\$ 99,576,754</u>

COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds
June 30, 2008

ASSETS	STREET AND SIDEWALK REVOLVING	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS
Cash and Cash Equivalents/Investments	\$ 4,439,476	\$ 339,903	\$ 134,875	\$ 1,472,387
Receivables:				
Taxes				9,870
Accounts, Notes and Mortgages		10,009		
Assessments	82,847			
Intergovernmental	13,617	2,994	243,080	1,168
Internal Receivables				
Assets Held for Resale	95,180			
Restricted Assets:				
Cash and Cash Equivalents/Investments				
Receivables:				
Accounts, Notes and Mortgages				
Total Assets	\$ 4,631,120	\$ 352,906	\$ 377,955	\$ 1,483,425
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 200	\$	\$	\$
Contracts/Retainage Payable				
Internal Payable				
Miscellaneous	1,693			
Deferred Revenues	207,349	9,060		10,638
Total Liabilities	209,242	9,060		10,638
Fund Balances:				
Reserved by State Statute	108,797	3,943	243,080	1,168
Reserved for Encumbrances	14,899	7,758		40,989
Reserved for Assets Held for Resale	95,180			
Unreserved Fund Balance:				
Designated for Subsequent Year's Expenditures	647,226	15,789		
Designated for Specific Purposes	3,555,776		134,875	
Undesignated		316,356		1,430,630
Total Fund Balances	4,421,878	343,846	377,955	1,472,787
Total Liabilities and Fund Balances	\$ 4,631,120	\$ 352,906	\$ 377,955	\$ 1,483,425

<u>HOUSING PARTNERSHIP REVOLVING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>HOME PROGRAM</u>	<u>HOPE VI</u>	<u>WORKFORCE INVESTMENT ACT</u>	<u>SOUTH ELM STREET REDEVELOPMENT</u>	<u>STATE AND FEDERAL GRANTS</u>
\$ 2,227,555	\$ 3,907	\$ 207,108	\$ 430,728	\$ 2,095	\$ 2,883	\$ 1,131,297
11,925,695	5,148,446	5,368,922				952,487
25,043	284,982	118,211		285,571		160,785
377,000						210,000
						1,846,598
						18,543
<u>\$ 14,555,293</u>	<u>\$ 5,437,335</u>	<u>\$ 5,694,241</u>	<u>\$ 430,728</u>	<u>\$ 287,666</u>	<u>\$ 2,883</u>	<u>\$ 4,319,710</u>
\$ 34,275	\$ 5,094	\$ 73,891	\$	\$ 42,357	\$	\$ 4,818
94,000	250,063		229,262	27,883		14,039
	335,000			210,000	42,000	
15,020	98,257					
11,921,270	5,146,611	5,368,922				3,243,747
<u>12,064,565</u>	<u>5,835,025</u>	<u>5,442,813</u>	<u>229,262</u>	<u>280,240</u>	<u>42,000</u>	<u>3,262,604</u>
406,468	286,817	118,211		285,571		1,323,272
236,364						
1,261,183						
586,713	(684,507)	133,217	201,466	(278,145)	(39,117)	(266,166)
2,490,728	(397,690)	251,428	201,466	7,426	(39,117)	1,057,106
<u>\$ 14,555,293</u>	<u>\$ 5,437,335</u>	<u>\$ 5,694,241</u>	<u>\$ 430,728</u>	<u>\$ 287,666</u>	<u>\$ 2,883</u>	<u>\$ 4,319,710</u>

COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds
June 30, 2008

ASSETS	GULFORD METRO 911	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
Cash and Cash Equivalents/Investments	\$ 2,455,977	\$ 12,848,191
Receivables:		
Taxes		9,870
Accounts, Notes and Mortgages		23,405,559
Assessments		82,847
Intergovernmental	335,264	1,470,715
Internal Receivables		587,000
Assets Held for Resale		95,180
Restricted Assets:		
Cash and Cash Equivalents/Investments		1,846,598
Receivables:		
Accounts, Notes and Mortgages		18,543
Total Assets	\$ 2,791,241	\$ 40,364,503
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 124,418	\$ 285,053
Contracts/Retainage Payable		615,247
Internal Payable		587,000
Miscellaneous		114,970
Deferred Revenues		25,907,597
Total Liabilities	124,418	27,509,867
Fund Balances:		
Reserved by State Statute	335,264	3,112,591
Reserved for Encumbrances	105,489	405,499
Reserved for Assets Held for Resale		95,180
Unreserved Fund Balance:		
Designated for Subsequent Year's Expenditure	450,837	2,375,035
Designated for Specific Purposes	1,725,472	5,416,123
Undesignated	49,761	1,450,208
Total Fund Balances	2,666,823	12,854,636
Total Liabilities and Fund Balances	\$ 2,791,241	\$ 40,364,503

COMBINING BALANCE SHEET

Nonmajor Capital Projects Funds
June 30, 2008

ASSETS	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS	PUBLIC IMPROVEMENTS SERIES 1990, 1992 1994 and 1998
Cash and Cash Equivalents/Investments	\$ 1,036,369	\$	\$ 2,673,836	\$
Restricted Assets:				
Cash and Cash Equivalents/Investments		2,898,871		385,168
Total Assets	<u>\$ 1,036,369</u>	<u>\$ 2,898,871</u>	<u>\$ 2,673,836</u>	<u>\$ 385,168</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts/Retainage Payable	\$ 141,993	\$	\$	\$
Liabilities Payable from Restricted Assets:				
Accounts Payable				
Contracts/Retainage Payable		804,002		80,539
Total Liabilities Payable from Restricted Assets		804,002		80,539
Total Liabilities	<u>141,993</u>	<u>804,002</u>		<u>80,539</u>
Fund Balances:				
Unreserved Fund Balance:				
Designated for Capital Projects	894,376	2,094,869	2,673,836	304,629
Total Liabilities and Fund Balances	<u>\$ 1,036,369</u>	<u>\$ 2,898,871</u>	<u>\$ 2,673,836</u>	<u>\$ 385,168</u>

REDEVELOPMENT SERIES 1994	PUBLIC IMPROVEMENT SERIES 1998A	HOUSING/ REDEVELOPMENT SERIES 1998	STREET IMPROVEMENT SERIES 2003, 2006 and 2008	PARKS & RECREATION SERIES 2003, 2005A and 2006A	FIRE STATION SERIES 2003 and 2005A
\$	\$	\$	\$	\$	\$
62,450	697,688	338,181	17,343,119	7,236,743	
<u>\$ 62,450</u>	<u>\$ 697,688</u>	<u>\$ 338,181</u>	<u>\$ 17,343,119</u>	<u>\$ 7,236,743</u>	<u>\$</u>
\$	\$	\$	\$	\$	\$
	68,753		74,470	53,956	
	68,753		74,470	53,956	
	68,753		74,470	53,956	
62,450	628,935	338,181	17,268,649	7,182,787	
<u>\$ 62,450</u>	<u>\$ 697,688</u>	<u>\$ 338,181</u>	<u>\$ 17,343,119</u>	<u>\$ 7,236,743</u>	<u>\$</u>

COMBINING BALANCE SHEET(continued)

Nonmajor Capital Projects Funds
June 30, 2008

ASSETS	PUBLIC TRANSPORTATION SERIES 2003, 2005A and 2008	LAW ENFORCEMENT BOND SERIES 2003	NEIGHBORHOOD REDEVELOPMENT SERIES 2005 and 2006A	FIRE STATION SERIES 2008
Cash and Cash Equivalents/Investments	\$	\$	\$	\$
Restricted Assets:				
Cash and Cash Equivalents/Investments	236,173	298,342	470,732	8,486,100
Total Assets	<u>\$ 236,173</u>	<u>\$ 298,342</u>	<u>\$ 470,732</u>	<u>\$ 8,486,100</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts/Retainage Payable	\$	\$	\$	\$
Liabilities Payable from Restricted Assets:				
Accounts Payable				2,431
Contracts/Retainage Payable			54,669	213,774
Total Liabilities Payable from Restricted Assets			54,669	216,205
Total Liabilities			<u>54,669</u>	<u>216,205</u>
Fund Balances:				
Unreserved Fund Balance:				
Designated for Capital Projects	236,173	298,342	416,063	8,269,895
Total Liabilities and Fund Balances	<u>\$ 236,173</u>	<u>\$ 298,342</u>	<u>\$ 470,732</u>	<u>\$ 8,486,100</u>

LIBRARY FACILITIES SERIES 2008	ECONOMIC DEVELOPMENT SERIES 2008	HISTORICAL MUSEUM SERIES 2008	PUBLIC BUILDINGS SERIES 2008	WAR MEMORIAL STADIUM SERIES 2008	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$	\$	\$	\$	\$	\$ 3,710,205
4,667,131	2,160,124	5,465,260	1,074,883	1,591,685	53,412,650
<u>\$ 4,667,131</u>	<u>\$ 2,160,124</u>	<u>\$ 5,465,260</u>	<u>\$ 1,074,883</u>	<u>\$ 1,591,685</u>	<u>\$ 57,122,855</u>
\$	\$	\$	\$	\$	\$ 141,993
18,944		197,741			21,375
18,944		197,741			1,547,904
18,944		197,741			1,569,279
4,648,187	2,160,124	5,267,519	1,074,883	1,591,685	55,411,583
<u>\$ 4,667,131</u>	<u>\$ 2,160,124</u>	<u>\$ 5,465,260</u>	<u>\$ 1,074,883</u>	<u>\$ 1,591,685</u>	<u>\$ 57,122,855</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2008

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 3,780,209	\$	\$	\$ 3,780,209
Assessments	391,768			391,768
Intergovernmental	11,444,200	1,661,468		13,105,668
Charges for Current Services	4,544,185			4,544,185
Investment Income	830,617	644,727		1,475,344
Miscellaneous	3,235,271	310,460		3,545,731
Total Revenues	<u>24,226,250</u>	<u>2,616,655</u>		<u>26,842,905</u>
Expenditures:				
Current:				
General Government	5,000	322,988		327,988
Public Safety	9,703,321	1,853,314		11,556,635
Transportation	2,464,983	1,733,780		4,198,763
Engineering	96,872	8,528,675		8,625,547
Field Operations		1,042,038		1,042,038
Culture and Recreation	1,049,915	2,104,482		3,154,397
Community Development and Housing	9,056,324	683,553		9,739,877
Economic Opportunity	2,825,626			2,825,626
Debt Service:				
Principal Retirement	2,540,240			2,540,240
Interest	898,146			898,146
Fees and Other	47,593			47,593
Total Expenditures	<u>28,688,020</u>	<u>16,268,830</u>		<u>44,956,850</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,461,770)</u>	<u>(13,652,175)</u>		<u>(18,113,945)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued		50,220,000		50,220,000
Federal Loan Program	415,000			415,000
Premium on Debt		3,388,465		3,388,465
Transfers In	6,714,020	3,664,870	29,683	10,408,573
Transfers Out	(698,275)	(2,041,190)		(2,739,465)
Total Other Financing Sources (Uses)	<u>6,430,745</u>	<u>55,232,145</u>	<u>29,683</u>	<u>61,692,573</u>
Net Change in Fund Balances	1,968,975	41,579,970	29,683	43,578,628
Fund Balances - July 1	<u>10,885,661</u>	<u>13,831,613</u>	<u>2,059,713</u>	<u>26,776,987</u>
Fund Balances - June 30	<u>\$ 12,854,636</u>	<u>\$ 55,411,583</u>	<u>\$ 2,089,396</u>	<u>\$ 70,355,615</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2008

	STREET AND SIDEWALK REVOLVING	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS
Revenues:				
Taxes	\$	\$	\$ 3,053,140	\$ 727,069
Assessments	79,670			
Intergovernmental				
Charges for Current Services		326,830		
Investment Income	282,060	132,926		82,969
Miscellaneous	<u>2,354,041</u>	<u>2,684</u>	<u>600,000</u>	
Total Revenues	<u>2,715,771</u>	<u>462,440</u>	<u>3,653,140</u>	<u>810,038</u>
Expenditures:				
Current:				
General Government				
Public Safety				
Transportation	1,239,673			
Engineering				
Culture and Recreation		650,716	202,112	
Community Development and Housing				660,352
Economic Opportunity				
Debt Service:				
Principal Retirement			2,540,240	
Interest			898,146	
Fees and Other			<u>47,593</u>	
Total Expenditures	<u>1,239,673</u>	<u>650,716</u>	<u>3,688,091</u>	<u>660,352</u>
Excess of Revenues Over (Under)				
Expenditures	<u>1,476,098</u>	<u>(188,276)</u>	<u>(34,951)</u>	<u>149,686</u>
Other Financing Sources (Uses):				
Transfers In		299,224		
Transfers Out	(398,592)	(29,683)		(100,000)
Debt Issuances:				
Federal Loan Program				
Total Other Financing Sources (Uses)	<u>(398,592)</u>	<u>269,541</u>		<u>(100,000)</u>
Net Change in Fund Balances	1,077,506	81,265	(34,951)	49,686
Fund Balances - July 1	<u>3,344,372</u>	<u>262,581</u>	<u>412,906</u>	<u>1,423,101</u>
Fund Balances - June 30	<u>\$ 4,421,878</u>	<u>\$ 343,846</u>	<u>\$ 377,955</u>	<u>\$ 1,472,787</u>

<u>HOUSING PARTNERSHIP REVOLVING</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>HOME PROGRAM</u>	<u>HOPE VI</u>	<u>WORKFORCE INVESTMENT ACT</u>	<u>SOUTH ELM STREET REDEVELOPMENT</u>	<u>STATE AND FEDERAL GRANTS</u>
\$ 312,098	\$	\$	\$	\$	\$	\$
13,722	2,437,321	1,041,466		2,836,417	350,315	4,778,681
148,903	339,053	23,484	18,455			6,236
28,950	42,753	63,086	1,229	950	7,345	175,417
<u>503,673</u>	<u>2,819,127</u>	<u>1,128,036</u>	<u>19,684</u>	<u>2,837,367</u>	<u>357,660</u>	<u>4,960,334</u>
						5,000
						1,977,354
						1,225,310
						96,872
						197,087
2,379,107	3,038,330	989,842	304,288	2,825,626	771,412	912,993
<u>2,379,107</u>	<u>3,038,330</u>	<u>989,842</u>	<u>304,288</u>	<u>2,825,626</u>	<u>771,412</u>	<u>4,414,616</u>
(1,875,434)	(219,203)	138,194	(284,604)	11,741	(413,752)	545,718
1,741,214 (20,000)						53,356
					415,000	
<u>1,721,214</u>					<u>415,000</u>	<u>53,356</u>
(154,220)	(219,203)	138,194	(284,604)	11,741	1,248	599,074
<u>2,644,948</u>	<u>(178,487)</u>	<u>113,234</u>	<u>486,070</u>	<u>(4,315)</u>	<u>(40,365)</u>	<u>458,032</u>
<u>\$ 2,490,728</u>	<u>\$ (397,690)</u>	<u>\$ 251,428</u>	<u>\$ 201,466</u>	<u>\$ 7,426</u>	<u>\$ (39,117)</u>	<u>\$ 1,057,106</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2008

	GUILFORD METRO 911	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
Revenues:		
Taxes	\$	\$ 3,780,209
Assessments		391,768
Intergovernmental		11,444,200
Charges for Current Services	3,864,580	4,544,185
Investment Income	92,831	830,617
Miscellaneous	1,569	3,235,271
	3,958,980	24,226,250
Expenditures:		
Current:		
General Government		5,000
Public Safety	7,725,967	9,703,321
Transportation		2,464,983
Engineering		96,872
Culture and Recreation		1,049,915
Community Development and Housing		9,056,324
Economic Opportunity		2,825,626
Debt Service:		
Principal Retirement		2,540,240
Interest		898,146
Fees and Other		47,593
	7,725,967	28,688,020
Excess of Revenues Over (Under)		
Expenditures	(3,766,987)	(4,461,770)
Other Financing Sources (Uses):		
Transfers In	4,620,226	6,714,020
Transfers Out	(150,000)	(698,275)
Debt Issuances:		
Federal Loan Program		415,000
	4,470,226	6,430,745
Net Change in Fund Balances	703,239	1,968,975
Fund Balances - July 1	1,963,584	10,885,661
Fund Balances - June 30	\$ 2,666,823	\$ 12,854,636

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2008

	<u>STREET AND SIDEWALK</u>	<u>STATE HIGHWAY ALLOCATION</u>	<u>GENERAL CAPITAL IMPROVEMENTS</u>	<u>PUBLIC IMPROVEMENT SERIES 1990, 1992 1994 and 1998</u>
Revenues:				
Intergovernmental	\$ 1,661,468	\$ 448,274	\$ 196,453	\$
Investment Income		448,274	196,453	
Miscellaneous	100,000			
Total Revenues	<u>1,761,468</u>	<u>448,274</u>	<u>196,453</u>	
Expenditures:				
Current:				
General Government			314,694	
Public Safety				
Transportation	277,699	1,231,468		
Engineering	1,955,623			202,059
Field Operations		1,042,038		
Culture and Recreation			57,490	52,519
Community Development and Housing				
Total Expenditures	<u>2,233,322</u>	<u>2,273,506</u>	<u>372,184</u>	<u>254,578</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(471,854)</u>	<u>(1,825,232)</u>	<u>(175,731)</u>	<u>(254,578)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued				
Premium on Debt			300,000	
Transfers In	521,335	2,843,535	300,000	
Transfers Out			(1,103,800)	
Total Other Financing Sources (Uses)	<u>521,335</u>	<u>2,843,535</u>	<u>(803,800)</u>	
Net Change in Fund Balances	49,481	1,018,303	(979,531)	(254,578)
Fund Balances - July 1,	<u>844,895</u>	<u>1,076,566</u>	<u>3,653,367</u>	<u>559,207</u>
Fund Balances - June 30	<u>\$ 894,376</u>	<u>\$ 2,094,869</u>	<u>\$ 2,673,836</u>	<u>\$ 304,629</u>

<u>REDEVELOPMENT SERIES 1994</u>	<u>PUBLIC IMPROVEMENT SERIES 1998A</u>	<u>HOUSING REDEVELOPMENT SERIES 1998</u>	<u>STREET IMPROVEMENTS SERIES 2003, 2006 and 2008</u>	<u>PARKS & RECREATION SERIES 2003, 2005A and 2006A</u>	<u>FIRE STATION SERIES 2003 and 2005A</u>
\$	\$	\$	\$	\$	\$
159		209,381			
159		209,381			
	94,707				145
			6,370,993		
117,936		8,689		959,662	
117,936	94,707	8,689	6,370,993	959,662	145
(117,777)	(94,707)	200,692	(6,370,993)	(959,662)	(145)
			24,920,000		
			1,424,830		
		(42,628)	(891,335)		(3,427)
		(42,628)	25,453,495		(3,427)
(117,777)	(94,707)	158,064	19,082,502	(959,662)	(3,572)
180,227	723,642	180,117	(1,813,853)	8,142,449	3,572
<u>\$ 62,450</u>	<u>\$ 628,935</u>	<u>\$ 338,181</u>	<u>\$ 17,268,649</u>	<u>\$ 7,182,787</u>	<u>\$</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2008

(continued)	PUBLIC TRANSPORTATION SERIES 2003, 2005A and 2008	LAW ENFORCEMENT BOND SERIES 2003	NEIGHBORHOOD REDEVELOPMENT SERIES 2005 and 2006A	FIRE STATION SERIES 2008
Revenues:				
Intergovernmental	\$	\$	\$	\$
Investment Income				
Miscellaneous				920
Total Revenues				920
Expenditures:				
Current:				
General Government				
Public Safety				1,712,953
Transportation	224,613			
Engineering				
Field Operations				
Culture and Recreation				
Community Development and Housing			556,928	
Total Expenditures	224,613		556,928	1,712,953
Excess of Revenues Over (Under)				
Expenditures	(224,613)		(556,928)	(1,712,033)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	500,000			10,200,000
Premium on Debt	42,102			690,521
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	542,102			10,890,521
Net Change in Fund Balances	317,489		(556,928)	9,178,488
Fund Balances - July 1	(81,316)	298,342	972,991	(908,593)
Fund Balances - June 30	\$ 236,173	\$ 298,342	\$ 416,063	\$ 8,269,895

LIBRARY FACILITIES SERIES 2008	ECONOMIC DEVELOPMENT SERIES 2008	HISTORICAL MUSEUM SERIES 2008	PUBLIC BUILDINGS SERIES 2008	WAR MEMORIAL STADIUM SERIES 2008	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$	\$	\$	\$	\$	\$ 1,661,468
					644,727
					310,460
					2,616,655
	8,294				322,988
			9,949	35,560	1,853,314
					1,733,780
					8,528,675
556,017		478,794			1,042,038
					2,104,482
					683,553
<u>556,017</u>	<u>8,294</u>	<u>478,794</u>	<u>9,949</u>	<u>35,560</u>	<u>16,268,830</u>
<u>(556,017)</u>	<u>(8,294)</u>	<u>(478,794)</u>	<u>(9,949)</u>	<u>(35,560)</u>	<u>(13,652,175)</u>
4,800,000	2,000,000	5,300,000	1,000,000	1,500,000	50,220,000
404,204	168,418	446,313	84,832	127,245	3,388,465
					3,664,870
					(2,041,190)
<u>5,204,204</u>	<u>2,168,418</u>	<u>5,746,313</u>	<u>1,084,832</u>	<u>1,627,245</u>	<u>55,232,145</u>
4,648,187	2,160,124	5,267,519	1,074,883	1,591,685	41,579,970
					13,831,613
<u>\$ 4,648,187</u>	<u>\$ 2,160,124</u>	<u>\$ 5,267,519</u>	<u>\$ 1,074,883</u>	<u>\$ 1,591,685</u>	<u>\$ 55,411,583</u>

Enterprise Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2008

	Debt Outstanding July 1, 2007	Additions	Retirements	Debt Outstanding June 30, 2008
Water Resources:				
General Obligation Bonds	\$ 851,407	\$	\$ 578,282	\$ 273,125
Revenue Bonds	234,515,000		6,620,000	227,895,000
Federal Loan Obligation	2,289,630		254,403	2,035,227
Other Financing Agreements	1,643,695		418,956	1,224,739
Compensated Absences	1,139,524	1,210,713	1,105,196	1,245,041
Total Water Resources	<u>240,439,256</u>	<u>1,210,713</u>	<u>8,976,837</u>	<u>232,673,132</u>
War Memorial Coliseum:				
Certificates of Participation	420,000		130,000	290,000
Other Financing Agreements	2,953,777		23,060	2,930,717
Compensated Absences	295,594	232,124	218,060	309,658
Total War Memorial Coliseum	<u>3,669,371</u>	<u>232,124</u>	<u>371,120</u>	<u>3,530,375</u>
Parking Facilities:				
Certificates of Participation	4,243,952		2,094,760	2,149,192
Compensated Absences	47,197	33,691	32,447	48,441
Total Parking Facilities	<u>4,291,149</u>	<u>33,691</u>	<u>2,127,207</u>	<u>2,197,633</u>
Solid Waste Management:				
Special Obligation Bonds	16,125,000		1,675,000	14,450,000
Accrued Landfill Liability	12,514,647	5,888,237		18,402,884
Compensated Absences	144,788	99,779	100,380	144,187
Total Solid Waste Management	<u>28,784,435</u>	<u>5,988,016</u>	<u>1,775,380</u>	<u>32,997,071</u>
Stormwater Management:				
Compensated Absences	255,349	256,848	237,990	274,207
Total Stormwater Management	<u>255,349</u>	<u>256,848</u>	<u>237,990</u>	<u>274,207</u>
Total Enterprise Funds	<u>\$ 277,439,560</u>	<u>\$ 7,721,392</u>	<u>\$ 13,488,534</u>	<u>\$ 271,672,418</u>

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

Component Unit

For the Fiscal Year Ended June 30, 2008

	GREENSBORO TRANSIT AUTHORITY
Operating Revenues:	
Charges for Current Services	\$ 1,986,606
Other Operating Revenues	139,520
Total Operating Revenues	<u>2,126,126</u>
Operating Expenses:	
Personal Services	506,877
Fringe Benefits	160,235
Maintenance and Operations	17,781,317
Depreciation	1,729,278
Total Operating Expenses	<u>20,177,707</u>
Operating Loss	<u>(18,051,581)</u>
Nonoperating Revenues (Expenses):	
Investment Income	1,485,552
Property Tax	7,850,709
Motor Vehicle Tax	952,513
Grants	8,572,982
Miscellaneous Nonoperating Revenue	49,219
Loss on Disposal of Capital Assets	(74,405)
Miscellaneous Nonoperating Expense	(14,397)
Total Nonoperating Revenues (Expenses)	<u>18,822,173</u>
Increase in Retained Earnings	770,592
Net Assets - July 1	<u>47,712,395</u>
Net Assets - June 30	<u>\$ 48,482,987</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2008

	GREENSBORO TRANSIT AUTHORITY
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 3,724,690
Payments to Suppliers	(18,814,914)
Payments to Employees	(667,543)
Other Receipts	17,525,174
Net Cash Provided by Operating Activities	<u>1,767,407</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(2,287,583)
Proceeds from Sale of Capital Assets	<u>8,450</u>
Net Cash Used for Capital and Related Financing Activities	<u>(2,279,133)</u>
Cash Flows from Investing Activities:	
Interest	<u>1,509,831</u>
Net Increase in Cash and Cash Equivalents	998,105
Cash and Cash Equivalents/ Investments - July 1	<u>3,977,611</u>
Cash and Cash Equivalents/ Investments - June 30	<u>\$ 4,975,716</u>
Reconciliation of Cash and Cash Equivalents/ Investments:	
Cash and Cash Equivalents/ Investments - Current	\$ 4,975,716
Cash and Cash Equivalents/ Investments - Restricted	
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 4,975,716</u>

(continued)

**GREENSBORO
TRANSIT
AUTHORITY**

Reconciliation of Operating Loss to Net

Cash Used for Operating Activities:

Operating Loss	<u>\$ (18,051,581)</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	1,729,278
Change in Assets and Liabilities:	
Decrease in Receivables	1,672,306
Increase in Inventories	(22,168)
Increase in Intergovernmental Receivables	(7,022)
Increase in Miscellaneous Assets	(13,000)
Decrease in Accounts Payable	(991,407)
Decrease in Compensated Absences Payable	(673)
Increase in Miscellaneous Payable	66,020
Other Receipts	<u>17,385,654</u>
Total Adjustments	<u>19,818,988</u>
Net Cash Provided by Operating Activities	<u><u>\$ 1,767,407</u></u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,842,435	\$ 1,986,606	\$ 144,171
Other Operating Revenues	18,804	31,350	12,546
Total Operating Revenues	<u>1,861,239</u>	<u>2,017,956</u>	<u>156,717</u>
Operating Expenses:			
Personal Services	527,806	507,550	20,256
Fringe Benefits	164,835	160,235	4,600
Maintenance and Operations	16,310,227	15,952,435	357,792
Capital Outlay	36,400	36,399	1
Total Operating Expenses	<u>17,039,268</u>	<u>16,656,619</u>	<u>382,649</u>
Operating Loss	<u>(15,178,029)</u>	<u>(14,638,663)</u>	<u>539,366</u>
Nonoperating Revenues (Expenses):			
Investment Income	1,371,944	1,485,552	113,608
Property Tax Collections	7,831,000	7,850,709	19,709
Motor Vehicle Licenses	970,000	952,513	(17,487)
State and Federal Grants	4,477,602	5,253,695	776,093
Mortgage Note Principal Payment Collected	247,924	247,924	
Miscellaneous Nonoperating Revenue		49,219	49,219
Miscellaneous Nonoperating Expense		(14,397)	(14,397)
Total Nonoperating Revenues	<u>14,898,470</u>	<u>15,825,215</u>	<u>926,745</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(279,559)</u>	<u>1,186,552</u>	<u>1,466,111</u>
Other Financing Uses:			
Transfers Out	<u>(717,926)</u>	<u>(579,022)</u>	<u>138,904</u>
Excess of Revenues Over (Under) Expenses and Other Financing Uses	<u>(997,485)</u>	<u>607,530</u>	<u>1,605,015</u>
Appropriated Fund Balance	<u>997,485</u>		<u>(997,485)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 607,530</u>	<u>\$ 607,530</u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 17,857,568
Total Expenses	<u>16,671,016</u>
Excess of Revenues Over Expenses	
Before Other Financing Uses	1,186,552
Adjustment to Full Accrual Basis:	
Depreciation	(1,729,278)
Capital Outlay	36,399
Compensated Absences	673
Mortgage Note Principal Payment	(247,924)
Transit Grant Project Funds Revenues and Expenses	1,629,299
Loss on Disposal of Capital Assets	(74,405)
Transfer from Public Transportation Bond Fund (reflected as Operating Income)	108,170
Transfer to State and Federal Grant Fund (reflected as Operating Expense)	<u>(138,894)</u>
Income Before Transfers	<u><u>\$ 770,592</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, 2008

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total To Date</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Revenues:				
Federal Grants	\$ 7,793,698	\$ 533,619	\$ 2,901,897	\$ 3,435,516
State Grants	644,588			
Local Grants/ In Kind Services	547,500	49,547		49,547
Total Revenues	<u>8,985,786</u>	<u>583,166</u>	<u>2,901,897</u>	<u>3,485,063</u>
Expenses:				
Capital Improvements:				
Section 5307 Capital Program	2,803,140	447,098	222,093	669,191
Preventive Maintenance Grant	625,000	247,736	38,395	286,131
Higher Education Area Transit (HEAT)	4,774,277		3,316,919	3,316,919
GTA Maintenance Facility	1,330,000			
Total Expenses	<u>9,532,417</u>	<u>694,834</u>	<u>3,577,407</u>	<u>4,272,241</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(546,631)</u>	<u>(111,668)</u>	<u>(675,510)</u>	<u>(787,178)</u>
Other Financing Sources:				
Transfers In	<u>546,631</u>	<u>69,560</u>	<u>477,071</u>	<u>546,631</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$ (42,108)</u>	<u>\$ (198,439)</u>	<u>\$ (240,547)</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Federal Grants	\$ 10,784,050	\$ 10,622,504	\$ 158,301	\$ 10,780,805
State Grants	1,453,005	1,327,813	19,788	1,347,601
Local Grants/ In Kind Services	729,380	729,380		729,380
Investment Income		(21,560)		(21,560)
Total Revenues	<u>12,966,435</u>	<u>12,658,137</u>	<u>178,089</u>	<u>12,836,226</u>
Expenses:				
Capital Improvements:				
Multi Modal Transportation Center	13,591,062	13,278,131	209,407	13,487,538
Total Capital Improvements	<u>13,591,062</u>	<u>13,278,131</u>	<u>209,407</u>	<u>13,487,538</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(624,627)</u>	<u>(619,994)</u>	<u>(31,318)</u>	<u>(651,312)</u>
Other Financing Sources:				
Transfers In	<u>624,627</u>	<u>624,627</u>		<u>624,627</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 4,633</u>	<u>\$ (31,318)</u>	<u>\$ (26,685)</u>

General Fund

The General Fund is the principal fund of the City from which the major portion of the City's operations are financed. This fund finances the regular operation of all departments except Enterprise Fund and Internal Service Fund departments.

The Powell Bill Fund is included as a part of the General Fund for reporting purposes and accounts for the State Street-Aid Allocation funded 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 are restricted to specific highway construction and maintenance costs.

A summary of revenues and other financing sources and expenditures and other financing uses for the fiscal year ended June 30, 2008 is presented below:

	<u>Amount</u>	<u>Percent of Total</u>
<u>Revenues and Other Financing Sources</u>		
Taxes	\$ 175,746,251	72.6%
Intergovernmental	32,981,925	13.6%
Licenses and Permits	7,669,043	3.2%
Fines and Forfeitures	1,058,452	0.4%
Charges for Current Services	19,926,162	8.2%
Miscellaneous	2,700,954	1.2%
Other Financing Sources	<u>1,972,392</u>	<u>0.8%</u>
Total Revenues and Other Financing Sources	<u>\$ 242,055,179</u>	<u>100.0%</u>
<u>Expenditures and Other Financing Uses</u>		
General Government	\$ 18,785,635	7.8%
Public Safety	102,498,235	42.5%
Transportation	8,700,110	3.6%
Engineering and Building Maintenance	13,683,823	5.7%
Field Operations	34,181,949	14.2%
Environmental Services	822,562	0.3%
Culture and Recreation	27,794,172	11.5%
Community Development and Housing	317,000	0.1%
Economic Opportunity	839,180	0.3%
Intergovernmental	1,508,637	0.7%
Other Financing Uses	<u>31,769,508</u>	<u>13.3%</u>
Total Expenditures and Other Financing Uses	<u>\$ 240,900,811</u>	<u>100.0%</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes-Current Year	\$ 132,000,000	\$ 132,737,153	\$ 737,153
Ad Valorem Taxes-Prior Year	893,200	1,040,260	147,060
Penalties and Interest	427,800	476,372	48,572
Local Option Sales Tax	41,026,100	41,187,765	161,665
Vehicle Gross Receipts Tax	334,200	304,701	(29,499)
Total Taxes	<u>174,681,300</u>	<u>175,746,251</u>	<u>1,064,951</u>
Intergovernmental:			
State Grants:			
Powell Bill	7,400,000	7,865,962	465,962
Libraries	350,980	343,138	(7,842)
State-Shared:			
Utility Taxes:			
Electric Franchise Tax	7,736,600	7,847,727	111,127
Piped Natural Gas Excise Tax	1,926,900	1,884,996	(41,904)
PEG Channel Support	37,000	27,274	(9,726)
Telecommunications Sales Tax	3,884,296	4,570,597	686,301
Video Programming/Telecommunications			
Service Sales Tax	2,234,875	2,853,333	618,458
Beer and Wine Tax	1,082,100	1,113,676	31,576
State Reimbursements/Other:			
Sales Tax Hold Harmless Payment	61,615	61,619	4
Court Fees	131,200	130,813	(387)
Payment In Lieu of Taxes	275,000	308,584	33,584
Local Grants:			
PEG Channel Support	12,000		(12,000)
Parks and Recreation	5,150		(5,150)
Libraries	2,133,300	2,131,566	(1,734)
School Resource Officer Programs	1,099,571	1,081,299	(18,272)
Environmental Programs	75,000	99,593	24,593
ABC Board Profit Distribution	3,126,100	2,661,748	(464,352)
Total Intergovernmental	<u>31,571,687</u>	<u>32,981,925</u>	<u>1,410,238</u>
Licenses and Permits:			
Privilege Licenses:			
Privilege Licenses-Current Year	3,170,000	3,163,735	(6,265)
Penalties on Privilege Licenses	58,000	61,859	3,859
Privilege Licenses-Prior Years	25,000	30,483	5,483
Penalties on Prior Years' Licenses	5,000	7,070	2,070
Motor Vehicle Licenses	950,000	893,434	(56,566)
Cable TV Access Licenses	336,000	421,703	85,703
Other Licenses and Permits	688,350	511,263	(177,087)
Construction Permits:			
Building Permits	1,483,360	979,159	(504,201)
Electrical Permits	700,000	592,206	(107,794)
Plumbing Permits	495,000	447,080	(47,920)
Mechanical Permits	560,000	561,051	1,051
Total Licenses and Permits	<u>8,470,710</u>	<u>7,669,043</u>	<u>(801,667)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Fines and Forfeitures:			
Parking Violations	\$ 700,000	\$ 619,167	\$ (80,833)
Library Fines	183,920	181,638	(2,282)
City Code Violations	54,500	69,306	14,806
False Burglar Alarm Fines	190,551	188,341	(2,210)
Total Fines and Forfeitures	<u>1,128,971</u>	<u>1,058,452</u>	<u>(70,519)</u>
Charges for Current Services:			
Planning:			
Preliminary Plan Reviews	362,640	158,832	(203,808)
Final Plats/Declarations	28,700	23,580	(5,120)
Rezoning Applications	75,775	82,955	7,180
Other Planning Fees	22,450	13,670	(8,780)
Police Department:			
Police Department Services	28,600	35,568	6,968
Tow-In Services	37,000	36,222	(778)
Off-Duty Employment	2,137,000	2,146,619	9,619
Contracted Services	512,450	546,200	33,750
Fire Department:			
Hazardous Material Fees	20,000	27,440	7,440
Fire Department Plan Reviews	66,125	89,986	23,861
Fire Code Reinspections	35,700	42,130	6,430
Miscellaneous Permits	140,475	81,360	(59,115)
Rental and Lease		2,400	2,400
Inspections:			
Fire Code Reinspections	10,500	11,155	655
Vacant Lot Cleaning Fees	95,000	110,562	15,562
Junked Auto Fees	26,000	24,910	(1,090)
Boarding Vacant Houses	12,000	26,102	14,102
Transportation:			
State Highway System:			
Signals, Signs and Lights	500,205	604,868	104,663
Ridesharing Revenue	115,000	126,985	11,985
Monthly Parking Fees	9,600	13,128	3,528
Field Operations:			
Maintenance Service-Local Agencies	17,600	29,809	12,209
State Highway System:			
Maintenance to Highways	240,000	239,440	(560)
Mowing Services-State Highways	75,000	88,560	13,560
Waste/Trash Collection	5,114,218	4,860,253	(253,965)
Engineering and Building Maintenance:			
Plan Review/Water and Sewer/Roadways	519,460	239,601	(279,859)
Rental and Lease	324,500	414,572	90,072
Environmental Services:			
Hazardous Waste Disposal Fees	400,000	399,075	(925)
Parks and Recreation:			
Maintenance Service-Local Agencies	47,780	47,780	
Admissions and Charges	2,350,181	2,260,323	(89,858)
Rental and Lease	513,435	525,882	12,447
Catering Services	45,500	53,320	7,820

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Charges for Current Services (Continued):			
Concessions	\$ 274,500	\$ 277,547	\$ 3,047
Concessions-Alcoholic Beverages	13,350	10,485	(2,865)
Bur-Mil Reimbursement	449,036	451,294	2,258
Fishing, Hunting and Boating Fees	37,700	22,796	(14,904)
Other Parks and Recreation Revenue	159,500	127,755	(31,745)
Library Fees	9,010	15,991	6,981
Interdepartmental Charges:			
Administrative Charges	3,548,000	3,757,996	209,996
Engineering Services	1,370,000	1,370,000	
Rents	468,050	529,011	60,961
Total Charges for Current Services	<u>20,212,040</u>	<u>19,926,162</u>	<u>(285,878)</u>
Miscellaneous:			
Sale of Assets	1,024,455	508,139	(516,316)
Miscellaneous Receivables Revenue	18,000	73,002	55,002
Assessments		11,572	11,572
Donations and Private Contributions	105,000	115,420	10,420
Contracted Construction Projects	1,201,730	1,431,390	229,660
Service Charges	4,150	4,246	96
Other Revenue	870,505	557,185	(313,320)
Total Miscellaneous	<u>3,223,840</u>	<u>2,700,954</u>	<u>(522,886)</u>
Appropriated Fund Balance	<u>6,829,900</u>		<u>(6,829,900)</u>
Total Revenues	<u>246,118,448</u>	<u>240,082,787</u>	<u>(6,035,661)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Expenditures:			
General Government:			
Legislative:			
Governing Body	\$ 217,129	\$ 202,154	\$ 14,975
Clerk of Governing Body	380,004	377,724	2,280
Elections	353,281	353,280	1
Total Legislative	<u>950,414</u>	<u>933,158</u>	<u>17,256</u>
Executive:			
City Manager	1,191,627	1,020,203	171,424
Enterprise Resource Planning	277,100	273,363	3,737
Internal Audit	387,766	356,389	31,377
Minority and Women's Business Enterprises	295,202	302,978	(7,776)
Total Executive	<u>2,151,695</u>	<u>1,952,933</u>	<u>198,762</u>
Public Affairs	<u>2,167,679</u>	<u>1,730,917</u>	<u>436,762</u>
Human Relations	<u>593,761</u>	<u>586,642</u>	<u>7,119</u>
Human Resources:			
Administration	623,679	540,733	82,946
Compensation and Employment	640,029	610,274	29,755
HRIS	336,932	279,024	57,908
Benefits	308,579	270,379	38,200
Employee Safety and Health	153,521	128,982	24,539
Learning & Development	642,449	523,869	118,580
Total Human Resources	<u>2,705,189</u>	<u>2,353,261</u>	<u>351,928</u>
Budget and Evaluation	<u>739,495</u>	<u>672,511</u>	<u>66,984</u>
Planning	<u>2,245,966</u>	<u>1,817,279</u>	<u>428,687</u>
Finance:			
Administration	712,441	652,373	60,068
Accounting	486,216	466,123	20,093
Purchasing and Supply	498,261	494,962	3,299
Collections	1,470,043	1,353,838	116,205
Treasury Management	561,053	539,526	21,527
Financial Reporting	313,081	292,447	20,634
Total Finance	<u>4,041,095</u>	<u>3,799,269</u>	<u>241,826</u>
Legal	<u>1,186,792</u>	<u>1,040,026</u>	<u>146,766</u>
Management Information Systems:			
Administration	466,959	407,910	59,049
Geographic Information Services	656,465	556,065	100,400
Application Services	2,557,684	2,416,595	141,089
Total Management Information Systems	<u>3,681,108</u>	<u>3,380,570</u>	<u>300,538</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other General Government:			
NC Metropolitan Coalition	\$ 12,000	\$ 12,480	\$ (480)
Nondepartmental	<u>956,620</u>	<u>506,589</u>	<u>450,031</u>
Total Other General Government	<u>968,620</u>	<u>519,069</u>	<u>449,551</u>
Total General Government	<u>21,431,814</u>	<u>18,785,635</u>	<u>2,646,179</u>
Public Safety:			
Police:			
Administration	2,689,400	2,703,978	(14,578)
Resource Management	10,453,728	10,500,683	(46,955)
Field Operations	27,157,136	25,355,945	1,801,191
Criminal Investigations	4,788,773	4,486,134	302,639
Special Operations	1,998,669	2,346,396	(347,727)
Investigative Support	5,579,063	6,081,532	(502,469)
Vice/Narcotics	1,577,356	1,612,590	(35,234)
Professional Standards	848,841	917,335	(68,494)
Organizational Development	1,213,883	3,236,958	(2,023,075)
Information and Technology	<u>3,579,360</u>	<u>3,561,955</u>	<u>17,405</u>
Total Police	<u>59,886,209</u>	<u>60,803,506</u>	<u>(917,297)</u>
Fire:			
Administration	2,633,851	2,405,098	228,753
Training	1,068,399	1,277,525	(209,126)
Fire Prevention	1,394,367	1,512,816	(118,449)
Emergency Services	27,316,860	27,282,323	34,537
Regulatory/Fleet Repair Service	3,768,268	3,531,923	236,345
Stations and Buildings	<u>1,481,998</u>	<u>1,380,031</u>	<u>101,967</u>
Total Fire	<u>37,663,743</u>	<u>37,389,716</u>	<u>274,027</u>
Inspections:			
Building Inspections	3,158,809	3,249,541	(90,732)
Local Ordinance Enforcement	<u>1,327,726</u>	<u>1,055,472</u>	<u>272,254</u>
Total Inspections	<u>4,486,535</u>	<u>4,305,013</u>	<u>181,522</u>
Total Public Safety	<u>102,036,487</u>	<u>102,498,235</u>	<u>(461,748)</u>
Transportation:			
Administration	1,476,808	1,453,661	23,147
Traffic Operations	3,230,087	3,426,620	(196,533)
Traffic Engineering	3,446,389	3,498,124	(51,735)
Transportation Planning	<u>320,244</u>	<u>321,705</u>	<u>(1,461)</u>
Total Transportation	<u>8,473,528</u>	<u>8,700,110</u>	<u>(226,582)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Engineering and Building Maintenance:			
Administration	\$ 1,005,039	\$ 1,008,461	\$ (3,422)
Engineering	4,452,870	4,187,708	265,162
Facilities Engineering	753,310	663,084	90,226
Central City Maintenance	4,168,354	3,568,031	600,323
Building Maintenance	4,310,165	3,716,286	593,879
Franchise Administration	141,484	73,473	68,011
Service Center Maintenance	493,075	458,070	35,005
Streets and Structures	25,980	8,710	17,270
Total Engineering and Building Maintenance	<u>15,350,277</u>	<u>13,683,823</u>	<u>1,666,454</u>
Field Operations:			
Business	6,848,731	6,119,288	729,443
Solid Waste Collections	18,956,374	19,015,443	(59,069)
Streets - Stormwater Maintenance	4,823,067	4,767,450	55,617
Right of Way Maintenance	4,310,039	4,279,768	30,271
Total Field Operations	<u>34,938,211</u>	<u>34,181,949</u>	<u>756,262</u>
Environmental Services	<u>889,482</u>	<u>822,562</u>	<u>66,920</u>
Culture and Recreation:			
Parks and Recreation:			
Administration	2,172,164	2,023,640	148,524
Planning	117,489	114,842	2,647
Bryan Park Operations	822,441	762,544	59,897
Gillespie Golf Course	553,709	538,129	15,580
Greensboro Sportsplex	949,259	948,595	664
City Arts	758,773	773,320	(14,547)
Program and Community Services	993,446	988,441	5,005
Neighborhood Playgrounds and Centers	2,552,075	2,493,599	58,476
Swimming Pools	506,021	486,230	19,791
Memorial Stadium	347,845	338,054	9,791
Hagan Stone Park	407,009	378,019	28,990
Hester Park	352,469	359,764	(7,295)
Country Park	383,552	389,771	(6,219)
Jaycee Park	249,256	234,026	15,230
Athletics	820,959	770,450	50,509
Regional Parks	117,987	117,428	559
Bur-Mil Club	977,322	1,024,472	(47,150)
Lake Wardens	843,065	822,365	20,700
Barber Park	445,477	456,646	(11,169)
Equipment Maintenance	143,489	168,287	(24,798)
Development and Maintenance	2,344,766	2,285,020	59,746
Landscape and Beautification	1,244,391	1,174,529	69,862
Tannenbaum Park	242,889	220,257	22,632
Carolyn Allen Park	503,164	511,661	(8,497)
Price Park	6,874	5,205	1,669
David Caldwell Historic Park	24,982	15,988	8,994
Keeley Park Operations	2,000	1,511	489
Total Parks and Recreation	<u>18,882,873</u>	<u>18,402,793</u>	<u>480,080</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Library:			
Administration	\$ 2,652,754	\$ 2,212,438	\$ 440,316
Main Library	1,749,266	1,679,522	69,744
Extension Services	125,517	128,956	(3,439)
Collection Inventory	886,561	617,487	269,074
Benjamin Branch Library	315,852	292,483	23,369
Vance H. Chavis Branch Library	371,071	361,187	9,884
Hemphill Branch Library	509,864	442,474	67,390
Glenwood Branch Library	390,756	310,911	79,845
Kathleen Clay Edwards Branch Library	453,688	451,137	2,551
McGirt-Horton Branch Library	442,885	373,563	69,322
Historical Museum	808,440	780,567	27,873
Total Library	<u>8,706,654</u>	<u>7,650,725</u>	<u>1,055,929</u>
Other Culture and Recreation:			
Historic Preservation Commission	3,000	3,000	
Natural Science Center of Greensboro	1,085,000	1,085,000	
Greensboro Sports Commission	75,000	75,000	
Eastern Music Festival	10,000	10,000	
Fun Fourth - Grassroots	10,000	10,000	
Downtown Banners/Grassroots	15,000	15,000	
Blandwood Mansion	10,000	10,000	
Greensboro Jaycees	20,000	20,000	
Festival of Lights	17,000	10,000	7,000
Center City Park	200,000	200,000	
Public Access - GCTV	174,895	169,696	5,199
Barber Park Environmental Cleanup	218,937	132,958	85,979
Total Other Culture and Recreation	<u>1,838,832</u>	<u>1,740,654</u>	<u>98,178</u>
Total Culture and Recreation	<u>29,428,359</u>	<u>27,794,172</u>	<u>1,634,187</u>
Community Development and Housing:			
Downtown Greensboro, Inc.	255,000	255,000	
East Market Street Development Corporation	40,000	40,000	
Architectural Salvage	22,000	22,000	
Downtown Development	108,000		108,000
Total Community Development and Housing	<u>425,000</u>	<u>317,000</u>	<u>108,000</u>
Economic Opportunity:			
Economic Development	776,445	601,980	174,465
Chamber of Commerce	200,000	200,000	
Piedmont Triad Partnership	37,200	37,200	
Total Economic Opportunity	<u>1,013,645</u>	<u>839,180</u>	<u>174,465</u>
Intergovernmental:			
Guilford County:			
Animal Shelter	1,040,139	1,029,797	10,342
Tax Collections	389,225	389,223	2
Environmental Health Control	7,500		7,500

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Intergovernmental (Continued):			
National Guard Armory	\$ 3,000	\$ 39,781	\$ 3,000
Educational Access Guilford County Schools	44,980	49,836	5,199
Piedmont Council of Governments	49,836	49,836	
Total Intergovernmental	<u>1,534,680</u>	<u>1,508,637</u>	<u>26,043</u>
Total Expenditures	<u>215,521,483</u>	<u>209,131,303</u>	<u>6,390,180</u>
Excess of Revenues Over Expenditures	<u>30,596,965</u>	<u>30,951,484</u>	<u>354,519</u>
Other Financing Sources (Uses):			
Transfers In:			
Street and Sidewalk Revolving Fund	398,592	398,592	
Special Tax Districts Fund	100,000	100,000	
General Capital Improvements Fund	1,103,800	1,103,800	
Street Improvement Bond Fund-Series 2003	370,000	370,000	
Total Transfers In	<u>1,972,392</u>	<u>1,972,392</u>	
Transfers Out:			
Cemetery Operating Fund	299,224	299,224	
Housing Partnership Revolving Fund	1,741,214	1,741,214	
State and Federal Grants Fund	89,110	24,106	65,004
Guilford Metro 911	4,572,149	4,572,149	
General Capital Improvements Fund	100,000	100,000	
State Highway Capital Project Fund	3,578,380	2,843,535	734,845
Debt Service Fund	18,298,500	18,298,500	
War Memorial Coliseum Fund	2,000,000	2,000,000	
Parking Facilities Fund	1,600,000	1,600,000	
Equipment Services Fund	290,780	290,780	
Total Transfers Out	<u>32,569,357</u>	<u>31,769,508</u>	<u>799,849</u>
Total Other Financing Sources (Uses)	<u>(30,596,965)</u>	<u>(29,797,116)</u>	<u>799,849</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	<u>1,154,368</u>	<u>1,154,368</u>
Fund Balance - July 1		<u>56,782,923</u>	<u>56,782,923</u>
Fund Balance - June 30		<u>\$ 57,937,291</u>	<u>\$ 57,937,291</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 abutting property.

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 2007-08, the General Fund support to the Housing Partnership Revolving Fund was approximately .74 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.

HOPE VI Fund

The purpose of the HOPE VI Fund is to account for projects financed primarily with the proceeds of Greensboro's Community Development Block Grant Section 108 Loans which are used for revitalization of low and moderate income housing 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 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.

Guilford Metro 911 Fund

This fund oversees Guilford Metro 911 Communications Department. Guilford Metro 911 became a separate City of Greensboro department on July 1, 2004. The Guilford Metro 911 fund has four divisions: Guilford Metro 911 Administration, Emergency Communications, Greensboro Emergency Management and Technical Services. The fund is supported by General Revenue and 911 Wired and Wireless 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, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 15,000	\$ 79,670	\$ 64,670
Investment Income	100,000	282,060	182,060
Miscellaneous:			
Other Reimbursements	_____	2,354,041	2,354,041
Appropriated Fund Balance	1,735,549	_____	(1,735,549)
Total Revenues	<u>1,850,549</u>	<u>2,715,771</u>	<u>865,222</u>
Expenditures:			
Transportation:			
Bridge Construction and Maintenance	1,451,957	1,239,673	212,284
Excess of Revenues Over Expenditures	398,592	1,476,098	1,077,506
Other Financing Uses:			
Transfers Out	(398,592)	(398,592)	_____
Excess of Revenues Over Expenditures and Other Financing Uses	<u>\$ _____</u>	1,077,506	1,077,506
Fund Balance - July 1		<u>3,344,372</u>	<u>3,344,372</u>
Fund Balance - June 30		<u>\$ 4,421,878</u>	<u>\$ 4,421,878</u>

Cemetery Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Forest Lawn Cemetery	\$ 304,000	\$ 248,138	\$ (55,862)
Maplewood Cemetery	33,500	36,760	3,260
Greenhill Cemetery	35,700	41,932	6,232
Total Charges for Current Services	<u>373,200</u>	<u>326,830</u>	<u>(46,370)</u>
Investment Income	<u>45,000</u>	<u>132,926</u>	<u>87,926</u>
Miscellaneous:			
Donations and Contributions	200		(200)
Fees	7,800		(7,800)
Other Miscellaneous Revenue		2,684	2,684
Total Miscellaneous	<u>8,000</u>	<u>2,684</u>	<u>(5,316)</u>
Appropriated Fund Balance	<u>11,987</u>		<u>(11,987)</u>
Total Revenues	<u>438,187</u>	<u>462,440</u>	<u>24,253</u>
Expenditures:			
Culture and Recreation:			
Cemeteries:			
Administration	248,066	278,218	(30,152)
Forest Lawn Cemetery	195,661	159,805	35,856
Maplewood Cemetery	76,828	38,240	38,588
Greenhill Cemetery	177,656	174,453	3,203
Total Expenditures	<u>698,211</u>	<u>650,716</u>	<u>47,495</u>
Excess of Revenues Under Expenditures	<u>(260,024)</u>	<u>(188,276)</u>	<u>71,748</u>
Other Financing Sources (Uses):			
Transfers In	299,224	299,224	
Transfers Out	<u>(39,200)</u>	<u>(29,683)</u>	<u>9,517</u>
Total Other Financing Sources (Uses)	<u>260,024</u>	<u>269,541</u>	<u>9,517</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	81,265	81,265
Fund Balance - July 1		<u>262,581</u>	<u>262,581</u>
Fund Balance - June 30		<u>\$ 343,846</u>	<u>\$ 343,846</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, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Room Occupancy Tax	\$ 3,068,000	\$ 3,053,140	\$ (14,860)
Miscellaneous:			
Donations and Contributions	900,000	600,000	(300,000)
Total Revenues	<u>3,968,000</u>	<u>3,653,140</u>	<u>(314,860)</u>
Expenditures:			
Culture and Recreation	210,000	202,112	7,888
Debt Service:			
Principal Retirement	2,541,000	2,540,240	760
Interest	1,212,000	898,146	313,854
Fees and Other	205,000	47,593	157,407
Total Expenditures	<u>4,168,000</u>	<u>3,688,091</u>	<u>479,909</u>
Excess of Revenues Under Expenditures	(200,000)	(34,951)	165,049
Other Financing Sources:			
Transfers In	<u>200,000</u>		<u>(200,000)</u>
Excess of Revenues and Other Financing Sources Under Expenditures	<u>\$</u>	(34,951)	(34,951)
Fund Balance - July 1		<u>412,906</u>	<u>412,906</u>
Fund Balance - June 30		<u>\$ 377,955</u>	<u>\$ 377,955</u>

Special Tax Districts Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes	\$ 633,000	\$ 558,247	\$ (74,753)
Local Option Sales Tax	102,000	168,822	66,822
Total Taxes	<u>735,000</u>	<u>727,069</u>	<u>(7,931)</u>
Investment Income	<u> </u>	<u>82,969</u>	<u>82,969</u>
Appropriated Fund Balance	<u>205,000</u>	<u> </u>	<u>(205,000)</u>
Total Revenues	<u>940,000</u>	<u>810,038</u>	<u>(129,962)</u>
Expenditures:			
Community Development:			
Aycock Historic District	25,000	5,240	19,760
College Hill Historic District	135,000	9,100	125,900
Business Improvement District	<u>680,000</u>	<u>646,012</u>	<u>33,988</u>
Total Expenditures	<u>840,000</u>	<u>660,352</u>	<u>179,648</u>
Excess of Revenues Over Expenditures	100,000	149,686	49,686
Other Financing Uses:			
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u> </u>
Excess of Revenues Over Expenditures and Other Financing Uses	<u>\$</u>	49,686	49,686
Fund Balance - July 1		<u>1,423,101</u>	<u>1,423,101</u>
Fund Balance - June 30		<u>\$ 1,472,787</u>	<u>\$ 1,472,787</u>

Housing Partnership Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Mortgage Collections	\$ 361,000	\$ 312,098	\$ (48,902)
Rents	975		(975)
Sale of Materials		13,722	13,722
Other Revenue		28,950	28,950
Total Charges for Current Services	<u>361,975</u>	<u>354,770</u>	<u>(7,205)</u>
Investment Income	<u>70,000</u>	<u>148,903</u>	<u>78,903</u>
Appropriated Fund Balance	<u>917,681</u>		<u>(917,681)</u>
Total Revenues	<u>1,349,656</u>	<u>503,673</u>	<u>(845,983)</u>
Expenditures:			
Housing:			
Administration	1,643,903	1,323,672	320,231
Housing Programs	<u>1,426,967</u>	<u>1,055,435</u>	<u>371,532</u>
Total Expenditures	<u>3,070,870</u>	<u>2,379,107</u>	<u>691,763</u>
Excess of Revenues Under Expenditures	(1,721,214)	(1,875,434)	(154,220)
Other Financing Sources (Uses):			
Transfers In	1,741,214	1,741,214	
Transfers Out	<u>(20,000)</u>	<u>(20,000)</u>	
Total Other Financing Sources (Uses)	<u>1,721,214</u>	<u>1,721,214</u>	
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$</u>	(154,220)	(154,220)
Fund Balance - July 1		<u>2,644,948</u>	<u>2,644,948</u>
Fund Balance - June 30		<u>\$ 2,490,728</u>	<u>\$ 2,490,728</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>	
			<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 24,428,695	\$ 19,771,532	\$ 2,437,321	\$ 22,208,853
Local Grants	85,637	85,637		85,637
Total Intergovernmental	<u>24,514,332</u>	<u>19,857,169</u>	<u>2,437,321</u>	<u>22,294,490</u>
Investment Income	<u>768,514</u>	<u>746,329</u>	<u>42,753</u>	<u>789,082</u>
Charges for Current Services:				
Program Income	209,239			
Rent	100,973	53,902	28,340	82,242
Mortgage Collections	3,355,005	3,400,123	153,626	3,553,749
Targeted Loan Pool Proceeds	68,799	101,070	48,621	149,691
NCHFA Willow Oaks Program Support			500	500
Sale of Real Estate	207,220	200,560	28,500	229,060
Other Revenue	49,512	63,216	79,466	142,682
Total Charges for Current Services	<u>3,990,748</u>	<u>3,818,871</u>	<u>339,053</u>	<u>4,157,924</u>
Total Revenues	<u>29,273,594</u>	<u>24,422,369</u>	<u>2,819,127</u>	<u>27,241,496</u>
Expenditures:				
Community Development:				
Block Grant:				
Administration	2,432,830	1,943,497	424,631	2,368,128
Community Planning	209,353	210,783	(1)	210,782
Fair Housing	111,000	91,516	18,496	110,012
Rental Rehabilitation	1,598,129	1,235,022	233,995	1,469,017
Citywide Housing Repair	421,762	410,592	1,430	412,022
Target Area Personnel	77,260	51,994	3,310	55,304
Targeted Loan Pool Program	1,295,799	737,723	26,709	764,432
Bessemer Center Redevelopment	450,000		450,000	450,000
Asheboro	1,436,535	971,827	72,940	1,044,767
Arlington Park	720,463	573,360	124,820	698,180
Rosewood	56,507	42,021	1,551	43,572
Section 108 Loan Principal Retirement	3,054,360	1,544,540	666,909	2,211,449
Section 108 Loan Interest		839,178		839,178
Section 108 Fees		300		300
Eastside Park	946,606	914,825	11,147	925,972
Section 108 South Elm Street	50,000		42,408	42,408
South Elm Street	120,000		35,094	35,094
Gorrell Street	22,109	16,437	742	17,179
Willow Oaks	1,239,916	767,136	372,908	1,140,044
Housing Coalition	30,000	30,000		30,000
Magnolia House Motel	53,274	53,273		53,273
Episcopal Servant Center	101,032	61,032	40,000	101,032
Youth Focus	39,700	7,000	32,700	39,700
Homeowner Rehab	1,211,860	905,171	181,052	1,086,223
Family and Children's Services	33,142	4,400	28,742	33,142
Salvation Army	261,600	261,600		261,600
Jericho House	10,608	5,869	4,739	10,608
United Way	8,223	8,222		8,222
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, 2008

	<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	91,000	89,983		89,983
Mary's House	74,000	40,131	33,868	73,999
Room at the Inn of the Triad	75,000	75,000		75,000
Prince of Peace Shelter	78,000	78,000		78,000
Greensboro Urban Ministry	191,907	97,104	94,803	191,907
Section 108 Project	1,640,000	1,639,999		1,639,999
Other Community Development:				
Kids, Inc. Day Care	60,550	19,472	13,257	32,729
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	2,005,380	2,163	2,007,543
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	1,583,195	35,670	1,618,865
HOPWA	1,228,000	1,160,044		1,160,044
Federal Emergency Shelter Grant	333,763	249,516	84,247	333,763
Total Expenditures	29,288,979	24,616,241	3,038,330	27,654,571
Excess of Revenues Under Expenditures	(15,385)	(193,872)	(219,203)	(413,075)
Other Financing Sources:				
Transfers In	15,385	15,385		15,385
Excess of Revenues and Other Financing Sources Under Expenditures	\$	(178,487)	(219,203)	(397,690)
Fund Balance - July 1			(178,487)	
Fund Balance - June 30		\$ (178,487)	\$ (397,690)	\$ (397,690)

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 17,815,275	\$ 11,473,791	\$ 1,041,466	\$ 12,515,257
Local Grants	145,837			
Total Intergovernmental	<u>17,961,112</u>	<u>11,473,791</u>	<u>1,041,466</u>	<u>12,515,257</u>
Investment Income	<u>113,985</u>	<u>119,787</u>	<u>23,484</u>	<u>143,271</u>
Miscellaneous:				
Mortgage Collections	398,546	421,742	59,150	480,892
NCHFA Willow Oaks Program Support			1,000	1,000
Sale of Real Estate	32,500	41,878		41,878
Other Miscellaneous Revenue	<u>14,339</u>	<u>14,415</u>	<u>2,936</u>	<u>17,351</u>
Total Miscellaneous	<u>445,385</u>	<u>478,035</u>	<u>63,086</u>	<u>541,121</u>
Total Revenues	<u>18,520,482</u>	<u>12,071,613</u>	<u>1,128,036</u>	<u>13,199,649</u>
Expenditures:				
Housing:				
Greensboro Home Program	11,122,505	6,414,214	613,661	7,027,875
Assembly Road Match Funds	38,595			
Greensboro Affordable Home Loans - ADDI	34,632	30,599		30,599
Guilford County Home Program	1,330,807	446,087	4,658	450,745
High Point Home Program	2,803,214	2,440,813		2,440,813
Burlington Home Program	2,157,034	1,781,008	259,471	2,040,479
Alamance County Home Program	<u>1,018,310</u>	<u>830,273</u>	<u>112,052</u>	<u>942,325</u>
Total Expenditures	<u>18,505,097</u>	<u>11,942,994</u>	<u>989,842</u>	<u>12,932,836</u>
Excess of Revenues Over Expenditures	15,385	128,619	138,194	266,813
Other Financing Uses:				
Transfers Out	<u>(15,385)</u>	<u>(15,385)</u>		<u>(15,385)</u>
Excess of Revenues Over Expenditures and Other Financing Uses	<u>\$</u>	113,234	138,194	251,428
Fund Balance - July 1			<u>113,234</u>	
Fund Balance - June 30		<u>\$ 113,234</u>	<u>\$ 251,428</u>	<u>\$ 251,428</u>

Hope VI 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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment Income	\$ 67,757	\$ 97,004	\$ 18,455	\$ 115,459
Miscellaneous:				
Mortgage Collections	139,391	139,391		139,391
Other Miscellaneous Revenue		12,108	1,229	13,337
Total Miscellaneous	<u>139,391</u>	<u>151,499</u>	<u>1,229</u>	<u>152,728</u>
Total Revenues	<u>207,148</u>	<u>248,503</u>	<u>19,684</u>	<u>268,187</u>
Expenditures:				
Community Development and Housing:				
Section 108 Project	7,461,000	7,049,735	285,121	7,334,856
Willow Oaks	<u>207,148</u>	<u>173,698</u>	<u>19,167</u>	<u>192,865</u>
Total Expenditures	<u>7,668,148</u>	<u>7,223,433</u>	<u>304,288</u>	<u>7,527,721</u>
Excess of Revenues Under Expenditures	<u>(7,461,000)</u>	<u>(6,974,930)</u>	<u>(284,604)</u>	<u>(7,259,534)</u>
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>7,461,000</u>	<u>7,461,000</u>		<u>7,461,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	486,070	(284,604)	201,466
Fund Balance - July 1			<u>486,070</u>	
Fund Balance - June 30		<u>\$ 486,070</u>	<u>\$ 201,466</u>	<u>\$ 201,466</u>

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants:				
WIA Adult	\$ 2,586,224	\$ 1,754,698	\$ 707,940	\$ 2,462,638
WIA Dislocated Worker	2,729,489	1,670,837	736,045	2,406,882
WIA Youth	2,760,780	1,576,185	859,228	2,435,413
WIA 10% Statewide Activities	913,706	345,296	261,446	606,742
Administrative Cost Pools	877,147	482,724	271,544	754,268
Hurricane Katrina 2005	217,324	217,110	214	217,324
Total Federal Grants	<u>10,084,670</u>	<u>6,046,850</u>	<u>2,836,417</u>	<u>8,883,267</u>
Miscellaneous:				
Sale of Materials		3,472		3,472
Sale of Equipment		123		123
Other Miscellaneous Revenue		(7,909)	950	(6,959)
Total Miscellaneous		<u>(4,314)</u>	<u>950</u>	<u>(3,364)</u>
Total Revenues	<u>10,084,670</u>	<u>6,042,536</u>	<u>2,837,367</u>	<u>8,879,903</u>
Expenditures:				
Economic Opportunity:				
WIA Adult	2,586,224	1,754,715	662,416	2,417,131
WIA Dislocated Worker	2,729,489	1,647,661	759,221	2,406,882
WIA Youth	2,760,780	1,597,831	900,336	2,498,167
WIA 10% Statewide Activities	913,706	346,810	248,041	594,851
Administrative Cost Pools	877,147	482,725	255,397	738,122
Hurricane Katrina 2005	205,468	205,254	215	205,469
Hurricane Katrina Administration 2005	11,856	11,855		11,855
Total Expenditures	<u>10,084,670</u>	<u>6,046,851</u>	<u>2,825,626</u>	<u>8,872,477</u>
Excess of Revenues Over (Under) Expenditures	<u>\$</u>	(4,315)	11,741	7,426
Fund Balance - July 1			(4,315)	
Fund Balance - June 30		<u>\$ (4,315)</u>	<u>\$ 7,426</u>	<u>\$ 7,426</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, 2008

	<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	\$	\$ 53,742	\$ 53,742
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>1,327,291</u>	<u>296,573</u>	<u>1,623,864</u>
Total Intergovernmental Revenue	<u>2,600,000</u>	<u>1,327,291</u>	<u>350,315</u>	<u>1,677,606</u>
Miscellaneous:				
Rent			11,260	11,260
Other Miscellaneous Revenue		(3,932)	(3,915)	(7,847)
Total Miscellaneous		<u>(3,932)</u>	<u>7,345</u>	<u>3,413</u>
Total Revenues	<u>2,600,000</u>	<u>1,323,359</u>	<u>357,660</u>	<u>1,681,019</u>
Expenditures:				
Community Development and Housing:				
South Elm Street Section 108 Project	3,000,000	2,023,477	394,010	2,417,487
EPA Brownsfield Assessment	600,000		73,437	73,437
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>1,330,247</u>	<u>303,965</u>	<u>1,634,212</u>
Total Expenditures	<u>5,600,000</u>	<u>3,353,724</u>	<u>771,412</u>	<u>4,125,136</u>
Excess of Revenues Under Expenditures	(3,000,000)	(2,030,365)	(413,752)	(2,444,117)
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>3,000,000</u>	<u>1,990,000</u>	<u>415,000</u>	<u>2,405,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	(40,365)	1,248	(39,117)
Fund Balance - July 1			(40,365)	
Fund Balance - June 30		<u>\$ (40,365)</u>	<u>\$ (39,117)</u>	<u>\$ (39,117)</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, 2008

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Revenues:				
Intergovernmental:				
Federal Grants	\$ 15,982,840	\$ 7,327,771	\$ 2,851,172	\$ 10,178,943
State Grants	17,048,023	4,769,027	1,404,686	6,173,713
Local Grants	1,507,664	194,972	522,823	717,795
Total Intergovernmental	34,538,527	12,291,770	4,778,681	17,070,451
Investment Income	10,090	9,630	6,236	15,866
Miscellaneous:				
In-Kind and Matching Revenues	1,467,384	1,009,762	175,417	1,185,179
Total Revenues	36,016,001	13,311,162	4,960,334	18,271,496
Expenditures:				
General Government:				
Information Center Kiosk	5,000		5,000	5,000
GIS Data Clearinghouse	2,120	629		629
Public Access Channel	637,450	550,492		550,492
Total General Government	644,570	551,121	5,000	556,121
Public Safety:				
Forfeiture Funds - 2004-05	171,000	141,086		141,086
Forfeiture Funds - 2005-06	610,000	557,056	1,246	558,302
Forfeiture Funds - 2006-07	1,687,965	908,320	334,928	1,243,248
Forfeiture Funds - 2007-08	826,600		497,335	497,335
ODP Homeland Security Grant - 2005	178,153	177,514	624	178,138
RRT Homeland Security Grant - 2006	192,857	63,984	128,656	192,640
RRT Homeland Security Grant - 2007	251,571			
USAR Homeland Security Grant - 2006	658,000	11,655	514,500	526,155
USAR Homeland Security Grant - 2007	167,000			
Buffer Zone Protection Grant	194,000	170,352	22,990	193,342
Byrne Justice Assistance Grant - 2005-06	193,991	184,827	8,986	193,813
Byrne Justice Assistance Grant - 2006-07	114,151	109,032	5,115	114,147
Byrne Justice Assistance Grant - 2007-08	178,102		10,249	10,249
GHSP Regional Coordinators - 2006-07	32,500	10,171	18,372	28,543
GHSP Regional Coordinators - 2007-08	10,000		4,367	4,367
Governor's Crime Commission Grant - 2007-08	100,000			
Safe Neighborhood Heroes Grant	1,500		1,500	1,500
PNRC Walmart Grant - 2005	2,000	662	355	1,017
PNRC Walmart Grant - 2008	1,000			
Violent Crime Task Force - 2001-02	130,000	99,093	9,770	108,863
Violent Crime Task Force - 2007/08	21,000		14,879	14,879
Financial Crimes Task Force - 2006-07	7,000	6,963		6,963
Financial Crimes Task Force - 2007-08	5,000		4,766	4,766
NC Joint Terrorism Task Force - 2006-07	15,575	11,347	3,165	14,512
NC Joint Terrorism Task Force - 2007-08	15,855		10,560	10,560
Downtown ABC Enforcement	17,500		1,215	1,215
Target 2007	600		600	600
DNA Cold Cases	310,800		13,180	13,180
Police Museum Contribution	1,300		732	732
Police K-9 Vest	1,500			
FBI Safe Streets Task Force	15,855		8,405	8,405
Traffic Enforcement Positions - 2004-07	997,356	903,433	68,252	971,685
Law Enforcement Equipment - Logan County	11,250	10,055		10,055
NC Emergency Management Grant 2006-07	1,677	955	722	1,677
Metro Medical Response System - 2003	880,557	311,347	9,697	321,044
Metro Medical Response System - 2005	227,592	213,394	14,086	227,480
Metro Medical Response System - 2006	232,200	30,572	180,958	211,530
Metro Medical Response System - 2007	258,145			
Public Health Grant	32,815		25,814	25,814
Swiftwater Rescue Grant	14,800		14,800	14,800
Regional Hazmat Response Team - 2005-06	57,000	41,136	7,055	48,191
Regional Hazmat Response Team - 2006-07	57,000	45,362	2,919	48,281
Regional Hazmat Response Team - 2007-08	57,000		36,556	36,556
Regional Hazmat Response Team - 2008-09	57,000			
Total Public Safety	8,996,767	4,008,316	1,977,354	5,985,670

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, 2008

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Expenditures: (Continued)				
Transportation:				
Transportation Planning - 2006-07	\$ 719,751	\$ 406,989	\$ 1	\$ 406,990
Transportation Planning - 2007-08	782,268		384,678	384,678
Eckerson US 29 Environmental Study	750,000	328,990	94,973	423,963
Section 5303 Metro Planning - 2006-07	83,450	83,450		83,450
Hornaday Road Improvement	6,400,000	223,026	23,296	246,322
Knox Road Improvement - 2005	400,000		400,000	400,000
CMAQ/HEAT - 2006-07	1,469,535	1,323,260	65,678	1,388,938
Wendover Avenue Improvement Project - 2006-07	1,450,000		199,345	199,345
Bicentennial Greenway Trail Project		(8,950)	8,950	
Bicycle Route Map Grant - 2006-07	17,510		14,215	14,215
Oka T. Hester Park Dam Construction	5,015,000	3,264,565	34,174	3,298,739
Total Transportation	<u>17,087,514</u>	<u>5,621,330</u>	<u>1,225,310</u>	<u>6,846,640</u>
Engineering:				
Ballinger Road Bridge Replacement	625,000	140,390		140,390
Electronic Waste Recycling 2005-06	45,000	30,000	15,000	45,000
Waste Reduction & Recycling Grant	21,500			
ABC Recycling Grant	12,400		12,400	12,400
Piedmont Triad Water Quality Yr 4	24,024	14,826	9,198	24,024
Piedmont Triad Water Quality Yr 5	82,392		60,274	60,274
Total Engineering	<u>810,316</u>	<u>185,216</u>	<u>96,872</u>	<u>282,088</u>
Culture and Recreation:				
Glenwood Resource Center	219,600	208,048		208,048
LSTA Project Planning Grant	11,709		11,709	11,709
Juvenile Justice & Delinquency Prevention	62,500		47,248	47,248
Fit Community-Downtown Greenway Yr 1	30,000		3,500	3,500
Fit Community-Downtown Greenway Yr 2	30,000			
Guilford County Community Collaboration	39,200		29,641	29,641
PARTF Grant - Keeley Park	1,000,000			
Adopt-A-Trail Program Grant	8,708		5,176	5,176
Title III D Grant	2,200		1,981	1,981
Senior Center General Purpose Grant	7,289		7,281	7,281
Hope Project Yr 1	200,000		378	378
Hope Project Yr 2	200,000			
Hope Project Yr 3	200,000			
CHIF Grant Yr 1	3,000			
CHIF Grant Yr 2	12,000			
SE Connector Trail Phase II	50,000			
Quest for Excellence Program - 2006-07	14,000	5,431	8,569	14,000
Downtown Design Guideline Manual	95,000	(21,323)	42,623	21,300
Tree Canopy Survey	45,000		6,615	6,615
Stairwell Improvement Project	10,000	2,192	(14)	2,178
TYGR Golf Program - 2005-06	15,030	2,196	6,819	9,015
Setrac Kernoodle Ball Field	19,500		16,331	16,331
Setrac Bryan Park Soccer	12,000		9,230	9,230
Total Culture and Recreation	<u>2,286,736</u>	<u>196,544</u>	<u>197,087</u>	<u>393,631</u>
Community Development and Housing:				
Education Committee Project Grant	5,000		924	924
Fair Housing Assistance - 2003-08	156,278	15,943	67,512	83,455
Fair Housing Training Grant - 2007-08	40,772			
Scattered Site Rehab - 2007	396,500			
Duke Energy Loan Pool	150,000		45,670	45,670
NCHFA Urgent Repair Program - 2007	75,000		52,535	52,535
Historic Preservation Grant 2007-08	32,500		16,000	16,000
Lead Paint Grant - 2005-09	6,000,000	2,631,754	711,352	3,343,106
Single Family Rehab Grant	400,000			
Historic Survey Grant - 2006-07	25,000	6,000	19,000	25,000
End in Sight Grant Program - 2006-07	4,000			
Total Community Development and Housing	<u>7,285,050</u>	<u>2,653,697</u>	<u>912,993</u>	<u>3,566,690</u>
Total Expenditures	<u>37,110,953</u>	<u>13,216,224</u>	<u>4,414,616</u>	<u>17,630,840</u>
Excess of Revenues Over (Under) Expenditures	(1,094,952)	94,938	545,718	640,656
Other Financing Sources:				
Transfers In	<u>1,094,952</u>	<u>363,094</u>	<u>53,356</u>	<u>416,450</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	<u>458,032</u>	<u>599,074</u>	<u>1,057,106</u>
Fund Balance - July 1			<u>458,032</u>	
Fund Balance - June 30		<u>\$ 458,032</u>	<u>\$ 1,057,106</u>	<u>\$ 1,057,106</u>

Guilford Metro 911 Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Communications Revenue	\$ 770,000	\$ 435,589	\$ (334,411)
Cost Recovery - Guilford County	1,796,320	1,796,316	(4)
Cost Recovery - Gibsonville	50,000	51,000	1,000
911 Surcharge - Wireless Phones	410,000	1,581,675	1,171,675
Total Charges for Current Services	<u>3,026,320</u>	<u>3,864,580</u>	<u>838,260</u>
Investment Income	<u> </u>	<u>92,831</u>	<u>92,831</u>
Miscellaneous:			
Other Miscellaneous Revenue	<u> </u>	<u>1,569</u>	<u>1,569</u>
Appropriated Fund Balance	<u>977,625</u>	<u> </u>	<u>(977,625)</u>
Total Revenues	<u>4,003,945</u>	<u>3,958,980</u>	<u>(44,965)</u>
Expenditures:			
Public Safety:			
Metro Communications Administration	309,506	218,044	91,462
Communications	6,273,687	5,962,343	311,344
911 Wireless	1,665,701	1,384,460	281,241
Emergency Management	<u>225,277</u>	<u>161,120</u>	<u>64,157</u>
Total Expenditures	<u>8,474,171</u>	<u>7,725,967</u>	<u>748,204</u>
Excess of Revenues Under Expenditures	(4,470,226)	(3,766,987)	703,239
Other Financing Sources (Uses):			
Transfers In	4,620,226	4,620,226	
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	
Total Other Financing Sources (Uses)	<u>4,470,226</u>	<u>4,470,226</u>	
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	<u>703,239</u>	<u>703,239</u>
Fund Balance - July 1		<u>1,963,584</u>	<u>1,963,584</u>
Fund Balance - June 30		<u>\$ 2,666,823</u>	<u>\$ 2,666,823</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 Water Resources Enterprise Fund and 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, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Local Reimbursements:			
Payment In Lieu of Taxes	\$ 100,000	\$ 105,651	\$ 5,651
Investment Income	5,000,000	5,951,455	951,455
Miscellaneous:			
Sales and Use Tax Refund	57,372	115,792	58,420
Total Revenues	<u>5,157,372</u>	<u>6,172,898</u>	<u>1,015,526</u>
Expenditures:			
Debt Service:			
Principal Retirement	14,195,890	14,474,931	(279,041)
Interest	7,858,140	6,166,897	1,691,243
Fees and Other	1,352,986	251,187	1,101,799
Total Expenditures	<u>23,407,016</u>	<u>20,893,015</u>	<u>2,514,001</u>
Excess of Revenues Under Expenditures	<u>(18,249,644)</u>	<u>(14,720,117)</u>	<u>3,529,527</u>
Other Financing Sources (Uses):			
Debt Issuances:			
General Obligation Bonds Issued - Refunding	23,445,000	20,129,877	(3,315,123)
Premium on Debt	1,907,876	1,641,517	(266,359)
Payment to Escrow Agent for Refunding of Debt	(25,244,360)	(21,674,808)	3,569,552
Transfers In	18,341,128	18,344,555	3,427
Transfers Out	(200,000)		200,000
Total Other Financing Sources (Uses)	<u>18,249,644</u>	<u>18,441,141</u>	<u>191,497</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	3,721,024	3,721,024
Fund Balance - July 1		<u>13,383,383</u>	<u>13,383,383</u>
Fund Balance - June 30		<u>\$ 17,104,407</u>	<u>\$ 17,104,407</u>

Capital Projects Fund

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grant	\$ 2,769,018	\$ 986,203	\$ 1,661,468	\$ 2,647,671
State Grant	4,233,342			
State Reimbursements - Transportation Projects	130,312	130,312		130,312
Miscellaneous:				
Donations and Private Contributions	100,000		100,000	100,000
Other Revenue	537,000			
Total Intergovernmental	<u>7,769,672</u>	<u>1,116,515</u>	<u>1,761,468</u>	<u>2,877,983</u>
Charges for Current Services:				
Contracted Construction Projects	<u>57,803</u>	<u>57,803</u>		<u>57,803</u>
Total Revenues	<u>7,827,475</u>	<u>1,174,318</u>	<u>1,761,468</u>	<u>2,935,786</u>
Expenditures:				
Capital Improvements:				
Transportation:				
Transportation Improvements	9,888,812	3,954,764	277,699	4,232,463
Engineering:				
City State Road Projects	<u>3,472,272</u>	<u>1,386,937</u>	<u>1,955,623</u>	<u>3,342,560</u>
Total Expenditures	<u>13,361,084</u>	<u>5,341,701</u>	<u>2,233,322</u>	<u>7,575,023</u>
Excess of Revenues Under Expenditures	<u>(5,533,609)</u>	<u>(4,167,383)</u>	<u>(471,854)</u>	<u>(4,639,237)</u>
Other Financing Sources:				
Transfers In	<u>5,533,609</u>	<u>5,012,278</u>	<u>521,335</u>	<u>5,533,613</u>
Total Other Financing Sources	<u>5,533,609</u>	<u>5,012,278</u>	<u>521,335</u>	<u>5,533,613</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	844,895	49,481	894,376
Fund Balance - July 1,			<u>844,895</u>	
Fund Balance - June 30		<u>\$ 844,895</u>	<u>\$ 894,376</u>	<u>\$ 894,376</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Charges for Current Services:				
Contracted Construction Projects	\$ 4,277	\$ 4,277	\$	\$ 4,277
Miscellaneous:				
Investment Income			448,274	448,274
Other Revenue	13,271	13,272		13,272
Total Revenue	<u>17,548</u>	<u>17,549</u>	<u>448,274</u>	<u>465,823</u>
Expenditures:				
Capital Improvements:				
Field Operations:				
Transportation Improvements	2,778,380		1,042,038	1,042,038
Transportation:				
Transportation Improvements	38,313,395	32,904,112	1,231,468	34,135,580
Engineering:				
Sidewalk and Crosswalk Construction	3,178,199	3,116,649		3,116,649
Total Expenditures	<u>44,269,974</u>	<u>36,020,761</u>	<u>2,273,506</u>	<u>38,294,267</u>
Excess of Revenues Under Expenditures	<u>(44,252,426)</u>	<u>(36,003,212)</u>	<u>(1,825,232)</u>	<u>(37,828,444)</u>
Other Financing Sources (Uses):				
Transfers In	44,825,860	37,653,211	2,843,535	40,496,746
Transfers Out	<u>(573,434)</u>	<u>(573,433)</u>		<u>(573,433)</u>
Total Other Financing Sources (Uses)	<u>44,252,426</u>	<u>37,079,778</u>	<u>2,843,535</u>	<u>39,923,313</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$</u>	1,076,566	1,018,303	2,094,869
Fund Balance - July 1			<u>1,076,566</u>	
Fund Balance - June 30		<u>\$ 1,076,566</u>	<u>\$ 2,094,869</u>	<u>\$ 2,094,869</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, 2008

	<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
Local Government Grant	250,000	208,776		208,776
Investment Income	195,200		196,453	196,453
Miscellaneous:				
Rent	25,000	25,000		25,000
Sale of Real Estate	1,068,600	1,068,600		1,068,600
Donations and Private Contributions	380,977	380,977		380,977
Total Revenues	<u>1,919,777</u>	<u>3,683,353</u>	<u>196,453</u>	<u>3,879,806</u>
Expenditures:				
Capital Improvements:				
General Government	489,718	134,376	314,694	449,070
Public Safety	700,000	411,675		411,675
Transportation	14,000			
Culture and Recreation	2,996,083	1,398,579	57,490	1,456,069
Engineering	49,186	49,185		49,185
Total Expenditures	<u>4,248,987</u>	<u>1,993,815</u>	<u>372,184</u>	<u>2,365,999</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,329,210)</u>	<u>1,689,538</u>	<u>(175,731)</u>	<u>1,513,807</u>
Other Financing Sources (Uses):				
Transfers In	2,329,210	1,963,829	300,000	2,263,829
Transfers Out			(1,103,800)	(1,103,800)
Total Other Financing Sources (Uses)	<u>2,329,210</u>	<u>1,963,829</u>	<u>(803,800)</u>	<u>1,160,029</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	<u>3,653,367</u>	<u>(979,531)</u>	<u>2,673,836</u>
Fund Balance - July 1			<u>3,653,367</u>	
Fund Balance - June 30		<u>\$ 3,653,367</u>	<u>\$ 2,673,836</u>	<u>\$ 2,673,836</u>

Public Improvement Bond Fund - Series 1990, 1992, 1994 and 1998

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Donations and Private Contributions	\$ 174,609	\$ 174,609	\$	\$ 174,609
Construction Project Development	1,103,948	1,103,948		1,103,948
Other Revenue	3,163	3,163		3,163
	<u>1,281,720</u>	<u>1,281,720</u>		<u>1,281,720</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
General Government:				
Public Buildings	2,131,350	2,128,071		2,128,071
Public Safety:				
Opticom System	204,310	204,308		204,308
Transportation:				
Transportation Improvements	1,879,720	1,879,719		1,879,719
Engineering:				
Street Construction - 1985	1,984,308	1,984,294		1,984,294
Street Construction - 1988	70,563,841	70,239,977	202,059	70,442,036
Center City Improvements	2,927,699	2,927,687		2,927,687
Culture and Recreation:				
Recreation Centers	5,996,609	5,764,574	52,519	5,817,093
Community Development and Housing:				
Housing Program	4,000,000	4,000,009		4,000,009
Neighborhood Renewal	2,400,000	2,399,991		2,399,991
	<u>92,087,837</u>	<u>91,528,630</u>	<u>254,578</u>	<u>91,783,208</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(90,806,117)</u>	<u>(90,246,910)</u>	<u>(254,578)</u>	<u>(90,501,488)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	90,750,000	90,750,000		90,750,000
Transfers In	603,350	603,350		603,350
Transfers Out	(547,233)	(547,233)		(547,233)
	<u>90,806,117</u>	<u>90,806,117</u>		<u>90,806,117</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	559,207	(254,578)	304,629
Fund Balance - July 1			559,207	
Fund Balance - June 30		<u>\$ 559,207</u>	<u>\$ 304,629</u>	<u>\$ 304,629</u>

Redevelopment Bond Fund - Series 1994

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$ 238,729	\$ 238,729	\$	\$ 238,729
Interest Collected - Rehabilitation Mortgages	9,328	9,328	159	9,487
Rent	13,193	12,093		12,093
Sale of Real Estate	555,183	555,183		555,183
Donations and Private Contributions	20,000	20,000		20,000
Other Revenue	24,503	30,103		30,103
	<u>860,936</u>	<u>865,436</u>	<u>159</u>	<u>865,595</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Neighborhood Renewal	8,161,408	7,985,681	117,936	8,103,617
Excess of Revenues Under Expenditures	<u>(7,300,472)</u>	<u>(7,120,245)</u>	<u>(117,777)</u>	<u>(7,238,022)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	7,285,000	7,285,000		7,285,000
Transfers In	32,215	32,215		32,215
Transfers Out	(16,743)	(16,743)		(16,743)
	<u>7,300,472</u>	<u>7,300,472</u>	<u></u>	<u>7,300,472</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	180,227	(117,777)	62,450
Fund Balance - July 1			180,227	
Fund Balance - June 30		<u>\$ 180,227</u>	<u>\$ 62,450</u>	<u>\$ 62,450</u>

Public Improvement Bond Fund - Series 1998A

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Public Safety:				
Personnel Training Facilities	\$ 14,500,000	\$ 14,380,136	\$ 94,707	\$ 14,474,843
Fire Station	1,500,000	1,499,804		1,499,804
Police Department	411,035			
Engineering:				
Municipal Buildings	2,000,000	1,805,912		1,805,912
Medford Center Improvements	4,374,965	4,374,965		4,374,965
Total Expenditures	<u>22,786,000</u>	<u>22,060,817</u>	<u>94,707</u>	<u>22,155,524</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	22,000,000	22,000,000		22,000,000
Transfers In	786,000	786,000		786,000
Transfers Out		(1,541)		(1,541)
Total Other Financing Sources (Uses)	<u>22,786,000</u>	<u>22,784,459</u>		<u>22,784,459</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	723,642	(94,707)	628,935
Fund Balance - July 1			<u>723,642</u>	
Fund Balance - June 30		<u>\$ 723,642</u>	<u>\$ 628,935</u>	<u>\$ 628,935</u>

Housing/Redevelopment Bond Fund - Series 1998

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$ 137,500	\$ 134,471	\$ 199,530	\$ 334,001
Interest Collected - Rehabilitation Mortgages	21,000	19,275	9,851	29,126
Sale of Real Estate	14,800	14,726		14,726
Other Revenue	1,000	957		957
Total Revenues	<u>174,300</u>	<u>169,429</u>	<u>209,381</u>	<u>378,810</u>
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Single Family Housing Program	3,121,022	2,985,978	8,627	2,994,605
Multi-family Housing Program	2,491,740	2,484,798		2,484,798
Neighborhood Renewal	818,910	818,536	62	818,598
Total Expenditures	<u>6,431,672</u>	<u>6,289,312</u>	<u>8,689</u>	<u>6,298,001</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,257,372)</u>	<u>(6,119,883)</u>	<u>200,692</u>	<u>(5,919,191)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	6,300,000	6,300,000		6,300,000
Transfers Out	(42,628)		(42,628)	(42,628)
Total Other Financing Sources (Uses)	<u>6,257,372</u>	<u>6,300,000</u>	<u>(42,628)</u>	<u>6,257,372</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$</u>	180,117	158,064	338,181
Fund Balance - July 1			<u>180,117</u>	
Fund Balance - June 30		<u>\$ 180,117</u>	<u>\$ 338,181</u>	<u>\$ 338,181</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 2,869,600	\$	\$	\$
Miscellaneous:				
Construction Project Developers Share		4,966		4,966
Reimbursements		84,000		84,000
	<u>2,869,600</u>	<u>88,966</u>	<u></u>	<u>88,966</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Engineering:				
Issuance Costs	1,323,744	847,611	564,485	1,412,096
Resurfacing and Signal Replacement	4,350,000	435,956	231,843	667,799
Roadway Improvements	46,916,812	19,919,900	2,938,544	22,858,444
Sidewalk and Bikeways Projects	7,346,250	1,052,016	1,383,198	2,435,214
Streetscape Projects	11,960,709	10,783,338	915,888	11,699,226
Bikeway and Park Connectors	1,813,750	250,938	337,035	587,973
	<u>73,711,265</u>	<u>33,289,759</u>	<u>6,370,993</u>	<u>39,660,752</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(70,841,665)</u>	<u>(33,200,793)</u>	<u>(6,370,993)</u>	<u>(39,571,786)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	71,750,000	31,330,000	24,920,000	56,250,000
Premium on Debt		56,940	1,424,830	1,481,770
Transfers Out	(908,335)		(891,335)	(891,335)
	<u>70,841,665</u>	<u>31,386,940</u>	<u>25,453,495</u>	<u>56,840,435</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	<u>(1,813,853)</u>	<u>19,082,502</u>	<u>17,268,649</u>
Fund Balance - July 1			<u>(1,813,853)</u>	
Fund Balance - June 30		<u>\$ (1,813,853)</u>	<u>\$ 17,268,649</u>	<u>\$ 17,268,649</u>

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, 2008

	<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	\$ 741,614	\$ 567,096	\$ 39,389	\$ 606,485
Barber Park Recreation Center	2,756,220	813,592	188,251	1,001,843
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	6,055,564	222,474	207,481	429,955
Lake Facility Improvements	159,694	159,694		159,694
Playground Equipment and Bleachers	1,440,448	1,333,113	107,334	1,440,447
Southwest Greensboro Recreation Center	5,991,989	1,682,302	135,283	1,817,585
Northwest Walking Trail	184,630	184,629		184,629
Northeast Sports Center	6,150,905	6,053,908	93,667	6,147,575
Barber Park Master Plan	65,000	65,000		65,000
Gateway Garden Project	1,500,000	143,772	187,385	331,157
General Administration - Parks and Recreation	244,652	195,681		195,681
Short Farm Park	928,110	928,109	(3)	928,106
Caldwell Historic Park	113,440	23,437	875	24,312
Brightwood Neighborhood Park	93,560			
Ole Asheboro	115,275			
	<u>33,700,000</u>	<u>19,531,702</u>	<u>959,662</u>	<u>20,491,364</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	34,200,000	27,600,000		27,600,000
Premium on Debt		74,151		74,151
Transfers Out	(500,000)			
	<u>33,700,000</u>	<u>27,674,151</u>		<u>27,674,151</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	8,142,449	(959,662)	7,182,787
Fund Balance - July 1			8,142,449	
Fund Balance - June 30		<u>\$ 8,142,449</u>	<u>\$ 7,182,787</u>	<u>\$ 7,182,787</u>

Fire Station Bond Fund - Series 2003 and 2005A

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Insurance Refunds and Claims	\$ 121,731	\$ 121,731	\$	\$ 121,731
Expenditures:				
Capital Improvements:				
Public Safety:				
Fire Station #11 Replacement	1,687,043	1,690,467		1,690,467
Horsepen Creek Fire Station	2,508,832	2,507,480		2,507,480
Lake Jeanette Fire Station	2,544,847	2,544,652		2,544,652
Orchard Fire Station	2,635,935	2,633,914	145	2,634,059
Willow Road Fire Station	291,646	291,646		291,646
Total Expenditures	9,668,303	9,668,159	145	9,668,304
Excess of Revenues Under Expenditures	(9,546,572)	(9,546,428)	(145)	(9,546,573)
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	9,550,000	9,550,000		9,550,000
Transfers Out	(3,428)		(3,427)	(3,427)
Total Other Financing Sources (Uses)	9,546,572	9,550,000	(3,427)	9,546,573
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	\$	3,572	(3,572)	
Fund Balance - July 1			3,572	
Fund Balance - June 30		\$ 3,572	\$	\$

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Transportation	\$ 2,000,000	\$ 1,081,795	\$ 224,613	\$ 1,306,408
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	2,000,000	1,000,000	500,000	1,500,000
Premium on Debt		479	42,102	42,581
Total Other Financing Sources	2,000,000	1,000,479	542,102	1,542,581
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	(81,316)	317,489	236,173
Fund Balance - July 1			(81,316)	
Fund Balance - June 30		<u>\$ (81,316)</u>	<u>\$ 236,173</u>	<u>\$ 236,173</u>

Law Enforcement Bond Fund - Series 2003

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Public Safety:				
Police Building - Southeast District	\$ 3,050,547	\$ 2,752,563	\$	\$ 2,752,563
Police Building - Western District	4,029,453	4,029,095		4,029,095
Total Expenditures	7,080,000	6,781,658		6,781,658
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	7,080,000	7,080,000		7,080,000
Excess of Other Financing Sources Over Expenditures	\$	298,342		298,342
Fund Balance - July 1			298,342	
Fund Balance - June 30		\$ 298,342	\$ 298,342	\$ 298,342

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Community Development and Housing	\$ 2,767,785	\$ 511,813	\$ 556,928	\$ 1,068,741
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	2,800,000	1,500,000		1,500,000
Premium on Debt		17,019		17,019
Transfer Out	(32,215)	(32,215)		(32,215)
Total Other Financing Sources (Uses)	<u>2,767,785</u>	<u>1,484,804</u>		<u>1,484,804</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	972,991	(556,928)	416,063
Fund Balance - July 1			972,991	
Fund Balance - June 30		<u>\$ 972,991</u>	<u>\$ 416,063</u>	<u>\$ 416,063</u>

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Rent	\$	\$	\$ 920	\$ 920
Expenditures:				
Capital Improvements:				
Public Safety	24,500,000	909,869	1,712,953	2,622,822
Excess of Revenues Under Expenditures	(24,500,000)	(909,869)	(1,712,033)	(2,621,902)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	24,500,000		10,200,000	10,200,000
Premium on Debt		1,276	690,521	691,797
Total Other Financing Sources	24,500,000	1,276	10,890,521	10,891,797
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$	\$ (908,593)	9,178,488	8,269,895
Fund Balance - July 1			(908,593)	
Fund Balance - June 30		\$ (908,593)	\$ 8,269,895	\$ 8,269,895

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 8,600,000	\$	\$ 556,017	\$ 556,017
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	8,600,000		4,800,000	4,800,000
Premium on Debt			404,204	404,204
Total Other Financing Sources	8,600,000		5,204,204	5,204,204
Excess of Other Financing Sources Over Expenditures	\$		4,648,187	4,648,187
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 4,648,187	\$ 4,648,187

Parks & 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, 2008

	<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
General Government	\$ 10,000,000	\$	\$ 8,294	\$ 8,294
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	10,000,000		2,000,000	2,000,000
Premium on Debt			168,418	168,418
Total Other Financing Sources	10,000,000		2,168,418	2,168,418
Excess of Other Financing Sources Over Expenditures	\$		2,160,124	2,160,124
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 2,160,124	\$ 2,160,124

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 5,300,000	\$	\$ 478,794	\$ 478,794
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	5,300,000		5,300,000	5,300,000
Premium on Debt			446,313	446,313
Total Other Financing Sources	5,300,000		5,746,313	5,746,313
Excess of Other Financing Sources Over Expenditures	\$		5,267,519	5,267,519
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 5,267,519	\$ 5,267,519

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Public Safety	\$ 1,000,000	\$	\$ 9,949	\$ 9,949
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	1,000,000		1,000,000	1,000,000
Premium on Debt			84,832	84,832
Total Other Financing Sources	1,000,000		1,084,832	1,084,832
Excess of Other Financing Sources Over Expenditures	\$		1,074,883	1,074,883
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 1,074,883	\$ 1,074,883

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Public Safety	\$ 1,500,000	\$	\$ 35,560	\$ 35,560
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	1,500,000		1,500,000	1,500,000
Premium on Debt			127,245	127,245
Total Other Financing Sources	1,500,000		1,627,245	1,627,245
Excess of Other Financing Sources Over Expenditures	\$		1,591,685	1,591,685
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 1,591,685	\$ 1,591,685

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 Charter. No part of the principal may be expended from this fund, which classifies this fund as a Permanent Trust Fund. No expenses were recorded in this fund during the current year.

This fund can be found on the Combining Balance Sheet, page 35 and the Combining Statement of Revenues, Expenditures and Changes in Fund Balances, page 43.

Enterprise Funds

Water Resources Fund

The Water Resources Fund provides services to over 102,041 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 as well as General Obligation 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 and meeting and exhibition facilities of 167,000 square feet.

Solid Waste Management Fund

This fund accounts for waste disposal and recycling operations of the City, as well as solid waste landfill improvements.

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, 2008

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 82,412,953	\$ 82,555,506	\$ 142,553
Other Operating Revenues	532,500	1,519,893	987,393
Total Operating Revenues	<u>82,945,453</u>	<u>84,075,399</u>	<u>1,129,946</u>
Operating Expenses:			
Personal Services	13,407,590	13,062,288	345,302
Fringe Benefits	5,095,322	5,094,746	576
Maintenance and Operations	33,657,934	28,331,121	5,326,813
Capital Outlay	2,284,285	926,149	1,358,136
Total Operating Expenses	<u>54,445,131</u>	<u>47,414,304</u>	<u>7,030,827</u>
Operating Income	<u>28,500,322</u>	<u>36,661,095</u>	<u>8,160,773</u>
Nonoperating Revenues:			
Investment Income	1,632,500	3,598,128	1,965,628
Miscellaneous Nonoperating Revenue	110,000	63,965	(46,035)
Total Nonoperating Revenues	<u>1,742,500</u>	<u>3,662,093</u>	<u>1,919,593</u>
Nonoperating Expenses:			
Principal Maturities	7,871,857	7,871,640	217
Interest Expense	9,067,537	8,609,245	458,292
Miscellaneous Nonoperating Expense	753,500	192,177	561,323
Total Nonoperating Expenses	<u>17,692,894</u>	<u>16,673,062</u>	<u>1,019,832</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	<u>12,549,928</u>	<u>23,650,126</u>	<u>11,100,198</u>
Capital Contributions		<u>4,414,261</u>	<u>4,414,261</u>
Other Financing Uses:			
Transfers Out	<u>(47,830,529)</u>	<u>(47,830,530)</u>	<u>(1)</u>
Total Other Financing Uses	<u>(47,830,529)</u>	<u>(47,830,530)</u>	<u>(1)</u>
Excess of Revenues and Contributions Under Expenses and Other Financing Uses	<u>(35,280,601)</u>	<u>(19,766,143)</u>	<u>15,514,458</u>
Appropriated Fund Balance	<u>35,280,601</u>		<u>(35,280,601)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (19,766,143)</u>	<u>\$ (19,766,143)</u>

Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 87,737,492
Total Expenses	<u>64,087,366</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Uses	23,650,126
Adjustment to Full Accrual Basis:	
Depreciation	(15,437,142)
Principal Maturities	7,871,640
Inventory Gain	19,150
Amortization of Underwriters' Expense	(639,658)
Amortization of Bond Premiums	764,902
Capital Outlay	926,149
Capital Project Net Expenses	(4,577,237)
Capital Project Cost Sharing and Other Reimbursements	<u>1,493,479</u>
Income Before Contributions and Transfers	<u>\$ 14,071,409</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Townsend Dam Replacement	\$ 42,103,000	\$	\$ 8,456,157	\$ 8,456,157
Randleman Dam	247,000		47,439	47,439
Osborne Treatment Plant	3,650,000			
Total Capital Improvements	<u>46,000,000</u>		<u>8,503,596</u>	<u>8,503,596</u>
Nonoperating Expenses:				
Interest Expense	1,300,000			
Bond Issue Expense	700,000			
Miscellaneous Bond Expenses				
Total Expenses	<u>48,000,000</u>		<u>8,503,596</u>	<u>8,503,596</u>
Nonoperating Revenues:				
Investment Income	2,000,000			
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(46,000,000)</u>		<u>(8,503,596)</u>	<u>(8,503,596)</u>
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	46,000,000			
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$</u>	<u>\$ (8,503,596)</u>	<u>\$ (8,503,596)</u>

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Water Treatment Plants	\$ 5,937,982	\$ 1,189,892	\$ 1,790,056	\$ 2,979,948
Water Mains-Tanks and Supply	554,636	5,400	170,007	175,407
Sewer Mains	27,047,114	16,152,194	10,153,131	26,305,325
Sewer Pumping Stations	490,500			
Osborne Treatment Plant	10,963,393	12,290	3,840,436	3,852,726
Total Capital Improvements	<u>44,993,625</u>	<u>17,359,776</u>	<u>15,953,630</u>	<u>33,313,406</u>
Nonoperating Expenses:				
Interest Expense	1,423,994		1,888,787	1,888,787
Bond Issue Expense	566,365	297,268	271,097	568,365
Miscellaneous Bond Expenses	16,016	3,217	12,797	16,014
Total Expenses	<u>47,000,000</u>	<u>17,660,261</u>	<u>18,126,311</u>	<u>35,786,572</u>
Nonoperating Revenues:				
Investment Income	923,898		960,575	960,575
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(46,076,102)</u>	<u>(17,660,261)</u>	<u>(17,165,736)</u>	<u>(34,825,997)</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>48,576,102</u>	<u>(2,500,000)</u>	<u>46,076,102</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 30,915,841</u>	<u>\$ (19,665,736)</u>	<u>\$ 11,250,105</u>

Water Resources Bond Fund - Series 2005

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
From Project Inception and For the Year Ended June 30, 2008

	Project Authorization	Prior Years	Actual	
			Current Year	Total To Date
Expenses:				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 1,164,747	\$ 1,164,746	\$	\$ 1,164,746
Water Mains ,Tanks and Supply	3,367,744	3,131,108	228,455	3,359,563
Water Treatment Plants	4,779,368	4,405,930	342,081	4,748,011
Sewer Pumping Stations	6,318,248	6,318,246		6,318,246
Osborne Treatment Plant	2,694,523	646,098	213,480	859,578
Sewer Mains & Pump Station	31,189,926	14,490,635	10,682,123	25,172,758
Water Reclamation Facilities	593,600		593,600	593,600
Guilford College Water Line Relocation	41,971			
Total Capital Improvements	<u>50,150,127</u>	<u>30,156,763</u>	<u>12,059,739</u>	<u>42,216,502</u>
Nonoperating Expenses:				
Interest Expense	2,221,137	2,221,136		2,221,136
Bond Issue Expense	498,640	498,639		498,639
Miscellaneous Bond Expenses	130,096	130,095		130,095
Total Expenses	<u>53,000,000</u>	<u>33,006,633</u>	<u>12,059,739</u>	<u>45,066,372</u>
Nonoperating Revenues:				
Investment Income	<u>1,000,000</u>	<u>2,151,333</u>	<u>325,179</u>	<u>2,476,512</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(52,000,000)</u>	<u>(30,855,300)</u>	<u>(11,734,560)</u>	<u>(42,589,860)</u>
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	52,000,000	40,860,000		40,860,000
Premium - Revenue Bonds		1,729,860		1,729,860
Total Other Financing Sources	<u>52,000,000</u>	<u>42,589,860</u>		<u>42,589,860</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 11,734,560</u>	<u>\$ (11,734,560)</u>	<u>\$</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Guilford County Construction:				
Reimbursements	\$ 11,928,694	\$ 3,382,101	\$ 1,493,479	\$ 4,875,580
Expenses:				
Capital Improvements:				
Sumner Elementary School	433,352	429,501		429,501
Bishop Road Sewer Outfall	530,248	516,304		516,304
Waldenbrook Water Line	158,928	155,764		155,764
Twillia Acres Water and Sewer Project	2,131,648	1,960,037	96,415	2,056,452
Sedgefield Water Line	1,681,120	230,801	768,778	999,579
Northeast High School Sewer Project	444,195	372,641		372,641
Forest Oaks Estate	1,419,294	125,200	72,991	198,191
Lynwood Lakes	4,086,698		86,905	86,905
City/County Master Plan	1,043,211			
Total Expenses	<u>11,928,694</u>	<u>3,790,248</u>	<u>1,025,089</u>	<u>4,815,337</u>
Excess of Revenues Over (Under) Expenses	<u>\$</u>	<u>\$ (408,147)</u>	<u>\$ 468,390</u>	<u>\$ 60,243</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, 2008

	<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	\$ 8,291,650	\$ 3,811,607	\$ 2,288,001	\$ 6,099,608
Randleman Dam Project	41,457,075	41,457,075		41,457,075
PTRWA Water Treatment Plant Project	33,544,093		33,544,093	33,544,093
Chloramine Conversion Project	8,037,721	5,050,901	2,419,870	7,470,771
Automated Meter Reading Project	12,865,843	4,330,676	4,413,758	8,744,434
Sewer Line Construction	20,532,637	16,890,857	3,464,728	20,355,585
I-85 Bypass Stubouts	1,618,003			
Billing Software Upgrade	3,128,911	2,990,607	51,072	3,041,679
Total Capital Improvements	<u>129,475,933</u>	<u>74,531,723</u>	<u>46,181,522</u>	<u>120,713,245</u>
Other Operating Revenues:				
Cost Sharing Reimbursements	263,207	263,207		263,207
Sales Tax Refund		2,043,774		2,043,774
Total Other Operating Revenues	<u>263,207</u>	<u>2,306,981</u>		<u>2,306,981</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(129,212,726)</u>	<u>(72,224,742)</u>	<u>(46,181,522)</u>	<u>(118,406,264)</u>
Other Financing Sources:				
Transfers from Water Resources:				
Capital Reserve Fund	52,137,126	43,593,033	8,544,093	52,137,126
Water Resources Bond Fund	2,500,000		2,500,000	2,500,000
Water Resources Operating Fund	74,575,600	41,673,588	32,902,012	74,575,600
Total Other Financing Sources	<u>129,212,726</u>	<u>85,266,621</u>	<u>43,946,105</u>	<u>129,212,726</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 13,041,879</u>	<u>\$ (2,235,417)</u>	<u>\$ 10,806,462</u>

Stormwater Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 8,730,799	\$ 8,640,528	\$ (90,271)
Other Operating Revenues	7,500	14,391	6,891
Total Operating Revenues	<u>8,738,299</u>	<u>8,654,919</u>	<u>(83,380)</u>
<i>Operating Expenses:</i>			
Personal Services	2,801,122	2,737,506	63,616
Fringe Benefits	1,143,360	1,156,064	(12,704)
Maintenance and Operations	3,457,941	2,784,715	673,226
Total Operating Expenses	<u>7,402,423</u>	<u>6,678,285</u>	<u>724,138</u>
Operating Income	<u>1,335,876</u>	<u>1,976,634</u>	<u>640,758</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>160,000</u>	<u>240,624</u>	<u>80,624</u>
Excess of Revenues Over Expenses Before Other Financing Uses	<u>1,495,876</u>	<u>2,217,258</u>	<u>721,382</u>
<i>Other Financing Uses:</i>			
Transfers Out	<u>(1,768,697)</u>	<u>(1,768,197)</u>	<u>500</u>
Excess of Revenues Over (Under) Expenses and Other Financing Uses	(272,821)	449,061	721,882
Appropriated Fund Balance	<u>272,821</u>	<u> </u>	<u>(272,821)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 449,061</u>	<u>\$ 449,061</u>

Stormwater Management Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 8,895,543
Total Expenses	<u>6,678,285</u>
Excess of Revenues Over Expenses Before Other Financing Uses	2,217,258
Adjustment to Full Accrual Basis:	
Depreciation	(1,672,327)
Compensated Absences	(18,858)
Miscellaneous Nonoperating Expense	(98,662)
Net Capital Project Revenues	<u>204,629</u>
Income Before Transfers	<u>\$ 632,040</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Water Resources:				
Stormwater Improvements	\$ 9,890,082	\$ 3,754,037	\$ 654,992	\$ 4,409,029
Nonoperating Revenues:				
Investment Income		301,440	288,460	589,900
Excess of Revenues Under Expenses Before				
Other Financing Sources	(9,890,082)	(3,452,597)	(366,532)	(3,819,129)
Other Financing Sources:				
Transfers In	9,890,082	8,129,385	1,760,697	9,890,082
Excess of Revenues and Other Financing				
Sources Over Expenses	\$	\$ 4,676,788	\$ 1,394,165	\$ 6,070,953

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June, 30, 2008

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 10,788,182	\$ 10,770,695	\$ (17,487)
Other Operating Revenues	297,751	329,664	31,913
Total Operating Revenues	<u>11,085,933</u>	<u>11,100,359</u>	<u>14,426</u>
Operating Expenses:			
Personal Services	4,252,654	4,242,355	10,299
Fringe Benefits	1,118,420	1,108,349	10,071
Maintenance and Operations	7,393,474	7,165,630	227,844
Capital Outlay	66,297	66,297	
Total Operating Expenses	<u>12,830,845</u>	<u>12,582,631</u>	<u>248,214</u>
Operating Loss	<u>(1,744,912)</u>	<u>(1,482,272)</u>	<u>262,640</u>
Nonoperating Revenues:			
Investment Income	<u>40,000</u>	<u>284,581</u>	<u>244,581</u>
Nonoperating Expenses:			
Principal Maturities	184,191	130,000	54,191
Interest Expense	131,071	158,128	(27,057)
Miscellaneous Nonoperating Expense	2,800	923	1,877
Total Nonoperating Expenses	<u>318,062</u>	<u>289,051</u>	<u>29,011</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(2,022,974)</u>	<u>(1,486,742)</u>	<u>536,232</u>
Other Financing Sources (Uses):			
Transfers In	2,000,000	2,000,000	
Transfers Out	<u>(136,965)</u>	<u>(136,965)</u>	
Total Other Financing Sources (Uses)	<u>1,863,035</u>	<u>1,863,035</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(159,939)</u>	<u>376,293</u>	<u>536,232</u>
Appropriated Fund Balance	<u>159,939</u>		<u>(159,939)</u>
Excess of Revenues and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 376,293</u>	<u>\$ 376,293</u>

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 11,384,940
Total Expenses	<u>12,871,682</u>
Excess of Revenues Under Expenses Before Contributions and Other Financing Sources	(1,486,742)
Adjustment to Full Accrual Basis:	
Depreciation	(2,074,906)
Principal Maturities	130,000
Capital Outlay	66,297
Inventory Gains (Losses)	(3,787)
Compensated Absences	(14,063)
Amortization of Bond Discount	(671)
Net Capital Project Expenses	<u>(677,565)</u>
Loss Before Contributions and Transfers	<u>\$ (4,061,437)</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Donations and Contributions	\$ 3,000,000	\$ 3,000,000	\$ 1,225,000	\$ 4,225,000
Investment Income	220,000	170,815	135,812	306,627
Total Revenues	<u>3,220,000</u>	<u>3,170,815</u>	<u>1,360,812</u>	<u>4,531,627</u>
Expenses:				
Capital Improvements:				
Coliseum Complex Improvements	<u>5,440,992</u>	<u>2,458,077</u>	<u>2,038,376</u>	<u>4,496,453</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources (Uses)	<u>(2,220,992)</u>	<u>712,738</u>	<u>(677,564)</u>	<u>35,174</u>
Other Financing Sources (Uses):				
Debt Issuances:				
Other Financing Agreements	2,953,777	2,953,777		2,953,777
Transfers:				
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>2,220,992</u>	<u>2,085,777</u>	<u>135,215</u>	<u>2,220,992</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 2,798,515</u>	<u>\$ (542,349)</u>	<u>\$ 2,256,166</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 12,281,200	\$ 12,514,140	\$ 232,940
Other Operating Revenues	712,000	154,770	(557,230)
Total Operating Revenues	<u>12,993,200</u>	<u>12,668,910</u>	<u>(324,290)</u>
<i>Operating Expenses:</i>			
Personal Services	1,395,480	1,351,043	44,437
Fringe Benefits	544,246	481,538	62,708
Maintenance and Operations	11,807,123	10,836,472	970,651
Capital Outlay	801,310	637,843	163,467
Total Operating Expenses	<u>14,548,159</u>	<u>13,306,896</u>	<u>1,241,263</u>
Operating Loss	<u>(1,554,959)</u>	<u>(637,986)</u>	<u>916,973</u>
<i>Nonoperating Revenues:</i>			
Investment Income	300,000	447,152	147,152
Miscellaneous Nonoperating Revenue	-	1,038	1,038
Total Nonoperating Revenues	<u>300,000</u>	<u>448,190</u>	<u>148,190</u>
<i>Nonoperating Expenses:</i>			
Principal Maturities	1,675,000	1,675,000	-
Interest Expense	771,359	764,874	6,485
Miscellaneous Nonoperating Expense	6,000	4,810	1,190
Total Nonoperating Expenses	<u>2,452,359</u>	<u>2,444,684</u>	<u>7,675</u>
Excess of Revenues Under Expenses	<u>(3,707,318)</u>	<u>(2,634,480)</u>	<u>1,072,838</u>
Appropriated Fund Balance	<u>3,707,318</u>	<u>-</u>	<u>(3,707,318)</u>
Excess of Revenues Under Expenses	<u>\$ -</u>	<u>\$ (2,634,480)</u>	<u>\$ (2,634,480)</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 13,117,100
Total Expenses	<u>15,751,580</u>
Excess of Revenues Under Expenses	(2,634,480)
Adjustment to Full Accrual Basis:	
Depreciation	(611,773)
Capital Outlay	637,843
Principal Maturities	1,675,000
Amortization of Bond Premium	21,951
Compensated Absences	600
Estimated Landfill Closure / Postclosure expense	(5,888,237)
Estimated Landfill Groundwater Remediation Expense	(1,725,000)
Net Operating Expenses - Landfill Capital Project Funds	<u>(23,610)</u>
Loss Before Transfers	<u>\$ (8,547,706)</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, 2008

	<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	\$ 2,089,836	\$ (19,200)	\$ 2,070,636
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	1,266,815	1,266,812		1,266,812
Total Expenses	<u>4,817,050</u>	<u>4,813,515</u>	<u>(19,200)</u>	<u>4,794,315</u>
Nonoperating Revenues:				
Investment Income		<u>100,158</u>		<u>100,158</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	(4,817,050)	(4,713,357)	19,200	(4,694,157)
Other Financing Sources:				
Transfers In	<u>4,817,050</u>	<u>4,817,050</u>		<u>4,817,050</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 103,693</u>	<u>\$ 19,200</u>	<u>\$ 122,893</u>

Solid Waste Bond Fund - Series 2005

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
 From Project Inception and For the Year Ended June 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Solid Waste Transfer Station	\$ 7,420,000	\$ 7,266,143	\$ 27,098	\$ 7,293,241
Nonoperating Expenses:				
Interest Expense	195,000	199,450		199,450
Bond Issue Expense	185,000	175,275		175,275
Total Expenses	<u>7,800,000</u>	<u>7,640,868</u>	<u>27,098</u>	<u>7,667,966</u>
Nonoperating Revenues:				
Investment Income	<u>125,000</u>	<u>288,853</u>	<u>(89,403)</u>	<u>199,450</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(7,675,000)</u>	<u>(7,352,015)</u>	<u>(116,501)</u>	<u>(7,468,516)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
Special Obligation Bonds Issued	8,275,000	8,400,000		8,400,000
Premium on Debt	225,000	224,026		224,026
Transfers Out	<u>(825,000)</u>	<u>(825,000)</u>		<u>(825,000)</u>
Total Other Financing Sources (Uses)	<u>7,675,000</u>	<u>7,799,026</u>		<u>7,799,026</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 447,011</u>	<u>\$ (116,501)</u>	<u>\$ 330,510</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,874,150	\$ 1,881,010	\$ 6,860
Other Operating Revenues		6,537	6,537
Total Operating Revenues	<u>1,874,150</u>	<u>1,887,547</u>	<u>13,397</u>
<i>Operating Expenses:</i>			
Personal Services	348,876	347,963	913
Fringe Benefits	126,204	133,455	(7,251)
Maintenance and Operations	697,577	413,195	284,382
Capital Outlay	206,164	149,915	56,249
Total Operating Expenses	<u>1,378,821</u>	<u>1,044,528</u>	<u>334,293</u>
Operating Income	<u>495,329</u>	<u>843,019</u>	<u>347,690</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>11,400</u>	<u>16,346</u>	<u>4,946</u>
<i>Nonoperating Expenses:</i>			
Principal Maturities	2,096,945	2,094,760	2,185
Interest Expense	96,016	90,184	5,832
Miscellaneous Nonoperating Expense		2,732	(2,732)
Total Nonoperating Expenses	<u>2,192,961</u>	<u>2,187,676</u>	<u>5,285</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(1,686,232)</u>	<u>(1,328,311)</u>	<u>357,921</u>
<i>Other Financing Sources:</i>			
Transfers In	<u>1,600,000</u>	<u>1,600,000</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(86,232)	271,689	357,921
Appropriated Fund Balance	<u>86,232</u>		<u>(86,232)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 271,689</u>	<u>\$ 271,689</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,903,893
Total Expenses	<u>3,232,204</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(1,328,311)
Adjustment to Full Accrual Basis:	
Depreciation	(644,922)
Principal Maturities	2,094,760
Capital Outlay	149,915
Amortization of Underwriters' Expense	(21,657)
Compensated Absences	(1,244)
Trustee Debt Service Escrow Account	(58)
Income Before Transfers	<u><u>\$ 248,483</u></u>

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.

Employee Insurance Fund

This fund is maintained for 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 Insurance Fund

This fund was established as a self-insurance fund 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.

Capital Leasing Fund

This fund was established to account for major equipment purchases financed with lease-purchase agreements or certificates of participation.

Internal Service Funds

Combining Statement of Net Assets
June 30, 2008

ASSETS	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Information Systems</u>	<u>Graphic Services</u>	<u>Employee Insurance</u>
Current Assets:					
Cash and Cash Equivalents/Investments	\$ 14,128,819	\$ 5,560,813	\$ 3,745,159	\$ 126,619	\$ 24,400,200
Receivables (Net):					
Intergovernmental	472,866	108,001	17,677	39,292	3,161
Interest	64,014	28,408	15,282	345	121,655
Inventories	811,444		33,247	36,722	
Miscellaneous	55,674	144,236	4,606		2,742
Total Current Assets	<u>15,532,817</u>	<u>5,841,458</u>	<u>3,815,971</u>	<u>202,978</u>	<u>24,527,758</u>
Noncurrent Assets:					
Restricted:					
Cash and Cash Equivalents/Investments					
Self-Funded Retention Deposits					1,617,300
Capital Assets:					
Non-Depreciable:					
Land					
Construction in Progress	355,047				
Depreciable:					
Land Improvements	80,254				
Buildings	1,504,887	167,458			
Improvements Other than Buildings		11,108			
Furniture, Fixtures, Machinery and Equipment	58,643,884	7,664,479	225,420	22,677	
Less Accumulated Depreciation	(43,436,892)	(5,732,546)	(225,420)	(6,556)	
Total Noncurrent Assets	<u>17,147,180</u>	<u>2,110,499</u>	<u>225,420</u>	<u>16,121</u>	<u>1,617,300</u>
Total Assets	<u>32,679,997</u>	<u>7,951,957</u>	<u>3,815,971</u>	<u>219,099</u>	<u>26,145,058</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	139,111			1,614	6,726,999
Contracts/Retainage Payable	21,254	143,834			
Interest Payable		41,626			
General Obligation Bonds Payable		274,316			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Customer Deposits Payable					
Compensated Absences	171,158	40,399	22,042	41,143	
Total Current Liabilities	<u>331,523</u>	<u>500,175</u>	<u>22,042</u>	<u>42,757</u>	<u>6,726,999</u>
Noncurrent Liabilities:					
General Obligation Bonds Payable		3,839,852			
Premium-General Obligation Bonds Payable		266,359			
Lease-Purchase and Other					
Financing Agreements Payable					
Compensated Absences	31,365		56,646	9,644	
Total Noncurrent Liabilities	<u>31,365</u>	<u>4,106,211</u>	<u>56,646</u>	<u>9,644</u>	
Total Liabilities	<u>362,888</u>	<u>4,606,386</u>	<u>78,688</u>	<u>52,401</u>	<u>6,726,999</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	17,147,180	(2,270,028)		16,121	
Restricted for Self-Funded Insurance Deposits					1,617,300
Unrestricted	15,169,929	5,615,599	3,737,283	150,577	17,800,759
Total Net Assets	<u>\$ 32,317,109</u>	<u>\$ 3,345,571</u>	<u>\$ 3,737,283</u>	<u>\$ 166,698</u>	<u>\$ 19,418,059</u>

<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 11,531,475	\$ 6,697,181	\$ 66,190,266
	15,598	656,595
60,774	50,717	341,195
		881,413
		207,258
<u>11,592,249</u>	<u>6,763,496</u>	<u>68,276,727</u>
	6,730,323	6,730,323
13,037,494		14,654,794
	1,660,541	1,660,541
	25,016	380,063
	749,902	830,156
	1,153,639	2,825,984
		11,108
	45,414,718	111,971,178
	(30,763,859)	(80,165,273)
<u>13,037,494</u>	<u>24,970,280</u>	<u>58,898,874</u>
<u>24,629,743</u>	<u>31,733,776</u>	<u>127,175,601</u>
	31,950	8,192,314
1,292,640		165,088
	155,892	197,518
		274,316
	4,715,599	4,715,599
	3,500,000	3,500,000
		10,397
10,397		274,742
<u>1,303,037</u>	<u>8,403,441</u>	<u>17,329,974</u>
		3,839,852
		266,359
	11,594,064	11,594,064
		97,655
	<u>11,594,064</u>	<u>15,797,930</u>
<u>1,303,037</u>	<u>19,997,505</u>	<u>33,127,904</u>
	5,156,319	20,049,592
13,037,494		14,654,794
10,289,212	6,579,952	59,343,311
<u>\$ 23,326,706</u>	<u>\$ 11,736,271</u>	<u>\$ 94,047,697</u>

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2008

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Information Systems</u>
<i>Operating Revenues:</i>			
Charges for Current Services-Internal	\$ 15,400,000	\$ 1,981,616	\$ 6,422,574
Charges for Current Services-External	37,140	187,958	
Total Charges for Current Services	<u>15,437,140</u>	<u>2,169,574</u>	<u>6,422,574</u>
Other Operating Revenues	227,034	961,759	2,959
Total Operating Revenues	<u>15,664,174</u>	<u>3,131,333</u>	<u>6,425,533</u>
<i>Operating Expenses:</i>			
Personal Services	2,203,843	482,151	811,855
Fringe Benefits	849,880	164,469	240,418
Maintenance and Operations	4,559,328	1,476,695	4,403,426
Insurance Claims and Expenses			
Depreciation	5,575,302	510,941	
Total Operating Expenses	<u>13,188,353</u>	<u>2,634,256</u>	<u>5,455,699</u>
Operating Income (Loss)	<u>2,475,821</u>	<u>497,077</u>	<u>969,834</u>
<i>Nonoperating Revenues(Expenses):</i>			
Investment Income	626,878	278,226	150,608
Miscellaneous Nonoperating Revenue	1,248,445		5,777
Interest Expense		(139,292)	
Loss on Disposal of Capital Assets	(573,379)	(6,658)	(24,033)
Amortization of Underwriters' Expense		(2,953)	
Miscellaneous Nonoperating Expense	(77,246)	(3,552)	(22)
Total Nonoperating Revenues(Expenses)	<u>1,224,698</u>	<u>125,771</u>	<u>132,330</u>
Income (Loss) Before Transfers	<u>3,700,519</u>	<u>622,848</u>	<u>1,102,164</u>
Transfers In	431,280		
Transfers Out		(48,077)	
Total Transfers	<u>431,280</u>	<u>(48,077)</u>	
Change in Net Assets	4,131,799	574,771	1,102,164
Net Assets - July 1	28,185,310	2,770,800	2,635,119
Net Assets -June 30	<u>\$ 32,317,109</u>	<u>\$ 3,345,571</u>	<u>\$ 3,737,283</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 1,041,646	\$ 31,048,590	\$ 1,953,296	\$ 4,250,826	\$ 62,098,548
326,326				551,424
<u>1,367,972</u>	<u>31,048,590</u>	<u>1,953,296</u>	<u>4,250,826</u>	<u>62,649,972</u>
145	650,483	4,854		1,847,234
<u>1,368,117</u>	<u>31,699,073</u>	<u>1,958,150</u>	<u>4,250,826</u>	<u>64,497,206</u>
384,567	369,929			4,252,345
135,292	104,670			1,494,729
769,932	2,880,411	220,182	144,214	14,454,188
	25,147,576	1,062,028		26,209,604
1,134			5,997,932	12,085,309
<u>1,290,925</u>	<u>28,502,586</u>	<u>1,282,210</u>	<u>6,142,146</u>	<u>58,496,175</u>
77,192	3,196,487	675,940	(1,891,320)	6,001,031
3,241	1,242,386	1,648,541	502,960	4,452,840
				1,254,222
			(717,050)	(856,342)
			(92,090)	(696,160)
			(15,255)	(18,208)
			(73,449)	(154,269)
<u>3,241</u>	<u>1,242,386</u>	<u>1,648,541</u>	<u>(394,884)</u>	<u>3,982,083</u>
80,433	4,438,873	2,324,481	(2,286,204)	9,983,114
				431,280
				(48,077)
				383,203
80,433	4,438,873	2,324,481	(2,286,204)	10,366,317
86,265	14,979,186	21,002,225	14,022,475	83,681,380
<u>\$ 166,698</u>	<u>\$ 19,418,059</u>	<u>\$ 23,326,706</u>	<u>\$ 11,736,271</u>	<u>\$ 94,047,697</u>

Internal Service Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2008

Increase (Decrease) in Cash and Cash Equivalents/ Investments

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Information Systems</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 15,437,140	\$ 2,169,574	\$ 6,422,574
Payments to Suppliers	(4,750,615)	(1,527,133)	(4,399,921)
Payments to Employees	(3,051,824)	(695,454)	(1,056,924)
Other Receipts	363,522	961,759	2,959
Net Cash Provided by (Used for) Operating Activities	<u>7,998,223</u>	<u>908,746</u>	<u>968,688</u>
Cash Flows from Noncapital Financing Activities:			
Subsidies and Transfers In	431,280		
Subsidies and Transfers Out		(48,077)	
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>431,280</u>	<u>(48,077)</u>	
Cash Flows from Capital and Related Financing Activities:			
Capital Debt Issued		3,581,482	
Payment to Escrow Agent for Refunding Debt		(3,569,553)	
Acquisition and Construction of Capital Assets	(6,625,357)	143,835	
Proceeds from Sale of Capital Assets	968,475		
Principal Paid on Capital Debt		(311,787)	
Interest and Fiscal Charges Paid on Capital Debt		(147,358)	
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(5,656,882)</u>	<u>(303,381)</u>	
Cash Flows from Investing Activities:			
Interest	<u>625,811</u>	<u>287,474</u>	<u>148,667</u>
Net Increase in Cash and Cash Equivalents/Investments	3,398,432	844,762	1,117,355
Balances - July 1	<u>10,730,387</u>	<u>4,716,051</u>	<u>2,627,804</u>
Balances - June 30	<u>\$ 14,128,819</u>	<u>\$ 5,560,813</u>	<u>\$ 3,745,159</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ 2,475,821	\$ 497,077	\$ 969,834
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	5,575,302	510,941	
Changes in Assets and Liabilities:			
Increase in Receivables	(22,449)	(87,786)	
(Increase) Decrease in Inventories	(89,792)		6,260
(Increase) Decrease in Intergovernmental Receivables	(18,445)	(82,920)	4,508
(Increase) Decrease in Miscellaneous Assets	150,263	120,268	(4,319)
Increase (Decrease) in Accounts Payable	(93,855)		(2,944)
Increase (Decrease) in Compensated Absences Payable	1,899	(48,834)	(4,651)
Decrease in Intergovernmental Payables			
Decrease in Customer Deposits Payable			
Increase (Decrease) in Miscellaneous Payable	19,479		
Total Adjustments	<u>5,522,402</u>	<u>411,669</u>	<u>(1,146)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 7,998,223</u>	<u>\$ 908,746</u>	<u>\$ 968,688</u>
Noncash Investing, Capital and Financing Activities:			
Lease-Purchase and Other Capital Financing Agreements	<u>\$</u>	<u>\$</u>	<u>\$</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 1,367,972	\$ 31,048,590	\$ 1,953,296	\$ 3,450,121	\$ 61,849,267
(734,474)	(28,050,002)	(2,327,572)	(21,457)	(41,811,174)
(509,509)	(521,819)			(5,835,530)
145	650,483	4,854		1,983,722
<u>124,134</u>	<u>3,127,252</u>	<u>(369,422)</u>	<u>3,428,664</u>	<u>16,186,285</u>
				431,280
				(48,077)
				<u>383,203</u>
			9,000,000	12,581,482
				(3,569,553)
			(2,720,203)	(9,201,725)
				968,475
			(5,548,384)	(5,860,171)
			<u>(566,036)</u>	<u>(713,394)</u>
			165,377	(5,794,886)
<u>2,473</u>	<u>1,275,061</u>	<u>1,671,409</u>	<u>527,117</u>	<u>4,538,012</u>
126,607	4,402,313	1,301,987	4,121,158	15,312,614
<u>12</u>	<u>19,997,887</u>	<u>10,229,488</u>	<u>9,306,346</u>	<u>57,607,975</u>
<u>\$ 126,619</u>	<u>\$ 24,400,200</u>	<u>\$ 11,531,475</u>	<u>\$ 13,427,504</u>	<u>\$ 72,920,589</u>
\$ 77,192	\$ 3,196,487	\$ 675,940	\$ (1,891,320)	\$ 6,001,031
1,134			5,997,932	12,085,309
3,687				(110,235)
30,157	(1,077)		57,422	(79,845)
	(116,603)	(1,052,675)	33,385	(10,355)
1,614	95,665	10,427	31,950	(869,681)
27,350				42,857
	(47,220)			(24,236)
		(3,114)		(47,220)
(17,000)			(800,705)	(3,114)
<u>46,942</u>	<u>(69,235)</u>	<u>(1,045,362)</u>	<u>5,319,984</u>	<u>(798,226)</u>
<u>\$ 124,134</u>	<u>\$ 3,127,252</u>	<u>\$ (369,422)</u>	<u>\$ 3,428,664</u>	<u>\$ 16,186,285</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,168,358</u>	<u>\$ 1,168,358</u>

Internal Service Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2008

	Debt Outstanding July 1, 2007	Additions	Retirements	Debt Outstanding June 30, 2008
Equipment Services:				
Compensated Absences	\$ 200,624	\$ 204,165	\$ 202,266	\$ 202,523
Technical Services:				
General Obligation Bonds	4,557,164	3,581,482	3,758,119	4,380,527
Compensated Absences	89,233	161,107	209,941	40,399
Total Technical Services	4,646,397	3,742,589	3,968,060	4,420,926
Information Systems:				
Compensated Absences	83,339	46,887	51,538	78,688
Graphic Services:				
Compensated Absences	23,437	81,111	53,761	50,787
Capital Leasing:				
Capital Leases	1,437,544	1,168,358	732,127	1,873,775
Master Equipment Lease Agreement	7,484,272	9,000,000	2,048,384	14,435,888
Certificates of Participation	7,000,000		3,500,000	3,500,000
Total Capital Leasing	15,921,816	10,168,358	6,280,511	19,809,663
Total Internal Service Funds	\$ 20,875,613	\$ 14,243,110	\$ 10,556,136	\$ 24,562,587

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, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 15,425,000	\$ 15,437,140	\$ 12,140
Other Operating Revenues	42,500	227,034	184,534
Total Operating Revenues	<u>15,467,500</u>	<u>15,664,174</u>	<u>196,674</u>
Operating Expenses:			
Personal Services	2,220,729	2,203,843	16,886
Fringe Benefits	828,391	849,880	(21,489)
Maintenance and Operations	5,075,130	4,559,328	515,802
Capital Outlay	10,269,189	6,528,182	3,741,007
Total Operating Expenses	<u>18,393,439</u>	<u>14,141,233</u>	<u>4,252,206</u>
Operating Income (Loss)	<u>(2,925,939)</u>	<u>1,522,941</u>	<u>4,448,880</u>
Nonoperating Revenues:			
Investment Income	80,000	626,878	546,878
Miscellaneous Nonoperating Revenue	421,500	1,248,445	826,945
Total Nonoperating Revenues	<u>501,500</u>	<u>1,875,323</u>	<u>1,373,823</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u>5,000</u>	<u>77,246</u>	<u>(72,246)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(2,429,439)</u>	<u>3,321,018</u>	<u>5,750,457</u>
Other Financing Sources:			
Transfers In	<u>431,280</u>	<u>431,280</u>	<u></u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(1,998,159)	3,752,298	5,750,457
Appropriated Fund Balance	<u>1,998,159</u>	<u></u>	<u>(1,998,159)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 3,752,298</u>	<u>\$ 3,752,298</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, 2008

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 17,539,497
Total Expenses	<u>14,218,479</u>

Excess of Revenues Over Expenses
Before Other Financing Sources

3,321,018

Adjustment to Full Accrual Basis:

Depreciation	(5,575,302)
Capital Outlay	6,528,182
Gain (Loss) on Disposal of Capital Assets	<u>(573,379)</u>

Income Before Transfers

\$ 3,700,519

Technical Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 2,030,000	\$ 2,169,574	\$ 139,574
Other Operating Revenues	900,000	961,759	61,759
Total Operating Revenues	<u>2,930,000</u>	<u>3,131,333</u>	<u>201,333</u>
Operating Expenses:			
Personal Services	544,675	482,151	62,524
Fringe Benefits	170,850	164,469	6,381
Maintenance and Operations	2,548,615	1,476,695	1,071,920
Total Operating Expenses	<u>3,264,140</u>	<u>2,123,315</u>	<u>1,140,825</u>
Operating Income (Loss)	<u>(334,140)</u>	<u>1,008,018</u>	<u>1,342,158</u>
Nonoperating Revenues:			
Investment Income	<u>91,000</u>	<u>278,226</u>	<u>187,226</u>
Nonoperating Expenses:			
Principal Maturities	255,225	311,787	(56,562)
Interest Expense	228,910	139,292	89,618
Miscellaneous Nonoperating Expense	5,150	3,552	1,598
Total Nonoperating Expenses	<u>489,285</u>	<u>454,631</u>	<u>34,654</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources (Uses)	<u>(732,425)</u>	<u>831,613</u>	<u>1,564,038</u>
Other Financing Sources (Uses):			
Debt Issuances:			
General Obligation Bonds Issued - Refunding		3,315,123	3,315,123
Premium on Debt		266,359	266,359
Payment to Escrow Agent for Refunding of Debt		(3,569,553)	(3,569,553)
Transfers Out	(48,077)	(48,077)	
Total Other Financing Sources (Uses)	<u>(48,077)</u>	<u>(36,148)</u>	<u>11,929</u>
Appropriated Fund Balance	<u>780,502</u>		<u>(780,502)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 783,536</u>	<u>\$ 783,536</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, 2008

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 3,409,559
Total Expenses	<u>2,577,946</u>

Excess of Revenues Over Expenses

Before Other Financing Uses	831,613
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Adjustment to Full Accrual Basis:

Depreciation	(510,941)
Principal Maturities	311,787
Gain (Loss) on Disposal of Capital Assets	(6,658)
Amortization of Underwriters' Expense	<u>(2,953)</u>

Income Before Transfers

	<u>\$ 622,848</u>
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Information Systems Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 5,755,238	\$ 6,422,574	\$ 667,336
Other Operating Revenues	2,959	2,959	2,959
Total Operating Revenues	<u>5,755,238</u>	<u>6,425,533</u>	<u>670,295</u>
<i>Operating Expenses:</i>			
Personal Services	849,178	811,855	37,323
Fringe Benefits	242,302	240,418	1,884
Maintenance and Operations	4,941,771	4,403,426	538,345
Capital Outlay	145,000	145,000	145,000
Total Operating Expenses	<u>6,178,251</u>	<u>5,455,699</u>	<u>722,552</u>
Operating Income (Loss)	<u>(423,013)</u>	<u>969,834</u>	<u>1,392,847</u>
<i>Nonoperating Revenues:</i>			
Investment Income	16,600	150,608	134,008
Miscellaneous Nonoperating Revenue	9,000	5,777	(3,223)
Total Nonoperating Revenues	<u>25,600</u>	<u>156,385</u>	<u>130,785</u>
<i>Nonoperating Expenses:</i>			
Miscellaneous Nonoperating Expense	_____	22	(22)
Excess of Revenues Over (Under) Expenses	<u>(397,413)</u>	<u>1,126,197</u>	<u>1,523,610</u>
Appropriated Fund Balance	<u>397,413</u>	_____	<u>(397,413)</u>
Excess of Revenues Over Expenses	<u>\$ _____</u>	<u>\$ 1,126,197</u>	<u>\$ 1,126,197</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, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 6,581,918
Total Expenses	<u>5,455,721</u>
Excess of Revenues Over Expenses	1,126,197
Adjustment to Full Accrual Basis:	
Gain (Loss) on Disposal of Assets	<u>(24,033)</u>
Income Before Transfers	<u><u>\$ 1,102,164</u></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, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,387,383	\$ 1,367,972	\$ (19,411)
Other Operating Revenues		145	145
Total Operating Revenues	<u>1,387,383</u>	<u>1,368,117</u>	<u>(19,266)</u>
<i>Operating Expenses:</i>			
Personal Services	418,351	384,567	33,784
Fringe Benefits	161,064	135,292	25,772
Maintenance and Operations	804,899	769,932	34,967
Capital Outlay	5,000		5,000
Total Operating Expenses	<u>1,389,314</u>	<u>1,289,791</u>	<u>99,523</u>
Operating Income (Loss)	<u>(1,931)</u>	<u>78,326</u>	<u>80,257</u>
<i>Nonoperating Revenues:</i>			
Investment Income		<u>3,241</u>	<u>3,241</u>
Excess of Revenues Over (Under) Expenses	(1,931)	81,567	83,498
Appropriated Fund Balance	<u>1,931</u>		<u>(1,931)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 81,567</u>	<u>\$ 81,567</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, 2008

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 1,371,358
Total Expenses	<u>1,289,791</u>
Excess of Revenues Over Expenses	81,567
Adjustment to Full Accrual Basis:	
Depreciation	<u>(1,134)</u>
Income Before Transfers	<u><u>\$ 80,433</u></u>

Employee Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 30,823,206	\$ 31,048,590	\$ 225,384
Miscellaneous Operating Revenues		650,483	650,483
Total Operating Revenues	<u>30,823,206</u>	<u>31,699,073</u>	<u>875,867</u>
<i>Operating Expenses:</i>			
Personal Services	389,618	369,929	19,689
Fringe Benefits	103,187	104,670	(1,483)
Maintenance and Operations	2,826,035	2,880,411	(54,376)
Insurance Claims and Expenses	<u>28,311,761</u>	<u>25,147,576</u>	<u>3,164,185</u>
Total Operating Expenses	<u>31,630,601</u>	<u>28,502,586</u>	<u>3,128,015</u>
Operating Income (Loss)	<u>(807,395)</u>	<u>3,196,487</u>	<u>4,003,882</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>500,000</u>	<u>1,242,386</u>	<u>742,386</u>
Excess of Revenues Over (Under) Expenses	<u>(307,395)</u>	<u>4,438,873</u>	<u>4,746,268</u>
Appropriated Fund Balance	<u>307,395</u>		<u>(307,395)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 4,438,873</u>	<u>\$ 4,438,873</u>

Employee Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 32,941,459
Total Expenses	<u>28,502,586</u>

Income Before Transfers	<u>\$ 4,438,873</u>
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General Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,924,440	\$ 1,953,296	\$ 28,856
Other Operating Revenues	<u>4,854</u>	<u>4,854</u>	<u>4,854</u>
Total Operating Revenues	<u>1,924,440</u>	<u>1,958,150</u>	<u>33,710</u>
<i>Operating Expenses:</i>			
Maintenance and Operations	353,008	220,182	132,826
Insurance Claims and Expenses	<u>2,098,070</u>	<u>1,062,028</u>	<u>1,036,042</u>
Total Operating Expenses	<u>2,451,078</u>	<u>1,282,210</u>	<u>1,168,868</u>
Operating Income (Loss)	<u>(526,638)</u>	<u>675,940</u>	<u>1,202,578</u>
<i>Nonoperating Revenues:</i>			
Investment Income	<u>461,030</u>	<u>1,648,541</u>	<u>1,187,511</u>
Excess of Revenues Over (Under) Expenses	(65,608)	2,324,481	2,390,089
Appropriated Fund Balance	<u>65,608</u>	<u> </u>	<u>(65,608)</u>
Excess of Revenues Over Expenses	<u>\$ <u> </u></u>	<u>\$ 2,324,481</u>	<u>\$ 2,324,481</u>

General Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2008

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues	\$ 3,606,691
Total Expenses	<u>1,282,210</u>

Income Before Transfers	<u><u>\$ 2,324,481</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, 2008

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 8,160,000	\$ 4,250,826	\$ (3,909,174)
Other Operating Revenues	95,000		(95,000)
Total Operating Revenues	<u>8,255,000</u>	<u>4,250,826</u>	<u>(4,004,174)</u>
<i>Operating Expenses:</i>			
Maintenance and Operations	208,573	144,214	64,359
Capital Outlay	6,678,586	3,989,158	2,689,428
Total Operating Expenses	<u>6,887,159</u>	<u>4,133,372</u>	<u>2,753,787</u>
Operating Income	<u>1,367,841</u>	<u>117,454</u>	<u>(1,250,387)</u>
<i>Nonoperating Revenues:</i>			
Investment Income		502,960	502,960
<i>Nonoperating Expenses:</i>			
Principal Maturities	5,550,000	6,280,511	(730,511)
Interest Expense	600,000	699,245	(99,245)
Miscellaneous Nonoperating Expense	100,000	73,449	26,551
Total Nonoperating Expenses	<u>6,250,000</u>	<u>7,053,205</u>	<u>(803,205)</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(4,882,159)</u>	<u>(6,432,791)</u>	<u>(1,550,632)</u>
<i>Other Financing Sources:</i>			
Debt Issuances:			
Capitalized Leases	<u>4,000,000</u>	<u>10,168,358</u>	<u>6,168,358</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(882,159)	3,735,567	4,617,726
Appropriated Fund Balance	<u>882,159</u>		<u>(882,159)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 3,735,567</u>	<u>\$ 3,735,567</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, 2008

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 4,753,786
Total Expenses	<u>11,186,577</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(6,432,791)
Adjustment to Full Accrual Basis:	
Depreciation	(5,997,932)
Principal Maturities	6,280,511
Capital Outlay	3,989,158
Gain (Loss) on Disposal of Capital Assets	(92,090)
Trustee Debt Service Escrow Account	<u>(33,060)</u>
Loss Before Transfers	<u>\$ (2,286,204)</u>

Schedule of General Capital Assets

By Source

June 30, 2008

General Capital Assets:

Land	\$ 68,494,305
Improvements Other Than Buildings	21,304,310
Buildings	140,918,196
Furniture, Fixtures, Machinery and Equipment	131,116,574
Infrastructure	242,526,558
Construction in Progress	5,565,503
Accumulated Depreciation	<u>(247,996,527)</u>
 Total General Capital Assets	 <u><u>\$ 361,928,919</u></u>

Investment in General Capital Assets by Source:

General Fund	\$ 174,995,644
General Obligation Bonds	66,305,835
Grant Funds	8,418,379
Infrastructure	242,526,558
Internal Service Funds	117,679,030
Accumulated Depreciation	<u>(247,996,527)</u>
 Total Investment in General Capital Assets	 <u><u>\$ 361,928,919</u></u>

Schedule of General Capital Assets

By Function and Activity
June 30, 2008

	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
General Government:			
Administration	\$ 1,038,715	\$ 720,366	\$ 4,275,324
Job Training Consortium			
Total General Government	<u>1,038,715</u>	<u>720,366</u>	<u>4,275,324</u>
Public Safety:			
Police	984,526	44,917	7,187,180
Fire	3,364,922	60,400	31,430,714
Metro Communications	137,042	136,224	
Total Public Safety	<u>4,486,490</u>	<u>241,541</u>	<u>38,617,894</u>
Transportation	343,223	601,676	510,757
Infrastructure	38,950,490		
Total Transportation	<u>39,293,713</u>	<u>601,676</u>	<u>510,757</u>
Field Operations		5,000	102,752
Engineering and Building Maintenance	4,473,654	3,475,227	28,188,658
Culture and Recreation:			
Parks and Recreation	14,709,744	15,351,816	41,406,410
Library	2,831,448	67,420	24,990,417
Total Culture and Recreation	<u>17,541,192</u>	<u>15,419,236</u>	<u>66,396,827</u>
Internal Service Funds	1,660,541	841,264	2,825,984
Accumulated Depreciation		(10,743,120)	(46,698,743)
Total General Capital Assets	<u>\$ 68,494,305</u>	<u>\$ 10,561,190</u>	<u>\$ 94,219,453</u>

<u>Furniture, Fixtures, Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Construction In Progress</u>	<u>Total</u>
\$ 3,560,199	\$	\$ 359,353	\$ 9,953,957
58,875			58,875
<u>3,619,074</u>		<u>359,353</u>	<u>10,012,832</u>
4,907,258		61,347	13,185,228
2,791,955		1,190,064	38,838,055
28,149			301,415
<u>7,727,362</u>		<u>1,251,411</u>	<u>52,324,698</u>
1,003,897			2,459,553
	242,526,558	2,539,714	284,016,762
<u>1,003,897</u>	<u>242,526,558</u>	<u>2,539,714</u>	<u>286,476,315</u>
657,090			764,842
<u>1,463,845</u>			<u>37,601,384</u>
3,617,351		1,034,962	76,120,283
1,056,777			28,946,062
<u>4,674,128</u>		<u>1,034,962</u>	<u>105,066,345</u>
111,971,178		380,063	117,679,030
<u>(91,985,402)</u>	<u>(98,569,262)</u>		<u>(247,996,527)</u>
<u>\$ 39,131,172</u>	<u>\$ 143,957,296</u>	<u>\$ 5,565,503</u>	<u>\$ 361,928,919</u>

Schedule of Changes in General Capital Assets

By Function and Activity

For the Fiscal Year Ended June 30, 2008

	General Capital Assets July 1, 2007	Additions
General Government:		
Administration	\$ 7,055,504	\$ 2,545,914
Job Training Consortium	58,875	
Total General Government	<u>7,114,379</u>	<u>2,545,914</u>
Public Safety:		
Police	13,009,424	219,702
Fire	35,734,576	1,938,449
Metro Communications	137,042	136,224
Total Public Safety	<u>48,881,042</u>	<u>2,294,375</u>
Transportation	2,509,508	473,300
Infrastructure	243,781,631	25,384,914
Total Transportation	<u>246,291,139</u>	<u>25,858,214</u>
Field Operations		<u>126,302</u>
Engineering and Building Maintenance	<u>29,817,456</u>	<u>2,519,400</u>
Culture and Recreation:		
Parks and Recreation	68,858,011	3,237,097
Library	28,510,773	466,519
Total Culture and Recreation	<u>97,368,784</u>	<u>3,703,616</u>
Internal Service Funds	<u>113,149,830</u>	<u>10,527,107</u>
Construction in Progress	<u>47,278,914</u>	<u>11,223,647</u>
Accumulated Depreciation	<u>(230,465,066)</u>	<u>(23,169,747)</u>
Total General Capital Assets	<u>\$ 359,436,478</u>	<u>\$ 35,628,828</u>

Transfers		Adjustments	Deductions/ Disposals	General Capital Assets June 30, 2008
<u>In</u>	<u>Out</u>			
\$	\$	\$	\$ 6,813	\$ 9,594,605
			6,813	58,875
				9,653,480
	28,149		77,096	13,123,881
28,149		31,324	56,357	37,647,992
28,149	28,149	31,324	133,453	301,415
127,906	803,861	196,349	43,649	2,459,553
127,906	803,861	12,436,486	125,983	281,477,048
		12,632,835	169,632	283,936,601
766,446	127,906			764,842
37,415		5,227,113		37,601,384
		3,536,228	546,017	75,085,319
			31,230	28,946,062
		3,536,228	577,247	104,031,381
		946,805	7,324,775	117,298,967
		(22,374,305)	30,562,753	5,565,503
		(1,530,190)	7,168,476	(247,996,527)
\$ 959,916	\$ 959,916	\$ 1,530,190	\$ 31,606,197	\$ 361,928,919

Schedule of General Long-Term Debt

June 30, 2008

<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	5,540,000	04/01/2012	5.30 var.
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	02/01/2020	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	02/01/2014	2.25-4.00
12/01/04	Public Improvement Refunding Series 2004 Tax Exempt	31,715,000	02/01/2012	3.50-5.25
01/25/05	Public Improvement Series 2005A Tax Exempt	14,580,000	03/01/2023	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	02/01/2028	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
TOTAL GENERAL OBLIGATION BONDS				
CERTIFICATES OF PARTICIPATION				
03/29/95	Coliseum Project 1995B Taxable	\$ 1,100,000	12/01/2009	5.30 var.
06/30/05	Equipment Project 2005 Tax Exempt	7,000,000	06/30/2009	4.00 var.
09/16/99	Coliseum Project 1999A Taxable	14,570,000	09/16/2010	5.50- 7.25
09/16/99	Coliseum Project 1999B Taxable	16,750,000	09/16/2016	5.30 var.
08/30/02	Parking COP Series 2002 Taxable	13,948,693	12/01/2008	3.00
TOTAL CERTIFICATES OF PARTICIPATION				
REVENUE BONDS				
06/09/98	Combined Enterprise System 1998A Tax Exempt	\$ 30,000,000	06/01/2012	4.40- 5.50
06/09/98	Combined Enterprise System 1998B Tax Exempt	10,000,000	06/01/2024	4.00 var.
06/01/01	Combined Enterprise System 2001A Tax Exempt	35,740,000	06/01/2014	4.25-5.50
06/01/01	Combined Enterprise System 2001B Tax Exempt	20,190,000	06/01/2026	4.00 var.
07/23/04	Combined Enterprise System 2003A Tax Exempt	33,435,000	06/01/2025	2.5-5.25
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
05/10/05	Combined Enterprise System 2005B Tax Exempt	10,000,000	06/01/2030	4.00 var.
05/10/05	Combined Enterprise System 2005B Tax Exempt (Swaption)	31,070,000	06/01/2019	4.00 var. (4.99) ⁽¹⁾
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.
TOTAL REVENUE BONDS				
SPECIAL OBLIGATION BONDS				
05/15/97	Special Obligation Bond Series 1997 Tax Exempt	\$ 16,000,000	05/01/2013	4.50-5.20
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 STATE INFRASTRUCTURE LOAN				
TOTAL GENERAL LONG-TERM DEBT				

(1) Synthetic Fixed Rate, in accordance with Interest Rate Swap.

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Outstanding Balance 6/30/2008</u>
\$ 10,750,000	\$	\$ 10,750,000
1,215,000		1,215,000
3,270,000		3,270,000
6,300,000		6,300,000
5,700,000		5,700,000
28,230,000		28,230,000
10,000,000		10,000,000
3,645,000		3,645,000
20,131,875	273,125	20,405,000
12,150,000		12,150,000
10,590,000		10,590,000
10,000,000		10,000,000
40,220,000		40,220,000
10,000,000		10,000,000
23,120,000		23,120,000
<u>\$ 195,321,875</u>	<u>\$ 273,125</u>	<u>\$ 195,595,000</u>
\$	\$ 290,000	\$ 290,000
3,500,000		3,500,000
3,420,000		3,420,000
13,055,000		13,055,000
195,808	2,149,192	2,345,000
<u>\$ 20,170,808</u>	<u>\$ 2,439,192</u>	<u>\$ 22,610,000</u>
\$	\$ 6,055,000	\$ 6,055,000
	10,000,000	10,000,000
	9,365,000	9,365,000
	20,190,000	20,190,000
	9,710,000	9,710,000
	10,000,000	10,000,000
	28,830,000	28,830,000
	10,000,000	10,000,000
	26,225,000	26,225,000
	49,480,000	49,480,000
	38,040,000	38,040,000
	10,000,000	10,000,000
<u>\$</u>	<u>\$ 227,895,000</u>	<u>\$ 227,895,000</u>
\$	\$ 6,980,000	\$ 6,980,000
	7,470,000	7,470,000
<u>\$</u>	<u>\$ 14,450,000</u>	<u>\$ 14,450,000</u>
\$	\$ 2,035,227	\$ 2,035,227
<u>\$</u>	<u>\$ 2,035,227</u>	<u>\$ 2,035,227</u>
<u>\$ 215,492,683</u>	<u>\$ 247,092,544</u>	<u>\$ 462,585,227</u>

Schedule of Changes in General Long-Term Debt

For the Fiscal Year Ended June 30, 2008

	Debt Outstanding <u>July 1, 2007</u>	<u>Additions</u>
Amount Available in Debt Service Fund for Retirement of Bonded Debt	\$ 12,630,628	\$
Amount to be Provided for Retirement of Bonded Debt	<u>152,492,965</u>	<u>76,165,000</u>
Total Amount to be Provided for Retirement of Bonded Debt	<u>165,123,593</u>	<u>76,165,000</u>
Amount Available in Special Revenue Fund for Retirement of Certificates of Participation		
Amount to be Provided for Retirement of Certificates of Participation	<u>26,211,048</u>	<u> </u>
Total Amount to be Provided for Retirement of Certificates of Participation	<u>26,211,048</u>	<u> </u>
Amount to be Provided for Retirement of Other Long-Term Debt:		
Lease-Purchase and Other Financing Agreements	17,235,578	10,583,358
Compensated Absences Payable	<u>10,542,768</u>	<u>8,406,822</u>
Total Amount to be Provided for Retirement of Other Long-Term Debt	<u>27,778,346</u>	<u>18,990,180</u>
Total Available and to be Provided	<u>\$ 219,112,987</u>	<u>\$ 95,155,180</u>
General Long-Term Debt Payable:		
General Obligation Bonds Payable	\$ 165,123,593	\$ 76,165,000
Lease-Purchase and Other Financing Agreements Payable	17,235,578	10,583,358
Certificates of Participation Payable	26,211,048	
Compensated Absences Payable	<u>10,542,768</u>	<u>8,406,822</u>
Total General Long-Term Debt Payable	<u>\$ 219,112,987</u>	<u>\$ 95,155,180</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.	162-171
<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.	172-180
<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.	181-189
<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.	190-193
<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.	194-197

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.

Net Assets by Component

Fiscal Years Ended June 30, 2002-2008

(Accrual Basis of Accounting)

	Fiscal Year		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 188,504,748	\$ 217,732,109	\$ 193,892,058
Restricted	70,317,218	77,176,796	37,033,664
Unrestricted	<u>80,394,340</u>	<u>58,385,603</u>	<u>129,836,316</u>
Total Governmental Activities Net Assets	<u>339,216,306</u>	<u>353,294,508</u>	<u>360,762,038</u>
Business-Type Activities			
Invested in Capital Assets, Net of Related Debt	263,477,931	275,317,781	276,297,784
Restricted	33,078,797	16,820,517	7,745,393
Unrestricted	<u>66,437,784</u>	<u>59,261,985</u>	<u>70,405,736</u>
Total Business-Type Activities Net Assets	<u>362,994,512</u>	<u>351,400,283</u>	<u>354,448,913</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	451,982,679	493,049,890	470,189,842
Restricted	103,396,015	93,997,313	44,779,057
Unrestricted	<u>146,832,124</u>	<u>117,647,588</u>	<u>200,242,052</u>
Total Primary Government Net Assets	<u>\$ 702,210,818</u>	<u>\$ 704,694,791</u>	<u>\$ 715,210,951</u>

Note: The City began to report accrual information with the implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 152,734,241	\$ 176,353,629	\$ 171,266,786	\$ 180,538,570
31,259,212	22,945,680	21,384,075	22,081,439
<u>117,076,363</u>	<u>115,098,202</u>	<u>134,180,496</u>	<u>151,181,646</u>
301,069,816	314,397,511	326,831,357	353,801,655
324,801,885	332,354,548	356,095,929	348,551,583
24,155,414	21,268,644	12,125,573	15,352,993
<u>85,953,333</u>	<u>96,550,961</u>	<u>107,061,817</u>	<u>118,665,632</u>
434,910,632	450,174,153	475,283,319	482,570,208
477,536,126	508,708,177	527,362,715	529,090,153
55,414,626	44,214,324	33,509,648	37,434,432
<u>203,029,696</u>	<u>211,649,163</u>	<u>241,242,313</u>	<u>269,847,278</u>
<u>\$ 735,980,448</u>	<u>\$ 764,571,664</u>	<u>\$ 802,114,676</u>	<u>\$ 836,371,863</u>

**Changes in Net Assets
Expenses, Program Revenues, and Net (Expenses)/Revenue**

Fiscal Years Ended June 30, 2002-2008
(Accrual Basis of Accounting)

	Fiscal Year		
	2002	2003	2004
Expenses			
Governmental Activities:			
General Government	\$ 29,080,769	\$ 27,282,032	\$ 34,062,155
Public Safety	74,515,961	77,976,977	80,930,044
Transportation	18,655,023	23,843,714	26,157,813
Engineering and Building Maintenance	15,428,170	13,571,422	15,608,886
Field Operations			
Environmental Services	992,715	1,818,177	1,110,412
Culture and Recreation	28,757,172	27,736,118	30,831,049
Community Development & Housing	10,711,099	9,587,987	9,414,260
Economic Opportunity	2,319,231	3,061,015	2,733,096
Water Resources	2,400,815	1,995,056	2,305,504
Interest, Fees on Long Term Debt	7,917,413	5,709,365	8,665,041
Arbitrage Rebates		547,509	
Total Governmental Activities Expenses	<u>190,778,368</u>	<u>193,129,372</u>	<u>211,818,260</u>
Business-Type Activities:			
Water Operations	23,823,484	39,576,801	23,993,587
Sewer Operations	24,803,716	26,034,854	28,068,664
Stormwater Management			
War Memorial Coliseum	15,268,981	16,533,293	17,561,959
Solid Waste Management	19,596,431	21,082,600	21,699,057
Parking Facilities	2,113,008	1,829,999	2,191,986
Bryan Park	2,848,330	2,321,449	
Total Business-Type Activities	<u>88,453,950</u>	<u>107,378,996</u>	<u>93,515,253</u>
Total Primary Government Expenses	<u>279,232,318</u>	<u>300,508,368</u>	<u>305,333,513</u>
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	9,352,236	16,470,340	16,687,000
Public Safety	5,323,840	5,351,385	4,417,610
Transportation	4,647,080	3,009,583	3,260,909
Engineering and Building Maintenance	3,886,786	3,735,377	3,939,179
Field Operations			
Environmental Services	1,095,557	7,079,142	8,258,369
Culture and Recreation	3,756,132	3,225,247	3,432,392
Community Development & Housing	1,853,892	1,904,006	1,034,223
Economic Opportunity	1,351	(872)	4,766
Water Resources	2,426,196	1,563	20,398
Operating Grants and Contributions	15,407,595	18,137,075	18,290,377
Capital Grants and Contributions	929,760	2,999,728	5,049,099
Total Governmental Activities Program Revenues	<u>48,680,425</u>	<u>61,912,574</u>	<u>64,394,322</u>
Business-Type Activities:			
Charges for Services:			
Water Operations	24,428,735	23,487,145	27,493,144
Sewer Operations	22,740,074	24,429,889	27,735,090
Stormwater Management			
War Memorial Coliseum	10,698,668	12,897,136	11,842,974
Solid Waste Management	14,368,025	14,391,695	14,425,828
Parking Facilities	2,122,578	1,945,922	1,933,415
Bryan Park	2,112,020	1,294,130	
Operating Grants and Contributions		150,000	
Capital Grants and Contributions	16,386,891	3,898,584	7,457,438
Total Business-Type Activities Program Revenues	<u>92,856,991</u>	<u>82,494,501</u>	<u>90,887,889</u>
Total Primary Government Revenues	<u>141,537,416</u>	<u>144,407,075</u>	<u>155,282,211</u>
Net (Expense) Revenues			
Total Primary Government Net Expenses	<u>\$ (137,694,902)</u>	<u>\$ (156,101,293)</u>	<u>\$ (150,051,302)</u>

Note: The City began to report accrual information with the implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 22,174,027	\$ 22,444,548	\$ 19,316,426	\$ 20,445,048
93,857,087	95,834,284	106,553,071	110,374,709
22,356,011	15,391,728	8,214,454	8,609,244
25,468,682	21,457,646	27,741,428	23,031,984
		34,496,472	35,133,315
662,457	707,369	830,889	813,534
37,177,821	34,313,605	30,036,856	28,203,221
9,827,924	10,397,115	12,138,398	9,758,386
3,101,682	4,430,040	4,259,595	3,536,396
8,029,110	7,829,150	8,643,600	7,631,422
<u>222,654,801</u>	<u>212,805,485</u>	<u>252,231,189</u>	<u>247,537,259</u>
26,562,064	29,166,789	31,495,666	36,349,337
33,138,469	32,739,122	34,965,138	38,035,321
8,563,728	8,168,619	7,975,538	8,551,963
11,669,181	14,143,340	13,848,941	16,747,091
22,424,921	22,827,349	14,169,828	21,443,447
2,045,382	1,743,045	1,638,210	1,627,770
<u>104,403,745</u>	<u>108,788,264</u>	<u>104,093,321</u>	<u>122,754,929</u>
<u>327,058,546</u>	<u>321,593,749</u>	<u>356,324,510</u>	<u>370,292,188</u>
15,562,235	15,861,487	8,851,534	8,373,158
4,005,541	4,369,069	12,391,509	12,292,055
3,282,749	2,001,309	1,418,427	328,390
5,768,440	5,225,083	5,105,950	3,067,383
		6,374,531	6,567,720
573,946	520,650	452,212	399,075
3,933,363	4,321,963	4,352,826	4,505,514
1,987,527	692,039	(396,261)	776,970
(4,470)	(6,079)	(5,168)	951
19,046,269	21,567,402	25,517,199	24,843,390
<u>5,073,643</u>	<u>2,943,094</u>	<u>2,287,976</u>	<u>3,044,745</u>
<u>59,229,243</u>	<u>57,496,017</u>	<u>66,350,735</u>	<u>64,199,351</u>
36,229,488	34,244,618	38,382,822	40,728,091
32,775,950	37,633,619	41,101,052	43,430,424
8,369,025	8,467,742	8,671,893	8,640,528
7,621,544	10,491,054	9,066,851	10,770,695
10,316,091	10,522,743	12,518,056	12,514,140
1,878,684	1,811,909	1,794,885	1,881,010
<u>11,083,364</u>	<u>7,750,601</u>	<u>8,593,835</u>	<u>5,907,740</u>
<u>108,274,146</u>	<u>110,922,286</u>	<u>120,129,394</u>	<u>123,872,628</u>
<u>167,503,389</u>	<u>168,418,303</u>	<u>186,480,129</u>	<u>188,071,979</u>
<u>\$ (159,555,157)</u>	<u>\$ (153,175,446)</u>	<u>\$ (169,844,381)</u>	<u>\$ (182,220,209)</u>

Changes in Net Assets General Revenues and Total Changes in Net Assets

Fiscal Years Ended June 30, 2002-2008
(Accrual Basis of Accounting)

	Fiscal Year		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Net (Expenses)/Revenue			
Total Primary Government Net Expense	\$ (137,694,902)	\$ (156,101,293)	\$ (150,051,302)
General Revenues and Other Changes in Net Assets			
Governmental Activities:			
Property Tax	93,811,694	99,838,501	100,304,791
Local Option Sales Tax	28,609,704	30,023,807	34,121,791
Vehicle Gross Receipts Tax	435,074	347,416	335,546
Hotel/Motel Occupancy Tax	2,493,777	2,623,791	2,572,272
Utility Franchise Tax	4,929,003	7,884,861	6,610,820
Piped Natural Gas Tax	500,854	344,673	2,025,281
Telecommunications Sales Tax	619,076	4,655,496	3,367,138
Video Programming Services Tax			
Inventories Tax Reimbursement	2,282,810		
Intangibles Tax Reimbursement	3,174,949		
Food Stamp Tax Reimbursement	68,000		
Sales Tax Hold Harmless			1,586,365
Beer and Wine Tax		955,526	980,199
ABC Profit Distribution	2,165,175	2,214,504	2,384,836
License & Permits	7,383,422		
Intergovernmental - unrestricted	218,621	223,882	230,675
Grants and Contributions-Non Program Specific			
Investment Income	9,141,648	5,991,373	1,596,552
Insurance Refunds and Claims	363,184		
Miscellaneous	468,270	172,850	637,281
Transfers In (Out)	(9,029,373)	(9,981,680)	(7,635,140)
Total Governmental Activities	<u>147,635,888</u>	<u>145,295,000</u>	<u>149,118,407</u>
Business-Type Activities:			
Investment Income	3,314,772	1,731,471	402,160
Miscellaneous	1,274,083	1,577,115	2,405,640
Transfers In (Out)	9,029,373	9,981,680	7,635,140
Total Business-Type Activities	<u>13,618,228</u>	<u>13,290,266</u>	<u>10,442,940</u>
Total General Revenues and Transfers	<u>161,254,116</u>	<u>158,585,266</u>	<u>159,561,347</u>
Change in Net Assets			
Total Primary Government	<u>\$ 23,559,214</u>	<u>\$ 2,483,973</u>	<u>\$ 9,510,045</u>

Note: The City began to report accrual information with the implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ (159,555,157)	\$ (153,175,446)	\$ (169,844,381)	\$ (182,220,209)
115,805,629	115,905,412	127,579,363	135,373,493
35,542,429	38,365,460	40,349,395	41,356,587
322,227	285,450	300,608	304,701
2,734,573	2,920,404	2,878,116	3,053,140
6,764,970	7,149,137	7,449,510	7,847,727
1,968,825	1,835,739	1,946,025	1,884,996
3,612,340	3,527,728	5,293,114	4,570,597
			2,880,607
1,012,047	820,924	344,184	61,619
1,024,673	1,029,986	1,072,401	1,113,676
2,468,216	2,737,908	3,022,485	2,661,748
149,050	126,145	132,459	130,813
4,944,761	5,538,900	380,000	11,560,252
849,817	880,465	172,906	908,500
<u>(12,189,950)</u>	<u>(12,486,495)</u>	<u>(3,174,947)</u>	<u>(3,400,250)</u>
<u>165,009,607</u>	<u>168,637,163</u>	<u>198,896,594</u>	<u>210,308,206</u>
1,758,810	1,947,658	4,474,133	5,248,275
1,366,287	2,177,854	373,972	1,731,548
<u>12,189,950</u>	<u>12,486,495</u>	<u>3,174,947</u>	<u>3,400,250</u>
<u>15,315,047</u>	<u>16,612,007</u>	<u>8,023,052</u>	<u>10,380,073</u>
<u>180,324,654</u>	<u>185,249,170</u>	<u>206,919,646</u>	<u>220,688,279</u>
<u>\$ 20,769,497</u>	<u>\$ 32,073,724</u>	<u>\$ 37,075,265</u>	<u>\$ 38,468,070</u>

Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2002-2008
(Modified Accrual Basis of Accounting)

	Fiscal Year		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund			
Reserved	\$ 26,483,944	\$ 24,980,276	\$ 27,892,238
Unreserved	<u>27,259,715</u>	<u>28,790,143</u>	<u>30,219,181</u>
Total General Fund	<u>\$ 53,743,659</u>	<u>\$ 53,770,419</u>	<u>\$ 58,111,419</u>
All Other Governmental Funds			
Reserved	\$ 7,563,570	\$ 8,526,879	\$ 11,434,924
Unreserved, Reported In:			
Special Revenue Funds	12,691,161	15,336,704	10,669,302
Capital Projects Funds	41,095,823	61,592,382	42,591,219
Debt Service Funds	<u>16,572,271</u>	<u>16,106,751</u>	<u>13,649,034</u>
Total All Other Governmental Funds	<u>\$ 77,922,825</u>	<u>\$ 101,562,716</u>	<u>\$ 78,344,479</u>

Note: The information is prepared as of implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 30,873,608	\$ 27,699,887	\$ 28,017,010	\$ 27,447,658
<u>28,042,697</u>	<u>28,676,068</u>	<u>27,634,261</u>	<u>30,489,633</u>
<u>\$ 58,916,305</u>	<u>\$ 56,375,955</u>	<u>\$ 55,651,271</u>	<u>\$ 57,937,291</u>
\$ 6,236,448	\$ 5,257,515	\$ 7,375,508	\$ 5,833,807
7,745,203	10,245,286	7,454,273	9,241,366
38,113,572	35,226,506	18,131,613	55,411,583
<u>12,801,938</u>	<u>11,288,321</u>	<u>12,630,628</u>	<u>16,973,266</u>
<u>\$ 64,897,161</u>	<u>\$ 62,017,628</u>	<u>\$ 45,592,022</u>	<u>\$ 87,460,022</u>

Changes in Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2002-2008

(Modified Accrual Basis of Accounting)

	Fiscal Year		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenues			
Taxes	\$ 125,253,973	\$ 132,246,009	\$ 137,152,517
Assessments	141,511	94,922	72,064
Intergovernmental	29,789,517	34,107,196	39,921,275
Licenses and Permits	9,436,921	8,844,568	8,481,016
Fines and Forfeitures	849,289	723,536	823,071
Charges for Current Services	25,290,312	26,219,562	25,655,612
Investment Income	7,718,648	4,907,774	1,521,902
Miscellaneous	3,510,811	6,151,358	6,291,487
Total Revenues	<u>201,990,982</u>	<u>213,294,925</u>	<u>219,918,944</u>
Expenditures			
Current:			
General Government	26,895,504	29,012,730	30,195,481
Public Safety	75,735,487	76,929,410	80,951,241
Transportation	22,435,738	19,668,263	22,334,333
Engineering and Building Maintenance	8,268,473	13,369,391	15,400,304
Field Operations			
Environmental Services	(664,617)	(36,774)	(545,840)
Culture and Recreation	27,666,637	26,511,944	28,857,724
Community Development and Housing	10,796,621	9,978,547	9,611,854
Economic Opportunity	2,323,319	2,876,189	2,739,584
Water Resources	2,400,815	1,995,056	2,305,504
Capital Outlay	22,141,191	20,906,378	23,671,881
Debt Service:			
Principal Retirement	11,015,336	13,132,447	12,635,492
Interest	7,422,675	5,925,273	7,159,689
Arbitrage Rebates		462,304	
Total Expenditures	<u>216,437,179</u>	<u>220,731,158</u>	<u>235,317,247</u>
Excess of Revenues Under Expenditures	<u>(14,446,197)</u>	<u>(7,436,233)</u>	<u>(15,398,303)</u>
Other Financing Sources (Uses)			
Debt Issuances:			
General Obligation Bonds		40,000,000	
Bond Anticipation Notes	10,000,000		
Refunding Certificates		1,092,256	
Refunding Bonds		19,833,494	
Premium, (Discount) on Debt	32,100	771,190	
Federal Loan Program	3,128,000	1,105,000	277,000
Loan Assumption			
Transfers In	25,607,228	19,357,902	21,428,764
Transfers Out	(35,240,221)	(29,525,002)	(29,499,304)
Payment to Escrow Agent for Refunded Debt		(21,529,823)	
Total Other Financing Sources (Uses)	<u>3,527,107</u>	<u>31,105,017</u>	<u>(7,793,540)</u>
Net Change in Fund Balances	<u>\$ (10,919,090)</u>	<u>\$ 23,668,784</u>	<u>\$ (23,191,843)</u>
Debt Service as a Percentage of Noncapital Expenditures	10.48%	10.80%	10.32%

Note: The information is prepared as of implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 153,940,553	\$ 157,592,796	\$ 170,570,134	\$ 179,526,460
135,315	35,138	32,713	391,768
39,412,389	40,890,658	45,975,553	46,193,244
8,926,893	9,402,583	9,945,375	7,669,043
979,352	1,029,871	1,100,791	1,058,452
21,437,475	19,898,897	24,724,466	24,470,347
3,989,090	4,167,865	7,543,564	7,426,799
4,107,499	4,629,375	5,349,513	6,362,477
<u>232,928,566</u>	<u>237,647,183</u>	<u>265,242,109</u>	<u>273,098,590</u>
22,638,283	23,524,268	19,352,946	18,687,299
91,103,941	95,314,024	107,626,691	112,471,907
17,747,401	10,933,491	240,177	4,586,690
23,891,187	20,887,622	26,688,656	21,888,202
		34,496,472	35,097,685
655,149	709,272	837,980	822,562
34,078,493	32,317,884	28,222,020	29,655,572
10,157,264	10,805,722	12,536,073	10,056,877
2,992,840	4,503,052	4,387,612	3,664,806
17,826,084	32,523,826	26,619,338	13,969,354
14,772,770	15,191,850	16,558,017	17,015,171
6,557,977	7,671,250	8,285,101	7,065,043
<u>242,421,389</u>	<u>254,382,261</u>	<u>285,851,083</u>	<u>274,981,168</u>
<u>(9,492,823)</u>	<u>(16,735,078)</u>	<u>(20,608,974)</u>	<u>(1,882,578)</u>
14,580,000	22,000,000		70,349,877
		4,300,000	
30,572,711			
2,461,317	136,148	13,717	5,029,982
477,000	1,641,000	2,823,000	415,000
	422,898		
31,645,707	28,877,314	34,159,890	30,725,520
(44,483,253)	(41,762,165)	(37,041,123)	(34,508,973)
(33,058,668)			(21,674,808)
<u>2,194,814</u>	<u>11,315,195</u>	<u>4,255,484</u>	<u>50,336,598</u>
<u>\$ (7,298,009)</u>	<u>\$ (5,419,883)</u>	<u>\$ (16,353,490)</u>	<u>\$ 48,454,020</u>
10.49%	11.49%	10.60%	10.16%

Tax Revenues By Source, Governmental Funds^(a)

Fiscal Years Ended June 30, 1999-2008

(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>
1999	\$ 84,026,579	\$ 27,703,995	\$ 2,423,205	\$	\$ 114,153,779
2000	88,281,716	28,870,006	2,590,553		119,742,275
2001	90,637,797	29,764,504	2,700,853	411,890 ^(b)	123,515,044
2002	93,715,418	28,609,704	2,493,777	435,074	125,253,973
2003	99,250,995	30,023,807	2,623,791	347,416	132,246,009
2004	100,122,908	34,121,791	2,572,272	335,546	137,152,517
2005	115,341,324	35,542,429	2,734,573	322,227	153,940,553
2006	116,021,482	38,365,460	2,920,464	285,450	157,592,856
2007	127,042,015	40,349,395	2,878,116	300,608	170,570,134
2008	134,812,032	41,356,587	3,053,140	304,701	179,526,460
Change: 1999-2008	60.4%	49.3%	26.0%	(26.0%)	57.3%

Notes:

(a) Includes General and Special Revenue Funds.

(b) First Year of Tax.

Analysis of Current Tax Levy

For the Fiscal Year Ended June 30, 2008

	<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	\$ 21,937,486,459	\$ 0.6350	\$ 139,303,039	\$ 131,820,947	\$ 7,482,092
Property taxed at prior year's rate	672,829,229	0.6150	4,137,900	400	4,137,500
Registered motor vehicles taxed at prior year's rates	3,742,804	Various	21,265	1,077	20,188
Penalties			39,149	39,149	
Vehicle fee			1,914,290	1,914,290	
Business Improvement District		.0900	495,785	483,856	11,929
Historic Districts		.0500	75,733	71,647	4,086
Total	<u>22,614,058,492</u>		<u>145,987,161</u>	<u>134,331,366</u>	<u>11,655,795</u>
Discoveries:					
Current year taxes	98,184,622	0.6350	623,472	623,472	
Prior year taxes	28,589,648	Various	172,547	172,547	
Penalties			72,366	72,366	
Total	<u>126,774,270</u>		<u>868,385</u>	<u>868,385</u>	
Abatements	<u>146,133,221</u>		<u>1,649,583</u>	<u>1,456,110</u>	<u>193,473</u>
Total property valuation	<u>\$ 22,594,699,541</u>				
Net levy			145,205,963	133,743,641	11,462,322
Uncollected taxes at June 30, 2008			<u>2,456,785</u>	<u>1,222,511</u>	<u>1,234,274</u>
Current year's taxes collected			<u>\$ 142,749,178</u>	<u>\$ 132,521,130</u>	<u>\$ 10,228,048</u>
Current levy collection percentage			<u>98.31%</u>	<u>99.09%</u>	<u>89.23%</u>

Assessed Value and Estimated Actual Value of All Taxable Property

Fiscal Years Ended June 30, 1999-2008

<u>Fiscal Year Ended</u>	<u>Tax Year (b)</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Corporate Excess</u>	<u>Total Assessed Value (a)</u>
1999	1998	\$ 10,982,681,696	\$ 3,306,668,644	\$ 553,306,664	\$ 14,842,657,004
2000	1999	11,290,118,175	3,747,352,541	580,691,567	15,618,162,283
2001	2000	11,730,230,339	3,881,959,402	540,286,350	16,152,476,091
2002	2001	12,101,262,851	3,975,144,763	582,404,785	16,658,812,399
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

- (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. 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. The City implemented a staggered monthly motor vehicle property tax billing system during 1993 - 1994, which was required by state statute. Under this system, property taxes are billed as motor vehicle registrations are renewed. Effective January 1, 2006, State law implemented a staggered monthly expiration date system for annually renewed business motor vehicles, with a scheduled transition from 7-18 months. Following this transition period, all motor vehicles currently should be registered under the staggered 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.

Total Weighted Average Rate	Estimated Actual Taxable Value
\$.5798	\$ 14,842,657,004
.5798	15,618,162,283
.5799	16,152,476,091
.5798	16,658,812,399
.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

Direct and Overlapping Property Tax Rates

Fiscal Years Ended June 30, 1999-2008

Fiscal Year Ended	City of Greensboro					Guilford County	
	General Fund Basic Rate	Transit Fund Basic Rate	Historic Districts Basic Rate	Business Improvement District Basic Rate	Total Weighted Average Rate	County-Wide Direct Rate	Combined Tax Rate
Tax Rate (Per \$100)							
1999	\$.5675	\$.0150	\$.0500	\$	\$.5798	\$.6372	\$1.2170
2000	.5675	.0150	.0500		.5798	.6372	1.2170
2001	.5625	.0200	.0500		.5799	.6372	1.2171
2002	.5625	.0200	.0500		.5798	.6742	1.2540
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

(a) The 2006 Tax Rate has changed due to a correction in County-Wide Direct Rate and the Total Weighted Average Rate.

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

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 \$697,308 for 2007.

Procedures for Collecting Delinquent Taxes: Garnishment, levy, attachment and foreclosure.

School System Taxes: Subsequent to the merger of the Greensboro School System and the Guilford County School System, school funding has been provided for in the County-Wide tax levy.

Sources: City of Greensboro Adopted Budget
Guilford County Adopted Budget

Principal Property Taxpayers

June 30, 2008 and June 30, 1999

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Current Year's Tax</u>	<u>2008</u>		
			<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value^(a)</u>
Koury Corporation	Real Estate Development	\$ 1,622,490	\$ 255,510,276	1	1.13%
Lorillard Tobacco Company	Cigarette Manufacturing	1,558,125	245,374,060	2	1.09
RF Micro Devices, Inc.	Service Communications	1,291,060	203,316,555	3	0.90
Duke Energy Corporation	Electric Utility	1,101,905	173,528,378	4	0.77
Starmount Company	Real Estate Development	998,793	157,290,186	5	0.70
Proctor & Gamble Mfg. Co.	Chemicals	950,786	149,730,056	6	0.66
Highwoods/Forsyth Ltd.	Real Estate Development	814,006	128,189,900	7	0.57
GGP Four Seasons LLC	Real Estate Development	776,684	122,312,446	8	0.54
TYCO Electronics (AMP, Inc.)	Electronics Manufacturing	772,564	121,663,656	9	0.54
BellSouth	Service Communications	749,295	117,999,250	10	0.52
Jefferson-Pilot Life Ins Co.	Insurance	676,941	106,604,832	11	0.47
Koury Ventures LTD	Real Estate Development	621,473	97,869,697	12	0.43
Stockhausen, Inc.	Specialty Chemicals	599,344	94,384,825	13	0.42
Harris-Teeter	Food Distribution	496,399	78,173,137	14	0.35
Wal-Mart Stores Inc.	Retail	477,902	75,260,100	15	0.33
Colonial Pipeline Co.	Petroleum Carrier	471,181	74,201,716	16	0.33
Syngenta (Novartis, CIBA)	Research & Development	368,660	58,056,771	17	0.26
VF (Wrangler)	Textile Manufacturing	368,607	58,048,355	18	0.26
Greensboro Auto Auction, Inc.	Automobile Auctioneer	330,097	51,983,736	19	0.23
Piedmont Natural Gas	Natural Gas Utility	322,125	50,728,357	20	0.22
Guilford Mills, Inc.	Textile Manufacturing				
AT & T Communications	Service Communications				
Cone Mills Corporation	Textile Manufacturing				
URDT of North Carolina LLC	Real Estate Development				
American Express Travel	Credit Card Service Center				
Koger Equity Inc.	Real Estate Development				
Totals			<u>\$ 2,420,226,289</u>		<u>10.71%</u>

(a) Total Fiscal Year 2008 Taxable Assessed Value is \$22,594,699,541

(b) Total Fiscal Year 1999 Taxable Assessed Value was \$14,842,657,004

Source: Guilford County Tax Department

1999			
Taxable Assessed	Percentage of Total		
Value	Rank	City Taxable	
		Assessed	
		Value^(b)	
\$ 305,756,163	1		2.06%
179,927,169	2		1.21
152,329,847	3		1.03
116,944,923	7		0.79
40,008,019	20		0.27
102,019,903	9		0.69
150,633,019	4		1.01
145,600,040	5		0.98
105,428,903	8		0.71
65,289,486	13		0.44
43,188,087	18		0.29
63,750,600	14		0.43
65,895,659	12		0.44
42,279,265	19		0.28
118,661,673	6		0.80
90,198,228	10		0.61
79,023,006	11		0.53
62,291,033	15		0.42
52,113,824	16		0.35
45,026,739	17		0.30
<u>\$ 2,026,365,586</u>			<u>13.65%</u>

Property Tax Levies and Collections

Fiscal Years Ended June 30, 1999-2008

<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>
1999	\$ 88,508,859	\$ (13,046)	\$ 88,495,813	\$ 87,374,776	98.73%
2000	92,905,836	(84,234)	92,821,602	91,647,025	98.73
2001	95,992,859	132,775	96,125,634	94,809,679	98.63
2002	98,928,643	(65,540)	98,863,103	97,679,465	98.80
2003	104,974,280	(188,561)	104,785,719	103,741,401	99.00
2004	106,015,920	(93,415)	105,922,505	104,456,282	98.62
2005	121,697,513	(915,964)	120,781,549	119,223,482	98.71
2006	123,108,607	(194,852)	122,913,755	120,956,549	98.41
2007	137,751,955	(146,779)	137,605,176	135,614,966	98.55
2008	145,205,963	-	145,205,963	142,749,178	98.31

Collections in Subsequent Years	Total Collections to Date	
	<u>Amount</u>	<u>Percentage of Levv</u>
\$ 524,857	\$ 87,899,633	99.33%
553,773	92,200,798	99.33
668,485	95,478,164	99.33
458,000	98,137,465	99.27
303,737	104,045,138	99.29
673,381	105,129,663	99.25
588,412	119,811,894	99.20
934,741	121,891,290	99.17
1,153,664	136,768,630	99.39
-	142,749,178	98.31

Ratios of Outstanding Debt by Type

Fiscal Years Ended June 30, 1999-2008

Fiscal Year	Governmental Activities				Business Activities	
	General Obligation Bonds	Certificates of Participation	Capital Leases	Other Financing	General Obligation Bonds	Water and Sewer Revenue Bonds
1999	\$ 168,315,000	\$ 46,163,819	\$ 3,569,208	\$ 665,000	\$ 8,920,000	\$ 87,355,000
2000	158,510,000	49,436,537	2,338,855	340,000	7,900,000	85,580,000
2001	148,635,000	44,451,624	824,008		6,885,000	129,605,000
2002	148,730,000	46,633,430	2,716,522	3,078,000	5,835,000	127,600,000
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

(a) Assessed property values, reference Table VIII.

(b) Population based on City Planning Department's estimates at end of fiscal year.

Note: Details regarding the City's Outstanding Debt can be found in the Notes to the Financial Statements, pgs. 30u-30aa.

Business-Type Activities (cont.)

Certificates of Participation	Special Obligation Bonds	Watershed Protection Bonds	Other Financing	Total Primary Government	Percentage of Actual Assessed Value of Property^(a)	Percentage of Personal Income	Per Capita^(b)
\$ 16,576,181	\$ 16,000,000	\$ 4,405,463	\$	\$ 351,969,671	2.4%	9.7%	\$ 1,685
15,383,463	15,170,000	4,284,091	5,777,675	344,720,621	2.2	8.9	1,618
14,103,376	14,305,000	3,940,580	5,777,675	368,527,263	2.3	8.8	1,627
12,736,570	13,400,000	3,592,429	3,922,497	368,244,448	2.2	7.8	1,604
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

Ratio of Net General Obligation Bonded Debt

To Assessed Value and Net General Obligation Debt Per Capita

Fiscal Years Ended June 30, 1999-2008

Fiscal Year Ended	General Bonded Debt Outstanding		Less Amount Available in Debt Service Fund	Less Debt Payable from Water Resources Revenues	Total Net Bonded Debt
	General Obligation Bonds Debt				
1999	\$ 177,235,000		\$ 9,837,391	\$ 8,920,000	\$ 158,477,609
2000	166,410,000		10,213,218	7,900,000	148,296,782
2001	155,520,000		13,305,006	6,885,000	135,329,994
2002	154,565,000		16,572,271	5,835,000	132,157,729
2003	181,630,000		16,106,751	4,857,797	160,665,452
2004	169,785,000		13,649,034	3,679,220	152,456,746
2005	169,080,000		12,801,938	2,530,003	153,748,059
2006	176,730,000		11,288,321	1,442,835	163,998,844
2007	165,975,000		12,630,628	851,407	152,492,965
2008	195,595,000		16,973,266	273,125	178,348,609

(a) Assessed valuation represents one hundred percent (100%) of estimated market value.

(b) Population figures are based on the City Planning Department's estimates at end of fiscal year.

Note: Details regarding the City's Outstanding Debt can found in the Notes to the Financial Statements, pgs. 30u-30aa.

	Actual Assessed Value of Property^(a)	Ratio of Net Bonded Debt To Assessed Valuation	Population(b)	Net Bonded Debt Per Capita
\$	14,842,657,004	1.1%	208,887	\$ 759
	15,618,162,283	0.9	213,003	696
	16,152,476,091	0.8	226,467	598
	16,658,812,399	0.8	229,634	576
	16,735,458,325	1.0	231,740	693
	16,864,544,817	0.9	235,262	648
	20,958,789,781	0.7	238,440	645
	21,259,854,794	0.8	240,955	681
	22,054,637,868	0.7	244,610	624
	22,594,699,541	0.8	258,671	689

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds
Fiscal Year Ended June 30, 2008

<u>Governmental Unit</u>	<u>Bonded Debt Outstanding</u>	<u>Percent Applicable To City (b)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Direct Debt - City of Greensboro (a)	\$ 195,321,875	100.00%	\$ 195,321,875
Overlapping Debt- Guilford County General Improvement Bonds	<u>562,827,364</u>	52.06%	<u>293,007,925</u>
Total Direct and Overlapping Debt	<u>\$ 758,149,239</u>		<u>\$ 488,329,800</u>

(a) This total does not include water and sewer bonds.

(b) Percentage of Direct and Overlapping Debt is based on 6/30/08 Assessed Valuation of Guilford County as compared to the 6/30/08 Assessed Valuation of the City of Greensboro.

Legal Debt Margin Information

Fiscal Years Ended June 30, 1999-2008

	Fiscal Year			
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Debt Limit	\$ 1,187,412,560	\$ 1,249,452,983	\$ 1,292,198,087	\$ 1,332,704,992
Total Net Debt Applicable to Limit	<u>254,477,333</u>	<u>233,592,244</u>	<u>347,249,564</u>	<u>336,958,763</u>
Legal Debt Margin	<u>\$ 932,935,227</u>	<u>\$ 1,015,860,739</u>	<u>\$ 944,948,523</u>	<u>\$ 995,746,229</u>
Legal Debt Margin as a Percentage of Debt Limit	78.57%	81.30%	73.13%	74.72%

(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 2008

Assessed Value	\$ 22,594,699,541
Debt Limit (8 % of assessed value)	1,807,575,963
Debt Applicable to Limit:	
Bonds Authorized and Unissued	55,000,000
General Obligation Bonds	195,595,000
Other Long Term Debt	53,493,206
Less: Amount Set Aside For Repayment of General Obligation and Other Debt	(16,973,266)
Statutory Deductions: Water Utility	(273,125)
Total Net Debt Applicable to Limit	<u>286,841,815</u>
Legal Debt Margin	<u>\$ 1,520,734,148</u>

Fiscal Year (Cont)

<u>2003</u>	<u>2004</u>	<u>2005^(a)</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 1,338,836,666	\$ 1,349,163,585	\$ 1,676,703,182	\$ 1,700,788,384	\$ 1,764,371,029	\$ 1,807,575,963
<u>320,301,785</u>	<u>299,254,674</u>	<u>283,143,444</u>	<u>266,354,361</u>	<u>310,569,931</u>	<u>286,841,815</u>
<u>\$ 1,018,534,881</u>	<u>\$ 1,049,908,911</u>	<u>\$ 1,393,559,738</u>	<u>\$ 1,434,434,023</u>	<u>\$ 1,453,801,098</u>	<u>\$ 1,520,734,148</u>
76.08%	77.82%	83.11%	84.34%	82.40%	84.13%

Pledged Revenue Coverage

Fiscal Years Ended June 30, 1999-2008

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	
1999	\$ 42,966,795	\$ 24,468,614	\$ 18,498,181	\$ 835,000	\$ 2,357,724	\$ 3,192,724	5.79
2000	47,828,951	28,057,897	19,771,054	1,775,000	4,209,330	5,984,330	3.30
2001	50,176,686	31,735,595	18,441,091	1,905,000	4,143,637	6,048,637	3.05
2002	48,687,875	34,267,547	14,420,328	2,005,000	5,799,131	7,804,131	1.85
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

- (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, \$45,740,000 dated June 2001, \$43,435,000 dated July 2003, \$40,780,000 dated June 2005 and \$48,040,000 dated June 2007. Portions of the 1998, 2001, and 2003 issues were 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	
\$	10,866,670	\$	\$ 789,322	\$ 789,322	13.77
	11,434,016	830,000	789,564	1,619,564	7.06
	11,893,302	865,000	752,214	1,617,214	7.35
	11,876,499	905,000	712,424	1,617,424	7.34
	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

Demographic and Economic Statistics

1999-2008

<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>
1999	208,887	\$ 3,627,614	\$ 34,236	\$ 29,268	35	59,615	2.6
2000	213,003	3,864,922	34,782	30,372	35	60,555	3.5
2001	226,467	4,172,671	35,231	30,932	35	62,570	5.4
2002	229,634	4,747,175	39,455	31,042	35	62,426	6.7
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	(f)	34 (i)	70,409	4.9
2008	258,671	4,891,248	(f)	(f)	(f)	71,176	(f)

(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.

Principal Employers

June 30, 2008 and June 30, 1999

<u>Employer</u>	<u>Product or Service</u>	<u>2008</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Guilford County Public Schools	Public Schools	10,381	1	4.49%
Moses H. Cone Health System & Affiliates	Health Care	7,440	2	3.21
City of Greensboro	Local Government	2,904	3	1.25
US Postal Service	Postal Service	2,800	4	1.21
Guilford County	Local Government	2,687	5	1.16
High Point Regional Hospital	Health Care	2,390	6	1.03
Bank of America, N.A. (Nations Bank)	Banking Services	2,200	7	0.95
American Express, Inc.	Financial Services	2,100	8	0.91
United Parcel Service	Shipping	2,000	9	0.86
Lorillard, Inc.	Cigarettes/Tobacco	1,800	10	0.78
Cone Mills Corporation	Textiles			
Sears Regional Credit Card Center	Regional Card Center			
Totals		<u>36,702</u>		<u>15.86%</u>

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

Employees presented are based on calendar years.

The 2008 total is 231,457.

The 1999 total is 217,166.

1999

<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
7,500	1	3.45%
5,000	2	2.30
2,446	6	1.13
1,050	12	0.48
2,600	5	1.20
1,800	10	0.83
2,070	9	0.95
2,800	3	1.29
1,750	11	0.81
2,095	8	0.96
2,260	7	1.04
2,750	4	1.27
<u>34,121</u>		<u>15.71%</u>

Full-Time Equivalent City Government Employees by Function/Program

Fiscal Years Ended June 30, 1999-2008

<u>Function/Program</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	283	298	311	309	309	317	314	250	254	253
Public Safety	1,063	1,098	1,133	1,160	1,156	1,165	1,217	1,270	1,323	1,344
Transportation	137	139	135	139	140	140	143	143	72	72 (a)
Engineering and Building Maintenance	82	82	82	85	83	86	86	151	150	149
Field Operations									268	265 (a)
Environmental Services	17	17	17	17	17	17	17	17	17	17
Culture and Recreation	417	424	441	440	434	404	421	422	359	358 (a)
Community Development & Housing	20	20	23	23	26	26	27	29	29	30
Economic Opportunity	54	57	64	65	63	63	65	65	63	67
Water Operations	124	125	135	136	139	139	145	147	148	149
Sewer Operations	153	156	164	164	164	165	174	176	179	179
Stormwater Management	81	81	84	78	76	77	77	76	76	76
War Memorial Coliseum	66	76	96	95	87	87	75	71	71	71
Solid Waste Management (Disposal)	144	147	148	150	150	150	161	166	36	36 (a)
Parking Facilities	12	12	12	12	12	12	12	12	12	12
Total	2,653	2,732	2,845	2,873	2,856	2,848	2,934	2,995	3,057	3,078

(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 2007-08, pgs. 22-23.

Operating Indicators by Function

Fiscal Years Ended June 30, 1998-2008

Function	Fiscal Year					
	2002	2003	2004	2005	2006	2007
General Government						
Development plans submitted	832	770	600	700	274	225
Zoning violations investigated	279	266	250	250	276	502
Budget adjustments	392	347	373	395	458	483
Water and sewer mains inspected ^(b)	66	62	90,076	100,000	327,375	285,560
Work orders completed	(d)	13,850	13,950	14,230	13,714	12,706
Roadway footage inspected	321,407	295,189	407,934	358,300	309,252	185,127
Sidewalk footage inspected	28,888	6,030	(d)	10,496	41,823	29,464
Payments/receipts processed	552,740	558,267	564,000	549,108	553,338	557,039
Employment applications processed	(d)	(d)	6,500	7,000	3850	3,948
Public Safety						
Police ^(c)						
Response calls for service	(d)	147,840	119,614	139,587	152,398	198,328
Average patrol response time (all types)	(d)	6:50	9:30	13:22	11:52	13:51
Fire						
Total fire responses	1,124	865	976	1,150	1,318	1285
Fire investigations conducted	216	223	252	265	419	450
Total responses	19,243	19,990	20,391	20,980	14,859	26162
Transportation						
Total route miles	(d)	(d)	1.28	1.32	1.34	1.78
Number of passengers (millions)	1.7	2.0	2.3	2.6	3.0	3.8
Engineering and Inspections						
Inspections on closed dwellings/units	1,470	1,186	2,392	1,150	989	906
Inspections performed on LOE	21,053	23,481	27,420	21,000	20,086	17,854
Environmental Services						
Educational initiatives	63	63	63	83	223	670
Users of household hazardous waste disposal facility	6,842	7,215	8,108	7,977	11,183	11,797
Waste collected (pounds)	487,558	417,326	492,623	427,912	380,189	400,185
Water Operations						
Water customer accounts	89,180	91,300	93,800	96,300	97,300	99,462
Significant industrial users	39	34	35	35	42	35
Meters read annually	486,125	503,000	503,000	506,000	510,000	511,600
Water meters	91,260	93,130	94,220	95,060	97,398	101,759
New connections	(d)	(d)	(d)	(d)	2,275	2,162
Water main breaks	138	152	113	97	118	142
Average water MGD treated daily	32	29	31	32	33	34
Average daily consumption (millions of gallons)	32	29	31	31	33	34
Sewer Operations						
Average wastewater MGD treated daily	31	34	32	34	29	29
War Memorial Coliseum						
Total number of events	815	875	751	748	787	865
Total attendance (millions)	1.1	1.4	1.3	1.0	1.4	1.2
Solid Waste Management						
Residential refuse collected (average tons per month)	4,908	5,023	4,751	4,888	4,993	5,174
Recyclables collected (average tons per day)	1,296	1,768	1,812	1,917	1,879	2,315
Yard waste collected (average tons per day)	1,215	1,494	1,422	1,206	1,172	1,180
White goods collected (average items per month) ^(e)	746	790	747	598	498	503
Phase II (tons processed per year)	140,000	140,000	140,000	140,000	140,000	130,950
Phase III (tons processed per year)	200,000	200,000	200,000	200,000	200,000	73,612
Transfer Station (tons processed per year) ^(g)						160,226
Compost Facility (tons processed per year)	30,000	30,000	30,000	30,000	30,000	31,345

(a) 2008 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) White Goods items are tracked by items and not tonnage.

(f) As of FY2008, 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.

Sources: City Departments (Police, GTA, Planning, Water, Field Operations), Budget Documents and CAFR.

Fiscal Year (cont.)

2008^(a)

228
546
451
341,252
11,951
133,390
8,759
636,681
5,852

185,276
13,111

1,350
381
28,541

2.11
3.7

878
21,691

887
12,700
371,873

102,041
34

537,999
104,650
2,810
178
25
32

29

852
1.4

5,165
2,441
1,046

21
95,755
9,604

239,916
26,587

Capital Asset Statistics by Function

Fiscal Years Ended June 30, 2002-2008

Function	Fiscal Year					
	2002	2003	2004	2005	2006	2007 ^(l)
General Government: ^(a)						
Melvin Municipal Office Building (square footage)	131,475	131,475	131,475	131,475	131,475	131,475
Service Center (square footage)	156,757	156,757	156,757	156,757	156,757	156,757
Cone Building (square footage)	35,316	35,316	35,316	35,316	35,316	35,316
J. Edward Kitchen Operations Center (square footage)	(j)	(j)	(j)	(j)	119,000	119,000
Public Safety: ^(b)						
Police: ^(b)						
Stations ^(k)	5	5	5	6	6	5
District Offices	2	2	2	3	3	3
Patrol Units	(j)	(j)	(j)	(j)	127	313
Fire: ^(c)						
Fire Stations	18	18	18	19	20	22
Fire Trucks	(j)	(j)	(j)	(j)	36	29
Auxiliary Response Vehicles	(j)	(j)	(j)	(j)	47	21
Transportation: ^(d)						
Streets (miles)	892	901	912	931	946	950
Highways (miles)	234	235	246	376	377	379
Sidewalks (miles)	(j)	(j)	(j)	(j)	373	398
Streetlights	(j)	(j)	(j)	(j)	18,457	24,218
Traffic signals	(j)	(j)	(j)	(j)	310	545
Culture and Recreation: ^(e)						
Libraries						
Main Building/Branches	7	7	6	7	7	7
Mobile Library - Reading Railroad	1	1	1	1	1	1
Parks and Recreation						
Parks, Open Spaces, Beautification Areas	286	310	312	350	353	492
Acres	3,754	3,912	4,043	5,749	5,781	5,416
Arboretum/ Bicentennial Garden/Bog Garden/Arts Center/Historical Tannenbaum Park	5	5	5	5	6	6
Camp for Special Populations/Recreation Centers/ Multicultural Center	15	15	15	15	15	14
Golf Courses	3	2	2	2	2	3
Tennis Courts	112	112	112	112	112	111
Swimming Pools	7	7	7	7	7	7
Ball Fields	56	56	56	56	56	96
Basketball Courts	38	38	44	44	44	45
Cemeteries	4	4	4	4	4	4
Yard Waste Vehicles ⁽ⁱ⁾	4	4	4	4	4	
Water Management: ^(f)						
Peak consumption (millions of gallons)	41	35	38	41	41	45
Average Annual System Capacity (millions of gallons)	36	36	36	41	41	41
Public Water Main (miles)	1,521	1,538	1,557	1,385	1,429	1,448
Sewer Management: ^(f)						
Public Sanitary Sewer (miles)	1,329	1,343	1,363	1,486	1,355	1,366
Treatment Capacity (millions of gallons per day)	56	56	56	56	56	56
Stormwater Management: ^(f)						
Storm Sewer (miles)	(j)	(j)	(j)	(j)	786	836
War Memorial Coliseum (Arena, Auditorium, Special Events Center, Meeting Rooms): ^(g)						
Arena Seating Capacity	23,300	23,300	23,500	23,500	23,500	23,500
Auditorium Seating Capacity	2,400	2,376	2,376	2,430	2,400	2,400
Special Events Center(with Mini-Arena) Capacity in square feet	120,000	120,000	167,000	167,000	167,000	167,000
Solid Waste Management						
Landfill ^(h)	1	1	1	1	1	1
Solid Waste Vehicles ⁽ⁱ⁾	84	84	89	89	91	92
Parking Facilities: ^(d)						
Davie Street Parking Deck (number of spaces)	415	415	415	415	415	415
Greene Street Parking Deck (number of spaces)	706	706	706	706	706	706
Church Street Parking Deck (number of spaces)	424	424	424	424	424	417
Bellemeade Street Parking Deck (number of spaces)	1,276	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) 2008 column is an estimate based on the individual department's data.

Fiscal Year (cont)

2008⁽¹⁾

131,475
156,757
35,316
119,000

6
4
254

23
30
21

1,003
405
406
25,029
578

7
1

492
6,477

6

14
3

111
7
96
45
4

46
41
1,458

1,456
56

874

23,500
2,400

167,000

1
93

415
706
417
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***

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2008, which collectively comprises the City's basic financial statements, and have issued our report thereon dated November 19, 2008. 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 opinion, 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. The financial statements of the Board and the Partnership were not audited in accordance with *Government Auditing Standards*.

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.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 08-01 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the deficiency described in the accompanying schedule of findings and questioned costs as item 08-01 to be a material weakness in internal control over financial reporting.

Compliance and Other Matters

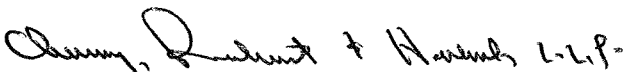
As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and accordingly, we express no opinion on it.

We noted certain matters that were reported to management of the City of Greensboro, in a separate letter dated November 19, 2008.

This report is intended solely for the information and use of the audit committee, management, others within the organization, members of the 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.



Raleigh, North Carolina
November 19, 2008



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

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

Compliance

We have audited the compliance of the City of Greensboro, North Carolina, (the "City") with the types of compliance requirements described in the *U.S. Office of Management and Budget OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major federal programs for the year ended June 30, 2008. The City's major federal programs are identified in the summary of auditor's 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 on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The 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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

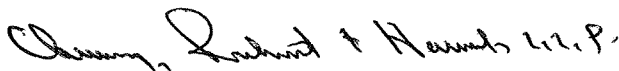
A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the City's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of a compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the City's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the organization, members of the 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.



Raleigh, North Carolina
November 19, 2008



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

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

Compliance

We have audited the compliance of the City of Greensboro, North Carolina (the "City"), with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2008. The City's major State programs are identified in the summary of auditor's 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; 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 requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2008.

Internal Control Over Compliance

The 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 requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

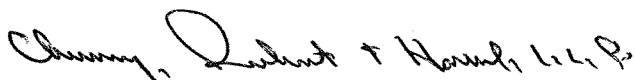
A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the City's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of a compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by the City's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above

This report is intended solely for the information and use of management, others within the organization, members of the 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 cursive script that reads "Cherry, Bekaert & Holland, L.L.P.".

Raleigh, North Carolina
November 19, 2008

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008**

Section I – Summary of Auditor’s 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>
14.218	Community Development Block Grant
17.258, 17.259, 17.260	Workforce Investment Act
20.500	<i>Federal Transit Cluster</i>
20.507	Section 5309 Capital Assistance Section 5307 Capital Assistance and Planning

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008**

Dollar threshold used to distinguish
Between Type A and Type B Programs \$ 567,623

Auditee qualified as low-risk auditee yes X 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

Knox Road Relocation

II. - Findings Related to the Audit of the Basic Financial Statements of the City

Finding 08-01

MATERIAL WEAKNESS

Criteria

According to Statement on Auditing Standards (SAS) 112 – Communicating Internal Control Related Matters Identified in an Audit, restatement of previously issued financial statements to reflect the correction of a material misstatement is a strong indicator of a material weakness in internal control.

Condition

In the current year, management performed a detailed review of all construction in progress in which they identified a prior period adjustment affecting two funds. Certain capital projects, which had been completed in the prior years, were never officially closed and transferred from construction in progress into depreciable assets. The adjustment was made to appropriately record the depreciation for the prior periods.

Cause

There is a weakness in controls that does not allow the finance department to become aware of the completion of capital asset projects in a timely manner.

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008**

Effect

As a result of the control weakness, adjustments were made to correct prior period financial statements.

Recommendation

We recommend management implement procedures to mitigate the control weaknesses identified above.

Management Response

Management agrees with the finding.

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
Corrective Action Plan
For the Fiscal Year Ended June 30, 2008**

V. - Financial Reporting Findings and Questioned Costs

Finding #: 08-01

Name of Contact Persons:

Rick Lusk, Finance Director
Marlene Druga, Deputy Finance Director

Corrective Action Plan:

Revise existing construction in progress schedules to include a detailed listing of costs by project in each account rather than a total by account. These schedules will be reviewed and updated each year for changes in the progress of all open projects.

Review expense accounts during the year to determine if expenditures have been classified correctly as capital or maintenance and operations.

Create a new detail account (.5410) to be used exclusively for new professional service contracts involving capital projects. This change will allow us to better segregate those M&O accounts that should be capitalized along with the asset construction costs.

Update the capital policy to clarify the factors that will be used to determine the point at which projects should be capitalized.

Coordinate the final review of contracts for capital projects each year with the departments responsible for those projects to ensure that expenses are capitalized in year the project is available for use even if the contract has not yet been finished.

Proposed Completion Date:

The proposed corrective actions will be implemented immediately.

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2008

<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-02-MC-37-0007
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
Section 108 Project	14.218	
Day Care-Kids - 2005-06	14.218	
Day Care-Kids - 2006-07	14.218	
Day Care-Kids - 2007-08	14.218	
Willow Oaks	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
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
HOPWA	14.241	NC19H02-F003
Brownfield Economic Development - 2003	14.246	B-03-BD-37-0041
Single Family Rehab	14.239	SFR0809
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-204K-05-4013
Fair Housing Assistance Program	14.401	FF-205K-07-4013
Fair Housing Assistance Program	14.401	FF-204K-02-4013
Total Office of Fair Housing & Equal Opportunity		
Office of Healthy Homes & Lead Hazard Control:		
Lead Based Paint Grant - 2005-08	14.900	NCLHB0186-04
Lead Based Paint Grant - 2008-09	14.900	NCLHB0362-07
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 - 2005-06	16.614	
Joint Terrorism Task Force - 2007-08	16.614	
DNA Cold Cases	16.560	
FBI Safe Streets Task Force	16.579	

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 2,462,428	\$ 2,460,018	\$ 2,410	\$ 2,462,428
3,163,449	2,912,087	60,447	2,972,534
2,859,412	2,573,472	16,309	2,589,781
2,986,497	2,688,644	138,433	2,827,077
2,233,072	1,465,380	438,437	1,903,817
2,829,182		2,246,957	2,246,957
12,101,000	10,713,211	679,131	11,392,342
20,265	12,762		12,762
20,020	6,710	3,754	10,464
20,265		9,503	9,503
207,148	173,698	19,167	192,865
178,000	178,000		178,000
<u>29,080,738</u>	<u>23,183,982</u>	<u>3,614,548</u>	<u>26,798,530</u>
987,000	987,000		987,000
651,870	651,870		651,870
756,955	756,955		756,955
2,013,117	2,005,380	2,163	2,007,543
1,786,215	1,786,215		1,786,215
1,442,832	1,442,832		1,442,832
1,591,000	1,553,720	35,670	1,589,390
1,786,979	1,723,260		1,723,260
1,810,327	1,798,502		1,798,502
1,945,023	1,869,963	64	1,870,027
2,052,634	2,007,618	1,099	2,008,717
1,785,540	1,371,673	6,877	1,378,550
2,722,156	1,659,869	226,218	1,886,087
2,151,646	1,195,390	171,945	1,367,335
2,254,556	316,719	235,382	552,101
1,850,399		348,257	348,257
82,000	82,000		82,000
83,985	83,985		83,985
83,531	83,531		83,531
84,247		84,247	84,247
1,228,000	1,160,044		1,160,044
2,000,000	1,330,247	303,965	1,634,212
400,000			
<u>31,550,012</u>	<u>23,866,773</u>	<u>1,415,887</u>	<u>25,282,660</u>
77,028		40,329	40,329
37,750	15,943	21,807	37,750
40,772			
41,500		5,376	5,376
<u>197,050</u>	<u>15,943</u>	<u>67,512</u>	<u>83,455</u>
3,000,000	2,631,754	333,776	2,965,530
<u>3,000,000</u>		<u>377,576</u>	<u>377,576</u>
6,000,000	2,631,754	711,352	3,343,106
<u>66,827,800</u>	<u>49,698,452</u>	<u>5,809,299</u>	<u>55,507,751</u>
3,381,879	1,687,791	834,350	2,522,141
15,575	11,347	3,165	14,512
15,855		10,560	10,560
310,800		13,180	13,180
15,855		8,405	8,405

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2008

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Passed through NC Department of Crime Control and Public Safety and the City of High Point:		
Byrne Justice Assistance Grant - 2005	16.738	2005-DJ-BX-0001
Byrne Justice Assistance Grant - 2006	16.738	2006-DJ-BX-0846
Byrne Justice Assistance Grant - 2007	16.738	2007-DJ-BX1239
Total Passed through NC Department of Crime Control and Public Safety and the City of High Point		
Total Office of Justice		
Passed through NC Department of Crime Control and Public Safety Bureau of Alcohol, Tobacco and Firearms:		
Violent Crimes Task Force 2001-02	21.052	03-162-P
Violent Crimes Task Force 2007-08	21.052	08-CHA-062-AFF
Total Bureau of Alcohol, Tobacco and Firearms		
Total Department of Justice		
Department of Homeland Security:		
U.S. Secret Service:		
Financial Crimes Task Force - 2006-07	21.100	
Financial Crimes Task Force - 2007-08	21.100	
Total U.S. Secret Service		
Federal Emergency Management Agency:		
Metro Medical Response System - 2003	97.071	233-01-0040
Metro Medical Response System - 2005	97.067	2005-GE-T5-0051
Total Federal Emergency Management Agency		
Passed through Guilford County:		
ODP Homeland Security Grant - 2005	97.067	2005-GE-T5-0051
Buffer Zone Protection Grant - 2005	97.078	2005-GR-T5-0021
Total Passed through Guilford County		
Passed through NC Department of Crime Control and Public Safety:		
Metro Medical Response System - 2006	97.071	2006-GE-T6-0010
Metro Medical Response System - 2007	97.071	2007-GE-T7-0048
RRT Homeland Security Grant - 2006	97.067	2006-GE-T6-0010
RRT Homeland Security Grant - 2007	97.067	2007-GE-T7-0048
USAR Homeland Security Grant - 2006	97.073	USAR #6-1022
USAR Homeland Security Grant - 2007	97.073	2007-GE-T7-0048
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:		
Historic Survey Grant - 2007	15.904	
Historic Survey Grant - 2008	15.904	
Total Passed through NC Department of Cultural Resources		
Total Department of Interior		
Institute of Museum and Library Services		
Passed through NC Department of Cultural Resources		
LSTA Project Planning Grant	45.310	
Total Passed through NC Department of Cultural Resources		
Total Institute of Museum and Library Services		
Department of Labor:		
Employment and Training Administration:		
WIA Adult 2004	17.258	2004 2020 42
WIA Adult 2006	17.258	2006 2020 42
WIA Adult 2007	17.258	2007 2020 42
WIA Dislocated Worker 2004	17.260	2004 2030 42
WIA Dislocated Worker 2006	17.260	2006 2030 42
WIA Dislocated Worker 2007	17.260	2007 2030 42
WIA Dislocated Emergency Rapid Response 2006	17.260	2006 2031 42
WIA Dislocated Emergency Rapid Response 2007	17.260	2007 2031 42
WIA Youth 2004	17.259	2004 2040 42
WIA Youth 2006	17.259	2006 2040 42
WIA Youth 2007	17.259	2007 2040 42
WIA 10% Statewide Activities 2005	17.258	2005 2050 42
	17.259	
	17.260	

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 188,991	\$ 184,827	\$ 4,164	\$ 188,991
109,061	109,032	28	109,060
178,102		10,249	10,249
<u>476,154</u>	<u>293,859</u>	<u>14,441</u>	<u>308,300</u>
<u>4,216,118</u>	<u>1,992,997</u>	<u>884,101</u>	<u>2,877,098</u>
130,000	99,093	9,770	108,863
21,000		14,879	14,879
151,000	99,093	24,649	123,742
<u>4,367,118</u>	<u>2,092,090</u>	<u>908,750</u>	<u>3,000,840</u>
7,000	6,963		6,963
5,000		4,766	4,766
<u>12,000</u>	<u>6,963</u>	<u>4,766</u>	<u>11,729</u>
880,557	311,347	9,697	321,044
227,592	213,394	14,086	227,480
<u>1,108,149</u>	<u>524,741</u>	<u>23,783</u>	<u>548,524</u>
178,153	177,514	624	178,138
194,000	170,352	22,990	193,342
<u>372,153</u>	<u>347,866</u>	<u>23,614</u>	<u>371,480</u>
232,200	30,572	180,958	211,530
258,145			
192,857	63,984	128,656	192,640
251,571			
658,000	11,655	514,500	526,155
167,000			
<u>1,759,773</u>	<u>106,211</u>	<u>824,114</u>	<u>930,325</u>
<u>3,252,075</u>	<u>985,781</u>	<u>876,277</u>	<u>1,862,058</u>
12,500	3,000	9,500	12,500
12,350		6,080	6,080
<u>24,850</u>	<u>3,000</u>	<u>15,580</u>	<u>18,580</u>
<u>24,850</u>	<u>3,000</u>	<u>15,580</u>	<u>18,580</u>
11,709		11,709	11,709
<u>11,709</u>		<u>11,709</u>	<u>11,709</u>
<u>11,709</u>		<u>11,709</u>	<u>11,709</u>
962,892	962,892		962,892
1,006,693	791,823	214,870	1,006,693
616,639		447,546	447,546
1,105,127	1,105,127		1,105,127
475,500	342,534	132,966	475,500
856,635		602,665	602,665
255,000	200,000	23,590	223,590
37,227			
902,615	902,615		902,615
974,032	695,216	278,816	974,032
884,133		621,520	621,520
313,327	180,419	76,833	257,252
	20,666	16,437	37,103
	11,132	7,839	18,971

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2008

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
WIA 10% Statewide Activities 2006	17.258 17.259 17.260	2006 2050 42
WIA 10% Statewide Activities 2007	17.258 17.259 17.260	2007 2050 42
2003 Administration Cost Pool	17.258 17.259 17.260	2003 2010 42
2006 Administration Cost Pool	17.258 17.259 17.260	2006 2010 42
2007 Administration Cost Pool	17.258 17.259 17.260	2007 2010 42
Hurricane Katrina 2005	17.260	2005 2068 42
Hurricane Katrina Administration 2005	17.260	2005 2068 42
WIRED 07	17.261	
Total Employment and Training Administration		
Total Department of Labor		
Department of Transportation:		
Federal Transit Administration:		
Section 5303 Metro Planning - 2006-07	20.505	
Total Federal Transit Administration		
Federal Transit Cluster:		
Section 5307 Operating Assistance - 2006-07	20.507	NC-90-X412-01
CMAQ/HEAT Year 1 - 2006-07	20.507	NC-90X-396
CMAQ/HEAT Year 2 - 2007-08	20.507	NC95-X009-00
Section 5307 Capital Assistance Grant - 2004	20.507	NC-90-X338
Section 5307 Capital Assistance Grant - 2004	20.507	NC-90-X338
Section 5307 Capital Assistance Grant - 2006	20.507	NC-90X379-00
Section 5307 Capital Assistance Grant - 2006	20.507	NC-90X379-00
Section 5307 Planning Grant - 2006	20.507	NC-90X379-00
Section 5307 Capital Assistance Grant - 2006	20.507	NC-04-0009-00
Section 5309 Capital Assistance Grant - 2000	20.500	NC-03-0047
STP-DA Preventative Maintenance - 2005-06	20.507	NC-95-X006
New GTA Maintenance Facility	20.507	
Sidewalk Construction EL-5101A	20.507	EL-5101A
Sidewalk Construction EL-5101B	20.507	EL-5101B
Sidewalk Construction EL-5101C	20.507	EL-5101C
Total Federal Transit Cluster		
Federal Highway Administration:		
FTA Capital - Surface Transportation	20.205	NC-90-X252
16th Street Bridge Replacement	20.205	B-3930
Southeast Connector Trail Phase II	20.219	P06115
Total Federal Highway Administration		
Passed through NC Department of Transportation		
Ballinger Road Bridge Replacement	20.205	B-4695
Transportation Planning - 2006-07	20.205	
Transportation Planning - 2007-08	20.205	
Total Passed through NC Department of Transportation		
Total Department of Transportation		
Department of Agriculture:		
Forest Service:		
Tree Canopy Survey	10.664	F08029
Total Forest Service		
Total Department of Agriculture		
Environmental Protection Agency:		
Office of Solid Waste and Emergency Response:		
Brownsfield Assessment & Cleanup	66.818	BF-96491307-01
Total Office of Solid Waste and Emergency Response		
Total Environmental Protection Agency		
Total Federal Financial Assistance		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 281,102	\$ 58,251	\$ 81,473	\$ 139,724
	51,144	31,223	82,367
	25,198	14,890	40,088
319,277		14,882	14,882
		2,266	2,266
		2,198	2,198
283,978	102,821		102,821
	74,752		74,752
	106,405		106,405
274,342	86,017	25,920	111,937
	75,521	33,635	109,156
	37,209	16,040	53,249
271,716		47,332	47,332
		65,732	65,732
		63,738	63,738
205,468	205,254	215	205,469
11,856	11,855		11,855
47,111		3,000	3,000
<u>10,084,670</u>	<u>6,046,851</u>	<u>2,825,626</u>	<u>8,872,477</u>
<u>10,084,670</u>	<u>6,046,851</u>	<u>2,825,626</u>	<u>8,872,477</u>
<u>66,760</u>	<u>66,760</u>		<u>66,760</u>
66,760	66,760		66,760
2,646,208		3,422,301	3,422,301
1,175,628	1,058,608	52,542	1,111,150
3,660,628		2,669,799	2,669,799
298,000	256,013		256,013
100,000	79,417		79,417
575,190			
129,616		106,615	106,615
100,000		54,376	54,376
1,100,264		40,391	40,391
3,275,877	3,274,893	984	3,275,877
500,000	198,189	30,716	228,905
1,330,000			
1,067,507		156	156
1,344,866			
1,820,969			
<u>19,124,753</u>	<u>4,867,120</u>	<u>6,377,880</u>	<u>11,245,000</u>
7,508,173	7,347,612	159,120	7,506,732
2,769,018	1,109,550	1,556,028	2,665,578
50,000			
<u>10,327,191</u>	<u>8,457,162</u>	<u>1,715,148</u>	<u>10,172,310</u>
500,000	112,312		112,312
567,801	325,591	1	325,592
625,814		304,416	304,416
<u>1,693,615</u>	<u>437,903</u>	<u>304,417</u>	<u>742,320</u>
<u>31,212,319</u>	<u>13,828,945</u>	<u>8,397,445</u>	<u>22,226,390</u>
<u>18,000</u>		<u>2,646</u>	<u>2,646</u>
18,000		2,646	2,646
<u>18,000</u>		<u>2,646</u>	<u>2,646</u>
600,000		73,437	73,437
600,000		73,437	73,437
600,000		73,437	73,437
<u>\$ 116,398,541</u>	<u>\$ 72,655,119</u>	<u>\$ 18,920,769</u>	<u>\$ 91,575,888</u>

State Programs

Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2008

<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 Health and Wellness Trust Fund Commission:		
Fit Community - Downtown Greenway		
Total NC Health and Wellness Trust Fund		
Department of Environmental Health and Natural Resources:		
ABC Recycling Grant		727
Waste Reduction & Recycling Grant		1,240
Adopt-a-Trail Program		P08053
PARTF Grant - Keely Park		P08077
Total Department of Environmental Health and Natural Resources		
Department of Crime Control and Public Safety:		
Division of Emergency Management:		
Governor's Crime Commission		41-1-7-1-BN-369
Regional Hazardous Materials Response Team - 2005-06		
Regional Hazardous Materials Response Team - 2006-07		
Regional Hazardous Materials Response Team - 2007-08		
Regional Hazardous Materials Response Team - 2008-09		
Swiftwater Rescue Grant - 2006		0607-013
Public Health Grant		NCAS:00477, 02477-09
NC Emergency Management Grant 06-07		
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		36460-06/07-287
Total Department of Juvenile Justice and Delinquency Prevention		
Office of State Planning:		
GIS Data Clearinghouse		
Total Office of State Planning		99HQGR0155
Department of Transportation:		
Federal Transit Administration:		
Section 5303 Metro Planning - 2006-07	20.505	07-08-105
Demonstration Grant		07-DG-018
Total Federal Transit Administration		
Federal Transit Cluster:		
CMAQ/HEAT Grant - 2006-07	20.507	
CMAQ/HEAT Grant - 2007-08	20.507	
Section 5307 Capital - 2003-04	20.507	
Section 5307 Planning - 2003-04	20.507	
Section 5309 Capital Assistance - 2000-01	20.500	01-03-019
Section 5307 Capital - 2006-07	20.507	
Section 5307 Planning -2006-07	20.507	
Section 5307 Capital - 2006-07	20.500	
Total Federal Transit Cluster		
Federal Highway Administration:		
Section 5309 Capital Assistance - 2000-01	20.205	01-ST-001
Battleground Rail Trail Grant	20.219	E-4709
Eckerson/US 29 Environmental Study		R-4707 WBS 36599
Bicycle Route Map Grant		E-4409G WBS 34025.1.1
Total Federal Highway Administration		
Governor's Highway Safety Program:		
Governor's Highway Safety Regional Coordinator - 2006-07		K2-07-08-01-E
Governor's Highway Safety Regional Coordinator - 2007-08		K2-08-07-01-E
Traffic Enforcement Positions - 2004-07		PT-05-04-05-08
Total Governor's Highway Safety Program		
Division of Highways:		
Hornaday Road Improvement - 2005		U-4750 WBS 39581.1.1
Knox Road Relocation		WBS 38111
Wendover Avenue - Moving Ahead		MA07224R WBS 40761
Depot Landscaping		P-3801 WBS 34309.2.2
Total Division of Highways		
Division of Air Quality:		
Clean Fuel Advanced Technology Grant		
Total Division of Air Quality		
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		
Total Department of Transportation		
Total State Financial Assistance		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 350,980	\$ 350,978	\$ 343,138	\$ 343,138
<u>350,980</u>	<u>350,978</u>	<u>343,138</u>	<u>343,138</u>
350,980	350,978	343,138	343,138
30,000		3,500	3,500
<u>30,000</u>		<u>3,500</u>	<u>3,500</u>
9,300		9,300	9,300
18,000			
5,000		2,951	2,951
500,000			
<u>532,300</u>		<u>12,251</u>	<u>12,251</u>
100,000			
57,000	41,136	7,055	48,191
57,000	45,362	2,919	48,281
57,000		36,556	36,556
57,000			
14,800		14,800	14,800
32,815		25,814	25,814
1,677	955	722	1,677
<u>377,292</u>	<u>87,453</u>	<u>87,866</u>	<u>175,319</u>
377,292	87,453	87,866	175,319
50,000		37,798	37,798
<u>50,000</u>		<u>37,798</u>	<u>37,798</u>
2,120	629		629
<u>2,120</u>	<u>629</u>		<u>629</u>
8,345	8,345		8,345
275,780		45,616	45,616
<u>284,125</u>	<u>8,345</u>	<u>45,616</u>	<u>53,961</u>
146,954	132,326	6,568	138,894
164,879		140,684	140,684
37,250	32,002		32,002
12,500	9,927		9,927
409,484	409,361	123	409,484
55,440			
12,500		6,797	6,797
106,049		3,893	3,893
<u>945,056</u>	<u>583,616</u>	<u>158,065</u>	<u>741,681</u>
992,521	918,452	19,890	938,342
2,869,600			
750,000	328,990	94,973	423,963
17,510		14,215	14,215
<u>4,629,631</u>	<u>1,247,442</u>	<u>129,078</u>	<u>1,376,520</u>
32,500	10,171	18,372	28,543
10,000		4,367	4,367
714,513	665,434	31,748	697,182
<u>757,013</u>	<u>675,605</u>	<u>54,487</u>	<u>730,092</u>
6,400,000	223,026	23,296	246,322
400,000		400,000	400,000
1,450,000		199,345	199,345
51,000		9,277	9,277
<u>8,301,000</u>	<u>223,026</u>	<u>631,918</u>	<u>854,944</u>
		12,000	12,000
		12,000	12,000
5,015,000	3,264,565	34,174	3,298,739
<u>1,831,394</u>		<u>1,831,394</u>	<u>1,831,394</u>
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	4,382,141	2,578,014	6,960,155
<u>7,865,962</u>		<u>3,684,522</u>	<u>3,684,522</u>
118,096,890	91,892,294	9,159,268	101,051,562
<u>\$119,439,582</u>	<u>\$92,331,354</u>	<u>\$9,643,821</u>	<u>\$101,624,197</u>

Notes to the Schedule of Expenditures of Federal and State Awards

For the Fiscal Year Ended June 30, 2008

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, and Non-Profit Organizations. 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	\$234,978
Community Development Block Grant--Emergency Shelter Grant	14.231	\$84,247
Home Investment Partnership	14.239	\$37,317
Historic Survey Grant	15.904	\$35,000