



CITY OF GREENSBORO, NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2006



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Prepared by the City of Greensboro Finance Department

Richard L. Lusk, Finance Director

Sherry E. Carson
Administrative Assistant

Marlene F. Druga, CPA
Deputy Finance Director-Financial Services

Jeffery L. Roberts, CIA
Investment Manager

Bonnie G. Harvell, CPA
Senior Financial Analyst

Roberta K. Johnson
Senior Financial Analyst

Pattie G. Elwood
Senior Accountant

Kimberly M. Strickland
Accountant

Susan C. Wuchae, CPA
Accounting Manager

Anita B. Wilson, CPA
Assistant Accounting Manager

Christina N. Smith
Senior Accountant

James R. Holfield
Senior Accountant

Gregory L. Jenkins, II
Senior Accountant



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LETTER OF TRANSMITTAL

October 10, 2006

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, 2006, 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, 2006, 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 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 and the State Single Audit Implementation Act. The independent auditors' report on the Basic Financial Statements is included in the Financial Section of this report. The independent auditor concluded, based upon the audit, that the financial statements of the City of Greensboro present fairly in conformity with GAAP, in all material respects, the financial position of the City of Greensboro, North Carolina, as of June 30, 2006. 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.

The Comprehensive Annual Financial Report is presented in four sections: (1) Introductory Section; (2) Financial Section; (3) Statistical Section; and (4) Single Audit Section.

The **Introductory Section** includes this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2005, the City's organization chart and a listing of the City's principal officials.



The **Financial Section** includes the independent auditors' report, the management's discussion and analysis (MD&A), the Basic Financial Statements composed of government-wide and fund financial statements, with supporting statements included, and notes to the financial statements deemed necessary to present fairly the financial position of the City. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of the MD&A. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Greensboro's MD&A can be found immediately following the report of the independent auditors.

In addition, *Supplementary Information* is presented in this section displaying all individual funds by classification of the City. Although these statements are not considered necessary for a fair presentation of the financial position or results of operations and cash flows, they are presented for supplementary analysis purposes and have been subjected to auditing procedures applied by the independent auditors in the audit of the Basic Financial Statements. Required Supplementary Information pertaining to contributions and funding progress of the City's Law Enforcement Officers' Special Separation Allowance is also included in this section.

The **Statistical Section** includes selected financial data trends of the City and its operations and local demographic and economic information.

The **Single Audit Section** presents information in conformity with provisions of the Federal and State Single Audit Acts, which establish audit requirements for state and local governments that receive federal and state financial assistance. It includes detail grant schedules and independent auditors' reports on the internal control structure and compliance with applicable laws and regulations.

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

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 240,955 and presently covers a land area of approximately 122.6 square miles.

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 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, 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, 2006.



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 were the primary focus for FY 2005-06 funding:

- Economic Development, particularly in the Business Improvement District in downtown Greensboro
- Public Safety – Fire Stations and police officer compensation
- Protection of Natural Resources and Growth Management – Refuse Transfer Station
- Maintenance of Existing Facilities and Assets – Building renovations
- Community Relations – Neighborhood information
- Fiscal Management – Alternative fuel, private contracts for landscaping

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. Budgetary comparisons for the General Fund and Housing Partnership Revolving Fund (Special Revenue Fund) are presented on pages 10 and 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 33.



A. Local Economy

Greensboro’s diverse economy is attributed to its unique blend of trade, manufacturing and service businesses. Local industry is characterized by the production of a wide range of products, including textiles, apparel, tobacco, machinery and electronics equipment, with increased emphasis on the service industry. Citi Cards, the largest provider of credit card products in North America, recently completed a state-of-the-art facility that added 1,000 new jobs to its Greensboro-based operation. 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. 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. In addition, 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 2010, however portions of the Southern section are open for travel. The Greensboro area is not only progressive in traditional connectivity, the City is a significant partner in a fiber optic network that facilitates data and telecommunications. In April 2006, free WiFi services along a portion of South Elm Street were also launched as an additional amenity downtown.



While the area gained 1,848 jobs overall from December 2004 through June 2005, significant shifts have occurred between job categories. Service jobs increased from 27% to 39% while manufacturing jobs declined from 19% to 15%.

Located in the vicinity of Piedmont Triad International Airport (“Airport”) are various major industrial and business parks 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. The Airport has recently been rated as the fastest growing airport facility in the nation by Aviation System Research, Inc., largely due to expansion and preparations for the \$500 million Federal Express Mid-Atlantic Hub site, which is scheduled to be completed and operational in 2009. The facility is expected to sort 24,000 packages per hour serving the eastern United States. Also within the past year, Dell Inc., one of the world’s largest personal computer manufacturers made the decision to locate a plant in western Forsyth County, within 20 miles of the Airport. In October 2005, the Dell facility began operations, which has already increased the demand for ancillary

% EMPLOYMENT DISTRIBUTION (GUILFORD COUNTY)

Agriculture & Mining	225	.08%
Construction	13,458	4.95
Manufacturing	39,567	14.54
Transportation, Communications & Utilities	17,956	6.60
Wholesale Trade	15,823	5.81
Retail Trade	29,886	10.98
Finance, Insurance & Real Estate	18,346	6.74
Services	106,800	39.25
Government	30,071	11.05
Total	272,132	100%

Source: www.piedmonttriad.com (2nd Qtr 2005)



goods and services within the region. This move has set a precedence for the Piedmont Triad to change its textile and tobacco image to a hub for high-tech companies of all types. Greensboro is also home to many companies in the biotech and life science industry. North Carolina is ranked the nation's third largest state in biotechnology (Ernst and Young-Global Biotechnology Report, 2004).



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 April 2005. The six-acre tract surrounding the new stadium is also planned to include new residential and commercial development. Amtrak train service, located in The Depot, downtown Greensboro's newly renovated transportation hub, increased ridership close to 30% to 6,700 passengers in April 2006. Beginning in late FY 2003-04, a Business Improvement District was established for downtown Greensboro with a separate tax rate of \$.09 for properties within the district boundaries. There has been considerable residential development in the downtown area in recent years. In addition, planned commercial projects total \$106 million and include renovations of the 15-story Wachovia building, consisting of planned restaurant, office and residential space. Lincoln National Corporation acquired Jefferson-Pilot Corporation in October 2005, with Greensboro operations focusing on life insurance.

GREENSBORO AREA LARGEST EMPLOYERS

<i>Company</i>	<i>Product / Service</i>	<i>Approximate No. of Full-Time Employees</i>
Guilford County Public Schools	Education	8,000
Moses H. Cone Health System & Affiliates	Health Care	7,785
U.S. Postal Service	Postal Service	2,800
Guilford County	Government	2,700
City of Greensboro	Government	2,610
High Point Regional Hospital	Health Care	2,238
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	Semiconductors	1,800
TIMCO Aviation Services, Inc.	Aircraft Maintenance	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 Equip.	1,300
International Textile Group	Textile Mfg./Office	1,300
VF (Vanity Fair) Corporation	Apparel	1,245
Procter & Gamble Corporation	Consumer Products	800

Source: Greensboro Chamber of Commerce, August 2006

BUSINESS INVESTMENT FY2006 SUMMARY

	<i>New Jobs</i>	<i>Investment</i>
Expanding Firms	244	\$ 2,450,000
New Firms	600	88,500,000
Total	844	\$ 90,950,000

Source: Greensboro Economic Development Alliance

RETAIL SALES DATA

<i>Fiscal Year</i>	<i>Retail Sales</i>	<i>% Increase Over Previous Year</i>
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	**

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 year ended June 30, 2006 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.

POPULATION CHARACTERISTICS

	<i>Median Age</i>	<i>Median Household Income</i>	<i>% Households Earning >\$20,000</i>
Greensboro	NA	\$35,767	78.0
Guilford County	35.5	38,906	80.2
North Carolina	36.0	36,527	77.3
United States	36.4	39,324	NA

Source: Sales & Marketing Management Magazine, 2005 Survey of Buying Power; NC Office of Budget & Management; State Demographer's Office; U.S. Census, 2005 American Community Survey

% GREENSBORO UNEMPLOYMENT

	1999	2000	2001	2002	2003	2004	2005	2006
Jan	2.5	2.9	3.7	6.3	6.2	5.8	5.2	5.1
Feb	2.6	3.2	3.9	6.4	6.0	5.8	5.5	4.7
Mar	2.3	2.7	3.7	6.5	5.9	4.9	5.0	-
Apr	2.0	2.2	3.9	6.3	6.0	4.9	4.9	-
May	2.3	2.7	4.2	6.7	6.1	5.2	4.9	-
Jun	2.5	3.0	4.8	7.2	7.0	6.3	5.6	-
July	2.6	3.1	5.0	7.4	7.0	6.2	6.0	-
Aug	2.9	2.9	5.2	6.9	6.6	5.4	5.5	-
Sept	2.4	3.0	5.1	6.4	6.1	4.9	5.0	-
Oct	2.6	2.9	5.2	6.4	6.7	5.1	5.0	-
Nov	2.6	3.3	6.2	6.3	6.2	5.5	5.0	-
Dec	2.3	2.9	5.9	6.3	5.8	5.4	4.5	-

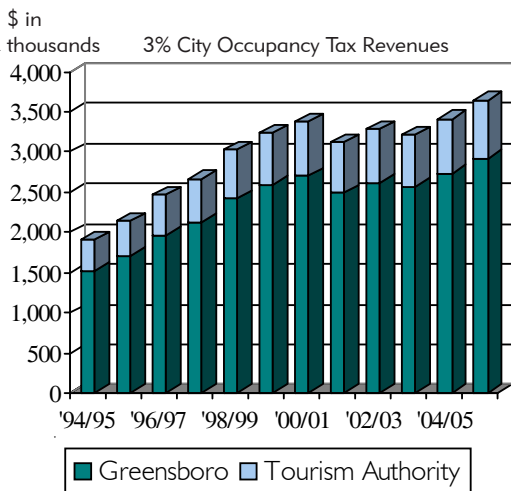
Source: North Carolina Employment Security Commission

The Elon University School of Law opened in fall 2006, in a former City-owned property downtown. In summer 2006, the City commenced operation of a University and College bus service, primarily funded with grant reimbursements, to connect students from six area colleges and universities with the downtown area.

In other business expansion news, RFMD (formerly known as RF Micro Devices) a Greensboro based wireless technology company, will add 300 jobs during the next three years and invest \$80 million in capital.

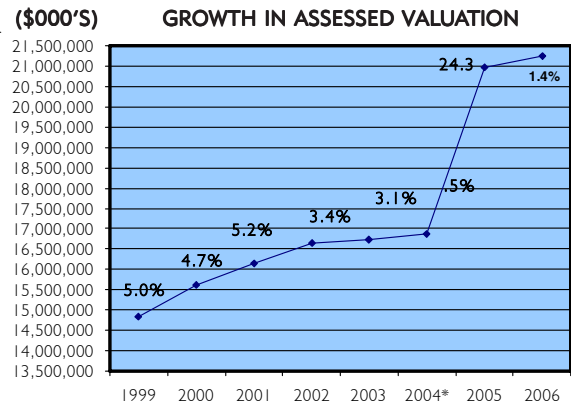
Moses Cone Health System has also been conducting a building expansion program, with phase one of construction of a new Heart and Vascular Center completed in 2006.

Area businesses have experienced modest growth and development overall in the past year, and the economic slowdown of recent years in the Piedmont Triad region is improving, as evidenced in the following statistics.



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

Year	City	County	State	US
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



There are currently 8,721 hotel/motel rooms throughout the City. Receipts from the City's 3% occupancy tax totaled \$2,920,404 in FY 2005-06, increasing by 6.8% over the prior year, with increased growth expected next 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.

B. Long-Term Financial Planning

- The City currently has \$49,320,000 in authorized (2000) and unissued general obligation bonds in the following functional areas to fund various governmental projects. We anticipate to phase the issuance of these bonds over the next several years in accordance with Greensboro's capital improvement program and Council's strategic priorities:



Street Improvements	\$40,420,000
Public Transportation	1,000,000
Neighborhood Redevelopment	1,300,000
Parks and Recreational Facilities	6,600,000

In accordance with these plans, the City intends to issue another \$25 million in fixed and variable rate general obligation bonds in 2008. These bonds will fund streets, public transportation, parks and recreation and neighborhood redevelopment projects. In the spring of 2007, the City intends to issue approximately \$40 million in Combined Enterprise System Revenue Bonds for water and wastewater system improvements.

Bond-financed and other major capital projects completed, or in progress at year-end include the Solid Waste Refuse Transfer Station, additional fire stations, water and sewer system pump stations, and parks and recreation improvements.

The proposed six-year Capital Improvement Plan (CIP) includes approximately \$541 million for projects that will be undertaken during FY 2006-2012 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 20.3% 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.

The City is proposing to issue up to \$115 million in general obligation bonds pursuant to a November 7, 2006 voter bond referendum. The proposed projects include new and renovated fire stations and buildings, parks and recreation facilities, library improvements, economic development and renovation of the War Memorial Auditorium and the War Memorial Baseball Stadium.

The City has also begun planning for implementation of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which is scheduled for adoption in the City's financial records in Fiscal Year 2008. As part of a strategy to manage funding of this liability, the City is developing a plan that initially includes an actuarial study to determine estimated future costs, and is also analyzing the level of benefits it provides to employees. The actuarial report should be available in December 2006 or early in the next calendar year.

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, 2006 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 \$12,189,930 for the fiscal year ended June 30, 2006 as compared to \$9,559,522 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 \$266,853,418 during the year. The City's average yield on investments for the year was 4.6%. Interest earnings showed an increase over the prior year largely due to improved market conditions. Interest earned on bond proceeds was used to offset the cost of debt service. Interest earnings were the equivalent of nearly 5.7 cents on the tax rate for FY 2005-06.

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, 2005, the date of the last actuarial valuation, amounted to \$15,975,035 of which 29.2% was funded. The valuation projects that an annual contribution of 4.97% of law enforcement payroll or \$1,391,963 is required in FY 2007 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 \$1,779,458 in FY 2005-06, which represents 103% 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 postretirement health benefits for retirees until age 65. As of the end of the current fiscal year, there were 482 retirees receiving these benefits, which are financed on a pay-as-you-go basis. Currently, GAAP does not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

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 statements.

AWARDS AND ACKNOWLEDGMENTS

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-one consecutive years, (1975 through 2005). 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 2006-07 is moderate, with modest growth in revenue categories forecasted. 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 are 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 and Accounting Divisions of the Finance 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, 2005

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.



Carla E. Perry

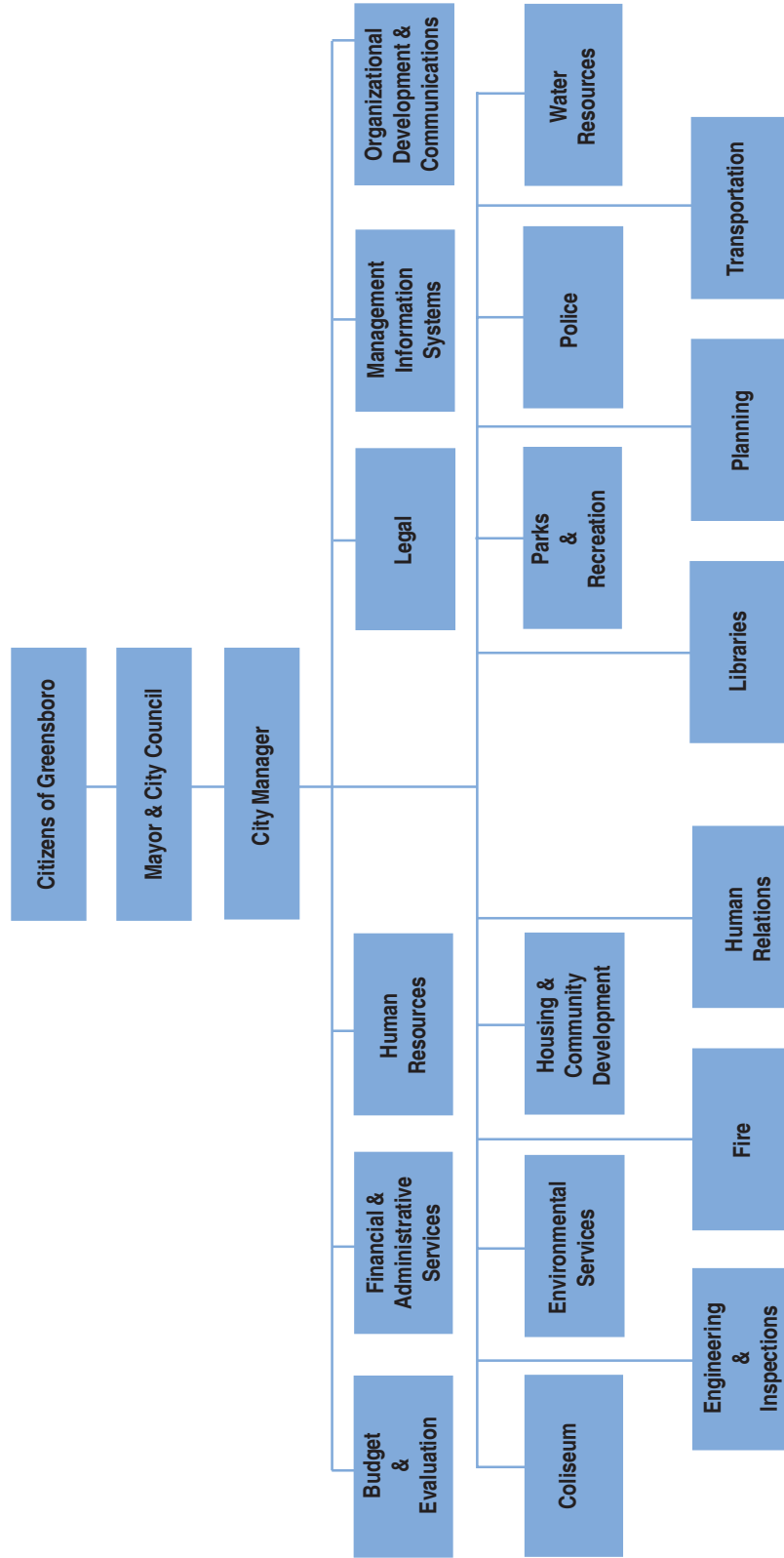
President

Jeffrey R. Emer

Executive Director



CITY OF GREENSBORO





GREENSBORO CITY COUNCIL

- Keith A. Holliday, Mayor*
- Sandra A. Groat, Mayor Pro Tem*
- Florence F. Gatten, At Large*
- Yvonne J. Johnson, At Large*
- T. Dianne Bellamy-Small, District 1*
- Goldie Wells, District 2*
- Thomas M. Phillips, District 3*
- Mike Barber, District 4*
- Sandra G. Carmany, District 5*



CITY MANAGER
Mitchell E. Johnson



FINANCE DIRECTOR
Richard L. Lusk



Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Greensboro Housing Development Partnership and the Greensboro Transit Authority, which are discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Greensboro, North Carolina, ("the City") as of and for the year ended June 30, 2006, 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"). 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, 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 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, each discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2006, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund and the Housing Partnership Revolving Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 10, 2006 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Schedule of Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors 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 financial 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 financial 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 section and statistical information 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, Ruchel & Haddad, L.L.P.

Raleigh, North Carolina
October 10, 2006

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, 2006. 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 year's 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 \$765 million (*net assets*).

The City's net assets increased by \$32 million (4.4%) compared to FY 2005. The governmental net assets increased by \$13.3 million (4.4%) due to higher than anticipated receipts for Local Option Sales Tax, Hotel/Motel Occupancy Tax, Electric Franchise Tax, Piped Natural Gas Tax, ABC Profit Distribution and additional investment income. The business-type net assets increased by \$18.7 million (4.3%) primarily due to higher water demand and additional investment income coupled with two prior period adjustments which decreased net assets by \$3.5 million. The net effect of these adjustments resulted from the treatment of parts inventory at an operating plant and the effect of removing the equity interest in joint venture, referenced in Note I.D.11.



- The governmental activities program revenue decreased by \$1.7 million, down 2.9% from last year, largely due to the decrease in contributions generated in the prior year from the sale of property along with a decrease in grant revenues. General revenues for property taxes increased by \$.1 million which is consistent with the prior year due to a stabilized tax rate. Investment earnings were the equivalent of 5.7 cents on the property tax rate compared to 4.6 cents last year. In the City's business-type activities, program revenues increased by \$2.6 million or 2.4% to \$110.9 million. The change in business-type activities is largely due to higher utility rates adopted January 1, 2006, increased demand for utility services and significantly higher Coliseum attendance due to tournament events. City-wide, charges for services increased \$3.9 million or 2.9%.
- During the year, the City's governmental expenses were \$212.8 million, a decrease of \$9.8 million or 4.4% from last year primarily related to general program efficiencies due to budget constraints. In all, expenses increased 4.2% in the City's business-type activities due to the purchase of water from surrounding communities by Water Resources and increased operations to meet above average demand and payments to the Piedmont Triad Regional Water Authority (PTRWA) for reservoir and infrastructure improvements.
- 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 2006.

- The total cost of all City programs decreased by \$5.5 million or 1.7% compared to FY 2005.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$118.4 million, a decrease of approximately \$5.4 million in comparison with the prior year largely due to increased spending related to capital projects. Approximately 61.9% of this total amount, or \$73.3 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 \$28.7 million, or 13.6% of total general fund expenditures and transfers for the fiscal year. Of this balance, \$6.8 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 \$20.1 million as of June 30, 2006.



- Charges for services for the City's largest enterprise activity, the Water Resources Fund, comprising water and sewer operations increased 15.5% in FY 2006, largely due to below average rainfall for most of the fiscal year and a rate increase of approximately 10% as of January 2006. The City purchased a water supply from four neighboring municipalities in the current year for approximately \$3.3 million. Payments of \$2,344,314 were also made to the PTRWA for reservoir and surrounding infrastructure improvements associated with the construction of the Randleman Dam, which should be fully operational by 2007. 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, is approximately \$45.9 million as of June 30, 2006.

- Deficit fund balances were reported in the Community Development Block Grant Fund (\$179,560) Hope VI Program (\$121,238), Workforce Investment Act Fund (\$71,487), and the South Elm Street Redevelopment Fund (\$368,295), respectively, as of the end of the fiscal year. These deficits will be funded with grant and other reimbursements from governmental agencies in FY2007.
- The General Fund budget for the fiscal year ended June 30, 2006 was adopted with a \$.5475 per \$100 assessed valuation property tax rate, and is \$.0025 lower than FY2005. This rate decrease was accomplished through program reductions for FY05-06, allowing for a one quarter cent increase for the Transit Fund. An additional levy of \$.0200 per \$100 assessed valuation was used to improve and expand the public transit system compared to \$.0175 in the prior year.
- As of June 30, 2006, the City had collected approximately \$208.5 million or 101% of its amended budgeted General Fund revenues and had incurred \$211.4 million or 97% of its budgeted expenditures. The net effect on General Fund fund balance was a decrease of approximately \$2,540,000 this year.
- Overall General Fund budget appropriations were increased by \$989,692 primarily to transfer remaining fund balances for 911 wireless services to a Special Revenue Fund, established in the prior year.

■ **Key Ratios**

	2006	2005	2004	2003	2002
\$ Bonded Debt Per Capita	\$ 681	\$ 645	\$ 648	\$ 693	\$ 576
Legal Debt Margin as a % of Debt Limit	87.19	87.46	77.82	76.08	74.72
% of Property Tax Levy Collected	98.25	98.61	98.60	99.00	98.80
% Increase in Assessed Property Valuation	1.4	24.3	.8	.5	3.1



- Revaluation of assessed property occurred in 2004 and was last adjusted in 1996.
- The City's total general bonded debt increased by \$22 million due to issuance of general obligation bonds during FY2006, in addition to normal debt service retirements. Interest rates on the City's variable rate debt were 4.0% and 5.3% respectively for tax-exempt and taxable general obligations at June 30, 2006.
- The City of Greensboro maintained its AAA general obligation (GO) credit rating from Standard and Poor's, and Fitch IBCA and was upgraded to Aaa by Moody's Investors Service in January 2006.

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 AA+	Target AA+

Moody's Investors Service (Moody's)

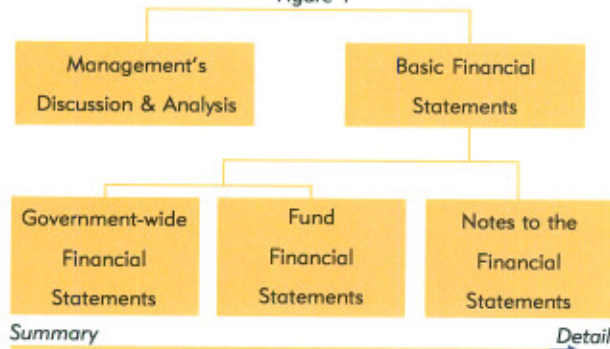
General Obligation Bonds	Currently Aaa	Target Aaa
Certificates of Participation	Currently Aa1 & Aa2	Target Aa1
Enterprise System Revenue Bonds	Currently Aa3	Target Aa1

Fitch IBCA (Fitch)

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

Required Components of Annual Financial Report

Figure 1



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)

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 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 2-5 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 6-11 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 121-143.



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 to certain of its employees. Required supplementary information can be found on pages 31-32 of this report.

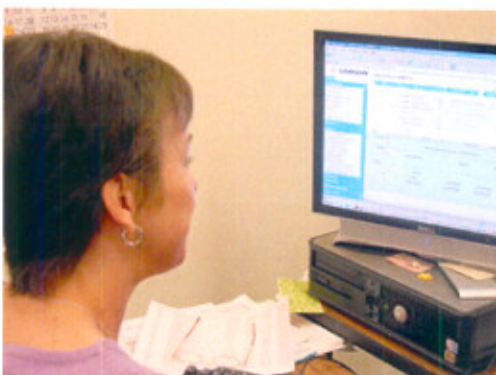
E. Other Supplementary Information

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 33 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements for the fiscal year ended June 30, 2006 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. While the City of Greensboro was required to implement these changes in 2002, many other units were not required to implement until 2004.

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 \$764,571,664 at the close of June 30, 2006 compared to \$732,497,940 (restated) in the previous year. The net assets for the City as a whole increased 4.4% at June 30, 2006. This increase of \$32 million represents a combination of increased capital assets resulting from debt financings and generally improved economic conditions, even though somewhat modest.



The largest portion of the City of Greensboro's net assets \$508,708,177 (67%) represents its investment in capital assets (e.g. land, building, machinery, and equipment), less any related debt used to acquire those assets that is 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 \$44,214,324 (6%), 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 \$199,547,188 (restated) at June 30, 2005 to \$211,649,163 (28%) at the end of this year. However, it should be noted that of this total reported "unrestricted" amount, only approximately \$24 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 Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>Percent Change</u> <u>2005-06</u>
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	
Current and Other Assets	\$ 231,167	\$ 230,088	\$ 175,522	\$ 176,187	\$ 406,689	\$ 406,275	-0.1%
Capital Assets, Net	318,574	342,449	518,205	529,563	836,779	872,012	4.2%
Total Assets	549,741	572,537	693,727	705,750	1,243,468	1,278,287	2.8%
Long-Term Debt Outstanding	212,482	220,927	230,768	229,210	443,250	450,137	1.6%
Other Liabilities	36,189	37,212	28,048	26,366	64,237	63,578	-1.0%
Total Liabilities	248,671	258,139	258,816	255,576	507,487	513,715	1.2%
Net Assets	\$ 301,070	\$ 314,398	\$ 434,911	\$ 450,174	\$ 735,981	\$ 764,572	3.9%
Invested in Capital Assets, Net of Related Debt	\$ 152,734	\$ 176,354	\$ 324,802	\$ 332,354	\$ 477,536	\$ 508,708	6.5%
Restricted	31,259	22,946	24,156	21,269	55,415	44,215	-20.2%
Unrestricted	117,077	115,098	85,953	96,551	203,030	211,649	4.2%
Total Net Assets	\$ 301,070	\$ 314,398	\$ 434,911	\$ 450,174	\$ 735,981	\$ 764,572	3.9%

*For more detailed information, see the Statement of Net Assets on pages 2-3.

TABLE A-2
CITY OF GREENSBORO'S CHANGES IN NET ASSETS
(IN THOUSANDS OF DOLLARS)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 35,109	\$ 32,986	\$ 97,191	\$ 103,172	\$ 132,300	\$ 136,158
Operating Grants and Contributions	19,046	21,567			19,046	21,567
Capital Grants & Contributions	5,074	2,943	11,083	7,751	16,157	10,694
General Revenues:						
Property Taxes	115,806	115,905			115,806	115,905
Other Taxes	55,450	58,673			55,450	58,673
Investment Income	4,945	5,539	1,759	1,947	6,704	7,486
Other	999	1,006	1,366	2,178	2,365	3,184
Total Revenues	236,429	238,619	111,399	115,048	347,828	353,667
Expenses						
General Government	21,767	22,027			21,767	22,027
Public Safety	92,938	94,826			92,938	94,826
Transportation	22,356	15,392			22,356	15,392
Engineering & Inspections	25,469	21,458			25,469	21,458
Environmental Services	662	707			662	707
Culture & Recreation	37,178	34,314			37,178	34,314
Community Development & Housing	9,828	10,397			9,828	10,397
Economic Opportunity	3,102	4,430			3,102	4,430
Intergovernmental	1,326	1,426			1,326	1,426
Interest, Fees on Long Term Debt	8,029	7,828			8,029	7,828
Water Resources			59,700	61,906	59,700	61,906
Stormwater Management			8,564	8,169	8,564	8,169
War Memorial Coliseum			11,669	14,143	11,669	14,143
Solid Waste Management			22,425	22,827	22,425	22,827
Parking Facilities			2,045	1,743	2,045	1,743
Total Expenses	222,655	212,805	104,403	108,788	327,058	321,593
Net Increase in Net						
Assets Before Transfers	13,774	25,814	6,996	6,260	20,770	32,074
Transfers	(12,190)	(12,486)	12,190	12,486		
Increase in Net Assets	1,584	13,328	19,186	18,746	20,770	32,074
Beginning Net Assets, Restated	299,486	301,070	415,725	431,428	715,211	732,498
Ending Net Assets	\$ 301,070	\$ 314,398	\$ 434,911	\$ 450,174	\$ 735,981	\$ 764,572

TABLE A-3

SUMMARY OF FINANCING/INTEREST EARNINGS - GOVERNMENTAL ACTIVITIES
(IN THOUSANDS OF DOLLARS)

	<u>FY 2005</u>	<u>FY2006</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$ 4,945	\$5,539	\$ 594	12.0%
Interest Expense	8,029	7,829	(200)	-2.5%
Net	(\$3,084)	(\$2,290)	\$ 794	25.7%

SUMMARY OF FINANCING/INTEREST EARNINGS - BUSINESS ACTIVITIES
(IN THOUSANDS OF DOLLARS)

	<u>FY 2005</u>	<u>FY2006</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$ 1,759	\$1,948	\$ 189	10.7%
Interest Expense	8,027	7,978	(49)	-0.6%
Net	(\$6,268)	(\$6,030)	\$ 238	3.8%

A. Governmental Activities

Governmental activities increased the City's net assets by approximately \$13.3 million. Key elements of this increase are as follows:

Expenditure levels for significant service areas such as transportation, engineering and inspections and culture and recreation decreased in FY2006 due to suspension of the Red Light Camera Program in May, 2005 as well as, capitalizing significant expenditures in the operating funds as construction in progress. Capital expenditures compared to total expenditures were proportionately higher in the current year. Economic opportunity expenditures increased by \$1.3 million due to program initiatives for the Workforce Investment Act and the South Elm Street Redevelopment project.



FIGURE 2
EXPENSES & PROGRAM REVENUES
GOVERNMENTAL
(IN THOUSANDS OF DOLLARS)

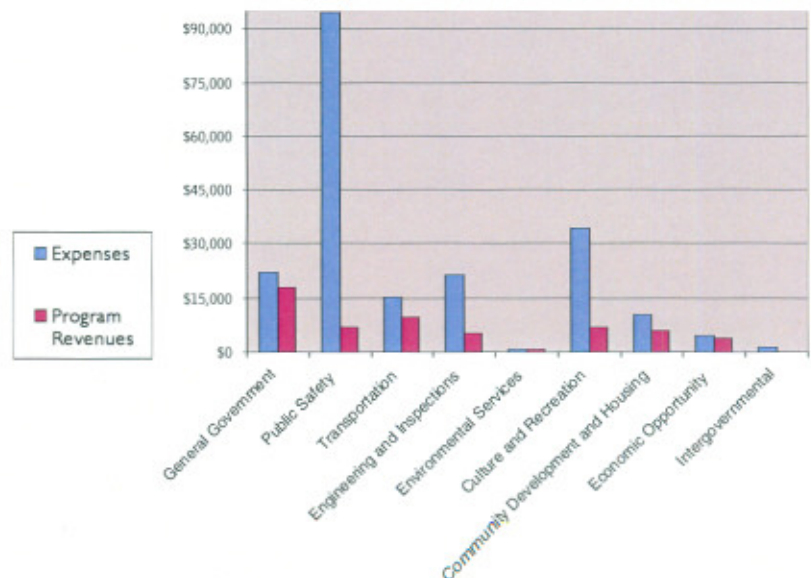


TABLE A-4
NET COST - GOVERNMENTAL ACTIVITIES
(IN THOUSANDS OF DOLLARS)

	<u>Total Cost of Services</u>		<u>% Change</u>	<u>Net Cost of Services</u>		<u>% Change</u>
	<u>2005</u>	<u>2006</u>		<u>2005</u>	<u>2006</u>	
General Government	\$ 21,768	\$ 22,027	1.2%	(\$ 6,205)	(\$ 3,902)	37.1%
Public Safety	92,938	94,826	2.0%	(86,270)	(87,727)	-1.7%
Transportation	22,356	15,392	-31.2%	(11,467)	(5,775)	49.6%
Engineering & Inspections	25,469	21,458	-15.7%	(17,832)	(16,154)	9.4%
Environmental Services	662	707	6.8%	199	(49)	-124.6%
Culture & Recreation	37,178	34,314	-7.7%	(31,865)	(27,312)	14.3%
Community Development and Housing	9,828	10,397	5.8%	(2,343)	(4,656)	-98.7%
Economic Opportunity	3,102	4,430	42.8%	1,713	(479)	-128.0%
Intergovernmental	1,326	1,426	7.5%	(1,326)	(1,426)	-7.5%
Total	\$214,627	\$204,977	-4.5%	(\$155,396)	(\$147,480)	5.1%

B. Business-Type Activities

Business-type activities increased the City of Greensboro's net assets by \$18.7 million, largely attributable to higher revenues in the City's water and sewer utility caused by dry conditions for most of the year, partially offset by increased water purchases from surrounding communities.

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)

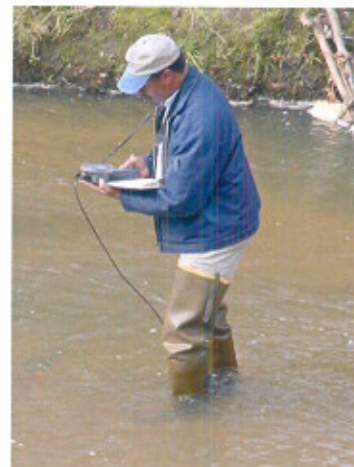
<u>Enterprise Activities</u>	<u>Before Depreciation</u>		<u>After Depreciation*</u>	
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>
Water Resources	\$30,912	\$30,167	\$19,699	\$18,192
Stormwater Management	2,064	2,102	409	399
War Memorial Coliseum	1,158	774	(918)	(1,282)
Parking Facilities	1,631	1,991	1,088	1,431
Solid Waste Management	360	238	(629)	(1,200)
Total	\$36,125	\$35,272	\$19,649	\$17,540

* 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 \$70,842,086 as compared to \$61,309,316 for the preceding year, an increase of 15.5%. Operating expenses increased by 7.8% and totaled \$54,757,861 as compared to \$50,794,157 for the preceding year. An approximate 10% increase in water and sewer rates was effective January 2006 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 water and sewer system needs. An account balance of \$5,121,862 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 the reservoir and surrounding infrastructure 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 and the reservoir has begun filling. The City continues to make a significant investment in water resource needs to replace and expand existing infrastructure and to meet new environmental regulations. Ongoing improvements are expected and included in our long-range planning.



3) *Stormwater Management Fund*

Charges for current services totaled \$8,467,742 as compared to \$8,369,025 for the preceding year, an increase of 1.2%. Operating expenses (excluding depreciation) decreased by 7% and totaled \$6,455,665 as compared to \$6,909,135 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, ranging from \$1.50 to \$3.90 per square foot of impervious property area owned, help fund operations of this program as well as related capital improvement projects.

4) *War Memorial Coliseum Fund*

Charges for current services totaled \$10,491,054 as compared to \$7,621,544 for the preceding year, an increase of 38%. The total number of events in FY 2005-06 increased from 748 to 787 with attendance at approximately 1.3 million compared to about 1 million last year. In the current year, the Greensboro Coliseum hosted the Mens' ACC Basketball tournament, with week-long attendance of approximately 140,000. This 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 \$14,141,133 as compared to \$11,892,154 for the preceding year, an increase of 19%. The General Fund contributed \$1,800,000 toward Coliseum operating activities this year. In addition, revenues from the privatized concessions operations (FY05) help offset capital improvements such as state-of-the-art LED signage in the arena to continue this venue's competitive edge.

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 \$1,811,909 as compared to \$1,878,684 in the preceding year, a decrease of 3.6%. Operating expenses totaled \$1,499,433 as compared to \$1,464,264 for the preceding year, an increase of 2.4%. This fund incurs interest payments on outstanding debt for parking facilities certificates of participation. General Fund support in FY 2005-06 totaled \$1,374,183.

6) **Solid Waste Management Fund**

Charges for current services totaled \$10,522,743 as compared to \$10,316,091 for the preceding year, an increase of 2.0%. General Fund contributions totaled \$9.6 million compared to \$10.4 million in the prior year, to finance the cost of solid waste collection and disposal. Operating expenses totaled \$22,642,115 as compared to \$21,517,314 for the preceding year, an increase of 5.2%.

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. In order to support the additional costs for land, operations, and haul and disposal associated with the transfer station, the FY 2007 budget includes total General Fund transfers of \$13 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.

FIGURE 3
EXPENSES AND PROGRAM REVENUES
BUSINESS-TYPE

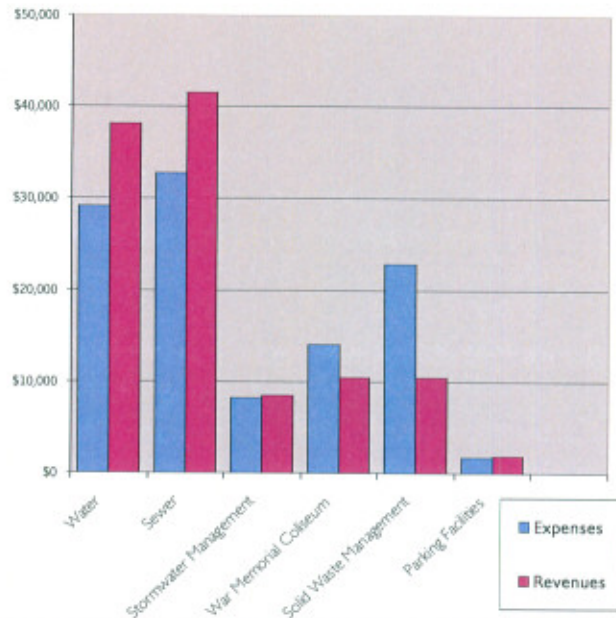
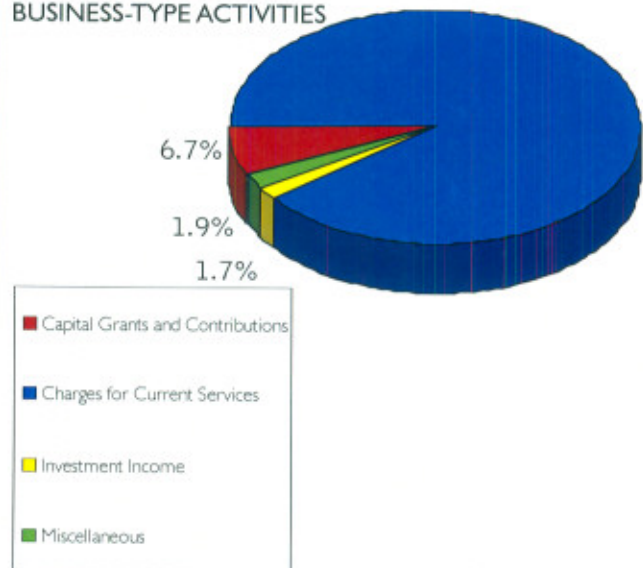


FIGURE 4
REVENUES BY SOURCES
BUSINESS-TYPE ACTIVITIES



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

A. Governmental Funds

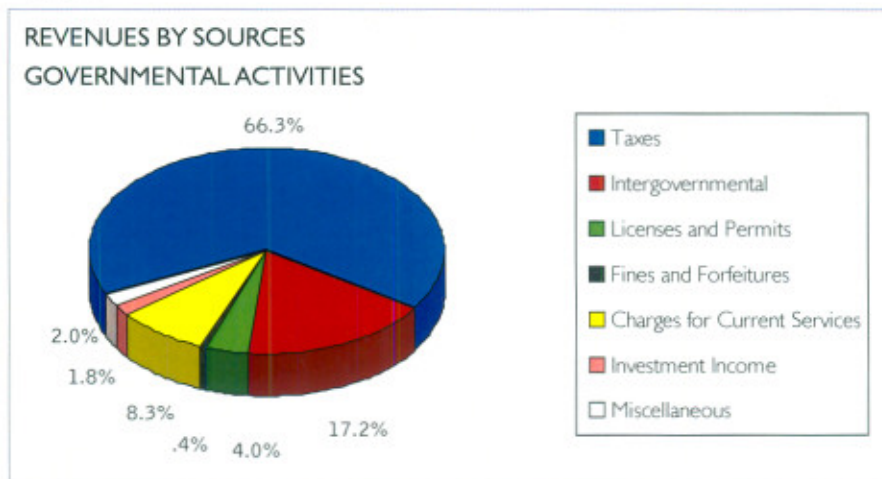
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2006, governmental funds reported a combined fund balance of \$118,393,583 a decrease of approximately \$5.4 million in comparison with June 2005. \$32,957,402 or 28% 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, \$28,676,068, exemplifies 51% of the total General Fund fund balance. Of this amount, \$6,842,210 is designated for appropriation in next year's budget, \$1,729,978 is designated for hazardous waste material collection, and \$20,103,880 or 9% of the subsequent years' budget is undesignated and retained for working capital purposes as well as unforeseen emergencies. Fund balance decreased by \$2.5 million primarily due to slower expected growth in the property tax base, charges for services and other major revenue sources while maintaining support of increased public safety and other service level needs.

The Debt Service Fund has a total fund balance of \$11,532,411 compared to \$13,030,506 in the prior year. Amounts are designated for debt service in FY 2007 (\$11,288,321) and succeeding years. Fund balance declined \$1.5 million in the current year due to increased principal and interest payments in support of the City's debt-financed projects, authorized by voters in 2000.

Revenues for general governmental functions (General, Special Revenue and Debt Service Funds) amounted to \$234,739,896 for the fiscal year ended June 30, 2006 and are comprised of various sources as shown in the following graph:





Property tax collections, for the current levy amounted to \$120,956,549. The current year rate of collections as of the end of the fiscal year, was 98.25%, with collections for prior year levies in excess of 99%.

The property tax rate remained stable in FY 2005-06, however a quarter cent tax rate was shifted from the General Fund to the Transit Authority rate. The reallocation of resources from some General Fund program reductions allowed the increase in the Transit Fund rate which serves as a hedge against possible losses in federal funding for transit operations and to provide expanded bus services. Tax rates for the current and three preceding fiscal years were adopted, as follows:

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund	\$.5475	\$.5500	\$.5975	\$.5975
Transit Authority	.0200	.0175	.0200	.0200
Total Tax Rate	\$.5675	\$.5675	\$.6175	\$.6175

The local option sales tax collection amounted to \$38,365,460 as compared to the previous year's collection of \$35,542,429 an increase of \$2,823,031 or 7.9% from last year. The State of North Carolina grants local governments the authority to levy a local sales tax of up to 2.5% (previously 2% prior to January 1, 2003), with the state sales tax dropping to 4.25%, effective December 1, 2006 (previously 4.5%). 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% is distributed within the county based upon either the "per capita" or "ad valorem" method. Local option sales taxes represent 16.1% of overall general government revenues in FY 06.

Intergovernmental revenues amounted to \$38,744,642 as compared to previous year revenues of \$38,553,374 an increase of 0.5% from last year. State-shared and grant revenues are a major source of funding for municipal operations and services, with intergovernmental revenues comprising 16.5% of total general governmental revenues, as compared to 16.7% in the previous year.

Licenses and permits amounted to \$9,402,583 compared to previous year revenues of \$8,926,893 an increase of 5.3% due to higher collections of privilege and cable tv licenses and building permits.

Fines and forfeitures amounted to \$1,029,871 as compared to the previous year's collection of \$979,352 an increase of 5.2% over last year. The increase is primarily due to increased city code violations, false burglar alarm fines and library fines.

Charges for current services amounted to \$19,898,897 as compared to the previous year's revenue of \$21,437,475. The decline is primarily due to a reduction of transportation signals, sign and light fees, the suspension of the Red Light Camera Program in May 2005 along with a reduction in park and recreation rentals and facility rental fees.

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 and Housing Partnership Revolving Fund Budgetary Highlights

The General Fund budget for FY 2005-06 was adopted at \$214,068,792 (excluding carry-forward encumbrances) and represents an increase of 2.5% over the adopted FY 2004-05 budget. Encumbrances of \$2,897,108 were carried forward from FY05 commitments. Significant variances from the *original* and *final amended* budget follow:

- Original appropriations were increased by \$978,492 to transfer funds accumulated from 911 wireless receipts to a new Special Revenue Fund created in the prior year, to be used for staff training purposes.
- Original appropriations were increased by \$11,200 to fund police leadership training.

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

As of June 2006, the City had collected approximately \$208.5 million or 101% of its budgeted General Fund revenues and had incurred \$ 211.4 million or 97% of its budgeted expenditures. Significant differences between *actual results* and the *final amended* budget are highlighted below:

- Increased revenues were noted for licenses and permits, local option sales taxes and charges for services primarily due to improved economic conditions compared to expectations. Overall state retail sales have grown faster than at the local level, which help to augment the City's revenue distribution.
- Decreased expenditures were noted in general government functions primarily for improvements in computer leasing and building maintenance along with cost savings in library and other administration for desktop (internal computer) services.

The Housing Partnership budget for FY 2005-06 was adopted at \$2,666,737 (excluding carry-forward encumbrances) and represents a decrease of 1.1% over the adopted FY 2004-05 budget. Encumbrances of \$192,073 were carried forward from FY05 commitments. Significant variances from the *original* and *final amended* budget follow:



- Original appropriations were increased by \$75,000 to fund housing vouchers for Gulf Coast evacuees.

The net increase was funded from available beginning fund balance.

As of June 2006, the City had collected approximately \$2.3 million or 91% of its budgeted Housing Partnership Revolving Fund revenues and had incurred \$1.8 million or 60% of its budgeted expenditures. Significant differences between *actual results* and *final amended budget* are highlighted below:

- Decreased revenues were noted due to timing of receipts from the Community Foundation of Greater Greensboro offset by additional unbudgeted reimbursements from the State of North Carolina for hurricane relief.
- Decreased expenditures were primarily noted for certain project delays, including the Willow Oaks Project and Camel Drive Apartments repairs.



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, 2006, amounts to \$872,012,151 (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 \$35,232,354 or 4.2% over the prior year.

TABLE C-1

CAPITAL ASSETS

(NET OF DEPRECIATION-IN THOUSANDS OF DOLLARS)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$ 53,785	\$ 52,096	\$ 37,294	\$ 36,649	\$ 91,079	\$ 88,745
Construction in Progress	41,236	32,756	82,297	84,188	123,533	116,944
Buildings	82,589	83,903	135,901	140,847	218,490	224,750
Improvements Other Than Buildings	4,381	4,574	10,549	11,498	14,930	16,072
Furniture, Fixtures, Machinery & Equipment	42,094	39,215	8,656	9,565	50,750	48,780
Infrastructure	118,364	106,030	254,866	235,458	373,230	341,488
Total Capital Assets	\$342,449	\$318,574	\$529,563	\$518,205	\$872,012	\$836,779

This year's major capital asset additions included:

- Construction in progress for the business activities increased by over \$6.0 million for the new Refuse Transfer Station and various sewer pump stations.
- Two new fire stations are under construction at a cost of approximately \$4.0 millions scheduled for completion by November 2006 and are in response to growing service needs and by City initiated annexations.
- The Hugh Medford Service Operations Center has undergone renovations at a cost of approximately \$2.6 million scheduled for completion by November 2006 and is in response to additional equipment service maintenance needs.

Construction in progress for governmental-type and business-type capital assets totaled \$41,236,141 and \$82,297,356, respectively as of June 30, 2006. No major demolitions were recorded this year.

The City adopted the FY 2006-2012 Capital Improvements Program (CIP) totaling \$541,113,289 or a 20.3% increase from the prior year plan amounts. Funding for major improvements is allocated as follows:

TABLE C-2

CIP EXPENDITURES – 5 YEAR PLAN

<i>CIP Expenditure Category by Service Area</i>	<i>% of Total CIP</i>
Environmental Protection	42%
Transportation	17%
Culture and Recreation	24%
Public Safety	9%
Economic and Community Development	7%
General Government	1%
	<u>100%</u>



TABLE C-3
CIP FUNDING SOURCES – 5 YEAR PLAN

<i>CIP Funding Source</i>	<i>% of Total CIP</i>
Revenue Bonds	27%
Authorized Bonds	12%
Grants/Other	5%
Enterprise Funds	16%
Unauthorized Bonds	32%
Miscellaneous Sources	8%
General Fund/Capital Reserve	<1%
	<u>100%</u>

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

B. Long-Term Debt

As of June 30, 2006, the City had total bonded debt outstanding of \$390,035,000, with \$176,730,000 backed by the full faith, credit and taxing power of the City.

TABLE D-1
GENERAL OBLIGATION, SPECIAL OBLIGATION & REVENUE BONDS - OUTSTANDING DEBT
(IN THOUSANDS OF DOLLARS)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
General Obligation Bonds	\$175,287	\$166,550	\$ 1,443	\$ 2,530	\$176,730	\$169,080
Special Obligation Bonds			17,725	10,415	17,725	10,415
Revenue Bonds			195,580	200,610	195,580	200,610
Total	\$175,287	\$166,550	\$214,748	\$213,555	\$390,035	\$380,105

The City’s total outstanding long-term liabilities increased by approximately \$9.9 million during the current fiscal year from the issuance of general obligation bonds. The issuance of these bonds supports continued enhancements of the capital projects program, including funding for the City’s parks and recreational facilities, street improvements and neighborhood redevelopment projects. To accommodate these and future business-activity projects, utility rates were increased by approximately 10% effective January 1, 2006 with a future average rate increase of 8% anticipated in January 2007.

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 ICBA. 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 \$1,482,988,776. The City has \$49,320,000 in authorized, but unissued bonds at June 30, 2006.



City Council has selected eleven new bond issues to place on the November 2006 election ballot for a total of \$114,950,000. These issues represent \$24.5 million for Fire Stations, \$5.2 million for Public Building Renovations, \$10.0 million for Economic Development, \$8.6 million for Library Facilities, \$5.3 million for Greensboro Historical Museum Renovations, \$36.0 million for War Memorial Auditorium Renovations, \$5.0 million for Parks and Recreation Facilities, \$850,000 for Neighborhood Redevelopment, \$5.5 million for War Memorial Baseball Stadium Renovations, \$9.0 million for a new Swimming Center and \$5.0 million for the International Civil Rights Museum contingent upon \$5.0 million additional funding raised from external sources. Each referendum item will be voted on separately.

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

The level of Greensboro unemployment decreased in the past year to 4.6%, down from 5.6% in August 2005. The relatively high unemployment levels are largely due to the regional textile and furniture industry which have reported successive employment declines in recent years due to increased manufacturing overseas. The average City's unemployment rate is compared to a statewide and national rate of 4.7%. Over the past twelve months, the number of goods-producing jobs in the Piedmont Triad has risen .3%, while goods-producing employment nationally has risen 1.2%. During the same period, the number of jobs in education and medical services has grown locally 4.3% and 3.8%, respectively. This employment category accounts for 40.5% of all Triad jobs.

The property tax base increased by 1.4% to \$21.3 billion in the fiscal year ended June 30, 2006. Collection of sales tax receipts increased by 7.9% over the prior year, primarily due to improving economic conditions in the state and region. The City also experienced a 6.8% increase in hotel/motel occupancy tax receipts for the fiscal year ended June 30, 2006.

The FY 2007 property tax rate was adopted at 61.50 cents per \$100 assessed value and includes 1.5 cents and .74 cents to fund transit and housing initiatives, respectively. The adopted tax rate is higher than the previous rate by 4.75 cents due to expansion of significant operations such as, the opening of the Refuse Transfer Station and the opening of the Willow Road Fire Station along with an increase in fuel costs and debt service support in the General Fund.

Significant City service enhancements planned for the fiscal year ending June 30, 2007 includes increased support for public safety, particularly for police patrol positions. The FY 2007 budget includes a total net gain of 62 full time equivalent positions, primarily for police patrol and fire personnel. Considering the above indicators when adopting the operating budget for the next fiscal year, the City's adopted FY 2006-07 budget increased 10.1% or \$35.4 million to \$386,012,991.

City management has reaffirmed its intention to continue to maintain the undesignated General Fund balance at 9% of the 2007 fiscal year budget.

Budget Highlights for the Fiscal Year Ending June 30, 2007

Governmental Activities:

Moderate enhancements were included in the FY 2007 budget and are for operating costs associated with new fire stations and significant service expansions for transportation. In addition, an increase of one and one-half cent of the property tax will support the GTA Fund for expansion of fixed route bus service to provide thirty minute service on all routes. Thirty-two new employee positions relate to increased police operations.



Business-Type Activities:

Water Resources activities, with a budget of approximately \$80 million in FY 2007, compared to \$69 million in the prior year, have increases of approximately \$5.5 million to fund transfers for pay-as-you-go capital improvements and additional debt service. This is in response to the significant improvements that have been undertaken in the City's utility infrastructure in the past ten years.

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 Finance 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, 2006

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and Cash Equivalents/Investments	\$ 118,063,234	\$ 47,465,728	\$ 165,528,962	\$ 3,848,975
Receivables, Net				
Taxes	3,813,835		3,813,835	302,717
Accounts, Notes and Mortgages	28,079,579	16,319,131	44,398,710	2,004,728
Assessments	70,705		70,705	
Intergovernmental	17,797,720	581,636	18,379,356	106,418
Interest	1,114,692	285,638	1,400,330	1,288,091
Real Estate Foreclosed	285,732		285,732	
Internal Balances	(3,085,939)	3,085,939		
Due from Component Unit	660,858		660,858	
Inventories	1,665,531	1,941,604	3,607,135	2,393,104
Miscellaneous	396,135	3,373,589	3,769,724	61,555
Assets Held for Resale	95,179		95,179	
Self-Funded Insurance Deposits	12,312,038		12,312,038	
Deferred Charges	1,718,022		1,718,022	
Long-Term Note Receivable				14,217,229
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments	42,715,553	55,197,271	97,912,824	234,928
Rent- Real Property	1,100		1,100	
Receivables, (Net):				
Accounts, Notes and Mortgages	182,984	58,570	241,554	128,812
Assessments	6,819	276,824	283,643	
Intergovernmental	3,713	563,575	567,288	
Interest		173,300	173,300	
Miscellaneous		937,415	937,415	
Permanently Restricted:				
Cash and Cash Equivalents/Investments	2,026,129		2,026,129	
Intangible Assets		45,927,313	45,927,313	
Net Pension Asset	2,164,533		2,164,533	
Capital Assets, Net				
Non-Depreciable:				
Land	53,784,992	37,293,723	91,078,715	1,985,694
Construction in Progress	41,236,141	82,297,356	123,533,497	222,888
Depreciable:				
Land Improvements	13,091,942	14,686,956	27,778,898	2,022
Accumulated Depreciation	(8,718,137)	(11,520,456)	(20,238,593)	(708)
Buildings	122,083,394	203,719,574	325,802,968	21,325,795
Accumulated Depreciation	(39,494,566)	(67,818,634)	(107,313,200)	(2,659,064)
Improvements Other than Buildings	11,108	10,586,975	10,598,083	206,665
Accumulated Depreciation	(3,908)	(3,204,672)	(3,208,580)	(189,051)
Furniture, Fixtures, Machinery and Equipment	119,819,064	38,849,369	158,668,433	11,541,107
Accumulated Depreciation	(77,724,962)	(30,192,957)	(107,917,919)	(4,927,358)
Infrastructure	207,540,342	426,575,594	634,115,936	
Accumulated Depreciation	(89,176,315)	(171,709,772)	(260,886,087)	
Total Assets	572,537,247	705,750,589	1,278,287,836	52,094,547

LIABILITIES	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Accounts Payable	\$ 9,481,249	\$ 2,390,877	\$ 11,872,126	\$ 2,206,489
Contracts/Retainage Payable	1,013,256	203,102	1,216,358	2,305,268
Intergovernmental Payable	1,453,807	506,335	1,960,142	
Customer Deposits Payable	15,400	2,019,579	2,034,979	
Accrued Interest Payable	2,173,459	938,591	3,112,050	
Due to Primary Government				660,858
Miscellaneous	83,370		83,370	58,013
Accrued Landfill Liability		500,000	500,000	
Unearned Revenues				127,153
Liabilities Payable from Restricted Assets:				
Accounts Payable	546,277		546,277	
Contracts/Retainage Payable	4,072,867		4,072,867	347,055
Miscellaneous	757,008		757,008	
Noncurrent Liabilities:				
Due Within One Year:				
General Obligation Bonds	14,463,572	591,428	15,055,000	
Lease Purchase and Other Financing Agreements Payable	1,389,714	411,220	1,800,934	
Revenue Bonds Payable		6,325,000	6,325,000	
Special Obligation Bonds Payable		1,600,000	1,600,000	
Certificates of Participation Payable	5,729,672	2,160,328	7,890,000	
Federal Loan Obligation		254,403	254,403	
Note Payable				315,823
Compensated Absences	5,613,241	1,407,724	7,020,965	16,123
Miscellaneous		277	277	
Due in More Than One Year:				
Payable from Restricted Assets:				
Accounts Payable		33,834	33,834	
Contracts/Retainage Payable		5,649,635	5,649,635	
Intergovernmental Payable		35,973	35,973	
General Obligation Bonds	160,823,593	851,407	161,675,000	
Lease Purchase and Other Financing Agreements Payable	9,304,620	1,640,579	10,945,199	
Revenue Bonds Payable		189,255,000	189,255,000	
Special Obligation Bonds Payable		16,125,000	16,125,000	
Certificates of Participation Payable	26,211,048	4,663,952	30,875,000	
Premium (Discount) on Debt	3,005,069	3,042,196	6,047,265	
Federal Loan Obligation		2,289,631	2,289,631	
Compensated Absences	4,289,189	660,357	4,949,546	29,987
Accrued Landfill Liability		11,864,968	11,864,968	
Unearned Revenues	7,713,325	155,040	7,868,365	
Total Liabilities	258,139,736	255,576,436	513,716,172	6,066,769
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	176,353,629	332,354,548	508,708,177	27,413,939
Restricted for:				
Highway Improvements	3,779,451		3,779,451	
Transportation				16,685
Culture and Recreation	626,865		626,865	
Capital Projects	1,425,422	21,268,644	22,694,066	
Community Development	2,399,252		2,399,252	44,005
Public Safety	336,945		336,945	
Engineering and Inspections	39,578		39,578	
Self-Funded Insurance Deposits	12,312,038		12,312,038	
Perpetual Care:				
Nonexpendable	2,026,129		2,026,129	
Unrestricted	115,098,202	96,550,961	211,649,163	18,553,149
Total Net Assets	\$ 314,397,511	\$ 450,174,153	\$ 764,571,664	\$ 46,027,778

City of Greensboro
Statement of Activities
For the Fiscal Year Ended June 30, 2006

<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	\$ 22,026,705	\$ 15,861,487	\$ 65,057	\$ 2,198,491
Public Safety	94,825,978	4,369,069	2,385,151	344,460
Transportation	15,391,728	2,001,309	7,397,575	217,197
Engineering and Inspections	21,457,646	5,225,083		78,906
Environmental Services	707,369	520,650	34,122	104,040
Culture and Recreation	34,313,605	4,321,963	2,679,390	
Community Development & Housing	10,397,115	692,039	5,049,074	
Economic Opportunity	4,430,040	(6,079)	3,957,033	
Intergovernmental	1,426,149			
Interest, Fees on Long-Term Debt	7,829,150			
Total Governmental Activities	<u>212,805,485</u>	<u>32,985,521</u>	<u>21,567,402</u>	<u>2,943,094</u>
Business-Type Activities:				
Water Operations	29,166,789	34,244,618		3,867,048
Sewer Operations	32,739,122	37,633,619		3,867,048
Stormwater Management	8,168,619	8,467,742		16,505
War Memorial Coliseum	14,143,340	10,491,054		
Solid Waste Management	22,827,349	10,522,743		
Parking Facilities	1,743,045	1,811,909		
Total Business-Type Activities	<u>108,788,264</u>	<u>103,171,685</u>		<u>7,750,601</u>
Total Primary Government	<u>\$ 321,593,749</u>	<u>\$ 136,157,206</u>	<u>\$ 21,567,402</u>	<u>\$ 10,693,695</u>
Component Units:				
Greensboro Housing Dev. Partnership	\$ 106,417	\$ 101,929		
Greensboro Transit Authority	13,702,877	1,683,400		4,506,182
Greensboro ABC Board	21,933,121	21,894,228		
Total Component Units	<u>\$ 35,742,415</u>	<u>\$ 23,679,557</u>	<u>\$</u>	<u>\$ 4,506,182</u>

General Revenues:
 Property Tax
 Local Option Sales Tax
 Vehicle Gross Receipts Tax
 Motor Vehicle Tax
 Hotel/Motel Occupancy Tax
 Electric Franchise Tax
 Piped Natural Gas Tax
 Telecommunications Sales Tax
 Sales Tax Hold Harmless
 Beer and Wine Tax
 ABC Profit Distribution
 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	
\$ (3,901,670)	\$	\$ (3,901,670)	\$
(87,727,298)		(87,727,298)	
(5,775,647)		(5,775,647)	
(16,153,657)		(16,153,657)	
(48,557)		(48,557)	
(27,312,252)		(27,312,252)	
(4,656,002)		(4,656,002)	
(479,086)		(479,086)	
(1,426,149)		(1,426,149)	
(7,829,150)		(7,829,150)	
<u>(155,309,468)</u>		<u>(155,309,468)</u>	
	8,944,877	8,944,877	
	8,761,545	8,761,545	
	315,628	315,628	
	(3,652,286)	(3,652,286)	
	(12,304,606)	(12,304,606)	
	68,864	68,864	
	<u>2,134,022</u>	<u>2,134,022</u>	
<u>(155,309,468)</u>	<u>2,134,022</u>	<u>(153,175,446)</u>	
			(4,488)
			(7,513,295)
			(38,893)
			<u>(7,556,676)</u>
115,905,412		115,905,412	4,203,403
38,365,460		38,365,460	
285,450		285,450	920,085
2,920,404		2,920,404	
7,149,137		7,149,137	
1,835,739		1,835,739	
3,527,728		3,527,728	
820,924		820,924	
1,029,986		1,029,986	
2,737,908		2,737,908	
126,145		126,145	
5,538,900	1,947,658	7,486,558	1,377,219
880,465	2,177,854	3,058,319	349,563
(12,486,495)	12,486,495		
<u>168,637,163</u>	<u>16,612,007</u>	<u>185,249,170</u>	<u>6,850,270</u>
<u>13,327,695</u>	<u>18,746,029</u>	<u>32,073,724</u>	<u>(706,406)</u>
301,069,816	434,910,632	735,980,448	46,734,184
	(3,482,508)	(3,482,508)	
<u>301,069,816</u>	<u>431,428,124</u>	<u>732,497,940</u>	<u>46,734,184</u>
<u>\$ 314,397,511</u>	<u>\$ 450,174,153</u>	<u>\$ 764,571,664</u>	<u>\$ 46,027,778</u>

BALANCE SHEET

Governmental Funds
June 30, 2006

ASSETS	(1)				
	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT. SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 45,372,653	\$ 2,083,067	\$ 11,288,321	\$ 11,128,744	\$ 69,872,785
Receivables:					
Taxes	3,810,523			3,312	3,813,835
Accounts, Notes and Mortgages	3,508,018	13,867,322		10,704,239	28,079,579
Assessments				70,705	70,705
Intergovernmental	15,654,432	28,397	244,090	1,238,472	17,165,391
Real Estate Foreclosed	285,732				285,732
Internal Receivables		597,000			597,000
Due from Component Unit	660,858				660,858
Inventories	992,027				992,027
Miscellaneous	258,214				258,214
Assets Held for Resale				95,179	95,179
Restricted Assets:					
Cash and Cash Equivalents/Investments				44,707,017	44,707,017
Rent - Real Property				1,100	1,100
Receivables:					
Accounts, Notes and Mortgages				182,984	182,984
Assessments				6,819	6,819
Intergovernmental				3,713	3,713
Total Assets	\$ 70,542,457	\$ 16,575,786	\$ 11,532,411	\$ 68,142,284	\$ 166,792,938
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,860,259	\$	\$	\$ 121,053	\$ 1,981,312
Contracts/Retainage Payable	261,659			751,597	1,013,256
Intergovernmental Payable	1,416,861				1,416,861
Internal Payable				597,000	597,000
Miscellaneous		11,483		71,887	83,370
Deferred Revenues	9,871,671	13,866,347		14,193,386	37,931,404
Liabilities Payable From Restricted Assets:					
Contracts/Retainage Payable				4,072,867	4,072,867
Miscellaneous	756,052			956	757,008
Total Liabilities	14,166,502	13,877,830		20,355,023	48,399,355
Fund Balances:					
Reserved by State Statute	17,610,221	626,372	244,090	1,698,048	20,178,731
Reserved for Encumbrances	2,453,850	200,667		363,262	3,017,779
Reserved for Inventories	992,027				992,027
Reserved for Assets Held for Resale				95,179	95,179
Reserved for JTPA				3,768	3,768
Reserved for Capital Projects	6,643,789				6,643,789
Reserved for Perpetual Care				2,026,129	2,026,129
Total Reserved Fund Balance	27,699,887	827,039	244,090	4,186,386	32,957,402
Unreserved, Reported In:					
Designated for Subsequent Year's Expenditures:					
General Fund	6,842,210				6,842,210
Special Revenue Funds		417,691		3,835,226	4,252,917
Debt Service Fund			995,015		995,015
Total Unreserved-Subsequent Year's Expenditures	6,842,210	417,691	995,015	3,835,226	12,090,142
Designated for Debt Service:					
Special Revenue Funds				254,403	254,403
Debt Service Fund			10,293,306		10,293,306
Total Designated for Debt Service			10,293,306	254,403	10,547,709
Designated for Specific Purposes:					
General Fund	1,729,978				1,729,978
Special Revenue Funds				2,246,782	2,246,782
Capital Projects Funds				35,226,506	35,226,506
Total Unreserved-Specific Purposes	1,729,978			37,473,288	39,203,266
Undesignated:					
General Fund	20,103,880				20,103,880
Special Revenue Funds		1,453,226		2,037,958	3,491,184
Total Unreserved-Undesignated	20,103,880	1,453,226		2,037,958	23,595,064
Total Fund Balances	56,375,955	2,697,956	11,532,411	47,787,261	118,393,583
Total Liabilities and Fund Balances	\$ 70,542,457	\$ 16,575,786	\$ 11,532,411	\$ 68,142,284	\$ 166,792,938

(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, 2006

Total fund balances - governmental funds	\$ 118,393,583
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.	303,491,431
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	30,218,079
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.	70,249,121
Long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(210,937,635)
Miscellaneous adjustments to net assets include investment income receivable and pension assets not reported in the governmental funds.	<u>2,982,932</u>
Net assets of governmental activities	<u><u>\$ 314,397,511</u></u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

For the Fiscal Year Ended June 30, 2006

	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Taxes	\$ 153,936,692	\$	\$	\$ 3,656,104	\$ 157,592,796
Assessments				35,138	35,138
Intergovernmental	20,246,220		100,891	20,543,547	40,890,658
Licenses and Permits	9,402,583				9,402,583
Fines and Forfeitures	1,029,871				1,029,871
Charges for Current Services	18,474,799	592,016		832,082	19,898,897
Investment Income	12,391	52,488	3,332,998	769,988	4,167,865
Miscellaneous	1,777,980		183,345	2,668,050	4,629,375
Total Revenues	<u>204,880,536</u>	<u>644,504</u>	<u>3,617,234</u>	<u>28,504,909</u>	<u>237,647,183</u>
Expenditures:					
Current:					
General Government	22,989,114			9,044	22,998,158
Public Safety	87,241,492			12,703,415	99,944,907
Transportation	16,077,198			12,745,642	28,822,840
Engineering and Inspections	17,138,547			9,211,373	26,349,920
Environmental Services	709,272				709,272
Culture and Recreation	31,335,211			4,477,243	35,812,454
Community Development and Housing		1,773,428		8,992,244	10,765,672
Economic Opportunity				4,503,052	4,503,052
Intergovernmental	1,426,149				1,426,149
Debt Service:					
Principal Retirement			13,018,210	2,173,640	15,191,850
Interest, Fees on Long-Term Debt			6,667,947	1,190,040	7,857,987
Total Expenditures	<u>176,916,983</u>	<u>1,773,428</u>	<u>19,686,157</u>	<u>56,005,693</u>	<u>254,382,261</u>
Excess of Revenues Over (Under)					
Expenditures	<u>27,963,553</u>	<u>(1,128,924)</u>	<u>(16,068,923)</u>	<u>(27,500,784)</u>	<u>(16,735,078)</u>
Other Financing Sources (Uses):					
Debt Issuances:					
General Obligation Bonds Issued				22,000,000	22,000,000
Loan Assumption	422,898				422,898
Federal Loan Program				1,641,000	1,641,000
Premium, (Discount) on Debt				136,148	136,148
Transfers In	3,600,000	1,631,700	14,570,828	9,074,786	28,877,314
Transfers Out	(34,526,801)			(7,235,364)	(41,762,165)
Total Other Financing Sources (Uses)	<u>(30,503,903)</u>	<u>1,631,700</u>	<u>14,570,828</u>	<u>25,616,570</u>	<u>11,315,195</u>
Net Change in Fund Balances	(2,540,350)	502,776	(1,498,095)	(1,884,214)	(5,419,883)
Fund Balances - July 1	58,916,305	2,195,180	13,030,506	49,671,475	123,813,466
Fund Balances - June 30	<u>\$ 56,375,955</u>	<u>\$ 2,697,956</u>	<u>\$ 11,532,411</u>	<u>\$ 47,787,261</u>	<u>\$ 118,393,583</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, 2006

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

Net change in fund balances----total governmental funds.	\$ (5,419,883)
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.	23,096,587
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,122,118
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.	(8,845,815)
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.	5,648,233
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.	94,135
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>(3,367,680)</u>
Change in net assets of governmental activities	<u>\$ 13,327,695</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, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 153,578,100	\$ 153,578,100	\$ 153,936,692	\$ 358,592
Intergovernmental	20,014,075	20,014,075	20,246,220	232,145
Licenses and Permits	9,144,325	9,144,325	9,402,583	258,258
Fines and Forfeitures	949,555	949,555	1,029,871	80,316
Charges for Current Services	17,647,570	17,647,571	18,474,799	827,228
Investment Income	5,000	5,000	12,391	7,391
Miscellaneous	1,958,946	1,970,145	1,777,980	(192,165)
Appropriated Fund Balance	10,068,329	11,046,821		(11,046,821)
Total Revenues	<u>213,365,900</u>	<u>214,355,592</u>	<u>204,880,536</u>	<u>(9,475,056)</u>
Expenditures:				
Current:				
General Government	25,815,161	25,778,586	22,989,114	2,789,472
Public Safety	87,684,232	87,695,452	87,241,492	453,960
Transportation	15,615,349	15,815,351	16,077,198	(261,847)
Engineering and Inspections	18,970,161	18,937,908	17,138,547	1,799,361
Environmental Services	796,677	776,677	709,272	67,405
Culture and Recreation	32,276,405	32,304,355	31,335,211	969,144
Intergovernmental	1,384,762	1,452,063	1,426,149	25,914
Total Expenditures	<u>182,542,747</u>	<u>182,760,392</u>	<u>176,916,983</u>	<u>5,843,409</u>
Excess of Revenues Over Expenditures	<u>30,823,153</u>	<u>31,595,200</u>	<u>27,963,553</u>	<u>(3,631,647)</u>
Other Financing Sources (Uses):				
Debt Issued:				
Loan Assumption			422,898	422,898
Transfers In	3,600,000	3,600,000	3,600,000	
Transfers Out	(34,423,153)	(35,195,200)	(34,526,801)	668,399
Total Other Financing Sources (Uses)	<u>(30,823,153)</u>	<u>(31,595,200)</u>	<u>(30,503,903)</u>	<u>1,091,297</u>
Net Change in Fund Balances			(2,540,350)	(2,540,350)
Fund Balances - July 1			58,916,305	58,916,305
Fund Balances - June 30	<u>\$</u>	<u>\$</u>	<u>\$ 56,375,955</u>	<u>\$ 56,375,955</u>

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

CITY OF GREENSBORO
Housing Partnership Revolving
Statement Of Revenues, Expenditures And Changes In Fund Balances - Budget And Actual
For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for Current Services	\$ 798,398	\$ 858,398	\$ 592,016	\$ (266,382)
Investment Income	60,000		52,488	52,488
Appropriated Fund Balance	<u>368,712</u>	<u>443,712</u>		<u>(443,712)</u>
Total Revenues	<u>1,227,110</u>	<u>1,302,110</u>	<u>644,504</u>	<u>(657,606)</u>
Expenditures:				
Current:				
Community Development and Housing	<u>2,858,810</u>	<u>2,933,810</u>	<u>1,773,428</u>	<u>(1,160,382)</u>
Excess of Revenues Under Expenditures	<u>(1,631,700)</u>	<u>(1,631,700)</u>	<u>(1,128,924)</u>	<u>502,776</u>
Other Financing Sources:				
Transfers In	<u>1,631,700</u>	<u>1,631,700</u>	<u>1,631,700</u>	
Net Change in Fund Balances			502,776	502,776
Fund Balances - July 1			<u>2,195,180</u>	<u>2,195,180</u>
Fund Balances - June 30	<u>\$</u>	<u>\$</u>	<u>\$ 2,697,956</u>	<u>\$ 2,697,956</u>

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

Statement of Net Assets

Proprietary Funds

June 30, 2006

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
ASSETS				
Current Assets:				
Cash and Cash Equivalents/Investments	\$ 34,580,789	\$ 3,026,502	\$ 1,871,934	\$ 7,592,603
Receivables (Net):				
Accounts, Notes and Mortgages	13,963,746	204,333	651,299	1,488,266
Intergovernmental	397,567	13,241		163,813
Interest	235,496	26,954	22,030	
Inventories	1,864,409		44,426	32,769
Miscellaneous	3,265,361		1,985	29,779
Total Current Assets	<u>54,307,368</u>	<u>3,271,030</u>	<u>2,591,674</u>	<u>9,307,230</u>
Noncurrent Assets:				
Restricted:				
Cash and Cash Equivalents/Investments	42,831,488	4,065,654	1,375,856	6,924,184
Receivables (Net):				
Accounts, Notes and Mortgages				58,570
Assessments	276,824			
Intergovernmental	562,932	643		
Interest	118,840	19,995		34,465
Miscellaneous	715,498			221,917
Self-Funded Insurance Deposits				
Intangible Assets	45,927,313			
Capital Assets:				
Non-Depreciable:				
Land	26,197,382	751,637	1,416,153	4,955,164
Construction in Progress	70,672,097	1,273,039		9,589,463
Depreciable:				
Land Improvements	1,915,166	3,080	107,873	12,603,897
Buildings	118,586,847	1,734	64,090,732	1,770,168
Improvements Other than Buildings	10,119,991		265,876	35,887
Furniture, Fixtures, Machinery and Equipment	29,236,070	238,119	8,225,137	586,222
Infrastructure	325,599,319	100,976,275		
Less Accumulated Depreciation	<u>(189,423,586)</u>	<u>(48,227,218)</u>	<u>(27,432,607)</u>	<u>(11,144,216)</u>
Total Noncurrent Assets	<u>483,336,181</u>	<u>59,102,958</u>	<u>48,049,020</u>	<u>25,635,721</u>
Total Assets	<u>537,643,549</u>	<u>62,373,988</u>	<u>50,640,694</u>	<u>34,942,951</u>

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

<u>Other Enterprise Fund</u>	<u>(1) Totals</u>	<u>Internal Service Funds</u>
\$ 393,900	\$ 47,465,728	\$ 48,190,449
11,487	16,319,131	
7,015	581,636	632,329
1,158	285,638	296,293
	1,941,604	673,504
76,464	3,373,589	137,921
<u>490,024</u>	<u>69,967,326</u>	<u>49,930,496</u>
89	55,197,271	34,665
	58,570	
	276,824	
	563,575	
	173,300	
	937,415	
		12,312,038
	45,927,313	
3,973,387	37,293,723	1,660,541
762,757	82,297,356	735,697
56,940	14,686,956	823,430
19,270,093	203,719,574	1,579,796
165,221	10,586,975	11,108
563,821	38,849,369	102,270,839
	426,575,594	
(8,218,864)	(284,446,491)	(68,123,747)
<u>16,573,444</u>	<u>632,697,324</u>	<u>51,304,367</u>
<u>17,063,468</u>	<u>702,664,650</u>	<u>101,234,863</u>

Statement of Net Assets (continued)

Proprietary Funds

June 30, 2006

	Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 993,429	\$	\$ 1,386,092	\$ 4,375
Contracts/Retainage Payable	26,521	15,314	30,996	130,271
Intergovernmental Payable	479,953		26,382	
General Obligation Bonds Payable	591,428			
Revenue Bonds Payable	6,325,000			
Special Obligation Bonds Payable				1,600,000
Lease-Purchase and Other				
Financing Agreements Payable	411,220			
Certificates of Participation Payable			120,000	
Federal Loan Obligation	254,403			
Accrued Landfill Liability				500,000
Interest Payable	850,094			70,472
Customer Deposits Payable	1,875,467		100,123	600
Compensated Absences Payable	834,083	140,239	107,273	306,517
Miscellaneous	277			
Total Current Liabilities	<u>12,641,875</u>	<u>155,553</u>	<u>1,770,866</u>	<u>2,612,235</u>
Noncurrent Liabilities:				
Payable from Restricted Assets:				
Accounts Payable	31,761	2,073		
Contracts/Retainage Payable	4,820,052			829,583
Intergovernmental Payable	35,973			
General Obligation Bonds Payable	851,407			
Revenue Bonds Payable	189,255,000			
Premium-Revenue Bonds Payable	2,837,898			
Special Obligation Bonds Payable				16,125,000
Premium (Discount)-Special Obligation Bonds Payable				206,596
Lease-Purchase and Other				
Financing Agreements Payable	1,640,579			
Certificates of Participation Payable			420,000	
Premium (Discount)-Certificates of Participation			(2,298)	
Federal Loan Obligation	2,289,631			
Accrued Landfill Liability				11,864,968
Compensated Absences Payable	220,172	132,442	159,034	125,512
Unearned Revenues			155,040	
Total Noncurrent Liabilities	<u>201,982,473</u>	<u>134,515</u>	<u>731,776</u>	<u>29,151,659</u>
Total Liabilities	<u>214,624,348</u>	<u>290,068</u>	<u>2,502,642</u>	<u>31,763,894</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	216,733,229	55,016,666	46,135,462	4,103,652
Restricted	14,476,791	4,084,219		2,707,634
Unrestricted	91,809,181	2,983,035	2,002,590	(3,632,229)
Total Net Assets	<u>\$323,019,201</u>	<u>\$ 62,083,920</u>	<u>\$ 48,138,052</u>	<u>\$ 3,179,057</u>

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

<u>Other Enterprise Fund</u>	<u>Totals</u> (1)	<u>Internal Service Funds</u>
\$ 6,981	\$ 2,390,877	\$ 7,499,937
	203,102	
	506,335	
	591,428	255,227
	6,325,000	
	1,600,000	
	411,220	111,211
2,040,328	2,160,328	3,380,000
	254,403	
	500,000	
18,025	938,591	
43,389	2,019,579	15,400
19,612	1,407,724	215,100
	277	
<u>2,128,335</u>	<u>19,308,864</u>	<u>11,476,875</u>
	33,834	
	5,649,635	
	35,973	
	851,407	4,557,164
	189,255,000	
	2,837,898	
	16,125,000	
	206,596	
	1,640,579	4,761,704
4,243,952	4,663,952	7,000,000
	(2,298)	
	2,289,631	
	11,864,968	
23,197	660,357	104,060
	155,040	
<u>4,267,149</u>	<u>236,267,572</u>	<u>16,422,928</u>
<u>6,395,484</u>	<u>255,576,436</u>	<u>27,899,803</u>
10,365,539	332,354,548	18,927,023
	21,268,644	12,312,038
302,445	93,465,022	42,095,999
<u>\$ 10,667,984</u>	<u>\$447,088,214</u>	<u>\$ 73,335,060</u>

City of Greensboro
Reconciliation of the Statement of Net Assets-Proprietary Funds
To the Statement of Net Assets
June 30, 2006

Net assets - proprietary funds	\$ 447,088,214
Amounts reported for business-type activities in the statement of net assets are different because:	
Internal service funds	<u>3,085,939</u>
Net assets of business-type activities	<u><u>\$ 450,174,153</u></u>

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

Proprietary Funds

For the Fiscal Year Ended June 30, 2006

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Operating Revenues:				
Charges for Current Services	\$ 70,842,086	\$ 8,467,742	\$ 10,491,054	\$ 10,522,743
Miscellaneous	2,871,505	27,051	187,004	1,163,175
Total Operating Revenues	<u>73,713,591</u>	<u>8,494,793</u>	<u>10,678,058</u>	<u>11,685,918</u>
Operating Expenses:				
Personal Services	12,245,407	2,610,481	4,106,314	5,566,436
Fringe Benefits	4,302,676	951,654	1,003,730	2,107,029
Maintenance and Operations	26,234,196	2,893,530	6,975,483	14,007,243
Insurance Claims and Expenses				
Depreciation	11,975,582	1,702,795	2,055,606	961,407
Total Operating Expenses	<u>54,757,861</u>	<u>8,158,460</u>	<u>14,141,133</u>	<u>22,642,115</u>
Operating Income (Loss)	<u>18,955,730</u>	<u>336,333</u>	<u>(3,463,075)</u>	<u>(10,956,197)</u>
Nonoperating Revenues (Expenses):				
Investment Income	1,240,176	164,656	88,582	446,847
Miscellaneous Nonoperating Revenue	54,074		526,595	270,500
Interest Expense	(7,164,432)		(23,967)	(569,034)
Gain on Disposal of Capital Assets				
Loss on Disposal of Capital Assets			(199,871)	
Amortization of Underwriters' Expense	(270,925)			(23,374)
Miscellaneous Nonoperating Expense	(253,655)	(10,159)	(9,868)	(3,462)
Total Nonoperating Revenues (Expenses)	<u>(6,394,762)</u>	<u>154,497</u>	<u>381,471</u>	<u>121,477</u>
Income (Loss) Before Contributions and Transfers	12,560,968	490,830	(3,081,604)	(10,834,720)
Capital Contributions	5,844,666	16,505		
Transfers In	32,000		1,800,000	9,635,619
Transfers Out	(246,000)	(108,620)		(687)
Change in Net Assets	<u>18,191,634</u>	<u>398,715</u>	<u>(1,281,604)</u>	<u>(1,199,788)</u>
Net Assets - July 1	308,310,075	61,685,205	49,419,656	4,378,845
Prior Period Adjustments	(3,482,508)			
Net Assets - July 1, restated	<u>304,827,567</u>	<u>61,685,205</u>	<u>49,419,656</u>	<u>4,378,845</u>
Net Assets - June 30	<u>\$323,019,201</u>	<u>\$ 62,083,920</u>	<u>\$ 48,138,052</u>	<u>\$ 3,179,057</u>

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

<u>Other Enterprise Fund</u>	<u>Totals</u>	<u>Internal Service Funds</u>
\$ 1,811,909	\$102,135,534	\$ 53,776,511
3,529	4,252,264	2,986,990
1,815,438	106,387,798	56,763,501
350,415	24,879,053	3,436,851
118,074	8,483,163	1,150,318
470,884	50,581,336	11,753,794
		23,806,114
560,060	17,255,450	10,193,601
1,499,433	101,199,002	50,340,678
316,005	5,188,796	6,422,823
7,397	1,947,658	1,381,584
	851,169	42,239
(220,337)	(7,977,770)	(615,793)
		1,500
	(199,871)	(630,750)
(21,657)	(315,956)	(3,090)
(24,510)	(301,654)	(195,120)
(259,107)	(5,996,424)	(19,430)
56,898	(807,628)	6,403,393
	5,861,171	52,475
1,374,183	12,841,802	558,180
	(355,307)	(159,824)
1,431,081	17,540,038	6,854,224
9,236,903	433,030,684	66,480,836
	(3,482,508)	
9,236,903	429,548,176	66,480,836
\$ 10,667,984	\$447,088,214	\$ 73,335,060

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, 2006

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

Net change in fund balances----total proprietary funds. \$ 17,540,038

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. 1,205,991

Change in net assets of business-type activities \$ 18,746,029

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2006

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 69,195,304	\$ 8,440,603	\$ 8,452,762	\$ 9,587,571
Payments to Suppliers	(29,502,906)	(2,887,314)	(7,005,369)	(13,139,553)
Payments to Employees	(16,615,434)	(3,529,900)	(5,089,966)	(7,613,078)
Other Receipts	2,914,193	27,051	705,842	1,433,675
Net Cash Provided by (Used for) Operating Activities	<u>25,991,157</u>	<u>2,050,440</u>	<u>(2,936,731)</u>	<u>(9,731,385)</u>
Cash Flows from Noncapital Financing Activities:				
Subsidies and Transfers In	32,000		1,800,000	9,635,619
Subsidies and Transfers Out	(246,000)	(108,620)		(687)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(214,000)</u>	<u>(108,620)</u>	<u>1,800,000</u>	<u>9,634,932</u>
Cash Flows from Capital and Related Financing Activities:				
Capital Debt Issued				8,400,000
Acquisition and Construction of Capital Assets	(15,887,551)	(1,048,764)	(130,139)	(6,514,155)
Proceeds from Sale of Capital Assets				
Principal Paid on Capital Debt	(6,841,706)		(110,000)	(1,090,000)
Interest and Fiscal Charges Paid on Capital Debt	(7,726,417)		(28,332)	(308,396)
Net Cash Provided By (Used) for Capital and Related Financing Activities	<u>(30,455,674)</u>	<u>(1,048,764)</u>	<u>(268,471)</u>	<u>487,449</u>
Cash Flows from Investing Activities:				
Interest	<u>1,145,914</u>	<u>150,237</u>	<u>78,472</u>	<u>504,550</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,532,603)	1,043,293	(1,326,730)	895,546
Balances - July 1	80,944,880	6,048,863	4,574,520	13,621,241
Balances - June 30	<u>\$ 77,412,277</u>	<u>\$ 7,092,156</u>	<u>\$ 3,247,790</u>	<u>\$ 14,516,787</u>
Reconciliation of Cash and Cash Equivalents/Investments:				
Cash and Cash Equivalents/Investments - Current	\$ 34,580,789	\$ 3,026,502	\$ 1,871,934	\$ 7,592,603
Cash and Cash Equivalents/Investments - Restricted	42,831,488	4,065,654	1,375,856	6,924,184
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 77,412,277</u>	<u>\$ 7,092,156</u>	<u>\$ 3,247,790</u>	<u>\$ 14,516,787</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 1,813,157	\$ 97,489,397	\$ 53,477,208
(447,666)	(52,982,808)	(36,262,121)
(457,188)	(33,305,566)	(4,595,200)
3,529	5,084,290	2,756,483
<u>911,832</u>	<u>16,285,313</u>	<u>15,376,370</u>
1,374,183	12,841,802	350,400
	(355,307)	(159,824)
<u>1,374,183</u>	<u>12,486,495</u>	<u>190,576</u>
	8,400,000	4,715,384
(53,394)	(23,634,003)	(11,272,054)
		1,500
(1,981,365)	(10,023,071)	(4,110,029)
(223,015)	(8,286,160)	(742,404)
<u>(2,257,774)</u>	<u>(33,543,234)</u>	<u>(11,407,603)</u>
8,555	1,887,728	1,528,084
36,796	(2,883,698)	5,687,427
357,193	105,546,697	42,537,687
<u>\$ 393,989</u>	<u>\$102,662,999</u>	<u>\$ 48,225,114</u>
\$ 393,900	\$ 47,465,728	\$ 48,190,449
89	55,197,271	34,665
<u>\$ 393,989</u>	<u>\$102,662,999</u>	<u>\$ 48,225,114</u>

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2006

	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)	\$ 18,955,730	\$ 336,333	\$(3,463,075)	\$ (10,956,197)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for), Operating Activities:				
Depreciation	11,975,582	1,702,795	2,055,606	961,407
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	(1,646,782)	(27,139)	(415,348)	(935,172)
(Increase) Decrease in Inventories	(339,306)		(14,212)	55,037
Increase (Decrease) in Intergovernmental Receivables	21,921	4,371	42,108	(102,697)
(Increase) Decrease in Miscellaneous Assets	(249,534)		18,164	(280,486)
Increase in Intangible Assets	(2,344,314)			
Increase (Decrease) in Accounts Payable	(357,477)	1,845	(56,904)	(16,364)
Increase in Landfill Liability				1,212,200
Increase (Decrease) in Compensated Absences Payable	27,607	32,235	26,002	60,387
Increase (Decrease) in Intergovernmental Payable	(175,136)		(5,924)	
Increase in Customer Deposits Payable				
Increase (Decrease) in Miscellaneous Payable	80,178		(1,623,148)	
Increase in Other Receipts	42,688		500,000	270,500
Total Adjustments	<u>7,035,427</u>	<u>1,714,107</u>	<u>526,344</u>	<u>1,224,812</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 25,991,157</u>	<u>\$ 2,050,440</u>	<u>\$(2,936,731)</u>	<u>\$ (9,731,385)</u>
Noncash Investing, Capital and Financing Activities:				
Lease-Purchase and Other Capital Financing Agreements	\$ 119,738	\$	\$	\$
Donated Assets	5,844,666	16,505		
Total Noncash Investing, Capital and Financing Activities	<u>\$ 5,964,404</u>	<u>\$ 16,505</u>	<u>\$</u>	<u>\$</u>

<u>Other Enterprise Fund</u>	<u>Totals</u>	<u>Internal Service Funds</u>
\$ 316,005	\$ 5,188,796	\$ 6,422,823
560,060	17,255,450	10,193,601
1,248	(3,023,193)	9,147
16,237	(298,481)	(745,712)
	(18,060)	(250,070)
	(511,856)	
	(2,344,314)	
6,981	(421,919)	(229,174)
	1,212,200	
9,125	155,356	(8,516)
	(181,060)	484
		(16,213)
2,176	(1,540,794)	
	813,188	
<u>595,827</u>	<u>11,096,517</u>	<u>8,953,547</u>
<u>\$ 911,832</u>	<u>\$ 16,285,313</u>	<u>\$15,376,370</u>
\$	\$ 119,738	\$ 189,893
	5,861,171	52,475
<u>\$</u>	<u>\$ 5,980,909</u>	<u>\$ 242,368</u>

Police Special Separation Allowance Fund

Police Special Separation Allowance Fund

This fund was established to account for special separation (pension) benefits, payable 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, 2006

	Pension Benefit <u>Trust</u>
ASSETS	
Cash and Cash Equivalents/Investments,	
Restricted for:	
Pension Benefits-Police Special	
Separation Allowance	
Cash and Cash Equivalents	\$ 98,978
US Government Agencies	4,254,812
Commercial Paper	108,833
Money Market Mutual Funds	323,130
Interest Receivable	<u>31,474</u>
Total Assets Held in Trust for	
Pension Benefits	<u><u>\$ 4,817,227</u></u>

City of Greensboro
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2006

	Pension Benefit Trust
ADDITIONS	
Employer Contributions	\$ 1,779,458
Investment Income	113,160
Total Additions	<u>1,892,618</u>
DEDUCTIONS	
Benefits Paid-Police Special Separation Allowance	1,684,227
Administrative Expenses	1,113
Total Deductions	<u>1,685,340</u>
Change in Net Assets	207,278
Net Assets - Beginning of the Year	<u>4,609,949</u>
Net Assets - End of the Year	<u><u>\$ 4,817,227</u></u>

Statement of Net Assets

Component Units

June 30, 2006

ASSETS	Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Total Component Units
Cash and Cash Equivalents/Investments	\$ 122,000	\$ 2,235,174	\$ 1,491,801	\$ 3,848,975
Receivables, Net				
Taxes		302,717		302,717
Accounts, Notes and Mortgages	99,942	1,846,600	58,186	2,004,728
Intergovernmental		106,418		106,418
Interest		1,288,091		1,288,091
Inventories		124,744	2,268,360	2,393,104
Miscellaneous			61,555	61,555
Long-Term Note Receivable		14,217,229		14,217,229
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments		234,928		234,928
Receivables, (Net):				
Accounts, Notes and Mortgages		128,812		128,812
Capital Assets:				
Non-Depreciable:				
Land	50,000	1,595,839	339,855	1,985,694
Construction in Progress		222,888		222,888
Depreciable:				
Land Improvements		2,022		2,022
Accumulated Depreciation		(708)		(708)
Buildings	121,287	19,557,104	1,647,404	21,325,795
Accumulated Depreciation	(77,282)	(1,873,108)	(708,674)	(2,659,064)
Improvements Other than Buildings		3,807	202,858	206,665
Accumulated Depreciation		(761)	(188,290)	(189,051)
Furniture, Fixtures, Machinery and Equipment	135	10,205,579	1,335,393	11,541,107
Accumulated Depreciation	(90)	(3,935,100)	(992,168)	(4,927,358)
Total Assets	<u>315,992</u>	<u>46,262,275</u>	<u>5,516,280</u>	<u>52,094,547</u>
LIABILITIES				
Accounts Payable	14,184	44,721	2,147,584	2,206,489
Contracts/Retainage Payable		2,305,268		2,305,268
Due to Primary Government			660,858	660,858
Miscellaneous		175	57,838	58,013
Unearned Revenues		127,153		127,153
Liabilities Payable from Restricted Assets:				
Contracts/Retainage Payable		347,055		347,055
Noncurrent Liabilities:				
Due Within One Year:				
Note Payable	315,823			315,823
Compenstated Absences		16,123		16,123
Due in More Than One Year:				
Note Payable				
Compenstated Absences		29,987		29,987
Total Liabilities	<u>330,007</u>	<u>2,870,482</u>	<u>2,866,280</u>	<u>6,066,769</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt		25,777,561	1,636,378	27,413,939
Restricted for:				
Transportation		16,685		16,685
Community Development	44,005			44,005
Unrestricted	(58,020)	17,597,547	1,013,622	18,553,149
Total Net Assets	<u>\$ (14,015)</u>	<u>\$ 43,391,793</u>	<u>\$ 2,650,000</u>	<u>\$ 46,027,778</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, 2006**

	<u>Expenses</u>	<u>Program Revenues</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	\$ 106,417	\$ 101,929	\$	\$
Total Greensboro Housing Dev. Partnership	<u>106,417</u>	<u>101,929</u>		
Greensboro Transit Authority				
Business Type Activities:				
Transit Operations	<u>13,702,877</u>	<u>1,683,400</u>		<u>4,506,182</u>
Total Greensboro Transit Authority	<u>13,702,877</u>	<u>1,683,400</u>		<u>4,506,182</u>
Greensboro ABC Board				
Business Type Activities:				
ABC Board Operations	<u>21,933,121</u>	<u>21,894,228</u>		
Total Greensboro ABC Board	<u>21,933,121</u>	<u>21,894,228</u>		
Total	<u>\$ 35,742,415</u>	<u>\$ 23,679,557</u>	\$	<u>\$ 4,506,182</u>

General Revenues:

Taxes:

Property Tax
Motor Vehicle Tax
Investment Income
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets - July 1

Net Assets - July 30

Net (Expenses) Revenue and Changes in Net Assets			
Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Totals
\$ (4,488)	\$	\$	\$ (4,488)
(4,488)			(4,488)
	(7,513,295)		(7,513,295)
	(7,513,295)		(7,513,295)
		(38,893)	(38,893)
		(38,893)	(38,893)
(4,488)	(7,513,295)	(38,893)	(7,556,676)
	4,203,403		4,203,403
	920,085		920,085
	1,338,326	38,893	1,377,219
	349,563		349,563
	6,811,377	38,893	6,850,270
(4,488)	(701,918)		(706,406)
(9,527)	44,093,711	2,650,000	46,734,184
\$ (14,015)	\$ 43,391,793	\$ 2,650,000	\$ 46,027,778

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

JUNE 30, 2006

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

Greensboro Housing Development Partnership, Inc. (GHDP) provides first-time home 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 of 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'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 segment 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 financial 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 2005 through February 2006 apply to the Fiscal Year ended June 30, 2006. Uncollected taxes that were billed during this period are shown as a receivable on the financial statements. Those taxes for vehicles registered from March 1 through the Fiscal Year end apply to the Fiscal Year 2006-2007 and are not shown as receivables at June 30, 2006.

In addition, as of January 1, 2006, State law implemented a staggered expiration date system for annually registered vehicles as part of the conversion into the staggered registration. Originally, annually registration expired December 31st each year with taxes due by May 1st of the following year. To transition from the staggered into the annual registration, the initial 2006 registration renewals will vary from 7 to 18 months after December 31, 2005. Once these initial renewals have expired, all vehicles that were previously annually registered will be in the staggered system.

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 governmental column in the government-wide statements, a reconciliation is presented on the page following each statement, which briefly

explains the adjustment necessary to transform the fund-based financial statements into the governmental column of the government-wide presentation.

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

As permitted by 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 Housing Partnership Revolving Fund - The Housing Partnership Revolving Fund is used to provide resources for 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. General Fund support to this fund is approximately .78 cents of the property tax rate.

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 nearly 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 the complex that brings top artists in entertainment, education and sports to the City.

The *Solid Waste Management Fund* accounts for waste collection, 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 the 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 accounts 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 function and the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

D. Assets, Liabilities and Net Assets or Equity

1. Cash and Cash Equivalents/Investments

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

2. Receivables and Payables

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

City ad valorem taxes are billed by the Guilford County Tax Collector after July 1, the beginning of the Fiscal Year, and are due on September 1. No penalties or interest are assessed until the following January 6. The taxes levied 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 uncollectibles of \$131,770. The net General Fund receivable of \$3,810,523 is shown as a deferred revenue on the 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 represent the City's water rights in the Randleman Dam Project, to purchase water in accordance with a uniform rate structure specified in the Joint Agreement with the Piedmont Triad Regional Water Authority and certain other local governments. 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 costs 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 "measurable" 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, 2006 are composed of the following:

	<u>Fund Financial Statements</u>		
	<u>General Fund</u>	<u>Housing Partnership Fund</u>	<u>Other Non-Major Special Revenue Funds</u>
Deferred Revenue:			
Taxes Receivable	\$ 3,810,523	\$	\$ 3,312
Prepaid Taxes Not Yet Earned	1,228,145		1,994
Prepaid Assessments Not Yet Earned			112,593
Prepaid Privilege Licenses Revenues	1,762,283		
Other Prepaid Deferred Revenues	313,687		3,475,110
Notes and Mortgages Receivable	2,257,654	13,866,347	10,522,853
Other Deferred Revenues	499,379		77,524
	<u>\$ 9,871,671</u>	<u>\$ 13,866,347</u>	<u>\$ 14,193,386</u>

	<u>Basic Financial Statements</u>	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Unearned Revenue:		
Prepaid Taxes Not Yet Earned	\$ 1,230,139	\$
Prepaid Assessments Not Yet Earned	112,593	
Prepaid Privilege Licenses Not Yet Earned	1,762,283	
Other Prepaid Deferred Revenues	3,788,797	155,040
Other Deferred Revenues	819,513	
	<u>\$ 7,713,325</u>	<u>\$ 155,040</u>

8. Long-Term Liabilities

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net 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, 2006 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 JTPA - This represents that portion of fund balance segregated for Job Training Partnership 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, 2007.
- 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 reduced by any associated unamortized deferred 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, 2006, net assets restricted by enabling legislation include:

State Highway Allocation Fund	\$3,573,645
Water Resources Capital Reserve Fund	5,121,862
Solid Waste Capital Reserve Fund	2,138,016
Hotel/Motel Occupancy Tax Fund	603,118

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, 2005, the City adopted three GASB Statements, Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, Statement No. 44, *Economic Condition Reporting: The Statistical Section*, which provides guidance on the tables and narrative explanations in the statistical section of the CAFR, and Statement No. 46, *Net Assets Restricted by Enabling Legislation-an amendment of GASB Statement No. 34*. Conforming changes were made in the Financial and Statistical Sections of the CAFR.

In addition, the City recorded two prior period adjustments which decreased Net Assets of the Water Resources Enterprise Fund overall by \$3,482,508. This net adjustment resulted from an increase of \$365,837 to account for parts inventory at a plant facility that had not been previously recorded and from a decrease of \$3,848,345 to remove the effect of recording an equity interest in the Piedmont Triad Regional Water Authority, in accordance with the existing joint venture agreement.

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 a 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 \$210,937,635 difference are as follows:

Bonds and Notes Payable (including Premium of \$3,005,069 and including Deferred Issuance Costs of \$1,718,022)	\$ 171,761,821
Intergovernmental Payable	36,946
Accrued Interest Payable	2,173,459
Certificate of Participation Payable	21,560,720
Compensated Absences	9,583,270
Lease Purchase & Other Financing Payable	5,821,419
Combined Adjustment	<u>\$ 210,937,635</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a 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 estimated useful lives and reported as depreciation expense".

The details of this \$23,096,587 difference are as follows:

Capital Outlay	\$ 32,523,826
Disposals	(152,761)
Depreciation Expense	(9,274,478)
Combined Adjustment	<u>\$ 23,096,587</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 \$8,845,815 difference are as follows:

Issuance of Debt	\$ (22,687,328)
Principal Expenditure	15,191,850
Interest Expenditure	(644,630)
Salary Expense	(673,191)
Miscellaneous Expense	(32,516)
Combined Adjustment	<u>\$ (8,845,815)</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, State Highway Allocation, 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 the fund level and are amended as necessary during the Fiscal Year in one of two ways. First, the City Manager, as delegated by City Council, may make line-item transfers within individual fund budgets with subsequent monthly notice to City Council. Such transfers can neither increase nor decrease the overall budget at the fund level. Secondly, the budget may be increased or decreased at the fund level as changing circumstances dictate, subject to City Council approval. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the fund level.

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 reappropriation of year-end encumbrances.

Supplemental budgetary amendments increased the General Fund appropriations by \$989,692, primarily for support of the Guilford Metro 911 program and police leadership training. No expenditures exceeded appropriations at the legal level of control during Fiscal Year 2005-2006.

B. Deficit Fund Equity

The following funds reported deficit fund balances as of June 30, 2006:

Community Development Block Grant Fund	\$ (179,560)
Hope VI Program Fund	(121,238)
Workforce Investment Act Fund	(71,487)
South Elm Street Redevelopment Fund	(368,295)

These deficits will be eliminated with future reimbursements of federal grants and are largely due to timing differences of 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, 2006, the City's deposits had a carrying amount of \$256,754 and a bank balance of \$5,047,608. 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 Greensbosro ABC Board, a discretely presented component unit, held deposits in Pooling Method banks only. At June 30, 2006, the carrying amount of deposits was \$1,461,601 and the bank balance was \$1,992,828. All of the bank balances were covered by federal depository insurance, as well.

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 a 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 \$1,817,856 was assigned to the Debt Service Fund.

The GTA owns a percentage of the City's total investment pool. Accordingly, investment balances for 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 Securities	\$ 193,975,627	1.951
Money Markets	73,512,374	0.003
Commercial Paper	4,979,015	0.077
Total Fair Value	<u>\$ 272,467,016</u>	
Portfolio Weighted Average Maturity		1.576

Interest Rate Risk

In accordance with the formally 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, 2006, the City had investments in the NCCMT Cash Portfolio which is rated AAAM 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, 2006 the City owned the following investments, which exceed 5% of the City's total investments, along with the percentage noted of each compared to the total portfolio:

Federal National Mortgage Association	29.81%
Federal Home Loan Bank	23.15%
Federal Farm Credit Bank	14.03%
Federal Home Loan Mortgage Corporation	13.33%

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 1998 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

Swap 1 and Swap 2. The bonds and the related swap agreements mature on April 1, 2014 (Swap 1) and April 1, 2020 (Swap 2) and the combined swaps' notional amount of \$19,300,000 matches 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. 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 Bond Market Association Municipal Swap Index (BMA).

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 notional amount of \$31,070,000 matches the \$31,070,000 of 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 decline. 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 BMA.

Fair Value

On Swaps 1 and 2, because interest rates were higher on June 30, 2006 than at the date of the execution of the swaps, the swaps had estimated fair values of \$417,194 (Swap 1), \$164,992 (Swap 2) as of June 30, 2006. On Swap 3, because swap rates on June 30, 2006 were lower than the fixed payment on this swap, Swap 3 has an estimated fair value of (\$1,747, 518) as of June 30, 2006. 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, 2006, the City is exposed to credit risk in the amount of the derivatives' fair values. The swaps' counterparty was rated Aa1 by Moody's Investors Service (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 BMA 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, 2006 of 3.35% (Swap 1) and 3.89% (Swap 2). As of June 30, 2006, the rate on the City's bonds was 4.00%, whereas 67% of 1 Month LIBOR was 3.57%.

As also noted above, Swap 3 exposes the City to basis risk should the relationship between 72% of 1 Month LIBOR and BMA diverge, changing 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, 2006 of 5.15%. As of June 30, 2006, the rate on the City's bonds was 4.00%, whereas 72% of 1 Month LIBOR was 3.84%.

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 swaps are 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 Bonds 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, 2006 is \$14,217,229. Interest income of \$17,510,329 will be recognized by the effective yield method over the remaining 22-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, 2006.

C. Capital Assets

Capital asset activity for the year ended June 30, 2006 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Capital Assets, Non-depreciable:				
Land	\$ 52,096,326	\$ 1,699,798	\$ (11,132)	\$ 53,784,992
Construction in Progress	32,755,651	30,883,641	(22,403,151)	41,236,141
Total Capital Assets, Non-depreciable	<u>84,851,977</u>	<u>32,583,439</u>	<u>(22,414,283)</u>	<u>95,021,133</u>
Capital Assets, Depreciable:				
Buildings	120,421,526	1,776,003	(114,135)	122,083,394
Improvements Other Than Buildings	12,745,348	462,111	(104,409)	13,103,050
Furniture, Fixtures, Machinery and Equip	110,909,544	15,212,992	(6,303,472)	119,819,064
Infrastructure	191,045,444	16,494,898		207,540,342
Total Capital Assets, Depreciable	<u>435,121,862</u>	<u>33,946,004</u>	<u>(6,522,016)</u>	<u>462,545,850</u>
Less Accumulated Depreciation for:				
Buildings	(36,518,257)	(3,085,866)	109,557	(39,494,566)
Improvements Other Than Buildings	(8,171,665)	(596,188)	45,808	(8,722,045)
Furniture, Fixtures, Machinery and Equip	(71,694,552)	(11,624,683)	5,594,273	(77,724,962)
Infrastructure	(85,014,973)	(4,161,342)		(89,176,315)
Total Accumulated Depreciation	<u>(201,399,447)</u>	<u>(19,468,079)</u>	<u>5,749,638</u>	<u>(215,117,888)</u>
Total Capital Assets, Depreciable, Net				
Governmental Activities	<u>233,722,415</u>	<u>14,477,925</u>	<u>(772,378)</u>	<u>247,427,962</u>
Capital Assets, Net	<u>\$ 318,574,392</u>	<u>\$ 47,061,364</u>	<u>\$ (23,186,661)</u>	<u>\$ 342,449,095</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Non-depreciable:				
Land	\$ 36,649,477	\$ 644,246	\$	\$ 37,293,723
Construction in Progress	84,188,051	24,171,852	(26,062,547)	82,297,356
Total Capital Assets, Non-depreciable	<u>120,837,528</u>	<u>24,816,098</u>	<u>(26,062,547)</u>	<u>119,591,079</u>
Capital Assets, Depreciable:				
Buildings	203,487,861	231,713		203,719,574
Improvements Other Than Buildings	25,062,397	221,415	(9,881)	25,273,931
Furniture, Fixtures, Machinery and Equipment	38,395,611	865,528	(411,770)	38,849,369
Infrastructure	397,834,827	28,740,767		426,575,594
Total Capital Assets, Depreciable	<u>664,780,696</u>	<u>30,059,423</u>	<u>(421,651)</u>	<u>694,418,468</u>
Less Accumulated Depreciation for:				
Buildings	(62,640,302)	(5,178,332)		(67,818,634)
Improvements Other Than Buildings	(13,564,756)	(1,161,606)	1,234	(14,725,128)
Furniture, Fixtures, Machinery and Equipment	(28,831,005)	(1,582,496)	220,544	(30,192,957)
Infrastructure	(162,376,756)	(9,333,016)		(171,709,772)
Total Accumulated Depreciation	<u>(267,412,819)</u>	<u>(17,255,450)</u>	<u>221,778</u>	<u>(284,446,491)</u>
Total Capital Assets, Depreciable, Net Business Activities	<u>397,367,877</u>	<u>12,803,973</u>	<u>(199,873)</u>	<u>409,971,977</u>
Capital Assets, Net	<u>\$ 518,205,405</u>	<u>\$ 37,620,071</u>	<u>\$ (26,262,420)</u>	<u>\$ 529,563,056</u>

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

Governmental Activities:	
General Government	\$ 596,893
Public Safety	1,358,508
Transportation, including depreciation of general infrastructure assets	4,332,065
Engineering and Inspections	713,812
Culture and Recreation	2,273,200
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	10,193,601
Total depreciation expense - Governmental Activities	<u>\$ 19,468,079</u>
Business-Type Activities:	
Water Resources Fund, including depreciation of infrastructure assets	\$ 11,975,582
Stormwater Management Fund	1,702,795
War Memorial Coliseum Fund	2,055,606
Parking Facilities Fund	560,060
Solid Waste Management Fund	961,407
Total depreciation expense - Business-Type Activities	<u>\$ 17,255,450</u>

Construction Commitments

The City has construction contract commitments on capital projects at June 30, 2006 as follows:

Governmental Funds:	
Special Revenue	\$ 256,726
Capital Projects	<u>17,249,528</u>
Total Governmental Funds	<u>17,506,254</u>
Enterprise Funds:	
Water Resources	40,467,522
Solid Waste Management	<u>2,409,336</u>
Total Enterprise Funds	<u>42,876,858</u>
	<u>\$ 60,383,112</u>

Discretely Presented Component Units:

Activity for GHDP for the year ended June 30, 2006, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land, Held for Sale or Development	\$ 55,000	\$	\$ (5,000)	\$ 50,000
Capital Assets, Depreciable, Amortized:				
Buildings	121,287			121,287
Software	135			135
Total Capital Assets Depreciable, Amortized	<u>121,422</u>			<u>121,422</u>
Less Accumulated Depreciation Amortization for:				
Buildings	(77,282)			(77,282)
Software	(45)	(45)		(90)
Total Accumulated Depreciation, Amortization	<u>(77,327)</u>	<u>(45)</u>		<u>(77,372)</u>
Total Capital Assets, Depreciable, Amortized-Net	44,095	(45)		44,050
GHDP Capital Assets, Net	<u>\$ 99,095</u>	<u>\$ (45)</u>	<u>\$ (5,000)</u>	<u>\$ 94,050</u>

Activity for GTA for the year ended June 30, 2006, was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Non-depreciable:				
Land	\$ 1,099,897	\$ 495,942	\$	\$ 1,595,839
Construction in Progress	448,901	73,141	(299,154)	222,888
Total Capital Assets, Non-depreciable	<u>1,548,798</u>	<u>569,083</u>	<u>(299,154)</u>	<u>1,818,727</u>
Capital Assets, Depreciable:				
Buildings	19,557,104			19,557,104
Improvements Other Than Buildings	5,829			5,829
Furniture, Fixtures, Machinery and Equipment	10,663,225		(457,646)	10,205,579
Total Capital Assets, Depreciable	<u>30,226,158</u>		<u>(457,646)</u>	<u>29,768,512</u>
Less Accumulated Depreciation for:				
Buildings	(1,384,181)	(488,927)		(1,873,108)
Improvements Other Than Buildings	(1,273)	(196)		(1,469)
Furniture, Fixtures, Machinery and Equipment	(3,530,501)	(833,867)	429,268	(3,935,100)
Total Accumulated Depreciation	<u>(4,915,955)</u>	<u>(1,322,990)</u>	<u>429,268</u>	<u>(5,809,677)</u>
Total Capital Assets, Depreciable-Net	<u>25,310,203</u>	<u>(1,322,990)</u>	<u>(28,378)</u>	<u>23,958,835</u>
GTA Capital Assets, Net	<u>\$ 26,859,001</u>	<u>\$ (753,907)</u>	<u>\$ (327,532)</u>	<u>\$ 25,777,562</u>

Activity for ABC Board for the year ended June 30, 2006, was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Non-depreciable:				
Land	\$ 339,855	\$	\$	\$ 339,855
Capital Assets, Depreciable:				
Buildings	1,647,404			1,647,404
Improvements Other Than Buildings	202,858			202,858
Furniture, Fixtures, Machinery and Equipment	1,236,980	98,413		1,335,393
Total Capital Assets, Depreciable	<u>3,087,242</u>	<u>98,413</u>		<u>3,185,655</u>
Less Accumulated Depreciation for:				
Buildings	(671,852)	(36,822)		(708,674)
Improvements Other Than Buildings	(181,355)	(6,935)		(188,290)
Furniture, Fixtures, Machinery and Equipment	(863,717)	(128,451)		(992,168)
Total Accumulated Depreciation	<u>(1,716,924)</u>	<u>(172,208)</u>		<u>(1,889,132)</u>
Total Capital Assets, Depreciable-Net	<u>1,370,318</u>	<u>(73,795)</u>		<u>1,296,523</u>
ABC Board Capital Assets, Net	<u>\$ 1,710,173</u>	<u>\$ (73,795)</u>	<u>\$</u>	<u>\$ 1,636,378</u>

D. Closure and Postclosure Care Costs - 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 \$12,364,968 reported as landfill closure and post closure care liability at June 30, 2006 is based on the use 100% of the estimated capacity of Phase II and Phase III, Cells 1 and 2. Phase III, Cell 3 is estimated at 34.6% filled.

In November 2005, the City issued \$8.4 million in Special Obligation bonds for the purpose of constructing a solid waste transfer facility. This facility, located in an industrial section of western Greensboro, will accept waste from the City's solid waste collection service and from private haulers, with waste transported off-site daily to a private site. 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 fall 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 cost may be higher due to inflation, changes in technology, or changes in regulations. At June 30, 2006, the City had expended \$3,876,035 to complete closure for the White Street facility, Phase II. The balance of closure costs, estimated at \$6,971,195, and estimated \$5,393,773 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, 2006:

1. Internal Receivables/Payables:

	Receivable By:
	Housing
	Partnership
	<u>Revolving Fund</u>
Current Payable From:	
Non-Major Governmental Funds	<u>\$ 597,000</u>

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

	Receivable By:
	<u>General Fund</u>
Payable From: Component Unit – ABC Board	\$ <u>660,858</u>

Internal receivables and payable were recorded due to timing differences in receipt of funds from outside parties. Current internal balances for the Housing Partnership Fund represent amounts advanced to the Community Development Fund (\$226,000) and the South Elm Street Redevelopment Fund (\$371,000) 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>Water Resources Fund</u>
Operating <u>Transfers From:</u>	<u>\$(34,526,801)</u>	<u>\$ (7,235,364)</u>	<u>\$(159,824)</u>	<u>\$ (246,000)</u>
<u>Operating Transfers To:</u>				
General Fund	\$	\$ 3,600,000	\$	\$
Housing Partnership Revolving Debt Service	1,631,700 14,554,085	16,743		
Non-Major Governmental Funds	5,309,034	3,579,238	127,824	
Enterprise Funds:				
Water Resources			32,000	
War Memorial Coliseum	1,800,000			
Solid Waste	9,635,619			
Other Non-major Fund	1,374,183			
Internal Service Funds	222,180			246,000
Fiduciary Funds		39,383		
Total	<u>\$ 34,526,801</u>	<u>\$ 7,235,364</u>	<u>\$ 159,824</u>	<u>\$ 246,000</u>

	<u>Solid Waste Management Fund</u>	<u>Water Resources Fund</u>	<u>Total</u>
Operating <u>Transfers From:</u>	<u>\$ (687)</u>	<u>\$ (108,620)</u>	<u>\$(42,277,296)</u>
<u>Operating Transfers To:</u>			
General Fund	\$	\$	\$ 3,600,000
Housing Partnership Revolving Debt Service			1,631,700 14,570,828
Non-Major Governmental Funds	687	18,620	9,035,403
Enterprise Funds:			
Water Resources			32,000
War Memorial Coliseum			1,800,000
Solid Waste			9,635,619
Other Non-major Fund			1,374,183
Internal Service Funds		90,000	558,180
Fiduciary Funds			39,383
Total	<u>\$ 687</u>	<u>\$ 108,620</u>	<u>\$ 42,277,296</u>

Transfers were made to use unrestricted revenues in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, for normal operations.

The purpose of the transfers was to reimburse the General Fund for street expenditures related to Powell Bill, the Technical Services Fund for facility maintenance at the Emergency Operations Center and to reimburse amounts advanced from the General Fund to the Coliseum in the prior year.

The Greensboro ABC Board transferred \$2,737,871 to the General Fund in FY 2006, which was recorded as Intergovernmental Revenue. The General Fund transferred \$200,000 recorded as Traffic and Transit Operation Expenditure, to the 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, 2006 is \$1,482,988,776. 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 2.25% to 6.0%. The outstanding tax-exempt and taxable variable rate bonds are reported at 4.0% and 5.3%, respectively as of June 30, 2006. Principal is payable annually in varying amounts through 2026. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

\$170,474,774

2. Internal Service 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.

4,812,391

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 4.0%. 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.

1,442,835
\$176,730,000

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 service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2006, \$60,245,000 of General Obligation Bonds outstanding are considered defeased.

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

On February 9, 2006, the City issued \$22,000,000 General Obligation Public Improvement Bonds Series 2006 fixed and variable rate payable semiannually ranging from 3.75% to 4.0% on February 1 and August 1, with a final maturity in 2026. The original issue premium amounted to \$136,148. The proceeds of these bonds will be used for improvements to the City's facilities for parks and recreation, street improvements along with neighborhood redevelopment.

<u>Fiscal Year</u>	<u>Governmental Activities Annual Requirements</u>		<u>Business-Type Activities Annual Requirements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2006-07	\$ 14,463,572	\$ 7,301,777	\$ 591,428	\$ 71,567	\$ 22,428,344
2007-08	14,461,718	6,731,962	578,282	46,430	21,818,392
2008-09	14,518,944	6,213,007	191,056	13,540	20,936,547
2009-10	14,937,931	5,569,016	82,069	4,017	20,593,033
2010-11	15,070,000	4,914,292			19,984,292
2012-16	45,649,069	17,110,612			62,759,681
2017-21	34,780,931	8,842,709			43,623,640
2022-26	21,405,000	2,113,970			23,518,970
	<u>\$175,287,165</u>	<u>\$ 58,797,345</u>	<u>\$1,442,835</u>	<u>\$ 135,554</u>	<u>\$235,662,899</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 4.8% to 5.2%. Principal is payable annually in varying amounts from the years 2000 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. A portion of the Local Options 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 that the City maintain a long-term debt service coverage ratio, as defined, of not less than 2.0. The coverage ratio at June 30, 2006 is 8.07. The City demonstrated compliance with bond covenants during Fiscal Year 2005-06.

On November 17, 2005, the City issued \$8,400,000 in Special Obligation Bonds Series 2005 bearing interest payable semiannually at fixed rates from 3.75% 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 will be 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 coverage ratio, as defined, of not less than 2.0. The coverage ratio at June 30, 2006 is 8.07. The City demonstrated compliance with bond covenants during Fiscal Year 2005-06.

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>	
2006-07	\$ 1,600,000	\$ 845,664	\$ 2,445,664
2007-08	1,675,000	771,359	2,446,359
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
2012-16	6,015,000	1,358,040	7,373,040
2017-20	2,930,000	374,999	3,304,999
	<u>\$ 17,725,000</u>	<u>\$ 5,177,194</u>	<u>\$ 22,902,194</u>

7. Combined Enterprise System Revenue Bonds

On May 10, 2005, the City issued \$30,860,000 2005A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 3.0% 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 costs) 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 Proprietary 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, will be used for improvements to the City's water system and sanitary sewer system and other issue costs.

The City has \$32,345,000 in 2003A Combined Enterprise System Revenue Bonds payable semiannually at a fixed rate ranging from 2.00% to 5.25% on June 1 and December 1, with final maturity in 2025. 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, will be used for improvements to the City's water system and sanitary sewer system.

The City has \$32,445,000 fixed rate 2001A bearing interest rates from 4.25% to 5.50% and \$20,190,000 variable rate 2001B Series tax-exempt Combined Enterprise System Revenue Bonds. A portion of the 2001B bonds was issued to defease \$10,000,000 Variable Rate 1995B tax-exempt bonds. Series 2001 Revenue Bonds mature in 2026.

The City has \$23,700,000 in outstanding tax-exempt 1998A Revenue Bonds bearing interest payable semi-annually at fixed rates from 4.3% to 5.5%. In addition, \$10,000,000 in tax-exempt variable rate 1998B Revenue Bonds are outstanding. Principal is payable annually in varying amounts through 2024. The Combined Enterprise System is currently comprised of the City's water and sanitary sewer system. Net receipts of the Combined Enterprise System are pledged to the payment of and as security for the Revenue Bonds. Principal and interest requirements will be provided by an appropriation in the year in which they become due. The outstanding tax-exempt variable rate bonds are reported at 4.0% as of June 30, 2006.

Certain financial covenants are contained 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, 2006 is 2.54. The City was in compliance with all such covenants during Fiscal Year 2005-06.

Revenue Bonds Debt Service Requirements to maturity are:

<u>Fiscal Year</u>	<u>Business-Type Activities Annual Requirements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2006-07	\$ 6,325,000	\$ 8,363,496	\$ 14,688,496
2007-08	6,620,000	8,792,630	15,412,630
2008-09	6,870,000	8,504,303	15,374,303
2009-10	7,295,000	8,204,748	15,499,748
2010-11	7,525,000	7,865,297	15,390,297
2012-16	43,515,000	33,525,212	77,040,212
2017-21	54,545,000	21,708,109	76,253,109
2022-26	46,690,000	8,995,444	55,685,444
2027-30	16,195,000	1,419,825	17,614,825
	<u>\$195,580,000</u>	<u>\$107,379,064</u>	<u>\$302,959,064</u>

8. Certificates of Participation

In June 2005, the 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 semiannually at fixed rates on taxable and tax exempt issues from 3% to 7.25%. The outstanding taxable variable rate bonds are reported at 5.3% as of the end of June 30, 2006. 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 liability for the defeased certificates are not included in the City's financial statements. At June 30, 2006, \$22,255,000 of outstanding certificates are considered defeased.

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

Fiscal Year	Governmental Activities Annual Requirements		Business-Type Activities Annual Requirements		Total
	Principal	Interest	Principal	Interest	
2006-07	\$ 5,729,672	\$ 1,399,722	\$ 2,160,328	\$ 168,973	\$ 9,458,695
2007-08	6,040,240	1,119,116	2,224,760	103,047	9,487,163
2008-09	6,205,808	826,661	2,289,192	35,163	9,356,824
2009-10	2,690,000	525,762	150,000	4,875	3,370,637
2010-11	2,870,000	424,800			3,294,800
2012-16	8,405,000	784,600			9,189,600
	<u>\$ 31,940,720</u>	<u>\$ 5,080,661</u>	<u>\$ 6,824,280</u>	<u>\$ 312,058</u>	<u>\$ 44,157,719</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 5.9179% and redevelopment projects that bear interest from 2.8% to 5.66%. Interest and principal are payable monthly and quarterly through 2022. 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:

Fiscal Year	Governmental Activities Annual Requirements		Business-Type Activities Annual Requirements		Total
	Principal	Interest	Principal	Interest	
2006-07	\$ 1,389,714	\$ 484,755	\$ 665,623	\$ 136,258	\$ 2,676,350
2007-08	1,565,529	417,560	673,075	115,621	2,771,785
2008-09	1,537,604	360,966	673,350	94,687	2,666,607
2009-10	1,599,457	303,412	486,440	74,002	2,463,311
2010-11	380,084	239,862	439,232	58,669	1,117,847
2012-16	2,297,650	891,104	1,648,841	116,957	4,954,552
2017-21	1,725,296	289,309	9,272	624	2,024,501
2022	199,000	5,910			204,910
	<u>\$ 10,694,334</u>	<u>\$ 2,992,878</u>	<u>\$ 4,595,833</u>	<u>\$ 596,818</u>	<u>\$ 18,879,863</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 \$2,544,034 for the outstanding Federal Wastewater Loan obligation that was passed through the State of North Carolina to the City beginning in August 2000 and maturing in June 2016, at an interest rate of 2.55%.

The City has outstanding \$3,029,000 in HUD Section 108 notes bearing interest at fixed rates ranging from 2.79% to 5.45%, maturing in 2022. The City has HUD Section 108 variable rate interim notes outstanding of \$749,000 maturing in 2016. In addition, the City received \$1,641,000 in HUD Section 108 variable rate notes in 2005-06 maturing in 2019. Interim and current year additional notes bear interest at a rate of 3 Month LIBOR plus 20 basis points which approximated 5.66% at June 30, 2006. Total notes outstanding for HUD funding is \$5,419,000 with a total commitment of \$10,461,000.

The City entered into a Bank of America master lease agreement for \$4,715,384 to finance equipment at a fixed interest rate of 5.9179% beginning in April 2006 and maturing April 2010.

In July 2005, the City merged fire operations 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.

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

Long-term liability activity for the year ended June 30, 2006, was as follows:

	Beginning Balance	Additions	Transfers	Reductions	Ending Balance ⁽¹⁾	Due Within One Year
Governmental Activities:						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$ 166,549,997	\$ 22,000,000	\$	\$(13,262,832)	\$ 175,287,165	\$ 14,463,572
Certificates of Participation	37,734,360			(5,793,640)	31,940,720	5,729,672
Section 108 HUD Loan	4,163,000	1,641,000		(385,000)	5,419,000	78,000
Fire Station Loan		422,898		(20,479)	402,419	21,657
Master Lease Agreement		4,715,384			4,715,384	1,178,846
<i>Deferred Amounts:</i>						
For Issuance Premium	3,419,158	316,646		(730,735)	3,005,069	(708,247)
Total Debt Payable	211,866,515	29,095,928		(20,192,686)	220,769,757	20,763,500
<i>Other Liabilities</i>						
Capital Leases	615,237	70,156		(527,862)	157,531	111,211
Compensated Absences ⁽²⁾	9,237,752	7,090,281		(6,425,603)	9,902,430	5,613,241
Governmental Activity Long-Term Liability	\$221,719,504	\$ 36,256,365	\$	\$(27,146,151)	\$230,829,718	\$ 26,487,952
	Beginning Balance	Additions	Transfers	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$ 2,530,003	\$	\$	\$(1,087,168)	\$ 1,442,835	\$ 591,428
Special Obligation Bonds	10,415,000	8,400,000		(1,090,000)	17,725,000	1,600,000
Revenue Bonds	200,610,000			(5,030,000)	195,580,000	6,325,000
Certificates of Participation	8,915,645			(2,091,365)	6,824,280	2,160,328
State Water Revolving Loan	2,798,437			(254,403)	2,544,034	254,403
Watershed Protection Bonds	2,402,196	119,738		(470,135)	2,051,799	411,220
<i>Deferred Amounts:</i>						
For Issuance Discounts	(31,112)			13,681	(17,431)	13,681
For Issuance Premiums	3,128,395	224,026		(292,794)	3,059,627	(277,443)
Total Debt Payable	230,768,564	8,743,764		(10,302,184)	229,210,144	11,078,617
<i>Other Liabilities</i>						
Accrued Landfill Liability	11,152,768	1,212,200			12,364,968	500,000
Compensated Absences	1,912,725	1,828,267		(1,672,911)	2,068,081	1,407,724
Business-Type Activity Long-Term Liability	\$243,834,057	\$ 11,784,231	\$	\$(11,975,095)	\$243,643,193	\$ 12,986,341

The gross amount of assets acquired under capital leases at June 30, 2006, (\$157,531) 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	\$ 4,812,391
Certificate of Participation Payable	<u>10,380,000</u>
Total Debt Payable	<u>15,192,391</u>
Other Liabilities:	
Capital Leases	157,531
Other Financing Agreements	4,715,384
Compensated Absences	<u>319,160</u>
Internal Service Fund	
Long-Term Liability	<u>\$ 20,384,466</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, 2006, 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.

FY Ending June 30	Variable Rate Bonds		Interest Rate Swaps,	Total
	Principal	Interest ⁽¹⁾	Net ⁽²⁾	
2007	\$ 3,025,000	\$ 1,956,000	\$ 246,228	\$ 5,227,228
2008	3,200,000	1,835,000	236,617	5,271,617
2009	3,350,000	1,707,000	225,891	5,282,891
2010	3,670,000	1,573,000	215,240	5,458,240
2011	3,755,000	1,426,200	202,704	5,383,904
2012	3,960,000	1,276,000	190,993	5,426,993
2013	4,175,000	1,117,600	178,723	5,471,323
2014	4,345,000	950,600	165,778	5,461,378
2015	2,470,000	776,800	151,777	3,398,577
2016	2,600,000	678,000	123,312	3,401,312
2017	2,735,000	574,000	93,350	3,402,350
2018	2,880,000	464,600	61,832	3,406,432
2019	5,775,000	349,400	28,643	6,153,043
2020	2,960,000	118,400	(3,289)	3,075,111
	<u>\$ 48,900,000</u>	<u>\$ 14,802,600</u>	<u>\$ 2,117,799</u>	<u>\$ 65,820,399</u>

(1) Computed at 4.00% at June 30, 2006

(2) Computed at (2.92% less 67% of 1 Month LIBOR at June 30, 2006-Swap 1) and (3.46% less 67% of 1 Month LIBOR at June 30, 2006-Swap 2) and (4.99% less 72% of 1 Month LIBOR at June 30, 2006-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, 2006 amounted to \$11,970,511 of which \$9,902,430 relates to Governmental Activities and \$2,068,081 relates to Business-Type Activities.

Changes in accumulated annual leave are as follows:

<u>Fund Type</u>	<u>Balance</u>	<u>Current Year</u>			<u>Balance</u>	<u>Due Within</u>
	<u>7/1/05</u>	<u>Increase</u>	<u>Transfers</u>	<u>Decrease</u>	<u>6/30/06</u>	<u>One Year</u>
Governmental Activities	\$ 9,237,752	\$ 7,090,281	\$	\$ (6,425,603)	\$ 9,902,430	\$ 5,613,241
Business-Type Activities	1,912,725	1,828,267		(1,672,911)	2,068,081	1,407,724
	<u>\$ 11,150,477</u>	<u>\$ 8,918,548</u>	<u>\$</u>	<u>\$ (8,098,514)</u>	<u>\$ 11,970,511</u>	<u>\$ 7,020,965</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, 2006. GTA leave liability is \$46,110.

City employees had accumulated sick leave benefits of \$42,338,187 at June 30, 2006, 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 purchase of 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.

All operating funds of the City participate 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 (IBNRs), 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 and the employees' portion of insurance premiums 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 covers the first \$100,000 in liability claims. A purchased insurance policy pays claims in excess of \$3,000,000 per occurrence, a limit of \$5,000,000 per occurrence thereafter, with an aggregate of \$5,000,000 for public official liability claims.

The City currently participates in four separate funds in the Excess Liability Fund, Inc. (ELF) to self-fund certain types of liability claims in conjunction with the purchased excess policy. 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 \$4,000,000 per occurrence, with an aggregate available for the City of \$8,280,065 as of June 30, 2006. Additional amounts of \$2,719,780 are recorded in the Excess Liability Fund – Tier I for payment of City claims. Accordingly, a total of \$10,999,845 is included in the City's General Insurance Fund as insurance deposits. A portion of the Excess Liability Fund – Tier I, \$962,164 are 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 \$1,012,192 in insurance deposits in the Employee Insurance Fund to reflect amounts held by the ELF to pay employer's liability and workers' compensation claims. 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.

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 \$250,000,000 per occurrence. As of June 30, 2006, the City did not contribute to the Property Deductible Fund. At June 30, 2006, following distribution of net earnings to individual accounts for respective members, the Fund held deposits of \$299,707, 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 I, 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 claim year.

3. Reconciliation of Claims Liability

Changes in the City’s claims liability balance during Fiscal Years 2006 and 2005 are as follows:

	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Total 2005-06</u>	<u>Total 2004-05</u>
Balance - July 1	\$ 6,212,552	\$ 1,244,747	\$ 7,457,299	\$ 4,087,119
Add: Incurred Claims (including IBNR's and Changes in Estimates	20,886,064	402,402	21,288,466	25,808,423
Deduct: Claims Payments	<u>(21,005,737)</u>	<u>(367,868)</u>	<u>(21,373,605)</u>	<u>(22,438,243)</u>
Balance - June 30	<u>\$ 6,092,879</u>	<u>\$ 1,279,281</u>	<u>\$ 7,372,160</u>	<u>\$ 7,457,299</u>

B. Subsequent Events

On October 17, 2006 the Greensboro City Council authorized filing of an application with the North Carolina Local Government Commission for approval of issuance of up to \$60 million in Water and Sewer Refunding bonds in November 2006 to refinance certain outstanding maturities of Series 1998A, 2001A and 2003A Combined Enterprise System (Water & Sewer) Revenue Bonds.

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, 2006 are comprised of the following:

	<u>Project Authorization</u>	<u>Expended Through June 30, 2006</u>	<u>Unexpended Authorization</u>
Governmental Funds:			
Special Revenue	\$ 13,805,246	\$ 9,571,294	\$ 4,233,952
Capital Projects	330,101,558	242,956,298	87,145,260
	<u>\$343,906,804</u>	<u>\$ 252,527,592</u>	<u>\$ 91,379,212</u>
Enterprise Funds:			
Water Resources	\$199,848,694	\$ 149,729,946	\$ 50,118,748
Coliseum	1,681,364	1,676,193	5,171
Stormwater Management	9,441,225	5,437,292	4,003,933
Solid Waste Management	13,062,050	9,268,120	3,793,930
	<u>\$224,033,333</u>	<u>\$ 166,111,551</u>	<u>\$ 57,921,782</u>

3. Financial Assistance Programs

The City participates in a number of Federal and State financial assistance programs. For the Fiscal Year ended June 30, 2006, 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 lease agreements for various store and office properties. Rental expense for the year ended June 30, 2006 totaled \$262,443. Future lease payments less payments under sublease agreement are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2006-07	\$ 296,146
2007-08	268,272
2008-09	168,228
2009-10	58,312
2010-11	64,650
2011-12	10,000
	<u>\$ 865,608</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, 2006 totaled \$2,035,456. Future lease payments are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2006-07	\$ 1,829,300
2007-08	1,190,784
2008-09	380,012
	<u>\$ 3,400,096</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 GHDP, 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, 2006.

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 allocation. 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, 2006. 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% as of June 30, 2006 and forward.

The Authority began construction of the Dam in August 2001 and will also construct a Water Treatment Plant to be financed from revenue bonds, expected to be issued by the Authority in FY 2006-2007. The City has contributed an additional \$17,194,314 as of June 2006 for reservoir and infrastructure improvements. The City's investment, \$45,927,313, is reported in the Water Resources Enterprise Fund as an Intangible Asset. This investment, previously accounted for as an equity interest in the Authority, was restated in 2006, resulting in a prior period adjustment to reduce beginning retained earnings by \$3,848,345. According to the joint venture agreement, the participating governments do not have an equity interest in the joint venture, but rather rights to future water in the reservoir. Each participant has the right to purchase future treated water in agreed upon allotments, according to a uniform rate structure set by the Authority. 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 2005-06, the City levied \$3,650,505 in room occupancy taxes, of which \$730,101 was remitted to the Authority for 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. Post-employment Benefits

In addition to the pension benefits described in Note I, the City also provides healthcare benefits to retirees. Medical benefits are available until retirees reach age 65. The City's contribution to the medical plan is determined by the number of years of service prior to retirement. Retirees with 20 or more years of service are required to pay a portion of the premium for medical coverage. The City does not fund any portion of the cost of medical coverage for retirees with less than 20 years of service. Retirees are also required to pay the total premium for dependent health coverage and dental coverage. Those employees who were employed at least 20 years receive reduced term life insurance coverage until age 65. As of June 30, 2006, 482 retirees are participating in one or more medical, dental and life insurance programs.

Post-employment healthcare benefits are accounted for in the City's Employee Insurance Fund and payments are made on a pay-as-you-go basis. The City's portion of retiree benefits, net of retiree contributions, totaled \$1,762,505 for the Fiscal Year ended June 30, 2006.

H. Deferred Compensation

The City offers all of its employees a Deferred Compensation Plan (Plan) in accordance with Internal Revenue Code Section 457. 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 the laws which govern the City's Plan, requiring all assets of the Plan to be held in trust, custodial accounts or in 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 Revenue 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 2% of salary, less FICA, if applicable, to the Plan for participating full time employees. The City contributes an additional 3% of salary, less FICA, if applicable, for those engaged in firefighting, if firefighters choose to defer at least 3% 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 to the 401(k) Defined Contribution Pension Plan. All employees may defer amounts up to the maximum allowed by the Internal Revenue Service each year. The employee receives credit for his contribution as well as the City's, and benefits are based on the total assets owned in the employee's individual accounts. The fair market value of the deferred compensation accounts of employees through the year ended June 30, 2006 was \$65,007,009.

I. Pension Plan Obligations

1. Local Governmental Employees' Retirement System

a. Plan Description

All permanent full-time City of Greensboro employees participate in the statewide Local Governmental Employees' 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, 2006 was \$125,733,648 and the City's total payroll was \$134,141,739.

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 average final compensation times years of creditable service. Average final compensation is defined as the average of an employee's salary during the employee's four consecutive highest-paid years. 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, 2006, 2005, and 2004 were \$4,778,308, \$4,535,174, and \$4,351,154, respectively. The contributions 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 4.91% and 4.79% of covered payroll, respectively.

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.

The System also provides retirement benefits to permanent Greensboro ABC Board employees. The employee members contribute 6% of their individual salaries. Effective July 1, 2005, the Board's mandatory contribution was 4.94%. The employer contributions to the System for the years ended June 30, 2006, 2005 and 2004 were \$342,150, \$339,124, and \$333,114, respectively or 100% of the required contribution in each of the past three years. There is no unfunded accrued pension liability as of June 30, 2006. The contribution requirements of members and of the City and the ABC Board employers are established and may be amended by the North Carolina General Assembly.

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, 2006 was \$28,415,928. The City's total payroll was \$134,141,739.

All full-time City law enforcement officers are covered by the System. At December 31, 2005, the date of the latest actuarial valuation, the System's membership consisted of:

Retirees currently receiving benefits	116
Active plan members	<u>550</u>
Total	<u><u>666</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 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	26.64
Federal National Mortgage Association	34.30
Federal Home Loan Mortgage Corporation	15.34
Federal Farm Credit Bank	16.15

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 \$1,779,458 or 6.3% of annual covered payroll. Current contributions equaled 103% of the actuarially required amounts in Fiscal Year 2005-06. 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, 2004 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 6.0% investment rate of return and (b) projected salary increases of 4.0%. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at December 31, 2004 was 26 years.

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Obligation</u>
6/30/2004	\$ 1,075,432	146.27%	\$ (1,833,802)
6/30/2005	1,434,242	164.96%	(2,139,883)
6/30/2006	1,754,808	101.40%	(2,164,533)

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

Annual Required Contribution	\$ 1,727,550
Interest on Net Pension Obligation	(128,393)
Adjustment to Annual Required Contribution	155,251
Annual Pension Cost	<u>1,754,408</u>
Contributions Made	<u>(1,779,458)</u>
Decrease in Net Pension Obligation	(25,050)
Net Pension Obligation-Beginning of Year	<u>(2,139,883)</u>
Net Pension Obligation-End of Year	<u><u>\$ (2,164,933)</u></u>

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, 2006 were calculated using a covered payroll (base salary) in the amount of \$26,205,370. The City's total payroll was \$134,141,739. Total contributions were \$2,584,169, which consisted of \$1,310,268 from the City and \$1,273,900 from the law enforcement officers. The City's required contributions and the officer's voluntary contributions represented 5.0% and 4.86% of the covered payroll amount, respectively.

Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance
 Required Supplementary Information
 Years Ended December 31, 1996 - 2005

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)
12/31/96	\$ 2,407,134	\$ 8,329,669	28.9%	\$ 5,922,535	\$ 18,085,582	32.7%
12/31/97	2,530,925	9,511,422	26.6%	6,980,497	19,065,240	36.6%
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%

* 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 of 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, 1997 - 2006

<u>Year Ended 6/30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1997	\$ 722,853	100.0 %
1998	791,389	100.0
1999	876,382	100.0
2000	976,812	100.0
2001	1,069,146	146.2
2002	1,233,895	122.5
2003	1,257,899	121.8
2004	1,075,432	146.3
2005	1,367,785	122.4
2006 (2)	1,727,950	103.0

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 Dollar Closed
Remaining Amortization Period	26 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.

COMBINING BALANCE SHEETNonmajor Governmental Funds
June 30, 2006

ASSETS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 7,002,890	\$ 4,125,854	\$	\$ 11,128,744
Receivables:				
Taxes	3,312			3,312
Accounts, Notes and Mortgages	10,704,239			10,704,239
Assessments	70,705			70,705
Intergovernmental	1,238,472			1,238,472
Assets Held for Resale	95,179			95,179
Restricted Assets:				
Cash and Cash Equivalents/Investments	6,744,105	35,936,783	2,026,129	44,707,017
Rent - Real Property		1,100		1,100
Receivables:				
Accounts, Notes and Mortgages	182,984			182,984
Assessments	6,819			6,819
Intergovernmental	3,713			3,713
Total Assets	<u>\$ 26,052,418</u>	<u>\$ 40,063,737</u>	<u>\$ 2,026,129</u>	<u>\$ 68,142,284</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 121,053	\$	\$	\$ 121,053
Contracts/Retainage Payable	534,466	217,131		751,597
Internal Payable	597,000			597,000
Miscellaneous	71,887			71,887
Deferred Revenues	14,193,386			14,193,386
Liabilities Payable From Restricted Assets:				
Accounts Payable		546,277		546,277
Contracts/Retainage Payable		4,072,867		4,072,867
Miscellaneous		956		956
Total Liabilities	<u>15,517,792</u>	<u>4,837,231</u>		<u>20,355,023</u>
Fund Balances:				
Reserved by State Statute	1,698,048			1,698,048
Reserved for Encumbrances	363,262			363,262
Reserved for Assets Held for Resale	95,179			95,179
Reserved for JTPA	3,768			3,768
Reserved for Perpetual Care			2,026,129	2,026,129
Total Reserved Fund Balance	<u>2,160,257</u>		<u>2,026,129</u>	<u>4,186,386</u>
Unreserved, Reported In:				
Designated for Subsequent Year's Expenditures:				
Special Revenue Funds	<u>3,835,226</u>			<u>3,835,226</u>
Designated for Debt Service:				
Special Revenue Funds	<u>254,403</u>			<u>254,403</u>
Designated for Specific Purposes:				
Special Revenue Funds	2,246,782			2,246,782
Capital Projects Funds		35,226,506		35,226,506
Total Unreserved-Specific Purposes	<u>2,246,782</u>	<u>35,226,506</u>		<u>37,473,288</u>
Undesignated:				
Special Revenue Funds	<u>2,037,958</u>			<u>2,037,958</u>
Total Fund Balances	<u>10,534,626</u>	<u>35,226,506</u>	<u>2,026,129</u>	<u>47,787,261</u>
Total Liabilities and Fund Balances	<u>\$ 26,052,418</u>	<u>\$ 40,063,737</u>	<u>\$ 2,026,129</u>	<u>\$ 68,142,284</u>

COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds

June 30, 2006

ASSETS	STREET AND SIDEWALK REVOLVING	STATE HIGHWAY ALLOCATION	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS
Cash and Cash Equivalents/Investments	\$ 3,062,131	\$	\$ 108,129	\$ 338,408	\$ 1,195,409
Receivables:					
Taxes					3,312
Accounts, Notes and Mortgages			25,740		
Assessments	70,705				
Intergovernmental	3,057		1,322	264,710	709
Assets Held for Resale	95,179				
Restricted Assets:					
Cash and Cash Equivalents/Investments		3,607,995			
Receivables:					
Accounts, Notes and Mortgages					
Assessments		6,819			
Intergovernmental		3,713			
Total Assets	<u>\$ 3,231,072</u>	<u>\$ 3,618,527</u>	<u>\$ 135,191</u>	<u>\$ 603,118</u>	<u>\$ 1,199,430</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Contracts/Retainage Payable		38,063			
Internal Payable					
Miscellaneous	1,693				
Deferred Revenues	183,298	6,819	25,740		5,306
Total Liabilities	<u>184,991</u>	<u>44,882</u>	<u>25,740</u>		<u>5,306</u>
Fund Balances:					
Reserved by State Statute	98,236	3,713	1,322	264,710	709
Reserved for Encumbrances	259,921	72,390	195		
Reserved for Assets Held for Resale	95,179				
Reserved for JTPA					
Unreserved Fund Balance:					
Designated for Subsequent Year's Expenditures	546,924	2,665,000		84,005	61,000
Designated for Debt Service				254,403	
Designated for Specific Purposes	1,107,266				
Undesignated	938,555	832,542	107,934		1,132,415
Total Fund Balances	<u>3,046,081</u>	<u>3,573,645</u>	<u>109,451</u>	<u>603,118</u>	<u>1,194,124</u>
Total Liabilities and Fund Balances	<u>\$ 3,231,072</u>	<u>\$ 3,618,527</u>	<u>\$ 135,191</u>	<u>\$ 603,118</u>	<u>\$ 1,199,430</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>	<u>GUILFORD METRO 911</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 1,161	\$ 11,741	\$ 105,232	\$ 56,847	\$ 1,332	\$ 357,216	\$ 1,765,284	\$ 7,002,890
5,168,806	5,149,724				359,969		3,312
221,889	191,767	9	22,491	340,373	180,618	11,527	10,704,239
							70,705
					3,136,110		1,238,472
					182,984		95,179
							6,744,105
							182,984
							6,819
							3,713
<u>\$ 5,391,856</u>	<u>\$ 5,353,232</u>	<u>\$ 105,241</u>	<u>\$ 79,338</u>	<u>\$ 341,705</u>	<u>\$ 4,216,897</u>	<u>\$ 1,776,811</u>	<u>\$ 26,052,418</u>
\$ 20,207	\$ 23,094	\$ 226,479	\$ 74,917	\$	\$ 2,835	\$	\$ 121,053
90,610			75,908		103,406		534,466
226,000				371,000			597,000
70,194							71,887
5,164,405	5,149,724			339,000	3,319,094		14,193,386
5,571,416	5,172,818	226,479	150,825	710,000	3,425,335		15,517,792
226,290	191,767	9	18,806	340,372	540,587	11,527	1,698,048
						30,756	363,262
			3,768				95,179
							3,768
						478,297	3,835,226
							254,403
						1,139,516	2,246,782
(405,850)	(11,353)	(121,247)	(94,061)	(708,667)	250,975	116,715	2,037,958
(179,560)	180,414	(121,238)	(71,487)	(368,295)	791,562	1,776,811	10,534,626
<u>\$ 5,391,856</u>	<u>\$ 5,353,232</u>	<u>\$ 105,241</u>	<u>\$ 79,338</u>	<u>\$ 341,705</u>	<u>\$ 4,216,897</u>	<u>\$ 1,776,811</u>	<u>\$ 26,052,418</u>

COMBINING BALANCE SHEET

Nonmajor Capital Projects Funds
June 30, 2006

ASSETS	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS
Cash and Cash Equivalents/Investments	\$ 313,370	\$	\$ 3,812,484
Restricted Assets:			
Cash and Cash Equivalents/Investments		5,704,744	
Rent- Real Property			
Total Assets	<u>\$ 313,370</u>	<u>\$ 5,704,744</u>	<u>\$ 3,812,484</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts/Retainage Payable	\$ 194,153	\$	\$ 22,978
Liabilities Payable From Restricted Assets:			
Accounts Payable			
Contracts/Retainage Payable		1,845,273	
Miscellaneous			
Total Liabilities Payable From Restricted Assets		<u>1,845,273</u>	
Total Liabilities	194,153	1,845,273	22,978
Fund Balances:			
Unreserved Fund Balance:			
Designated for Capital Projects	<u>119,217</u>	<u>3,859,471</u>	<u>3,789,506</u>
Total Liabilities and Fund Balances	<u>\$ 313,370</u>	<u>\$ 5,704,744</u>	<u>\$ 3,812,484</u>

PUBLIC IMPROVEMENTS SERIES 1990, 1992 1994 and 1998	REDEVELOPMENT SERIES 1994	PUBLIC IMPROVEMENT SERIES 1998A	PUBLIC IMPROVEMENT SERIES 1998B	HOUSING/ REDEVELOPMENT SERIES 1998
\$	\$	\$	\$	\$
1,051,080	209,400 1,100	1,560,977		157,203
<u>\$ 1,051,080</u>	<u>\$ 210,500</u>	<u>\$ 1,560,977</u>	<u>\$</u>	<u>\$ 157,203</u>
\$	\$	\$	\$	\$
344,481		324,881		956
<u>344,481</u>		<u>324,881</u>		<u>956</u>
344,481		324,881		956
<u>706,599</u>	<u>210,500</u>	<u>1,236,096</u>		<u>156,247</u>
<u>\$ 1,051,080</u>	<u>\$ 210,500</u>	<u>\$ 1,560,977</u>	<u>\$</u>	<u>\$ 157,203</u>

COMBINING BALANCE SHEET(continued)

Nonmajor Capital Projects Funds
June 30, 2006

ASSETS	STREET IMPROVEMENT SERIES 2003 and 2006	PARKS & RECREATION SERIES 2003, 2005A and 2006A	FIRE STATION SERIES 2003 and 2005A
Cash and Cash Equivalents/Investments	\$	\$	\$
Restricted Assets:			
Cash and Cash Equivalents/Investments	11,126,319	10,977,408	919,574
Rent - Real Property			
Total Assets	<u>\$ 11,126,319</u>	<u>\$ 10,977,408</u>	<u>\$ 919,574</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts/Retainage Payable	\$	\$	\$
Liabilities Payable From Restricted Assets:			
Accounts Payable			19
Contracts/Retainage Payable	854,923	147,723	555,586
Miscellaneous			
Total Liabilities Payable From Restricted Assets	<u>854,923</u>	<u>147,723</u>	<u>555,605</u>
Total Liabilities	854,923	147,723	555,605
Fund Balances:			
Unreserved Fund Balance:			
Designated for Capital Projects	<u>10,271,396</u>	<u>10,829,685</u>	<u>363,969</u>
Total Liabilities and Fund Balances	<u>\$ 11,126,319</u>	<u>\$ 10,977,408</u>	<u>\$ 919,574</u>

<u>PUBLIC TRANSPORTATION SERIES 2003 and 2005A</u>	<u>NATURAL SCIENCE CENTER SERIES 2005A</u>	<u>LAW ENFORCEMENT SERIES 2003</u>	<u>LIBRARY FACILITIES SERIES 2003 and 2005A</u>	<u>NEIGHBORHOOD REDEVELOPMENT SERIES 2005 and 2006A</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$	\$ 4,125,854
390,362	2,525,800	298,342		1,015,574	35,936,783
					1,100
<u>\$ 390,362</u>	<u>\$ 2,525,800</u>	<u>\$ 298,342</u>	<u>\$</u>	<u>\$ 1,015,574</u>	<u>\$ 40,063,737</u>
\$	\$	\$	\$	\$	\$ 217,131
	546,258				546,277
					4,072,867
					956
	<u>546,258</u>				<u>4,620,100</u>
	546,258				4,837,231
<u>390,362</u>	<u>1,979,542</u>	<u>298,342</u>		<u>1,015,574</u>	<u>35,226,506</u>
<u>\$ 390,362</u>	<u>\$ 2,525,800</u>	<u>\$ 298,342</u>	<u>\$</u>	<u>\$ 1,015,574</u>	<u>\$ 40,063,737</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2006

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 3,656,104	\$	\$	\$ 3,656,104
Assessments	35,138			35,138
Intergovernmental	18,397,531	2,146,016		20,543,547
Charges for Current Services	832,082			832,082
Investment Income	769,988			769,988
Miscellaneous	1,906,779	761,271		2,668,050
Total Revenues	<u>25,597,622</u>	<u>2,907,287</u>		<u>28,504,909</u>
Expenditures:				
Current:				
General Government	9,044			9,044
Public Safety	6,049,914	6,653,501		12,703,415
Transportation	1,993,636	10,752,006		12,745,642
Engineering and Inspections	221,847	8,989,526		9,211,373
Culture and Recreation	896,468	3,580,775		4,477,243
Community Development and Housing	7,538,039	1,454,205		8,992,244
Economic Opportunity	4,503,052			4,503,052
Debt Service:				
Principal Retirement	2,173,640			2,173,640
Interest	1,149,990			1,149,990
Fees and Other	40,050			40,050
Total Expenditures	<u>24,575,680</u>	<u>31,430,013</u>		<u>56,005,693</u>
Excess of Revenues Over (Under)				
Expenditures	<u>1,021,942</u>	<u>(28,522,726)</u>		<u>(27,500,784)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued		22,000,000		22,000,000
Federal Loan Program	1,641,000			1,641,000
Premium on Debt		136,148		136,148
Transfers In	5,290,049	3,745,354	39,383	9,074,786
Transfers Out	(6,989,522)	(245,842)		(7,235,364)
Total Other Financing Sources (Uses)	<u>(58,473)</u>	<u>25,635,660</u>	<u>39,383</u>	<u>25,616,570</u>
Net Change in Fund Balances	963,469	(2,887,066)	39,383	(1,884,214)
Fund Balances - July 1	<u>9,571,157</u>	<u>38,113,572</u>	<u>1,986,746</u>	<u>49,671,475</u>
Fund Balances - June 30	<u>\$ 10,534,626</u>	<u>\$ 35,226,506</u>	<u>\$ 2,026,129</u>	<u>\$ 47,787,261</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2006

	STREET AND SIDEWALK REVOLVING	STATE HIGHWAY ALLOCATION	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS
Revenues:					
Taxes	\$	\$	\$	\$ 2,920,404	\$ 735,700
Assessments	33,730	1,408			
Intergovernmental		6,600,398			
Charges for Current Services	(556)		385,883	60	
Investment Income	129,700	418,085	47,620		21,982
Miscellaneous	175		628	900,000	
Total Revenues	<u>163,049</u>	<u>7,019,891</u>	<u>434,131</u>	<u>3,820,464</u>	<u>757,682</u>
Expenditures:					
Current:					
General Government					
Public Safety					
Transportation	837,565	71,873			
Engineering and Inspections					
Culture and Recreation			575,301	200,000	
Community Development and Housing					433,389
Economic Opportunity					
Debt Service:					
Principal Retirement				2,173,640	
Interest				1,149,990	
Fees and Other				40,050	
Total Expenditures	<u>837,565</u>	<u>71,873</u>	<u>575,301</u>	<u>3,563,680</u>	<u>433,389</u>
Excess of Revenues Over (Under) Expenditures	<u>(674,516)</u>	<u>6,948,018</u>	<u>(141,170)</u>	<u>256,784</u>	<u>324,293</u>
Other Financing Sources (Uses):					
Transfers In			278,310		
Transfers Out		(6,950,139)	(39,383)		
Debt Issuances:					
Federal Loan Program					
Total Other Financing Sources (Uses)		<u>(6,950,139)</u>	<u>238,927</u>		
Net Change in Fund Balances	(674,516)	(2,121)	97,757	256,784	324,293
Fund Balances - July 1	<u>3,720,597</u>	<u>3,575,766</u>	<u>11,694</u>	<u>346,334</u>	<u>869,831</u>
Fund Balances - June 30	<u>\$ 3,046,081</u>	<u>\$ 3,573,645</u>	<u>\$ 109,451</u>	<u>\$ 603,118</u>	<u>\$ 1,194,124</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>	<u>GUILFORD METRO 911</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$	\$	\$	\$	\$	\$	\$	\$ 3,656,104
2,672,534	1,056,539		3,957,033	373,803	3,737,224		35,138
446,695							18,397,531
92,390	25,335	5,102	(7,177)	(1,362)	(1,095)	39,408	832,082
	118,129	12,033	1,098		284,691	590,025	769,988
<u>3,211,619</u>	<u>1,200,003</u>	<u>17,135</u>	<u>3,950,954</u>	<u>372,441</u>	<u>4,020,820</u>	<u>629,433</u>	<u>1,906,779</u>
					9,044		9,044
					1,739,069	4,310,845	6,049,914
					1,084,198		1,993,636
					221,847		221,847
					121,167		896,468
3,299,145	1,085,906	1,732,263	3,892,384	610,668	987,336		7,538,039
							4,503,052
							2,173,640
							1,149,990
							40,050
<u>3,299,145</u>	<u>1,085,906</u>	<u>1,732,263</u>	<u>3,892,384</u>	<u>610,668</u>	<u>4,162,661</u>	<u>4,310,845</u>	<u>24,575,680</u>
<u>(87,526)</u>	<u>114,097</u>	<u>(1,715,128)</u>	<u>58,570</u>	<u>(238,227)</u>	<u>(141,841)</u>	<u>(3,681,412)</u>	<u>1,021,942</u>
					288,117	4,723,622	5,290,049
							(6,989,522)
		1,640,000		1,000			1,641,000
		1,640,000		1,000	288,117	4,723,622	(58,473)
<u>(87,526)</u>	<u>114,097</u>	<u>(75,128)</u>	<u>58,570</u>	<u>(237,227)</u>	<u>146,276</u>	<u>1,042,210</u>	<u>963,469</u>
<u>(92,034)</u>	<u>66,317</u>	<u>(46,110)</u>	<u>(130,057)</u>	<u>(131,068)</u>	<u>645,286</u>	<u>734,601</u>	<u>9,571,157</u>
<u>\$ (179,560)</u>	<u>\$ 180,414</u>	<u>\$ (121,238)</u>	<u>\$ (71,487)</u>	<u>\$ (368,295)</u>	<u>\$ 791,562</u>	<u>\$ 1,776,811</u>	<u>\$ 10,534,626</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2006

	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS
Revenues:			
Intergovernmental	\$	\$	\$ 2,146,016
Miscellaneous			704,000
Total Revenues			2,850,016
Expenditures:			
Current:			
Public Safety			338,939
Transportation	2,373,054	8,264,037	
Engineering and Inspections			17,634
Culture and Recreation			542,671
Community Development and Housing		1,043,836	
Total Expenditures	2,373,054	9,307,873	899,244
Excess of Revenues Over (Under)			
Expenditures	(2,373,054)	(9,307,873)	1,950,772
Other Financing Sources (Uses):			
Debt Issuances:			
General Obligation Bonds Issued			
Premium on Debt			
Transfers In		3,350,139	363,000
Transfers Out		(196,884)	
Total Other Financing Sources (Uses)		3,153,255	363,000
Net Change in Fund Balances	(2,373,054)	(6,154,618)	2,313,772
Fund Balances - July 1	2,492,271	10,014,089	1,475,734
Fund Balances - June 30	\$ 119,217	\$ 3,859,471	\$ 3,789,506

<u>PUBLIC IMPROVEMENT SERIES 1990, 1992 1994 and 1998</u>	<u>REDEVELOPMENT SERIES 1994</u>	<u>PUBLIC IMPROVEMENT SERIES 1998A</u>	<u>PUBLIC IMPROVEMENT SERIES 1998B</u>	<u>HOUSING REDEVELOPMENT SERIES 1998</u>
\$	\$	\$	\$	\$
				41,129
				41,129
		2,178,557		
998,147	142,403		2,558	15,593
998,147	142,403	2,178,557	2,558	15,593
(998,147)	(142,403)	(2,178,557)	(2,558)	25,536
	32,215 (16,743)			
	15,472			
(998,147)	(126,931)	(2,178,557)	(2,558)	25,536
1,704,746	337,431	3,414,653	2,558	130,711
<u>\$ 706,599</u>	<u>\$ 210,500</u>	<u>\$ 1,236,096</u>	<u>\$</u>	<u>\$ 156,247</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2006

(continued)	<u>STREET IMPROVEMENTS SERIES 2003 and 2006</u>	<u>PARKS & RECREATION SERIES 2003, 2005A and 2006A</u>	<u>FIRE STATION SERIES 2003 and 2005A</u>
Revenues:			
Intergovernmental	\$	\$	\$
Miscellaneous	8,691	6,054	
Total Revenues	<u>8,691</u>	<u>6,054</u>	
Expenditures:			
Current:			
Public Safety			4,052,857
Transportation			
Engineering and Inspections	7,973,745		
Culture and Recreation		1,532,212	
Community Development and Housing			
Total Expenditures	<u>7,973,745</u>	<u>1,532,212</u>	<u>4,052,857</u>
Excess of Revenues Over (Under)			
Expenditures	<u>(7,965,054)</u>	<u>(1,526,158)</u>	<u>(4,052,857)</u>
Other Financing Sources (Uses):			
Debt Issuances:			
General Obligation Bonds Issued	14,000,000	6,500,000	
Premium on Debt	44,978	74,151	
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	<u>14,044,978</u>	<u>6,574,151</u>	
Net Change in Fund Balances	6,079,924	5,047,993	(4,052,857)
Fund Balances - July 1	<u>4,191,472</u>	<u>5,781,692</u>	<u>4,416,826</u>
Fund Balances - June 30	<u>\$ 10,271,396</u>	<u>\$ 10,829,685</u>	<u>\$ 363,969</u>

<u>PUBLIC TRANSPORTATION SERIES 2003 and 2005A</u>	<u>NATURAL SCIENCE CENTER SERIES 2005A</u>	<u>LAW ENFORCEMENT SERIES 2003</u>	<u>LIBRARY FACILITIES SERIES 2003 and 2005A</u>	<u>NEIGHBORHOOD REDEVELOPMENT SERIES 2005 and 2006A</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$	\$
				1,397	2,146,016 761,271
				1,397	2,907,287
		83,148			6,653,501 10,752,006
114,915	1,505,572		320	249,815	8,989,526 3,580,775 1,454,205
114,915	1,505,572	83,148	320	249,815	31,430,013
(114,915)	(1,505,572)	(83,148)	(320)	(248,418)	(28,522,726)
				1,500,000	22,000,000
				17,019	136,148
				(32,215)	3,745,354 (245,842)
				1,484,804	25,635,660
(114,915)	(1,505,572)	(83,148)	(320)	1,236,386	(2,887,066)
505,277	3,485,114	381,490	320	(220,812)	38,113,572
<u>\$ 390,362</u>	<u>\$ 1,979,542</u>	<u>\$ 298,342</u>	<u>\$</u>	<u>\$ 1,015,574</u>	<u>\$ 35,226,506</u>

Enterprise Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2006

	<u>Debt Outstanding July 1, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Debt Outstanding June 30, 2006</u>
Water Resources:					
General Obligation Bonds	\$ 2,530,003	\$	\$ 1,087,168	\$	\$ 1,442,835
Revenue Bonds	200,610,000		5,030,000		195,580,000
Federal Loan Obligation	2,798,437		254,403		2,544,034
Other Financing Agreements	2,402,196	119,738	470,135		2,051,799
Compensated Absences	1,026,648	993,874	966,267		1,054,255
Total Water Resources	<u>209,367,284</u>	<u>1,113,612</u>	<u>7,807,973</u>		<u>202,672,923</u>
War Memorial Coliseum:					
Certificates of Participation	650,000		110,000		540,000
Compensated Absences	240,305	183,191	157,189		266,307
Total War Memorial Coliseum	<u>890,305</u>	<u>183,191</u>	<u>267,189</u>		<u>806,307</u>
Parking Facilities:					
Certificates of Participation	8,265,645		1,981,365		6,284,280
Compensated Absences	33,684	30,447	21,322		42,809
Total Parking Facilities	<u>8,299,329</u>	<u>30,447</u>	<u>2,002,687</u>		<u>6,327,089</u>
Solid Waste Management:					
Special Obligation Bonds	10,415,000	8,400,000	1,090,000		17,725,000
Accrued Landfill Liability	11,152,768	1,212,200			12,364,968
Compensated Absences	371,642	385,812	325,425		432,029
Total Solid Waste Management	<u>21,939,410</u>	<u>9,998,012</u>	<u>1,415,425</u>		<u>30,521,997</u>
Stormwater Management:					
Compensated Absences	240,446	234,943	202,708		272,681
Total Stormwater Management	<u>240,446</u>	<u>234,943</u>	<u>202,708</u>		<u>272,681</u>
Total Enterprise Funds	<u>\$240,736,774</u>	<u>\$11,560,205</u>	<u>\$11,695,982</u>	<u>\$</u>	<u>\$ 240,600,997</u>

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

Component Unit

For the Fiscal Year Ended June 30, 2006

	GREENSBORO TRANSIT AUTHORITY
Operating Revenues:	
Charges for Current Services	\$ 1,683,400
Miscellaneous	334,910
Total Operating Revenues	<u>2,018,310</u>
Operating Expenses:	
Personal Services	73,618
Fringe Benefits	121,738
Maintenance and Operations	12,146,397
Depreciation	1,322,990
Total Operating Expenses	<u>13,664,743</u>
Operating Loss	<u>(11,646,433)</u>
Nonoperating Revenues (Expenses):	
Investment Income	1,338,326
Property Tax	4,203,403
Motor Vehicle Tax	920,085
Grants	4,309,394
Miscellaneous Nonoperating Revenue	14,653
Loss on Disposal of Capital Assets	(28,379)
Miscellaneous Nonoperating Expense	(9,755)
Total Nonoperating Revenues (Expenses)	<u>10,747,727</u>
Excess of Revenues Under Expenses Before Capital Contributions	<u>(898,706)</u>
Capital Contributions	<u>196,788</u>
Change in Net Assets	(701,918)
Net Assets - July 1	44,093,711
Net Assets - June 30	<u>\$ 43,391,793</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2006

	GREENSBORO TRANSIT AUTHORITY
Cash Flows from Operating Activities:	
Receipts from Customers	\$ (47,650)
Payments to Suppliers	(11,226,988)
Payments to Employees	(182,178)
Other Receipts	9,770,192
Net Cash Used for Operating Activities	<u>(1,686,624)</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	<u>(73,140)</u>
Cash Flows from Investing Activities:	
Interest	<u>1,352,524</u>
Net Decrease in Cash and Cash Equivalents	(407,240)
Cash and Cash Equivalents/ Investments - July 1	2,877,342
Cash and Cash Equivalents/ Investments - June 30	<u>\$ 2,470,102</u>
Reconciliation of Cash and Cash Equivalents/ Investments:	
Cash and Cash Equivalents/ Investments - Current	\$ 2,235,174
Cash and Cash Equivalents/ Investments - Restricted	234,928
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 2,470,102</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2006

(continued)

**GREENSBORO
TRANSIT
AUTHORITY**

Reconciliation of Operating Loss to Net

Cash Used for Operating Activities:

Operating Loss	<u>\$ (11,646,433)</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	1,322,990
Change in Assets and Liabilities:	
Increase in Receivables	(1,414,913)
Decrease in Inventories	7,913
Increase in Intergovernmental Receivables	(13,143)
Increase in Accounts Payable	924,639
Increase in Annual Leave Accrual	13,178
Decrease in Miscellaneous Payable	(316,137)
Other Receipts	<u>9,435,282</u>
Total Adjustments	<u>9,959,809</u>

Net Cash Used for Operating Activities \$ (1,686,624)

Noncash Investing, Capital and Financing Activities:

Lease-Purchase and Other Capital Financing Agreements \$

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,495,586	\$ 1,683,400	\$ 187,814
Other Operating Revenues	200,000	334,910	134,910
Total Operating Revenues	<u>1,695,586</u>	<u>2,018,310</u>	<u>322,724</u>
Operating Expenses:			
Personal Services	388,351	60,440	327,911
Fringe Benefits	112,407	121,738	(9,331)
Maintenance and Operations	11,451,871	11,756,410	(304,539)
Capital Outlay	-	22,463	(22,463)
Total Operating Expenses	<u>11,952,629</u>	<u>11,961,051</u>	<u>(8,422)</u>
Operating Loss	<u>(10,257,043)</u>	<u>(9,942,741)</u>	<u>314,302</u>
Nonoperating Revenues:			
Investment Income	1,369,495	1,338,326	(31,169)
Property Tax Collections	4,194,335	4,203,403	9,068
Motor Vehicle Licenses	890,000	920,085	30,085
State and Federal Grants	3,407,162	3,798,564	391,402
Mortgage Note Principal Payment	148,240	208,865	60,625
Miscellaneous Nonoperating Revenue	-	14,653	14,653
Total Nonoperating Revenues	<u>10,009,232</u>	<u>10,483,896</u>	<u>474,664</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(247,811)</u>	<u>541,155</u>	<u>788,966</u>
Other Financing Uses:			
Transfers Out	<u>(77,000)</u>	<u>(56,439)</u>	<u>20,561</u>
Excess of Revenues Over (Under) Expenses and Other Financing Uses	<u>(324,811)</u>	<u>484,716</u>	<u>809,527</u>
Appropriated Fund Balance	<u>324,811</u>	<u>-</u>	<u>(324,811)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$ -</u>	<u>\$ 484,716</u>	<u>\$ 484,716</u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 12,502,206
Total Expenses	<u>11,961,051</u>
Excess of Revenues Over Expenses Before Other Financing Uses	541,155
Adjustment to Full Accrual Basis:	
Depreciation	(1,322,990)
Capital Outlay	22,463
Compensated Absences	(13,178)
Mortgage Note Principal Payment	(208,865)
Transit Grant Project Funds Revenues and Expenses	120,843
Miscellaneous Nonoperating Expense	(9,755)
Loss on Disposal of Capital Assets	<u>(28,379)</u>
Loss Before Capital Contributions	<u>\$ (898,706)</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Federal Grants	\$ 7,683,159	\$ 4,152,225	\$ 133,420	\$ 4,285,645
State Grants	869,919	179,171	330,062	509,233
Local Grants/ In Kind Services	125,000			
Total Revenues	<u>8,678,078</u>	<u>4,331,396</u>	<u>463,482</u>	<u>4,794,878</u>
Expenses:				
Capital Improvements:				
Section 5307 Capital Program	6,472,100	3,379,120	128,114	3,507,234
Section 5309 Capital Program	1,839,554	1,285,619		1,285,619
Preventive Maintenance Grant	625,000		198,189	198,189
Planning and Capital Assistance	667,296	525,543	41,159	566,702
Total Expenses	<u>9,603,950</u>	<u>5,190,282</u>	<u>367,462</u>	<u>5,557,744</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(925,872)</u>	<u>(858,886)</u>	<u>96,020</u>	<u>(762,866)</u>
Other Financing Sources:				
Transfers In	<u>925,872</u>	<u>889,731</u>	<u>36,141</u>	<u>925,872</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 30,845</u>	<u>\$ 132,161</u>	<u>\$ 163,006</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Federal Grants	\$ 15,906,338	\$14,918,049	\$ 36,560	\$ 14,954,609
State Grants	2,103,291	1,745,116	10,788	1,755,904
Local Grants/ In Kind Services	1,447,518	1,296,897		1,296,897
Investment Income		(21,560)		(21,560)
Total Revenues	<u>19,457,147</u>	<u>17,938,502</u>	<u>47,348</u>	<u>17,985,850</u>
Expenses:				
Capital Improvements:				
Multi Modal Transportation Center	<u>20,003,922</u>	<u>18,647,561</u>	<u>73,202</u>	<u>18,720,763</u>
Total Capital Improvements	<u>20,003,922</u>	<u>18,647,561</u>	<u>73,202</u>	<u>18,720,763</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(546,775)</u>	<u>(709,059)</u>	<u>(25,854)</u>	<u>(734,913)</u>
Other Financing Sources:				
Transfers In	<u>546,775</u>	<u>568,295</u>	<u>20,298</u>	<u>588,593</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$ (140,764)</u>	<u>\$ (5,556)</u>	<u>\$ (146,320)</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.

A summary of revenues and other financing sources and expenditures and other financing uses for the fiscal year ended June 30, 2006 is presented below:

	<u>Amount</u>	<u>Percent of Total</u>
Revenues and Other Financing Sources		
Taxes	\$ 153,936,692	73.7%
Intergovernmental	20,246,220	9.7%
Licenses and Permits	9,402,583	4.5%
Fines and Forfeitures	1,029,871	0.5%
Charges for Current Services	18,474,799	8.8%
Miscellaneous	1,790,371	0.9%
Other Financing Sources	<u>4,022,898</u>	<u>1.9%</u>
Total Revenues and Other Financing Sources	<u>\$ 208,903,434</u>	<u>100.0%</u>
Expenditures and Other Financing Uses		
General Government	\$ 22,989,114	10.9%
Public Safety	87,241,492	41.3%
Transportation	16,077,198	7.6%
Engineering and Inspections	17,138,547	8.1%
Environmental Services	709,272	0.3%
Culture and Recreation	31,335,211	14.8%
Intergovernmental	1,426,149	0.7%
Other Financing Uses	<u>34,526,801</u>	<u>16.3%</u>
Total Expenditures and Other Financing Uses	<u>\$ 211,443,784</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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes-Current Year	\$ 114,337,000	\$ 114,554,719	\$ 217,719
Ad Valorem Taxes-Prior Year	914,000	534,951	(379,049)
Penalties and Interest	422,300	398,946	(23,354)
Local Option Sales Tax	37,574,600	38,162,626	588,026
Vehicle Gross Receipts Tax	330,200	285,450	(44,750)
Total Taxes	<u>153,578,100</u>	<u>153,936,692</u>	<u>358,592</u>
Intergovernmental:			
Federal Grants:			
Fire Stations		4,178	4,178
State Grants:			
Libraries	305,985	340,313	34,328
State-Shared:			
Utility Taxes:			
Electric Franchise Tax	6,993,200	7,149,137	155,937
Piped Natural Gas Excise Tax	2,049,900	1,835,739	(214,161)
Telecommunications Sales Tax	3,543,850	3,527,728	(16,122)
Beer and Wine Tax	1,029,800	1,029,986	186
State Reimbursements/Other:			
Sales Tax Hold Harmless Payment	802,940	820,924	17,984
Court Fees	118,100	126,145	8,045
Payment In Lieu of Taxes	225,650	275,096	49,446
Local Grants:			
Parks and Recreation	5,150		(5,150)
Libraries	1,333,300	1,333,136	(164)
School Safety Programs	936,000	983,906	47,906
Environmental Programs	75,000	82,024	7,024
ABC Board Profit Distribution	2,595,200	2,737,908	142,708
Total Intergovernmental	<u>20,014,075</u>	<u>20,246,220</u>	<u>232,145</u>
Licenses and Permits:			
Privilege Licenses:			
Privilege Licenses-Current Year	3,125,975	3,093,726	(32,249)
Penalties on Privilege Licenses	40,000	20,686	(19,314)
Privilege Licenses-Prior Years	55,000	70,660	15,660
Penalties on Prior Years' Licenses	8,000	6,804	(1,196)
Motor Vehicle Licenses	890,000	896,715	6,715
Cable TV Access Licenses	2,384,000	2,349,212	(34,788)
Other Licenses and Permits	583,700	686,685	102,985
Construction Permits:			
Building Permits	1,021,150	1,159,887	138,737
Electrical Permits	438,000	444,490	6,490
Plumbing Permits	285,000	321,150	36,150
Heating Permits	313,500	352,568	39,068
Total Licenses and Permits	<u>9,144,325</u>	<u>9,402,583</u>	<u>258,258</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Fines and Forfeitures:			
Parking Violations	\$ 575,000	\$ 591,838	\$ 16,838
Library Fines	142,155	184,103	41,948
City Code Violations	33,500	59,695	26,195
False Burglar Alarm Fines	198,900	194,235	(4,665)
Total Fines and Forfeitures	<u>949,555</u>	<u>1,029,871</u>	<u>80,316</u>
Charges for Current Services:			
Planning:			
Preliminary Plan Reviews	90,000	126,140	36,140
Final Plats/Declarations	12,500	9,001	(3,499)
Rezoning Applications	50,000	51,625	1,625
Other Planning Fees	20,000	14,395	(5,605)
Police Department:			
Police Department Services	27,640	30,722	3,082
Tow-In Services	23,380	39,820	16,440
Off-Duty Employment	1,620,320	1,641,934	21,614
Contracted Services	484,695	513,091	28,396
Fire Department:			
Hazardous Material Fees	20,000	25,762	5,762
Fire Department Plan Reviews	59,400	65,403	6,003
Fire Code Reinspections	21,300	33,085	11,785
Disaster Recovery		22,610	22,610
Miscellaneous Permits	35,850	41,075	5,225
Transportation:			
State Highway System:			
Signals, Signs and Lights	635,205	539,101	(96,104)
Maintenance to Highways	220,000	211,901	(8,099)
Ridesharing Revenue	90,000	122,820	32,820
Van Pool Revenue	5,000	5,028	28
Monthly Parking Fees	10,800	10,213	(587)
Engineering and Inspections:			
Plan Review/Water and Sewer/Roadways	215,000	261,334	46,334
Vacant Lot Cleaning Fees	117,000	121,624	4,624
Junked Auto Fees	50,000	27,413	(22,587)
Boarding Vacant Houses		16,952	16,952
Environmental Services:			
Hazardous Waste Disposal Fees	360,000	404,799	44,799
Parks and Recreation:			
Maintenance Service-Local Agencies	65,380	65,097	(283)
Admissions and Charges	1,978,640	2,095,093	116,453
Rental and Lease	704,336	814,016	109,680
Catering Services	41,200	34,440	(6,760)

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Charges for Current Services (Continued):			
Concessions	\$ 214,100	\$ 266,884	\$ 52,784
Concessions-Alcoholic Beverages	13,250	9,183	(4,067)
Bur-Mil Reimbursement	424,515	393,031	(31,484)
Mowing Services-State Highways	50,000	116,099	66,099
Fishing, Hunting and Boating Fees	34,200	28,430	(5,770)
Other Parks and Recreation Revenue	151,310	163,351	12,041
Library Fees	10,410	10,346	(64)
Interdepartmental Charges:			
Information Systems Services	4,443,850	4,718,069	274,219
Administrative Charges	3,533,800	3,598,051	64,251
Engineering Services	1,370,000	1,370,000	
Rents	444,490	456,861	12,371
Total Charges for Current Services	<u>17,647,571</u>	<u>18,474,799</u>	<u>827,228</u>
Miscellaneous:			
Sale of Assets	309,700	81,795	(227,905)
Miscellaneous Receivables Revenue	18,000	20,342	2,342
Donations and Private Contributions	99,650	88,681	(10,969)
Contracted Construction Projects	1,087,960	1,138,638	50,678
Service Charges	4,950	3,618	(1,332)
Other Revenue	454,885	457,297	2,412
Total Miscellaneous	<u>1,975,145</u>	<u>1,790,371</u>	<u>(184,774)</u>
Appropriated Fund Balance	<u>11,046,821</u>		<u>(11,046,821)</u>
Total Revenues	<u>214,355,592</u>	<u>204,880,536</u>	<u>(9,475,056)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures:			
General Government:			
Legislative:			
Governing Body	\$ 204,851	\$ 213,696	\$ (8,845)
Clerk of Governing Body	299,264	299,464	(200)
Elections	239,830	239,830	
Total Legislative	<u>743,945</u>	<u>752,990</u>	<u>(9,045)</u>
Executive:			
City Manager	1,326,530	1,273,907	52,623
Enterprise Resource Planning	227,963	293,886	(65,923)
Economic Development	419,430	222,561	196,869
Internal Audit	345,419	350,721	(5,302)
Minority and Women's Business Enterprises	291,422	290,628	794
Total Executive	<u>2,610,764</u>	<u>2,431,703</u>	<u>179,061</u>
Organizational Development and Communications	<u>2,610,602</u>	<u>2,320,750</u>	<u>289,852</u>
Human Relations	<u>560,494</u>	<u>536,423</u>	<u>24,071</u>
Human Resources:			
Administration	470,422	483,549	(13,127)
Compensation and Employment	702,371	571,177	131,194
HRIS and Benefits	542,371	574,133	(31,762)
Employee Safety and Health	511,113	497,907	13,206
Total Human Resources	<u>2,226,277</u>	<u>2,126,766</u>	<u>99,511</u>
Budget and Evaluation	<u>696,758</u>	<u>630,155</u>	<u>66,603</u>
Planning	<u>2,122,773</u>	<u>1,681,153</u>	<u>441,620</u>
Finance:			
Administration	876,416	791,945	84,471
Accounting	873,993	831,922	42,071
Purchasing and Supply	560,530	536,953	23,577
Collections	1,516,257	1,422,748	93,509
Total Finance	<u>3,827,196</u>	<u>3,583,568</u>	<u>243,628</u>
Legal	<u>1,109,251</u>	<u>1,137,548</u>	<u>(28,297)</u>
Management Information Systems:			
Administration	425,207	421,145	4,062
Desktop Services	4,066,706	3,584,212	482,494
Geographic Information Services	642,863	542,450	100,413
Application Services	2,175,023	2,043,745	131,278
Total Management Information Systems	<u>7,309,799</u>	<u>6,591,552</u>	<u>718,247</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other General Government:			
Chamber of Commerce	\$ 250,000	\$ 250,000	\$
Piedmont Triad Partnership	37,200	37,200	
Greensboro Housing Coalition	4,682		4,682
Downtown Greensboro, Inc.	255,000	255,000	
East Market Street Development Corporation	40,000	40,000	
Architectural Salvage	22,000	22,000	
NC Metropolitan Coalition	12,000	12,000	
Productivity Improvement Program	8,000		8,000
Nondepartmental	1,331,845	580,306	751,539
Total Other General Government	<u>1,960,727</u>	<u>1,196,506</u>	<u>764,221</u>
 Total General Government	 <u>25,778,586</u>	 <u>22,989,114</u>	 <u>2,789,472</u>
Public Safety:			
Police:			
Administration	2,288,442	2,257,845	30,597
Resource Management	9,047,686	8,322,073	725,613
Field Operations	23,433,922	24,051,808	(617,886)
Criminal Investigations	3,436,053	3,729,581	(293,528)
Special Operations	1,889,889	1,931,394	(41,505)
Investigative Support	4,594,935	4,621,779	(26,844)
Vice/Narcotics	1,534,358	1,702,051	(167,693)
Professional Standards	1,113,750	1,138,041	(24,291)
Organizational Development	2,115,483	2,103,909	11,574
Information and Technology	4,043,448	3,539,581	503,867
Total Police	<u>53,497,966</u>	<u>53,398,062</u>	<u>99,904</u>
Fire:			
Administration	2,498,749	2,306,693	192,056
Training	983,800	815,171	168,629
Fire Prevention	1,298,605	1,389,111	(90,506)
Emergency Services	24,309,514	24,449,677	(140,163)
Regulatory/Fleet Repair Service	3,580,361	3,240,186	340,175
Stations and Buildings	1,526,457	1,642,592	(116,135)
Total Fire	<u>34,197,486</u>	<u>33,843,430</u>	<u>354,056</u>
 Total Public Safety	 <u>87,695,452</u>	 <u>87,241,492</u>	 <u>453,960</u>
Transportation:			
Administration	2,084,058	2,083,670	388
Street Cleaning	392,670	441,183	(48,513)
Traffic and Transit Operations	3,389,745	3,350,947	38,798
Storm Sewer Construction	1,873,215	1,873,726	(511)
Street Administration	4,777,684	4,901,302	(123,618)
Traffic Engineering	3,008,481	3,128,719	(120,238)
Transportation Planning	289,498	297,651	(8,153)
Total Transportation	<u>15,815,351</u>	<u>16,077,198</u>	<u>(261,847)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Engineering and Inspections:			
Administration	\$ 1,015,512	\$ 818,828	\$ 196,684
Engineering	4,355,059	4,032,765	322,294
Facilities Engineering	659,745	575,549	84,196
Central City Maintenance	4,036,791	3,688,517	348,274
Building Maintenance	3,882,732	3,383,255	499,477
Franchise Administration	140,061	70,880	69,181
Service Center Maintenance	516,163	483,352	32,811
Building Inspections	2,968,547	3,051,411	(82,864)
Local Ordinance Enforcement	1,363,298	1,033,990	329,308
Total Engineering and Inspections	<u>18,937,908</u>	<u>17,138,547</u>	<u>1,799,361</u>
Environmental Services	<u>776,677</u>	<u>709,272</u>	<u>67,405</u>
Culture and Recreation:			
Parks and Recreation:			
Administration	2,080,174	1,978,822	101,352
Bryan Park at Guilford County	1,300	900	400
Bryan Park Club House	292,250	280,126	12,124
Bryan Park Operations	611,550	567,902	43,648
Gillespie Golf Course	569,525	549,479	20,046
Greensboro Sportsplex	1,030,065	1,037,332	(7,267)
City Arts	903,263	876,736	26,527
Program and Community Services	959,045	942,067	16,978
Neighborhood Playgrounds and Centers	2,597,327	2,516,478	80,849
Swimming Pools	507,670	558,874	(51,204)
Memorial Stadium	362,435	338,441	23,994
Hagan Stone Park	439,705	434,667	5,038
Hester Park	334,360	332,098	2,262
Country Park	391,561	371,710	19,851
Jaycee Park	201,475	186,308	15,167
Athletics	827,682	865,971	(38,289)
Regional Parks	19,445	18,226	1,219
Bur-Mil Club	889,522	895,090	(5,568)
Lake Wardens	834,720	803,249	31,471
Barber Park	428,933	439,634	(10,701)
Equipment Maintenance	268,297	267,374	923
Development and Maintenance	4,848,499	4,855,998	(7,499)
Landscape and Beautification	2,228,571	2,223,585	4,986
Tannenbaum Park	269,108	277,431	(8,323)
Carolyn Allen Park	428,379	402,206	26,173
Price Park	6,861	5,464	1,397
David Caldwell Historic Park	6,560	898	5,662
Total Parks and Recreation	<u>22,338,282</u>	<u>22,027,066</u>	<u>311,216</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Library:			
Administration	\$ 2,659,395	\$ 2,218,141	\$ 441,254
Main Library	1,737,840	1,696,427	41,413
Extension Services	127,977	118,158	9,819
Collection Inventory	1,011,648	937,350	74,298
Benjamin Branch Library	355,731	340,945	14,786
Northeast Branch Library		138	(138)
Vance H. Chavis Branch Library	382,308	352,722	29,586
Hemphill Branch Library	443,487	465,391	(21,904)
Glenwood Branch Library	375,146	323,029	52,117
Kathleen Clay Edwards Branch Library	434,379	473,991	(39,612)
McGirt-Horton Branch Library	405,054	411,443	(6,389)
Historical Museum	791,498	728,802	62,696
Total Library	<u>8,724,463</u>	<u>8,066,537</u>	<u>657,926</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	12,200	12,200	
Blandwood Mansion	10,000	10,000	
Greensboro Jaycees	20,000	20,000	
Festival of Lights	16,410	16,408	2
Total Other Culture and Recreation	<u>1,241,610</u>	<u>1,241,608</u>	<u>2</u>
Total Culture and Recreation	<u>32,304,355</u>	<u>31,335,211</u>	<u>969,144</u>
Intergovernmental:			
Guilford County:			
Animal Shelter and Animal Control	1,018,103	1,008,306	9,797
Tax Collections	366,330	367,244	(914)
Environmental Health Control	7,500		7,500
National Guard Armory	3,000	2,471	529
Human Service Agencies:			
PCC Community Nursing	9,000		9,000
Piedmont Council of Governments	48,130	48,128	2
Total Intergovernmental	<u>1,452,063</u>	<u>1,426,149</u>	<u>25,914</u>
Total Expenditures	<u>182,760,392</u>	<u>176,916,983</u>	<u>5,843,409</u>
Excess of Revenues Over Expenditures	<u>31,595,200</u>	<u>27,963,553</u>	<u>(3,631,647)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other Financing Sources (Uses):			
Debt Issued:			
Loan Assumption	\$	\$ 422,898	\$ 422,898
Transfers In:			
State Highway Allocation Fund	3,600,000	3,600,000	
Transfers Out:			
Cemetery Operating Fund	278,310	278,310	
Housing Partnership Revolving Fund	1,631,700	1,631,700	
State and Federal Grants Fund	83,725	71,926	11,799
Guilford Metro 911	4,595,797	4,595,798	(1)
General Capital Improvements Fund	363,000	363,000	
Debt Service Fund	14,554,085	14,554,085	
War Memorial Coliseum Fund	1,800,000	1,800,000	
Davie Street Parking Deck Fund	162,683	162,683	
Parking Facilities Fund	1,211,500	1,211,500	
Solid Waste Management Fund	10,500,000	9,635,619	864,381
Equipment Services Fund		207,780	(207,780)
Employee Health Insurance Fund	14,400	14,400	
Total Transfers Out	<u>35,195,200</u>	<u>34,526,801</u>	<u>668,399</u>
Total Other Financing Sources (Uses)	<u>(31,595,200)</u>	<u>(30,503,903)</u>	<u>1,091,297</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	\$	(2,540,350)	(2,540,350)
Fund Balance - July 1		<u>58,916,305</u>	<u>58,916,305</u>
Fund Balance - June 30		<u>\$ 56,375,955</u>	<u>\$ 56,375,955</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.

State Highway Allocation Fund

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

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 2005-06, the General Fund support to the Housing Partnership Revolving Fund was approximately .78 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 three divisions: Guilford Metro 911 Administration, Emergency Communications and Greensboro Emergency Management. 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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	<u>\$ 187,000</u>	<u>\$ 33,730</u>	<u>\$ (153,270)</u>
Charges for Current Services:			
Red Light Camera Violations	<u> </u>	<u>(556)</u>	<u>(556)</u>
Investment Income	<u>90,000</u>	<u>129,700</u>	<u>39,700</u>
Miscellaneous:			
Other Miscellaneous Revenue	<u> </u>	<u>175</u>	<u>175</u>
Appropriated Fund Balance	<u>987,692</u>	<u> </u>	<u>(987,692)</u>
Total Revenues	<u>1,264,692</u>	<u>163,049</u>	<u>(1,101,643)</u>
Expenditures:			
Transportation:			
Street Construction	<u>1,239,692</u>	<u>837,565</u>	<u>402,127</u>
Bridge Construction and Maintenance	<u>25,000</u>	<u> </u>	<u>25,000</u>
Total Expenditures	<u>1,264,692</u>	<u>837,565</u>	<u>427,127</u>
Excess of Revenues Under Expenditures	<u>\$</u>	<u>(674,516)</u>	<u>(674,516)</u>
Fund Balance - July 1		<u>3,720,597</u>	<u>3,720,597</u>
Fund Balance - June 30		<u>\$ 3,046,081</u>	<u>\$ 3,046,081</u>

State Highway Allocation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
State Powell Bill	<u>\$6,590,139</u>	<u>\$6,600,398</u>	<u>\$ 10,259</u>
Assessments	<u> </u>	<u>1,408</u>	<u>1,408</u>
Investment Income	<u>355,000</u>	<u>418,085</u>	<u>63,085</u>
Miscellaneous:			
Sales and Use Tax Refund	<u>30,000</u>	<u> </u>	<u>(30,000)</u>
Appropriated Fund Balance	<u>114,110</u>	<u> </u>	<u>(114,110)</u>
Total Revenues	<u>7,089,249</u>	<u>7,019,891</u>	<u>(69,358)</u>
Expenditures:			
Transportation:			
Transportation Improvements	<u>7,500</u>	<u> </u>	<u>7,500</u>
Streets and Structures	<u>131,610</u>	<u>71,873</u>	<u>59,737</u>
Total Expenditures	<u>139,110</u>	<u>71,873</u>	<u>67,237</u>
Excess of Revenues Over Expenditures	<u>6,950,139</u>	<u>6,948,018</u>	<u>(2,121)</u>
Other Financing Uses:			
Transfers Out	<u>(6,950,139)</u>	<u>(6,950,139)</u>	<u> </u>
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	<u>(2,121)</u>	<u>(2,121)</u>
Fund Balance - July 1		<u>3,575,766</u>	<u>3,575,766</u>
Fund Balance - June 30		<u>\$3,573,645</u>	<u>\$ 3,573,645</u>

Cemetery Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Forest Lawn Cemetery	\$ 340,500	\$ 293,550	\$ (46,950)
Maplewood Cemetery	35,000	53,252	18,252
Greenhill Cemetery	51,400	39,081	(12,319)
Total Charges for Current Services	<u>426,900</u>	<u>385,883</u>	<u>(41,017)</u>
Investment Income	<u>40,000</u>	<u>47,620</u>	<u>7,620</u>
Miscellaneous:			
Donations and Contributions	100	593	493
Other Miscellaneous Revenue	<u>100</u>	<u>35</u>	<u>35</u>
	<u>100</u>	<u>628</u>	<u>528</u>
Appropriated Fund Balance	<u>2,201</u>	<u></u>	<u>(2,201)</u>
Total Revenues	<u>469,201</u>	<u>434,131</u>	<u>(35,070)</u>
Expenditures:			
Culture and Recreation:			
Cemeteries:			
Administration	259,355	233,866	25,489
Forest Lawn Cemetery	181,502	141,674	39,828
Maplewood Cemetery	105,419	63,031	42,388
Greenhill Cemetery	<u>159,335</u>	<u>136,730</u>	<u>22,605</u>
Total Expenditures	<u>705,611</u>	<u>575,301</u>	<u>130,310</u>
Excess of Revenues Under Expenditures	<u>(236,410)</u>	<u>(141,170)</u>	<u>95,240</u>
Other Financing Sources (Uses):			
Transfers In	278,310	278,310	
Transfers Out	<u>(41,900)</u>	<u>(39,383)</u>	<u>2,517</u>
Total Other Financing Sources (Uses)	<u>236,410</u>	<u>238,927</u>	<u>2,517</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	<u>97,757</u>	<u>97,757</u>
Fund Balance - July 1		<u>11,694</u>	<u>11,694</u>
Fund Balance - June 30		<u>\$ 109,451</u>	<u>\$ 109,451</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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Room Occupancy Tax	\$ 2,676,190	\$ 2,920,404	\$ 244,214
Room Occupancy Tax Penalty		60	60
Total Taxes	<u>2,676,190</u>	<u>2,920,464</u>	<u>244,274</u>
Investment Income	<u>10,000</u>	_____	<u>(10,000)</u>
Miscellaneous:			
Donations and Contributions	<u>900,000</u>	<u>900,000</u>	_____
Appropriated Fund Balance	_____	_____	_____
Total Revenues	<u>3,586,190</u>	<u>3,820,464</u>	<u>234,274</u>
Expenditures:			
Culture and Recreation	200,000	200,000	
Debt Service:			
Principal Retirement	2,175,000	2,173,640	1,360
Interest	1,140,000	1,149,990	(9,990)
Fees and Other	<u>71,190</u>	<u>40,050</u>	<u>31,140</u>
Total Expenditures	<u>3,586,190</u>	<u>3,563,680</u>	<u>22,510</u>
Excess of Revenues Over Expenditures	<u>\$ _____</u>	256,784	256,784
Fund Balance - July 1		<u>346,334</u>	<u>346,334</u>
Fund Balance - June 30		<u>\$ 603,118</u>	<u>\$ 603,118</u>

Special Tax Districts Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes	\$453,000	\$ 532,866	\$ 79,866
Local Option Sales Tax	10,000	202,834	192,834
Total Taxes	<u>463,000</u>	<u>735,700</u>	<u>272,700</u>
Investment Income	<u> </u>	21,982	21,982
Appropriated Fund Balance	<u>30,943</u>	<u> </u>	(30,943)
Total Revenues	<u>493,943</u>	<u>757,682</u>	<u>263,739</u>
Expenditures:			
Community Development:			
Aycok Historic District	44,000	31,359	12,641
College Hill Historic District	39,943	2,030	37,913
Business Improvement District	410,000	400,000	10,000
Total Expenditures	<u>493,943</u>	<u>433,389</u>	<u>60,554</u>
Excess of Revenues Over Expenditures	<u>\$ </u>	324,293	324,293
Fund Balance - July 1		<u>869,831</u>	<u>869,831</u>
Fund Balance - June 30		<u>\$ 1,194,124</u>	<u>\$ 1,194,124</u>

Housing Partnership Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Mortgage Collections	\$ 380,000	\$ 386,926	\$ 6,926
Sale of Materials		1,917	1,917
Donations		15,000	15,000
Sales and Use Tax Refund		3,271	3,271
Other Revenue	478,398	184,902	(293,496)
Total Charges for Current Services	<u>858,398</u>	<u>592,016</u>	<u>(266,382)</u>
Investment Income		52,488	52,488
Appropriated Fund Balance	443,712		(443,712)
Total Revenues	<u>1,302,110</u>	<u>644,504</u>	<u>(657,606)</u>
Expenditures:			
Housing:			
Administration	1,533,017	1,186,923	346,094
Housing Programs	1,400,793	586,505	814,288
Total Expenditures	<u>2,933,810</u>	<u>1,773,428</u>	<u>1,160,382</u>
Excess of Revenues Under Expenditures	(1,631,700)	(1,128,924)	502,776
Other Financing Sources:			
Transfers In	1,631,700	1,631,700	
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	502,776	502,776
Fund Balance - July 1		2,195,180	2,195,180
Fund Balance - June 30		<u>\$ 2,697,956</u>	<u>\$ 2,697,956</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 32,234,322	\$ 26,675,139	\$ 2,672,534	\$ 29,347,673
Local Grants	85,637	85,637		85,637
Total Intergovernmental	<u>32,319,959</u>	<u>26,760,776</u>	<u>2,672,534</u>	<u>29,433,310</u>
Investment Income	<u>1,109,134</u>	<u>1,190,329</u>	<u>92,390</u>	<u>1,282,719</u>
Charges for Current Services:				
Program Income	209,239			
Rent	261,688	198,593	16,515	215,108
Mortgage Collections	4,331,622	4,324,417	382,211	4,706,628
Targeted Loan Pool Proceeds			19,992	19,992
Sale of Real Estate	242,230	242,230	9,789	252,019
Other Revenue	32,611	51,227	18,188	69,415
Total Charges for Current Services	<u>5,077,390</u>	<u>4,816,467</u>	<u>446,695</u>	<u>5,263,162</u>
 Total Revenues	 <u>38,506,483</u>	 <u>32,767,572</u>	 <u>3,211,619</u>	 <u>35,979,191</u>
Expenditures:				
Community Development:				
Block Grant:				
Administration	3,296,949	2,670,391	401,009	3,071,400
Community Planning	626,855	710,206		710,206
Fair Housing	176,000	152,942	18,500	171,442
Rental Rehabilitation	1,406,660	811,923	292,366	1,104,289
Citywide Housing Repair	3,207,531	3,190,029	15,982	3,206,011
Target Area Personnel	569,778	472,775	4,263	477,038
Targeted Loan Pool Program	1,017,000	258,190	234,841	493,031
MWBE Training Program	35,000	33,600		33,600
Emergency Shelter Assistance	43,350	43,350		43,350
Neighborhood Economic Development	160,000	160,000		160,000
Gate City Partners and Business	130,000	130,000		130,000
Greensboro Women's Club	62,000	62,000		62,000
Asheboro	2,718,194	1,937,240	211,437	2,148,677
Asheboro Resource Center	50,000	50,000		50,000
Arlington Park	1,254,898	898,329	254,630	1,152,959
Rosewood	766,313	746,208	3,115	749,323
Section 108 Loan Principal Retirement	3,373,815	2,436,904	385,000	2,821,904
Section 108 Loan Interest		331,533	217,108	548,641
Section 108 Fees		300		300
Eastside Park	1,866,464	1,817,407	11,345	1,828,752
Best Street	328,597	328,600		328,600
Gorrell Street	55,039	35,823	9,256	45,079
Gideon's Army	12,500	12,500		12,500
Willow Oaks	994,417	442,635	518,325	960,960
Housing Coalition	72,500	72,500		72,500
Women's Resource Center	25,000	25,000		25,000
Greensboro Children's Museum	25,000	25,000		25,000
Hope VI Revitalization	30,020	30,020		30,020
Magnolia House Motel	110,601	93,837	16,763	110,600
Project Deadbolt	4,195	4,194		4,194
Project Homestead Construction Training	20,000	20,000		20,000
Episcopal Servant Center	94,662	53,662	41,000	94,662
Youth Focus	15,310	15,310		15,310
Warnersville Recreation Center	4,314	4,313		4,313

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, 2006

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total To Date</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Expenditures (Continued):				
Lot Acquisition	\$ 232,846	\$ 232,845	\$	\$ 232,845
Homeowner Rehab	699,126	180,612	288,749	469,361
Family and Children's Services	34,713	34,712		34,712
Salvation Army	341,000	233,750	107,250	341,000
Jericho House	67,869	62,000	5,869	67,869
Southeast Economic Development	214,209	214,209		214,209
Central Carolina Legal Service	28,502	28,502		28,502
Compass International	12,500	12,500		12,500
S/F Homeownership Opportunity	444,667	444,667		444,667
Habitat - Holt's Chapel	65	65		65
Habitat for Humanity	15,000		12,934	12,934
M/F Rental Housing Technical Assistance	9,521	9,521		9,521
Homeless Prevention Services & Shelter	148,720	148,720		148,720
Christian Counseling/Wellness	152,500	125,000		125,000
East Market Street Development Corporation	70,000	70,000		70,000
Interfaith Hospitality Network	32,000	15,000	14,501	29,501
Malachi House	91,000	56,000	24,974	80,974
Mary's House	50,131	26,000	23,209	49,209
Room at the Inn of the Triad	125,000	125,000		125,000
Prince of Peace Shelter	78,000	55,000	23,000	78,000
Guilford Native American Association	25,000	25,000		25,000
Elderly Housing	21,760	21,760		21,760
Contingency	60,218			
Public Service Funding	63,750	63,750		63,750
Greensboro Urban Ministry	216,704	145,600	71,104	216,704
Self Help Credit Union	21,609	21,609		21,609
Advocacy - Persons W/Disability	3,500	3,499		3,499
Section 108 Project	1,640,000	1,639,998		1,639,998
Other Community Development:				
Kids, Inc. Day Care	182,385	137,834	9,835	147,669
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	2,000,267		2,000,267
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	1,563,772		1,563,772
HOPWA	1,228,000	1,160,044		1,160,044
Federal Emergency Shelter Grant	165,985	82,000	82,780	164,780
Total Expenditures	38,521,868	32,874,991	3,299,145	36,174,136
Excess of Revenues Under Expenditures	(15,385)	(107,419)	(87,526)	(194,945)
Other Financing Sources:				
Transfers In	15,385	15,385		15,385
Excess of Revenues and Other Financing Sources Under Expenditures	\$	(92,034)	(87,526)	(179,560)
Fund Balance - July 1			(92,034)	
Fund Balance - June 30		\$ (92,034)	\$ (179,560)	\$ (179,560)

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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 14,434,784	\$ 8,906,415	\$ 1,056,539	\$ 9,962,954
Local Grants	113,369			
Total Intergovernmental	<u>14,548,153</u>	<u>8,906,415</u>	<u>1,056,539</u>	<u>9,962,954</u>
Investment Income	<u>64,985</u>	<u>64,986</u>	<u>25,335</u>	<u>90,321</u>
Miscellaneous:				
Mortgage Collections	275,046	236,796	76,176	312,972
Sale of Real Estate			41,878	41,878
Program Income - Prior Years		1,100	(1,100)	
Other Miscellaneous Revenue	<u>14,339</u>	<u>13,240</u>	<u>1,175</u>	<u>14,415</u>
Total Miscellaneous	<u>289,385</u>	<u>251,136</u>	<u>118,129</u>	<u>369,265</u>
Total Revenues	<u>14,902,523</u>	<u>9,222,537</u>	<u>1,200,003</u>	<u>10,422,540</u>
Expenditures:				
Greensboro Home Program	8,570,085	4,972,644	419,404	5,392,048
Greensboro Affordable Home Loans - ADDI	21,450	21,000		21,000
Guilford County Home Program	1,056,013	420,831	9,857	430,688
High Point Home Program	2,801,194	1,925,822	198,150	2,123,972
Burlington Home Program	1,663,482	1,292,255	279,554	1,571,809
Alamance County Home Program	<u>774,914</u>	<u>508,283</u>	<u>178,941</u>	<u>687,224</u>
Total Expenditures	<u>14,887,138</u>	<u>9,140,835</u>	<u>1,085,906</u>	<u>10,226,741</u>
Excess of Revenues Over Expenditures	15,385	81,702	114,097	195,799
Other Financing Uses:				
Transfers Out	<u>(15,385)</u>	<u>(15,385)</u>		<u>(15,385)</u>
Excess of Revenues and Other Financing Uses Over Expenditures	<u>\$</u>	66,317	114,097	180,414
Fund Balance - July 1			<u>66,317</u>	
Fund Balance - June 30		<u>\$ 66,317</u>	<u>\$ 180,414</u>	<u>\$ 180,414</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment Income	\$ 67,757	\$ 69,358	\$ 5,102	\$ 74,460
Miscellaneous:				
Mortgage Collections	139,391	139,391		139,391
Other Miscellaneous Revenue		75	12,033	12,108
Total Miscellaneous	<u>139,391</u>	<u>139,466</u>	<u>12,033</u>	<u>151,499</u>
Total Revenues	<u>207,148</u>	<u>208,824</u>	<u>17,135</u>	<u>225,959</u>
Expenditures:				
Section 108 Project	7,461,000	5,171,478	1,712,767	6,884,245
Willow Oaks	<u>207,148</u>	<u>70,456</u>	<u>19,496</u>	<u>89,952</u>
Total Expenditures	<u>7,668,148</u>	<u>5,241,934</u>	<u>1,732,263</u>	<u>6,974,197</u>
Excess of Revenues Under Expenditures	<u>(7,461,000)</u>	<u>(5,033,110)</u>	<u>(1,715,128)</u>	<u>(6,748,238)</u>
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>7,461,000</u>	<u>4,987,000</u>	<u>1,640,000</u>	<u>6,627,000</u>
Excess of Revenues and Other Financing Sources Under Expenditures	<u>\$</u>	(46,110)	(75,128)	(121,238)
Fund Balance - July 1			<u>(46,110)</u>	
Fund Balance - June 30		<u>\$ (46,110)</u>	<u>\$ (121,238)</u>	<u>\$ (121,238)</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants:				
WIA Adult	\$ 4,519,550	\$ 2,959,531	\$ 1,067,482	\$ 4,027,013
WIA Dislocated Worker	4,159,457	2,563,353	1,105,127	3,668,480
WIA Youth	3,795,949	2,265,783	937,187	3,202,970
WIA 10% Statewide Activities	1,462,081	770,515	309,683	1,080,198
Administrative Cost Pools	1,386,106	786,284	455,905	1,242,189
Hurricane Katrina 2005	300,000		81,649	81,649
H-1B Technical Skills Training	2,721,000	1,194,024		1,194,024
Total Federal Grants	<u>18,344,143</u>	<u>10,539,490</u>	<u>3,957,033</u>	<u>14,496,523</u>
State Grants:				
NCETGP Grant	208,123	208,123		208,123
Total Intergovernmental	<u>18,552,266</u>	<u>10,747,613</u>	<u>3,957,033</u>	<u>14,704,646</u>
Investment Income		1,820	(7,177)	(5,357)
Miscellaneous:				
Sale of Materials		2,374	1,098	3,472
Sale of Equipment		123		123
Other Miscellaneous Revenue		2,616		2,616
Total Miscellaneous		<u>5,113</u>	<u>1,098</u>	<u>6,211</u>
Total Revenues	<u>18,552,266</u>	<u>10,754,546</u>	<u>3,950,954</u>	<u>14,705,500</u>
Expenditures:				
WIA Adult	4,519,550	2,952,176	1,203,996	4,156,172
WIA Dislocated Worker	4,159,457	2,607,520	1,115,373	3,722,893
WIA Youth	3,795,949	2,323,603	899,957	3,223,560
WIA 10% Statewide Activities	1,462,081	767,182	180,046	947,228
Administrative Cost Pools	1,386,106	831,975	403,221	1,235,196
Hurricane Katrina 2005	285,000		81,649	81,649
Hurricane Katrina Administration 2005	15,000		8,142	8,142
NCETGP Grant	208,123	208,123		208,123
H-1B Technical Skills Training	2,721,000	1,194,024		1,194,024
Total Expenditures	<u>18,552,266</u>	<u>10,884,603</u>	<u>3,892,384</u>	<u>14,776,987</u>
Excess of Revenues Over (Under) Expenditures	<u>\$</u>	(130,057)	58,570	(71,487)
Fund Balance - July 1			(130,057)	
Fund Balance - June 30		<u>\$ (130,057)</u>	<u>\$ (71,487)</u>	<u>\$ (71,487)</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
EPA Brownsfield Assessment	\$ 200,000	\$ 25,896	\$ 115,350	\$ 141,246
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>25,896</u>	<u>258,453</u>	<u>258,453</u>
Total Intergovernmental Revenue	<u>2,200,000</u>	<u>25,896</u>	<u>373,803</u>	<u>399,699</u>
Investment Income	<u> </u>	<u>989</u>	<u>(1,362)</u>	<u>(373)</u>
Total Revenues	<u>2,200,000</u>	<u>26,885</u>	<u>372,441</u>	<u>399,326</u>
Expenditures:				
South Elm Street Section 108 Project	3,000,000	122,645	225,819	348,464
EPA Brownsfield Assessment	200,000	25,896	128,981	154,877
South Elm Street BEDI - 2005	<u>2,000,000</u>	<u>9,412</u>	<u>255,868</u>	<u>265,280</u>
Total Expenditures	<u>5,200,000</u>	<u>157,953</u>	<u>610,668</u>	<u>768,621</u>
Excess of Revenues Under Expenditures	(3,000,000)	(131,068)	(238,227)	(369,295)
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>3,000,000</u>	<u> </u>	<u>1,000</u>	<u>1,000</u>
Excess of Revenues and Other Financing Sources Under Expenditures	<u>\$</u>	(131,068)	(237,227)	(368,295)
Fund Balance - July 1	<u> </u>	<u> </u>	<u>(131,068)</u>	<u> </u>
Fund Balance - June 30	<u> </u>	<u>\$ (131,068)</u>	<u>\$ (368,295)</u>	<u>\$ (368,295)</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants	\$ 12,045,173	\$3,201,723	\$2,110,346	\$ 5,312,069
State Grants	13,827,200	4,443,549	1,624,943	6,068,492
Local Grants	867,399	693,450	1,935	695,385
Total Intergovernmental	<u>26,739,772</u>	<u>8,338,722</u>	<u>3,737,224</u>	<u>12,075,946</u>
Investment Income	12,225	12,603	(1,095)	11,508
Miscellaneous:				
Mortgage Collections		4,100	(4,100)	
In-Kind and Matching Revenues	1,520,036	1,083,213	288,791	1,372,004
Total Miscellaneous	<u>1,520,036</u>	<u>1,087,313</u>	<u>284,691</u>	<u>1,372,004</u>
Total Revenues	<u>28,272,033</u>	<u>9,438,638</u>	<u>4,020,820</u>	<u>13,459,458</u>
Expenditures:				
General Government:				
Scattered Site Rehab 2001-02	396,500	385,365	9,044	394,409
GIS Data Clearinghouse	2,120	629		629
Public Access Channel	637,450	532,085		532,085
Total General Government	<u>1,036,070</u>	<u>918,079</u>	<u>9,044</u>	<u>927,123</u>
Public Safety:				
Local Law Enforcement Block Grant 2003-04	269,458	68,634	198,436	267,070
Local Law Enforcement Block Grant 2004-05	121,381	106,587	12,473	119,060
Forfeiture Funds - 2002-03	285,000	166,904		166,904
Forfeiture Funds - 2003-04	527,500	492,256	10,492	502,748
Forfeiture Funds - 2004-05	271,000	43,340	108,245	151,585
Forfeiture Funds - 2005-06	630,000		18,555	18,555
Weed and Seed Operation	25,000		25,000	25,000
Weed and Seed Overtime Grant - 2006	50,000		10,354	10,354
Homeland Security Grant - 2003-04	58,000		5,816	5,816
Homeland Security Grant - 2004-05	308,000		307,994	307,994
Homeland Security Grant - 2005-06	123,750		122,724	122,724
ODP Homeland Security Grant - 2005	178,153			
Governor's Highway Safety Regional Coordinator	10,000		6,851	6,851
Byrne Justice Assistance Grant - 2005-06	188,991		173,427	173,427
GHSP Regional Coordinators - 2005-06	10,000		513	513
Safe Neighborhood Heroes Grant	1,500			
PNRC Walmart Grant - 2005	2,000		662	662
Violent Crime Task Force - 2001-02	130,000	50,151	26,541	76,692
Financial Crimes Task Force - 2004-05	4,000	4,000		4,000
Financial Crimes Task Force - 2005-06	4,000		3,748	3,748
NC Joint Terrorism Task Force - 2005	14,670	9,014	1,530	10,544
COPS More - 2001	796,500	680,644		680,644
Traffic Enforcement Positions - 2004-07	1,073,435	313,501	338,126	651,627
Conflict Resolution Workshops at Dudley	7,000		6,965	6,965
Metro Medical Response System - 2003	880,557	280,479	4,329	284,808
Metro Medical Response System - 2004	400,000	446	305,075	305,521
Metro Medical Response System - 2005	227,592			
Regional Hazmat Response Team - 2003-04	52,000	44,199		44,199
Regional Hazmat Response Team - 2004-05	57,000	41,998	8,009	50,007
Regional Hazmat Response Team - 2005-06	57,000		31,765	31,765
Regional Hazmat Response Team - 2006-07	57,000			
USAR Reimbursement Grant - 2005-06	7,000		6,427	6,427
Hazmat Equipment Grant - 2003-04	21,739	16,727	5,012	21,739
Total Public Safety	<u>6,849,226</u>	<u>2,318,880</u>	<u>1,739,069</u>	<u>4,057,949</u>
Transportation:				
Transportation Planning - 2004-05	703,481	313,508		313,508
Transportation Planning - 2005-06	886,351		620,421	620,421
NC Association of Metropolitan Planning	4,000	2,680		2,680
Eckerson US 29 Environmental Study	750,000	90,229		90,229
Section 5303 Metro Planning - 2004-05	73,120	73,120		73,120
Section 5303 Metro Planning - 2005-06	78,000		78,000	78,000
McKnight Mill Road Sidewalk	64,000			

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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures: (Continued)				
Transportation (continued):				
Holden/Market Street Intersection Improvement	\$ 491,158	\$ 491,158	\$	\$ 491,158
Hornaday Road Improvement	3,750,000	107,035	228,969	336,004
Knox Road Improvement - 2005	400,000			
NC SE Trail Connector - 2002-03	66,000		66,000	66,000
SE Connector Trail Phase II	50,000			
Bicentennial Greenway Trail Program	63,950			
Lee Street Enhancement Grant - 2003-04	200,000	188,542		188,542
Oka T. Hester Park Dam Construction	5,015,000	3,173,757	90,808	3,264,565
Total Transportation	<u>12,595,060</u>	<u>4,440,029</u>	<u>1,084,198</u>	<u>5,524,227</u>
Engineering and Inspections:				
16th Street Bridge Replacement	3,461,272	268,897	46,679	315,576
Ballinger Road Bridge Replacement	625,000	66,026	50,355	116,381
Clean Water Management	1,020,000	991,987	22,053	1,014,040
Electronic Waste Recycling 2004-05	14,400	2,752	9,884	12,636
Electronic Waste Recycling 2005-06	15,000		15,000	15,000
Recycling RE3 Activities - 2005-06	11,800		7,561	7,561
Piedmont Triad Water Quality Yr 2	32,034	19,179	12,855	32,034
Piedmont Triad Water Quality Yr 3	74,299		61,982	61,982
Piedmont Triad Water Quality Yr 4	47,500			
Bioretention Areas Grant	150,000	141,029	(4,522)	136,507
Total Engineering and Inspections	<u>5,451,305</u>	<u>1,489,870</u>	<u>221,847</u>	<u>1,711,717</u>
Culture and Recreation:				
Glenwood Resource Center	219,600	130,249	43,631	173,880
Senior Games Project - 2005-06	2,222		2,221	2,221
Senior Center Project - 2005-06	7,272		7,039	7,039
Youth First Hope Project - 2005-06	10,000		4,300	4,300
Youth Council Artistry Award - 2005-06	1,000		1,000	1,000
Youth First Photovoice Grant - 2005-06	5,093		870	870
Sundays in the Park 2005-06	20,000		1,100	1,100
TYGR Paws Project - 2004-05	6,000	77	5,843	5,920
TYGR Golf Program - 2005-06	9,030		206	206
Tannenbaum-Sternberger - 2001-02	30,000	27,530	2,470	30,000
Greening Greensboro Initiative	30,000	9,891	14,068	23,959
GSO Urban Forestry Program - 2005-06	20,106		12,419	12,419
Musep Concert Series Program - 2004-05	21,500		21,500	21,500
Youth First Teen Summit - 2005-06	3,500		3,500	3,500
Youth Football Program - 2005-06	1,000		1,000	1,000
Total Culture and Recreation	<u>386,323</u>	<u>167,747</u>	<u>121,167</u>	<u>288,914</u>
Community Development and Housing:				
Fair Housing Assistance - 2003-05	128,900	35,898	56,138	92,036
NCHFA/Duke Power Energy Grant - 2001-02	150,000	142,620		142,620
NCHFA/Duke Power Energy Grant - 2002-03	150,000	39,062		39,062
Lead Paint Grant - 2005-08	3,000,000	308,961	920,513	1,229,474
Emergency Shelter Grant	86,218	75,533	10,685	86,218
Total Community Development and Housing	<u>3,515,118</u>	<u>602,074</u>	<u>987,336</u>	<u>1,589,410</u>
Total Expenditures	<u>29,833,102</u>	<u>9,936,679</u>	<u>4,162,661</u>	<u>14,099,340</u>
Excess of Revenues Under Expenditures	(1,561,069)	(498,041)	(141,841)	(639,882)
Other Financing Sources:				
Transfers In	<u>1,561,069</u>	<u>1,143,327</u>	<u>288,117</u>	<u>1,431,444</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	<u>645,286</u>	<u>146,276</u>	<u>791,562</u>
Fund Balance - July 1			<u>645,286</u>	
Fund Balance - June 30		<u>\$ 645,286</u>	<u>\$ 791,562</u>	<u>\$ 791,562</u>

Guilford Metro 911 Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment Income	\$	\$ 39,408	\$ 39,408
Miscellaneous:			
Sale of Material		2,092	2,092
Other Miscellaneous Revenue	745,010	587,933	(157,077)
Total Miscellaneous	<u>745,010</u>	<u>590,025</u>	<u>(154,985)</u>
Appropriated Fund Balance	<u>413,175</u>		<u>(413,175)</u>
Total Revenues	<u>1,158,185</u>	<u>629,433</u>	<u>(528,752)</u>
Expenditures:			
Metro Communications Administration	135,780	142,889	(7,109)
Communications	4,224,010	3,659,610	564,400
911 Wireless	497,646	348,030	149,616
Emergency Management	203,879	160,316	43,563
Future Expansion	<u>820,492</u>		<u>820,492</u>
Total Expenditures	<u>5,881,807</u>	<u>4,310,845</u>	<u>1,570,962</u>
Excess of Revenues Under Expenditures	(4,723,622)	(3,681,412)	1,042,210
Other Financing Sources:			
Transfers In	<u>4,723,622</u>	<u>4,723,622</u>	
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	1,042,210	1,042,210
Fund Balance - July 1		<u>734,601</u>	<u>734,601</u>
Fund Balance - June 30		<u><u>1,776,811</u></u>	<u><u>1,776,811</u></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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Local Reimbursements:			
Payment In Lieu of Taxes	\$ 110,000	\$ 100,891	\$ (9,109)
Investment Income	3,705,000	3,332,998	(372,002)
Miscellaneous:			
Sales and Use Tax Refund	100,000	183,345	83,345
Appropriated Fund Balance	3,418,785		(3,418,785)
Total Revenues	<u>7,333,785</u>	<u>3,617,234</u>	<u>(3,716,551)</u>
Expenditures:			
Debt Service:			
Principal Retirement	13,190,570	13,018,210	172,360
Interest	7,974,043	6,521,260	1,452,783
Fees and Other	740,000	146,687	593,313
Total Expenditures	<u>21,904,613</u>	<u>19,686,157</u>	<u>2,218,456</u>
Excess of Revenues Under Expenditures	<u>(14,570,828)</u>	<u>(16,068,923)</u>	<u>(1,498,095)</u>
Other Financing Sources:			
Transfers In	<u>14,570,828</u>	<u>14,570,828</u>	
Excess of Revenues and Other Financing Sources Under Expenditures	<u>\$</u>	(1,498,095)	(1,498,095)
Fund Balance - July 1		<u>13,030,506</u>	<u>13,030,506</u>
Fund Balance - June 30		<u>\$ 11,532,411</u>	<u>\$ 11,532,411</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 1,441,503	\$ 1,424,252	\$	\$ 1,424,252
State Reimbursements - Transportation Projects		130,312		130,312
Total Intergovernmental	<u>1,441,503</u>	<u>1,554,564</u>		<u>1,554,564</u>
Charges for Current Services:				
Contracted Construction Projects	410,000	80,000		80,000
Appropriated Fund Balance	267,000			
Total Revenues	<u>2,118,503</u>	<u>1,634,564</u>		<u>1,634,564</u>
Expenditures:				
Capital Improvements:				
Transportation:				
Transportation Improvements	6,039,161	2,319,533	2,373,054	4,692,587
Engineering and Inspections:				
Street Construction	4,118,931	4,115,351		4,115,351
Sidewalk and Crosswalk Construction	835,651	835,649		835,649
Bridge Construction and Maintenance	652,881	642,661		642,661
City State Road Projects	781,879	772,693		772,693
Culture and Recreation:				
Bur-Mil Park Trail Improvements	167,600	167,595		167,595
Total Expenditures	<u>12,596,103</u>	<u>8,853,482</u>	<u>2,373,054</u>	<u>11,226,536</u>
Excess of Revenues Under Expenditures	<u>(10,477,600)</u>	<u>(7,218,918)</u>	<u>(2,373,054)</u>	<u>(9,591,972)</u>
Other Financing Sources:				
Debt Issuances:				
Capitalized Leases		183,589		183,589
Transfers In	10,477,600	9,527,600		9,527,600
Total Other Financing Sources	<u>10,477,600</u>	<u>9,711,189</u>		<u>9,711,189</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	2,492,271	(2,373,054)	119,217
Fund Balance - July 1			2,492,271	
Fund Balance - June 30		<u>\$ 2,492,271</u>	<u>\$ 119,217</u>	<u>\$ 119,217</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Community Development & Housing:				
Streets and Structures	\$ 850,000	\$ 205,926	\$ 644,094	\$ 850,020
Sidewalk and Crosswalk Construction	700,000		399,742	399,742
Transportation:				
Transportation Improvements	32,135,612	16,762,077	8,264,037	25,026,114
Engineering and Inspections:				
Streets and Structures	4,717,970	4,717,969		4,717,969
Sidewalk and Crosswalk Construction	3,047,621	2,986,071		2,986,071
Bridge Construction and Maintenance	498,521	498,520		498,520
Total Expenditures	<u>41,949,724</u>	<u>25,170,563</u>	<u>9,307,873</u>	<u>34,478,436</u>
Other Financing Sources (Uses):				
Transfers In	43,018,529	36,056,572	3,350,139	39,406,711
Transfers Out	<u>(1,068,805)</u>	<u>(871,920)</u>	<u>(196,884)</u>	<u>(1,068,804)</u>
Total Other Financing Sources (Uses)	<u>41,949,724</u>	<u>35,184,652</u>	<u>3,153,255</u>	<u>38,337,907</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	10,014,089	(6,154,618)	3,859,471
Fund Balance - July 1			<u>10,014,089</u>	
Fund Balance - June 30		<u>\$ 10,014,089</u>	<u>\$ 3,859,471</u>	<u>\$ 3,859,471</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, 2006

	<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		146,016	146,016
Miscellaneous:				
Rent		25,000		25,000
Sale of Real Estate	360,000	364,600	704,000	1,068,600
Donations and Private Contributions	380,977	380,977		380,977
Total Revenues	<u>990,977</u>	<u>770,577</u>	<u>2,850,016</u>	<u>3,620,593</u>
Expenditures:				
Capital Improvements:				
General Government	108,400	89,718		89,718
Public Safety	525,000	155,212	338,939	494,151
Transportation	14,000			
Culture and Recreation	2,022,787	350,742	542,671	893,413
Engineering	50,000		17,634	17,634
Total Expenditures	<u>2,720,187</u>	<u>595,672</u>	<u>899,244</u>	<u>1,494,916</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,729,210)</u>	<u>174,905</u>	<u>1,950,772</u>	<u>2,125,677</u>
Other Financing Sources:				
Transfers In	<u>1,729,210</u>	<u>1,300,829</u>	<u>363,000</u>	<u>1,663,829</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	1,475,734	2,313,772	3,789,506
Fund Balance - July 1			<u>1,475,734</u>	
Fund Balance - June 30		<u>\$ 1,475,734</u>	<u>\$ 3,789,506</u>	<u>\$ 3,789,506</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 562,445	\$ 562,442	\$	\$ 562,442
Miscellaneous:				
Donations and Private Contributions	214,025	388,634		388,634
Construction Project Development	965,029	1,103,948		1,103,948
Other Revenue		3,162		3,162
Total Revenues	<u>1,741,499</u>	<u>2,058,186</u>		<u>2,058,186</u>
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	1,879,734	1,879,719		1,879,719
Engineering and Inspections:				
Street Construction - 1985	1,995,371	1,984,294		1,984,294
Street Construction - 1988	71,116,329	69,870,904	998,147	70,869,051
Center City Improvements	2,972,075	2,927,687		2,927,687
Culture and Recreation:				
Recreation Centers	5,822,000	5,764,574		5,764,574
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
Total Expenditures	<u>92,521,169</u>	<u>91,159,557</u>	<u>998,147</u>	<u>92,157,704</u>
Excess of Revenues Under Expenditures	<u>(90,779,670)</u>	<u>(89,101,371)</u>	<u>(998,147)</u>	<u>(90,099,518)</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	(573,680)	(547,233)		(547,233)
Total Other Financing Sources (Uses)	<u>90,779,670</u>	<u>90,806,117</u>		<u>90,806,117</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	1,704,746	(998,147)	706,599
Fund Balance - July 1			<u>1,704,746</u>	
Fund Balance - June 30		<u>\$ 1,704,746</u>	<u>\$ 706,599</u>	<u>\$ 706,599</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, 2006

	<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		9,328
Rent	13,193	13,193		13,193
Sale of Real Estate	555,183	555,183		555,183
Donations & Private Contributions	20,000	20,000		20,000
Other Revenue	24,503	30,103		30,103
	<u>860,936</u>	<u>866,536</u>		<u>866,536</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Neighborhood Renewal	8,161,408	7,814,105	142,403	7,956,508
Excess of Revenues Under Expenditures	<u>(7,300,472)</u>	<u>(6,947,569)</u>	<u>(142,403)</u>	<u>(7,089,972)</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>7,285,000</u>	<u>15,472</u>	<u>7,300,472</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	337,431	(126,931)	210,500
Fund Balance - July 1			<u>337,431</u>	
Fund Balance - June 30		<u>\$ 337,431</u>	<u>\$ 210,500</u>	<u>\$ 210,500</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, 2006

	<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	\$ 13,857,865	\$ 419,254	\$ 14,277,119
Fire Station	1,500,000	1,499,804		1,499,804
Police Department	411,035			
Technology and Facilities:				
Municipal Buildings	2,000,000	1,805,999		1,805,999
Medford Center Improvements	4,374,965	2,206,138	1,759,303	3,965,441
Total Expenditures	<u>22,786,000</u>	<u>19,369,806</u>	<u>2,178,557</u>	<u>21,548,363</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	<u>\$</u>	3,414,653	(2,178,557)	1,236,096
Fund Balance - July 1			<u>3,414,653</u>	
Fund Balance - June 30		<u>\$ 3,414,653</u>	<u>\$ 1,236,096</u>	<u>\$ 1,236,096</u>

Public Improvement Bond Fund - Series 1998B

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2006

	<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:				
Single Family Housing Programs	\$ 2,156,966	\$ 2,154,408	\$ 2,558	\$ 2,156,966
Greensboro Housing Authority Projects	1,500,000	1,500,000		1,500,000
	<u>3,656,966</u>	<u>3,654,408</u>	<u>2,558</u>	<u>3,656,966</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	3,700,000	3,700,000		3,700,000
Transfers Out	(43,034)	(43,034)		(43,034)
	<u>3,656,966</u>	<u>3,656,966</u>		<u>3,656,966</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	2,558	(2,558)	
Fund Balance - July 1			<u>2,558</u>	
Fund Balance - June 30		<u>\$ 2,558</u>	<u>\$</u>	<u>\$</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$	\$ 101,500	\$ 16,413	\$ 117,913
Interest Collected - Rehabilitation Mortgages		754	9,990	10,744
Sale of Real Estate			14,726	14,726
Total Revenues		102,254	41,129	143,383
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Single Family Housing Program	2,989,350	2,968,422	15,380	2,983,802
Multi-family Housing Program	2,491,740	2,484,772	26	2,484,798
Neighborhood Renewal	818,910	818,349	187	818,536
Total Expenditures	6,300,000	6,271,543	15,593	6,287,136
Excess of Revenues Over (Under) Expenditures	(6,300,000)	(6,169,289)	25,536	(6,143,753)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	6,300,000	6,300,000		6,300,000
Excess of Other Financing Sources Over Expenditures	\$	130,711	25,536	156,247
Fund Balance - July 1			130,711	
Fund Balance - June 30		\$ 130,711	\$ 156,247	\$ 156,247

Street Improvement Bond Fund - Series 2003 and 2006

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 400,000	\$	\$	\$
Miscellaneous:				
Construction Project Developers Share			4,966	4,966
Reimbursements		84,000		84,000
Other Revenue			3,725	3,725
	<u>400,000</u>	<u>84,000</u>	<u>8,691</u>	<u>92,691</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Engineering and Inspections:				
Issuance Costs	592,975	242,544	224,148	466,692
Resurfacing and Signal Replacement	4,000,000	435,956		435,956
Roadway Improvements	50,038,025	4,308,940	6,709,664	11,018,604
Sidewalk and Bikeways Projects	1,875,250	487,459	100,424	587,883
Streetscape Projects	13,350,000	7,747,629	891,324	8,638,953
Bikeway and Park Connectors	2,293,750		48,185	48,185
	<u>72,150,000</u>	<u>13,222,528</u>	<u>7,973,745</u>	<u>21,196,273</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(71,750,000)</u>	<u>(13,138,528)</u>	<u>(7,965,054)</u>	<u>(21,103,582)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	71,750,000	17,330,000	14,000,000	31,330,000
Premium on Debt			44,978	44,978
	<u>71,750,000</u>	<u>17,330,000</u>	<u>14,044,978</u>	<u>31,374,978</u>
Total Other Financing Sources				
Excess of Other Financing Sources Over Expenditures	<u>\$</u>	4,191,472	6,079,924	10,271,396
Fund Balance - July 1			<u>4,191,472</u>	
Fund Balance - June 30		<u>\$ 4,191,472</u>	<u>\$ 10,271,396</u>	<u>\$ 10,271,396</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 450,000	\$ 450,000	\$	\$ 450,000
Miscellaneous:				
Other Revenue			6,054	6,054
	<u>450,000</u>	<u>450,000</u>	<u>6,054</u>	<u>456,054</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
ADA Compliance for Park Restrooms	1,427,550	22,626	266,994	289,620
Barber Park Recreation Center	2,749,720	28	263,635	263,663
Barber Park Tennis Pavilion Roof	2,936,446	2,931,243		2,931,243
Carolyn Allen Community Park	3,175,768	3,171,946		3,171,946
Facility Floors and Bleacher Replacement	1,093,000		600,829	600,829
HVAC Installation in Recreation Centers	706,174	704,877		704,877
Keeley Park	6,790,198		58,362	58,362
Lake Facility Improvements	163,000	158,553	1,141	159,694
Playground Equipment and Bleachers	1,573,000	549,090	186,799	735,889
Southwest Greensboro Recreation Center	5,775,696	1,592,408	21,194	1,613,602
Northwest Walking Trail	397,867	384,629		384,629
Northeast Sports Center	6,051,929	6,050,027	1,901	6,051,928
Barber Park Master Plan	65,000	65,000		65,000
Gateway Garden Project	1,500,000		73,557	73,557
General Administration - Parks and Recreation	244,652	137,881	57,800	195,681
	<u>34,650,000</u>	<u>15,768,308</u>	<u>1,532,212</u>	<u>17,300,520</u>
Excess of Revenues Under Expenditures	<u>(34,200,000)</u>	<u>(15,318,308)</u>	<u>(1,526,158)</u>	<u>(16,844,466)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	34,200,000	21,100,000	6,500,000	27,600,000
Premium on Debt			74,151	74,151
	<u>34,200,000</u>	<u>21,100,000</u>	<u>6,574,151</u>	<u>27,674,151</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	5,781,692	5,047,993	10,829,685
Fund Balance - July 1			<u>5,781,692</u>	
Fund Balance - June 30		<u>\$ 5,781,692</u>	<u>\$ 10,829,685</u>	<u>\$ 10,829,685</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, 2006

	<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	1,779,350	1,662,383	28,084	1,690,467
Grandover Fire Station	923	188		188
Horsepen Creek Fire Station	2,504,430	231,873	2,108,278	2,340,151
Lake Jeanette Fire Station	2,535,819	2,532,854	1,039	2,533,893
Orchard Fire Station	2,628,509	604,959	1,914,850	2,519,809
Willow Road Fire Station	222,700	222,648	606	223,254
Total Expenditures	<u>9,671,731</u>	<u>5,254,905</u>	<u>4,052,857</u>	<u>9,307,762</u>
Excess of Revenues Under Expenditures	<u>(9,550,000)</u>	<u>(5,133,174)</u>	<u>(4,052,857)</u>	<u>(9,186,031)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	<u>9,550,000</u>	<u>9,550,000</u>		<u>9,550,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	4,416,826	(4,052,857)	363,969
Fund Balance - July 1			<u>4,416,826</u>	
Fund Balance - June 30		<u>\$ 4,416,826</u>	<u>\$ 363,969</u>	<u>\$ 363,969</u>

Public Transportation 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, 2006

	<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	\$ 494,723	\$ 114,915	\$ 609,638
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	2,000,000	1,000,000		1,000,000
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	505,277	(114,915)	390,362
Fund Balance - July 1			505,277	
Fund Balance - June 30		<u>\$ 505,277</u>	<u>\$ 390,362</u>	<u>\$ 390,362</u>

Natural Science Center Bond Fund - Series 2005A

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Culture and Recreation	\$ 3,500,000	\$ 14,886	\$ 1,505,572	\$ 1,520,458
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	3,500,000	3,500,000		3,500,000
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	3,485,114	(1,505,572)	1,979,542
Fund Balance - July 1			3,485,114	
Fund Balance - June 30		<u>\$ 3,485,114</u>	<u>\$ 1,979,542</u>	<u>\$ 1,979,542</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, 2006

	<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	\$ 2,669,416	\$ 83,147	\$ 2,752,563
Police Building - Western District	<u>4,029,453</u>	<u>4,029,094</u>	<u>1</u>	<u>4,029,095</u>
Total Expenditures	<u>7,080,000</u>	<u>6,698,510</u>	<u>83,148</u>	<u>6,781,658</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	<u>7,080,000</u>	<u>7,080,000</u>		<u>7,080,000</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	381,490	(83,148)	298,342
Fund Balance - July 1			<u>381,490</u>	
Fund Balance - June 30		<u>\$ 381,490</u>	<u>\$ 298,342</u>	<u>\$ 298,342</u>

Library Facilities 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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Donations and Private Contributions	\$ 603,022	\$ 586,592	\$ _____	\$ 586,592
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
Hemphill Square Branch	2,982,960	2,978,180	4,779	2,982,959
Edwards Family Branch	2,798,280	2,787,317	(4,459)	2,782,858
Lake Jeanette Branch	74,768	74,768	_____	74,768
Total Expenditures	5,856,008	5,840,265	320	5,840,585
Excess of Revenues Under Expenditures	(5,252,986)	(5,253,673)	(320)	(5,253,993)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	5,020,000	5,020,000		5,020,000
Premium on Debt	12,986	13,993		13,993
Transfers In	220,000	220,000		220,000
Total Other Financing Sources	5,252,986	5,253,993		5,253,993
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$ _____	320	(320)	
Fund Balance - July 1			320	
Fund Balance - June 30		\$ 320	\$ _____	\$ _____

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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Other Revenue	\$	\$	\$ 1,397	\$ 1,397
Expenditures:				
Capital Improvements:				
Community Development and Housing	2,767,785	220,812	249,815	470,627
Excess of Revenues Under Expenditures	(2,767,785)	(220,812)	(248,418)	(469,230)
Other Financing Sources:				
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	2,767,785		1,484,804	1,484,804
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$	(220,812)	1,236,386	1,015,574
Fund Balance - July 1			(220,812)	
Fund Balance - June 30		\$ (220,812)	\$ 1,015,574	\$ 1,015,574

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 Nonexpendable Trust Fund. No expenses were recorded in this fund during the current year.

This fund can be found on the Combining Balance Sheet, page 33 and the Combining Statement of Revenues, Expenditures and Changes in Fund Balances, page 40.

Enterprise Funds

Water Resources Fund

The Water Resources Fund provides services to over 95,000 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 Quality Control 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.

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.

Solid Waste Management Fund

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

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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 67,845,000	\$ 70,842,086	\$ 2,997,086
Other Operating Revenues	571,100	979,911	408,811
Total Operating Revenues	<u>68,416,100</u>	<u>71,821,997</u>	<u>3,405,897</u>
Operating Expenses:			
Personal Services	12,323,862	12,177,150	146,712
Fringe Benefits	4,493,554	4,289,724	203,830
Maintenance and Operations	27,507,653	24,501,419	3,006,234
Capital Outlay	2,867,202	847,656	2,019,546
Total Operating Expenses	<u>47,192,271</u>	<u>41,815,949</u>	<u>5,376,322</u>
Operating Income	<u>21,223,829</u>	<u>30,006,048</u>	<u>8,782,219</u>
Nonoperating Revenues:			
Investment Income	430,500	1,240,176	809,676
Miscellaneous Nonoperating Revenue	220,000	54,074	(165,926)
Total Nonoperating Revenues	<u>650,500</u>	<u>1,294,250</u>	<u>643,750</u>
Nonoperating Expenses:			
Principal Maturities	6,793,575	6,671,140	122,435
Interest Expense	9,571,424	7,417,665	2,153,759
Amortization of Underwriters' Expense		192,813	(192,813)
Miscellaneous Nonoperating Expense	238,702	253,655	(14,953)
Total Nonoperating Expenses	<u>16,603,701</u>	<u>14,535,273</u>	<u>2,068,428</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	<u>5,270,628</u>	<u>16,765,025</u>	<u>11,494,397</u>
Capital Contributions		5,844,666	5,844,666
Other Financing Sources (Uses):			
Transfers In		1,027,853	1,027,853
Transfers Out	(12,887,757)	(12,887,757)	
Total Other Financing Sources (Uses)	<u>(12,887,757)</u>	<u>(11,859,904)</u>	<u>1,027,853</u>
Excess of Revenues, Contributions and Other Financing Sources Over (Under) Expenses and Other Financing Uses	(7,617,129)	10,749,787	18,366,916
Appropriated Fund Balance	<u>7,617,129</u>		<u>(7,617,129)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 10,749,787</u>	<u>\$ 10,749,787</u>

Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 73,116,247
Total Expenses	<u>56,351,222</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	16,765,025
Adjustment to Full Accrual Basis:	
Depreciation	(11,975,582)
Principal Maturities	6,671,140
Amortization of Bond Premiums	253,233
Capital Outlay	847,656
Capital Project Expenses	(1,892,098)
Capital Project Cost Sharing and Other Reimbursements	<u>1,891,594</u>
Income Before Contributions and Transfers	<u><u>\$ 12,560,968</u></u>

Water Resources Bond Fund - Series 2003

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
From Project Inception and For the Year Ended June 30, 2006

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Expenses:				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 344,650	\$ 344,650	\$ 25,047	\$ 369,697
Water Resources Operations Center	7,448,898	7,381,387	92,780	7,474,167
Water Supply	7,264,119	7,263,168	950	7,264,118
Water Treatment Plants	1,372,568	1,278,545	151,823	1,430,368
Sewer Pumping Stations	14,554,523	14,166,193	388,328	14,554,521
North Buffalo Pilot Facility	38,601	38,600		38,600
Osborne Treatment Plant	2,023,177	1,525,901	389,166	1,915,067
Haw River Project	7,823,573	7,823,573		7,823,573
Sewer Mains	4,644,917	4,356,342	288,573	4,644,915
Total Capital Improvements	<u>45,515,026</u>	<u>44,178,359</u>	<u>1,336,667</u>	<u>45,515,026</u>
Nonoperating Expenses:				
Interest Expense	1,895,086	1,895,086		1,895,086
Bond Issue Expense	589,888	589,888		589,888
Total Expenses	<u>48,000,000</u>	<u>46,663,333</u>	<u>1,336,667</u>	<u>48,000,000</u>
Nonoperating Revenues:				
Investment Income	1,000,000	454,315	42,172	496,487
Miscellaneous Nonoperating Revenue		2,904,000		2,904,000
Total Revenues	<u>1,000,000</u>	<u>3,358,315</u>	<u>42,172</u>	<u>3,400,487</u>
Excess of Revenues Under Expenses				
Before Other Financing Sources	(47,000,000)	(43,305,018)	(1,294,495)	(44,599,513)
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	<u>47,000,000</u>	<u>44,599,513</u>		<u>44,599,513</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 1,294,495</u>	<u>\$ (1,294,495)</u>	<u>\$</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, 2006

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Expenses:				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 1,235,780	\$ 988,324	\$ 152,107	\$ 1,140,431
Water Mains ,Tanks and Supply	3,595,733	2,170,733	851,476	3,022,209
Water Treatment Plants	3,349,449	962,294	965,626	1,927,920
Sewer Pumping Stations	6,517,156	4,495,276	1,801,036	6,296,312
Osborne Treatment Plant	2,057,705	1,596,705	174,786	1,771,491
Sewer Mains & Pump Station	33,088,322	2,223,083	3,975,923	6,199,006
Total Capital Improvements	<u>49,844,145</u>	<u>12,436,415</u>	<u>7,920,954</u>	<u>20,357,369</u>
Nonoperating Expenses:				
Interest Expense	2,300,000		1,453,651	1,453,651
Bond Issue Expense	700,000	477,365	21,274	498,639
Miscellaneous Bond Expenses	155,855	44	66,742	66,786
Total Expenses	<u>53,000,000</u>	<u>12,913,824</u>	<u>9,462,621</u>	<u>22,376,445</u>
Nonoperating Revenues:				
Investment Income	<u>1,000,000</u>	<u>20,828</u>	<u>1,196,999</u>	<u>1,217,827</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(52,000,000)	(12,892,996)	(8,265,622)	(21,158,618)
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	<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>\$ 29,696,864</u>	<u>\$ (8,265,622)</u>	<u>\$ 21,431,242</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Guilford County Construction:				
Reimbursements	\$ 5,528,785	\$ 1,388,360	\$ 1,657,799	\$ 3,046,159
Miscellaneous Nonoperating Revenue		1,314	2,165	3,479
Total Revenues	<u>5,528,785</u>	<u>1,389,674</u>	<u>1,659,964</u>	<u>3,049,638</u>
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
Twilla Acres Water and Sewer Project	2,131,648	19,343	1,643,387	1,662,730
Sedgefield Water Line	411,120			
Northeast High School Sewer Project	444,195	302,628	70,013	372,641
Forest Oaks Estate	1,419,294			
Total Expenses	<u>5,528,785</u>	<u>1,423,540</u>	<u>1,713,400</u>	<u>3,136,940</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (33,866)</u>	<u>\$ (53,436)</u>	<u>\$ (87,302)</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, 2006

	<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	\$ 7,913,641	\$ 4,145,821	\$ 1,687,402	\$ 5,833,223
Randleman Dam Project	41,457,075	39,112,761	2,344,314	41,457,075
Osborne Improvements	3,816,049	3,645,483	170,566	3,816,049
Chloramine Conversion Project	7,582,000			
Automated Meter Reading Project	2,447,257		416,919	416,919
Sewer Line Construction	16,537,146	10,364,510	3,522,246	13,886,756
Haw River Project	10,323,006	7,823,005		7,823,005
Billing Software Upgrade	3,243,735	2,897,031	86,503	2,983,534
Total Capital Improvements	<u>93,319,909</u>	<u>67,988,611</u>	<u>8,227,950</u>	<u>76,216,561</u>
Other Operating Revenues:				
Cost Sharing Reimbursements	275,000	31,576	231,631	263,207
Sales Tax Refund		2,043,774		2,043,774
Total Other Operating Revenues	<u>275,000</u>	<u>2,075,350</u>	<u>231,631</u>	<u>2,306,981</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(93,044,909)</u>	<u>(65,913,261)</u>	<u>(7,996,319)</u>	<u>(73,909,580)</u>
Other Financing Sources:				
Transfers from Water Resources:				
Capital Reserve Fund	53,916,039	46,156,761	5,259,278	51,416,039
Water Resources Operating Fund	30,857,821	25,971,195	6,386,626	32,357,821
Debt Issuances:				
Federal Loan Program	3,816,049	3,816,049		3,816,049
Total Other Financing Sources	<u>88,589,909</u>	<u>75,944,005</u>	<u>11,645,904</u>	<u>87,589,909</u>
Appropriated Fund Balance	<u>4,455,000</u>			
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 10,030,744</u>	<u>\$ 3,649,585</u>	<u>\$ 13,680,329</u>

Stormwater Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 8,417,170	\$8,467,742	\$ 50,572
Other Operating Revenues	9,500	27,051	17,551
Total Operating Revenues	<u>8,426,670</u>	<u>8,494,793</u>	<u>68,123</u>
Operating Expenses:			
Personal Services	2,582,180	2,578,247	3,933
Fringe Benefits	1,011,121	951,655	59,466
Maintenance and Operations	3,580,116	2,805,598	774,518
Total Operating Expenses	<u>7,173,417</u>	<u>6,335,500</u>	<u>837,917</u>
Operating Income	<u>1,253,253</u>	<u>2,159,293</u>	<u>906,040</u>
Nonoperating Revenues:			
Investment Income	<u>100,000</u>	<u>103,171</u>	<u>3,171</u>
Excess of Revenues Over Expenses Before Other Financing Uses	<u>1,353,253</u>	<u>2,262,464</u>	<u>909,211</u>
Other Financing Uses:			
Transfers Out	<u>(1,871,848)</u>	<u>(1,864,348)</u>	<u>7,500</u>
Excess of Revenues Over (Under) Expenses and Other Financing Uses	(518,595)	398,116	916,711
Appropriated Fund Balance	<u>518,595</u>	<u> </u>	<u>(518,595)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 398,116</u>	<u>\$ 398,116</u>

Stormwater Management Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 8,597,964
Total Expenses	<u>6,335,500</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	2,262,464
Adjustment to Full Accrual Basis:	
Depreciation	(1,702,795)
Compensated Absences	(32,234)
Miscellaneous Nonoperating Expense	(10,159)
Net Capital Project Expenses	<u>(26,446)</u>
Income Before Contributions and Transfers	<u>\$ 490,830</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, 2006

	<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	\$ 9,141,225	\$ 4,122,523	\$ 1,014,769	\$ 5,137,292
Other Financing Sources(Uses):				
Transfers In	9,441,225	7,685,497	1,755,728	9,441,225
Transfers Out	(300,000)	(300,000)		(300,000)
Total Other Financing Sources (Uses)	9,141,225	7,385,497	1,755,728	9,141,225
Excess of Other Financing Sources Over Expenses and Other Financing Uses	\$	\$ 3,262,974	\$ 740,959	\$ 4,003,933

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June, 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 10,168,975	\$ 10,491,054	\$ 322,079
Other Operating Revenues	205,000	187,004	(17,996)
Total Operating Revenues	<u>10,373,975</u>	<u>10,678,058</u>	<u>304,083</u>
Operating Expenses:			
Personal Services	4,106,436	4,080,312	26,124
Fringe Benefits	1,054,645	1,003,730	50,915
Maintenance and Operations	6,802,446	6,760,142	42,304
Capital Outlay	103,625	100,913	2,712
Total Operating Expenses	<u>12,067,152</u>	<u>11,945,097</u>	<u>122,055</u>
Operating Loss	<u>(1,693,177)</u>	<u>(1,267,039)</u>	<u>426,138</u>
Nonoperating Revenues:			
Investment Income	20,000	56,014	36,014
Miscellaneous Nonoperating Revenue	<u>20,000</u>	<u>26,595</u>	<u>26,595</u>
Total Nonoperating Revenues	<u>20,000</u>	<u>82,609</u>	<u>62,609</u>
Nonoperating Expenses:			
Principal Maturities	125,000	110,000	15,000
Interest Expense	15,497	23,296	(7,799)
Miscellaneous Nonoperating Expense	<u>2,800</u>	<u>9,868</u>	<u>(7,068)</u>
Total Nonoperating Expenses	<u>143,297</u>	<u>143,164</u>	<u>133</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(1,816,474)</u>	<u>(1,327,594)</u>	<u>488,880</u>
Other Financing Sources:			
Transfers In	<u>1,800,000</u>	<u>1,800,000</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(16,474)	472,406	488,880
Appropriated Fund Balance	<u>16,474</u>		<u>(16,474)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 472,406</u>	<u>\$ 472,406</u>

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 10,760,667
Total Expenses	<u>12,088,261</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(1,327,594)
Adjustment to Full Accrual Basis:	
Depreciation	(2,055,606)
Principal Maturities	110,000
Capital Outlay	100,913
Loss on Disposal of Capital Assets	(199,871)
Compensated Absences	(26,002)
Amortization of Bond Discount	(671)
Net Capital Project Revenues	<u>317,227</u>
Loss Before Transfers	<u>\$ (3,081,604)</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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Donations and Contributions	\$ 1,681,364	\$2,500,000	\$ 500,000	\$ 3,000,000
Investment Income		28,749	32,569	61,318
Total Revenues	<u>1,681,364</u>	<u>2,528,749</u>	<u>532,569</u>	<u>3,061,318</u>
Expenses:				
Capital Improvements:				
Coliseum Complex Improvements	<u>813,364</u>	<u>539,723</u>	<u>268,470</u>	<u>808,193</u>
Excess of Revenues Over Expenses Before Other Financing Uses	868,000	1,989,026	264,099	2,253,125
Other Financing Uses:				
Transfers Out:				
Coliseum Operating Fund	<u>(868,000)</u>	<u>(868,000)</u>	<u> </u>	<u>(868,000)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$1,121,026</u>	<u>\$ 264,099</u>	<u>\$ 1,385,125</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,764,880	\$ 1,811,909	\$ 47,029
Other Operating Revenues	<u>3,529</u>	<u>3,529</u>	<u>3,529</u>
Total Operating Revenues	<u>1,764,880</u>	<u>1,815,438</u>	<u>50,558</u>
Operating Expenses:			
Personal Services	345,783	341,291	4,492
Fringe Benefits	113,162	118,074	(4,912)
Maintenance and Operations	597,825	470,884	126,941
Capital Outlay	<u>53,402</u>	<u>53,398</u>	<u>4</u>
Total Operating Expenses	<u>1,110,172</u>	<u>983,647</u>	<u>126,525</u>
Operating Income	<u>654,708</u>	<u>831,791</u>	<u>177,083</u>
Nonoperating Revenues:			
Investment Income	<u>11,400</u>	<u>5,288</u>	<u>(6,112)</u>
Nonoperating Expenses:			
Principal Maturities	1,981,365	1,981,365	
Interest Expense	218,255	212,849	5,406
Miscellaneous Nonoperating Expense	<u>1,000</u>	<u>2,731</u>	<u>(1,731)</u>
Total Nonoperating Expenses	<u>2,200,620</u>	<u>2,196,945</u>	<u>3,675</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(1,534,512)</u>	<u>(1,359,866)</u>	<u>174,646</u>
Other Financing Sources (Uses):			
Transfers In	1,424,183	1,424,183	
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	
Total Other Financing Sources (Uses)	<u>1,374,183</u>	<u>1,374,183</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(160,329)</u>	<u>14,317</u>	<u>174,646</u>
Appropriated Fund Balance	<u>160,329</u>		<u>(160,329)</u>
Excess of Revenues and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 14,317</u>	<u>\$ 14,317</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,820,726
Total Expenses	<u>3,180,592</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	(1,359,866)
Adjustment to Full Accrual Basis:	
Depreciation	(560,060)
Principal Maturities	1,981,365
Capital Outlay	53,398
Amortization of Underwriters' Expense	(21,657)
Compensated Absences	(9,124)
Trustee Debt Service Escrow Account	(27,158)
Income Before Transfers	<u><u>\$ 56,898</u></u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$10,575,480	\$10,522,743	\$ (52,737)
Other Operating Revenues	753,500	1,163,175	409,675
Total Operating Revenues	<u>11,328,980</u>	<u>11,685,918</u>	<u>356,938</u>
Operating Expenses:			
Personal Services	5,923,183	5,506,049	417,134
Fringe Benefits	2,262,709	2,107,029	155,680
Maintenance and Operations	12,637,739	12,607,243	30,496
Capital Outlay	896,775	33,069	863,706
Total Operating Expenses	<u>21,720,406</u>	<u>20,253,390</u>	<u>1,467,016</u>
Operating Loss	<u>(10,391,426)</u>	<u>(8,567,472)</u>	<u>1,823,954</u>
Nonoperating Revenues:			
Investment Income	300,000	406,835	106,835
Miscellaneous Nonoperating Revenue	125,000	270,500	145,500
Total Nonoperating Revenues	<u>425,000</u>	<u>677,335</u>	<u>252,335</u>
Nonoperating Expenses:			
Principal Maturities	1,090,000	1,090,000	
Interest Expense	528,960	569,034	(40,074)
Miscellaneous Nonoperating Expense	3,000	3,462	(462)
Total Nonoperating Expenses	<u>1,621,960</u>	<u>1,662,496</u>	<u>(40,536)</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(11,588,386)</u>	<u>(9,552,633)</u>	<u>2,035,753</u>
Other Financing Sources (Uses):			
Transfers In	10,500,000	9,635,619	(864,381)
Transfers Out	(1,399,298)	(1,398,912)	386
Total Other Financing Sources (Uses)	<u>9,100,702</u>	<u>8,236,707</u>	<u>(863,995)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>(2,487,684)</u>	<u>(1,315,926)</u>	<u>1,171,758</u>
Appropriated Fund Balance	<u>2,487,684</u>		<u>(2,487,684)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (1,315,926)</u>	<u>\$ (1,315,926)</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 12,363,253
Total Expenses	<u>21,915,886</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(9,552,633)
Adjustment to Full Accrual Basis:	
Depreciation	(961,407)
Capital Outlay	33,069
Principal Maturities	1,090,000
Amortization of Underwriters' Expense	(23,374)
Compensated Absences	(60,387)
Net Operating Expenses - Landfill Capital Project Funds	<u>(1,359,988)</u>
Loss Before Transfers	<u><u>\$ (10,834,720)</u></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, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Miscellaneous Capital Projects	\$ 2,018,780	\$ 92,997	\$ 1,407,003	\$ 1,500,000
Landfill Expansion - Cell 2 and 3	381,220	528,809		528,809
Solid Waste Transfer Station	1,018,825	843,685	72,402	916,087
White Street Landfill Clean Air Act	1,398,225		641,177	641,177
Total Expenses	<u>4,817,050</u>	<u>1,465,491</u>	<u>2,120,582</u>	<u>3,586,073</u>
Nonoperating Revenues:				
Investment Income		<u>47,572</u>	<u>40,012</u>	<u>87,584</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(4,817,050)	(1,417,919)	(2,080,570)	(3,498,489)
Other Financing Sources:				
Transfers In	<u>4,817,050</u>	<u>3,418,825</u>	<u>1,398,225</u>	<u>4,817,050</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$2,000,906</u>	<u>\$ (682,345)</u>	<u>\$ 1,318,561</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, 2006

	<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	\$ 8,245,000	\$ 293,000	\$ 5,389,047	\$ 5,682,047
Nonoperating Expenses:				
Interest Expense	195,000		199,450	199,450
Bond Issue Expense	185,000		175,275	175,275
Total Expenses	<u>8,625,000</u>	<u>293,000</u>	<u>5,763,772</u>	<u>6,056,772</u>
Nonoperating Revenues:				
Investment Income	<u>125,000</u>		<u>152,807</u>	<u>152,807</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(8,500,000)	(293,000)	(5,610,965)	(5,903,965)
Other Financing Sources:				
Debt Issuances:				
Special Obligation Bonds Issued	<u>8,500,000</u>		<u>8,624,026</u>	<u>8,624,026</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ (293,000)</u>	<u>\$ 3,013,061</u>	<u>\$ 2,720,061</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.

Telecommunications Services Fund

The City and Guilford County jointly own the Telecommunications System. This fund accounts for the costs of operating the telecommunications service and billing the County and the City's user departments. The operating cost is shared between the two units based upon the number of telephone lines in service at each year end.

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 on a premium basis by a health insurance provider and is 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, 2006

ASSETS	Equipment Services	Technical Services	Telecommunications Services	Graphic Services	Employee Insurance
Current Assets:					
Cash and Cash Equivalents/Investments	\$ 7,846,259	\$ 4,289,659	\$ 1,436,863	\$ 8,168	\$ 16,318,049
Receivables (Net):					
Intergovernmental	382,137	15,717	5,599	32,114	3,958
Interest	45,865	29,101	8,459		110,280
Inventories	601,833		34,855	36,816	
Miscellaneous	41,929	18,855			842
Total Current Assets	<u>8,918,023</u>	<u>4,353,332</u>	<u>1,485,776</u>	<u>77,098</u>	<u>16,433,129</u>
Noncurrent Assets:					
Restricted:					
Cash and Cash Equivalents/Investments					
Self-Funded Retention Deposits					1,162,192
Capital Assets:					
Non-Depreciable:					
Land					
Construction in Progress	442,341				
Depreciable:					
Land Improvements	73,528				
Buildings	252,294	173,863			
Improvements Other than Buildings		11,108			
Furniture, Fixtures, Machinery and Equipment	56,416,595	7,656,575	2,351,652	40,483	
Less Accumulated Depreciation	(40,497,405)	(4,720,473)	(2,060,545)	(12,772)	
Total Noncurrent Assets	<u>16,687,353</u>	<u>3,121,073</u>	<u>291,107</u>	<u>27,711</u>	<u>1,162,192</u>
Total Assets	<u>25,605,376</u>	<u>7,474,405</u>	<u>1,776,883</u>	<u>104,809</u>	<u>17,595,321</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	61,524	49,160		813	6,092,879
General Obligation Bonds Payable		255,227			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Customer Deposits Payable					
Compensated Absences	144,267	35,340	8,197	27,296	
Total Current Liabilities	<u>205,791</u>	<u>339,727</u>	<u>8,197</u>	<u>28,109</u>	<u>6,092,879</u>
Noncurrent Liabilities:					
Payable from Restricted Assets:					
General Obligation Bonds Payable		4,557,164			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Compensated Absences	46,987	44,691	12,382		
Total Noncurrent Liabilities	<u>46,987</u>	<u>4,601,855</u>	<u>12,382</u>		
Total Liabilities	<u>252,778</u>	<u>4,941,582</u>	<u>20,579</u>	<u>28,109</u>	<u>6,092,879</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	16,687,353	(1,691,318)	291,107	27,711	
Restricted					1,162,192
Unrestricted	8,665,245	4,224,141	1,465,197	48,989	10,340,250
Total Net Assets	<u>\$ 25,352,598</u>	<u>\$ 2,532,823</u>	<u>\$ 1,756,304</u>	<u>\$ 76,700</u>	<u>\$ 11,502,442</u>

General Insurance	Capital Leasing	Totals
\$ 9,159,627	\$ 9,131,824	\$ 48,190,449
	192,804	632,329
59,674	42,914	296,293
	76,295	673,504
		137,921
<u>9,219,301</u>	<u>9,443,837</u>	<u>49,930,496</u>
	34,665	34,665
11,149,846		12,312,038
	1,660,541	1,660,541
	293,356	735,697
	749,902	823,430
	1,153,639	1,579,796
		11,108
	35,805,534	102,270,839
	(20,832,552)	(68,123,747)
<u>11,149,846</u>	<u>18,865,085</u>	<u>51,304,367</u>
<u>20,369,147</u>	<u>28,308,922</u>	<u>101,234,863</u>
		4,557,164
1,279,281	16,280	7,499,937
		255,227
	111,211	111,211
	3,380,000	3,380,000
15,400		15,400
		215,100
<u>1,294,681</u>	<u>3,507,491</u>	<u>11,476,875</u>
		4,761,704
	4,761,704	4,761,704
	7,000,000	7,000,000
		104,060
	<u>11,761,704</u>	<u>16,422,928</u>
<u>1,294,681</u>	<u>15,269,195</u>	<u>27,899,803</u>
	3,612,170	18,927,023
11,149,846		12,312,038
7,924,620	9,427,557	42,095,999
<u>\$19,074,466</u>	<u>\$13,039,727</u>	<u>\$ 73,335,060</u>

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2006

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Telecommunications Services</u>
Operating Revenues:			
Charges for Current Services-Internal	\$ 15,565,253	\$ 1,852,055	\$ 1,133,124
Charges for Current Services-External	92,893	227,523	
Total Charges for Current Services	<u>15,658,146</u>	<u>2,079,578</u>	<u>1,133,124</u>
Miscellaneous	1,634,727	771,534	11,067
Total Operating Revenues	<u>17,292,873</u>	<u>2,851,112</u>	<u>1,144,191</u>
Operating Expenses:			
Personal Services	2,103,912	506,399	171,871
Fringe Benefits	736,220	144,927	49,683
Maintenance and Operations	6,401,962	1,462,637	659,808
Insurance Claims and Expenses	596,389	2,605	2,996
Depreciation	5,404,397	513,568	267,075
Total Operating Expenses	<u>15,242,880</u>	<u>2,630,136</u>	<u>1,151,433</u>
Operating Income (Loss)	<u>2,049,993</u>	<u>220,976</u>	<u>(7,242)</u>
Nonoperating Revenues(Expenses):			
Investment Income	146,378	100,618	29,830
Miscellaneous Nonoperating Revenue	35,794		4,810
Interest Expense		(220,522)	
Gain on Disposal of Capital Assets			
Loss on Disposal of Capital Assets	(608,860)		
Amortization of Underwriters' Expense		(3,090)	
Miscellaneous Nonoperating Expense	(33,819)		(1,358)
Total Nonoperating Revenues(Expenses)	<u>(460,507)</u>	<u>(122,994)</u>	<u>33,282</u>
Income(Loss) Before Transfers	<u>1,589,486</u>	<u>97,982</u>	<u>26,040</u>
Capital Contributions	<u>52,475</u>		
Other Financing Sources (Uses):			
Transfers In	543,780		
Transfers Out	(32,000)	(127,824)	
Total Other Financing Sources (Uses)	<u>511,780</u>	<u>(127,824)</u>	
Change in Net Assets	2,153,741	(29,842)	26,040
Net Assets - July 1	23,198,857	2,562,665	1,730,264
Net Assets -June 30	<u>\$ 25,352,598</u>	<u>\$ 2,532,823</u>	<u>\$ 1,756,304</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 939,962	\$ 25,569,582	\$ 2,106,875	\$ 6,043,644	\$53,210,495
245,600				566,016
<u>1,185,562</u>	<u>25,569,582</u>	<u>2,106,875</u>	<u>6,043,644</u>	<u>53,776,511</u>
676	230,508		338,478	2,986,990
<u>1,186,238</u>	<u>25,800,090</u>	<u>2,106,875</u>	<u>6,382,122</u>	<u>56,763,501</u>
406,967	247,702			3,436,851
151,966	67,522			1,150,318
664,490	2,123,520	172,371	269,006	11,753,794
	22,268,203	935,921		23,806,114
2,024			4,006,537	10,193,601
<u>1,225,447</u>	<u>24,706,947</u>	<u>1,108,292</u>	<u>4,275,543</u>	<u>50,340,678</u>
(39,209)	1,093,143	998,583	2,106,579	6,422,823
	412,209	494,160	198,389	1,381,584
		1,635		42,239
			(395,271)	(615,793)
1,500				1,500
			(21,890)	(630,750)
(2,925)			(157,018)	(3,090)
<u>(1,425)</u>	<u>412,209</u>	<u>495,795</u>	<u>(157,018)</u>	<u>(195,120)</u>
			<u>(375,790)</u>	<u>(19,430)</u>
<u>(40,634)</u>	<u>1,505,352</u>	<u>1,494,378</u>	<u>1,730,789</u>	<u>6,403,393</u>
				52,475
	14,400			558,180
				(159,824)
	<u>14,400</u>			<u>398,356</u>
(40,634)	1,519,752	1,494,378	1,730,789	6,854,224
117,334	9,982,690	17,580,088	11,308,938	66,480,836
<u>\$ 76,700</u>	<u>\$ 11,502,442</u>	<u>\$ 19,074,466</u>	<u>\$ 13,039,727</u>	<u>\$ 73,335,060</u>

Internal Service Funds

Combining Statement of Cash Flows For the Fiscal Year Ended June 30, 2006
Increase (Decrease) in Cash and Cash Equivalents/ Investments

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>Telecommunications Services</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 15,658,146	\$ 2,079,578	\$ 1,133,124
Payments to Suppliers	(7,176,658)	(1,438,544)	(678,690)
Payments to Employees	(2,839,773)	(658,741)	(225,722)
Other Receipts	1,634,727	771,534	11,067
Net Cash Provided By (Used for) Operating Activities	<u>7,276,442</u>	<u>753,827</u>	<u>239,779</u>
Cash Flows from Noncapital Financing Activities:			
Subsidies and Transfers In	336,000		
Subsidies and Transfers Out	(32,000)	(127,824)	
Net Cash Provided By (Used for) Noncapital Financing Activities	<u>304,000</u>	<u>(127,824)</u>	
Cash Flows from Capital and Related Financing Activities:			
Capital Debt Issued			
Acquisition and Construction of Capital Assets	(6,132,381)		
Proceeds from Sale of Capital Assets			
Principal Paid on Capital Debt		(244,622)	
Interest and Fiscal Charges Paid on Capital Debt		(220,658)	
Net Cash Used for Capital and Related Financing Activities	<u>(6,132,381)</u>	<u>(465,280)</u>	
Cash Flows from Investing Activities:			
Interest	131,368	93,800	27,104
Net Increase (Decrease) in Cash and Cash Equivalents/Investments	1,579,429	254,523	266,883
Balances - July 1	<u>6,266,830</u>	<u>4,035,136</u>	<u>1,169,980</u>
Balances - June 30	<u>\$ 7,846,259</u>	<u>\$ 4,289,659</u>	<u>\$ 1,436,863</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Operating Income (Loss)	\$ 2,049,993	\$ 220,976	\$ (7,242)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Depreciation	5,404,397	513,568	267,075
Changes in Assets and Liabilities:			
Decrease in Inventories	4,195		518
(Increase) Decrease in Intergovernmental Receivables	(87,598)	28,981	(2,023)
(Increase) Decrease in Miscellaneous Assets			3,452
Increase (Decrease) in Accounts Payable	(94,904)	(2,282)	(17,833)
Increase (Decrease) in Compensated Absences Payable	359	(7,416)	(4,168)
Increase in Intergovernmental Payables			
Decrease in Customer Deposits Payable			
Total Adjustments	<u>5,226,449</u>	<u>532,851</u>	<u>247,021</u>
Net Cash Provided By (Used for) Operating Activities	<u>\$ 7,276,442</u>	<u>\$ 753,827</u>	<u>\$ 239,779</u>
Noncash Investing, Capital and Financing Activities:			
Lease-Purchase and Other Capital Financing Agreements	\$	\$	\$
Donated Assets	52,475		
	<u>\$ 52,475</u>	<u>\$</u>	<u>\$</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 1,185,562	\$ 25,569,582	\$ 2,106,875	\$ 5,744,341	\$ 53,477,208
(643,868)	(24,534,937)	(1,322,130)	(467,294)	(36,262,121)
(555,740)	(315,224)			(4,595,200)
676			338,479	2,756,483
<u>(13,370)</u>	<u>719,421</u>	<u>784,745</u>	<u>5,615,526</u>	<u>15,376,370</u>
	14,400			350,400
	<u>14,400</u>			<u>(159,824)</u>
				<u>190,576</u>
			4,715,384	4,715,384
(6,905)			(5,132,768)	(11,272,054)
1,500				1,500
			(3,865,407)	(4,110,029)
			<u>(521,746)</u>	<u>(742,404)</u>
<u>(5,405)</u>			<u>(4,804,537)</u>	<u>(11,407,603)</u>
<u>(2,924)</u>	<u>618,317</u>	<u>481,238</u>	<u>179,181</u>	<u>1,528,084</u>
(21,699)	1,352,138	1,265,983	990,170	5,687,427
<u>29,867</u>	<u>14,965,911</u>	<u>7,893,644</u>	<u>8,176,319</u>	<u>42,537,687</u>
<u>\$ 8,168</u>	<u>\$ 16,318,049</u>	<u>\$ 9,159,627</u>	<u>\$ 9,166,489</u>	<u>\$ 48,225,114</u>
<u>\$ (39,209)</u>	<u>\$ 1,093,143</u>	<u>\$ 998,583</u>	<u>\$ 2,106,579</u>	<u>\$ 6,422,823</u>
2,024			4,006,537	10,193,601
4,434				9,147
16,188	(232,685)		(468,575)	(745,712)
	(21,363)	(232,159)		(250,070)
	(119,674)	34,534	(29,015)	(229,174)
2,709				(8,516)
484				484
		(16,213)		(16,213)
<u>25,839</u>	<u>(373,722)</u>	<u>(213,838)</u>	<u>3,508,947</u>	<u>8,953,547</u>
<u>\$ (13,370)</u>	<u>\$ 719,421</u>	<u>\$ 784,745</u>	<u>\$ 5,615,526</u>	<u>\$ 15,376,370</u>
\$	\$	\$	\$ 189,893	\$ 189,893
				52,475
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 189,893</u>	<u>\$ 242,368</u>

Internal Service Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2006

	<u>Debt Outstanding July 1, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Debt Outstanding June 30, 2006</u>
Equipment Services:				
Compensated Absences	\$ 190,896	\$ 172,388	\$ 172,030	\$ 191,254
Technical Services:				
General Obligation Bonds	5,057,013		244,622	4,812,391
Compensated Absences	87,445	27,487	34,901	80,031
Total Technical Services	<u>5,144,458</u>	<u>27,487</u>	<u>279,523</u>	<u>4,892,422</u>
Telecommunications Services:				
Compensated Absences	24,748	3,792	7,961	20,579
Graphic Services:				
Compensated Absences	24,587	37,342	34,633	27,296
Capital Leasing:				
Lease-Purchase Agreements	615,237	70,156	527,862	157,531
Master Equipment Lease Agreement		4,715,384		4,715,384
Certificates of Participation	14,000,000		3,620,000	10,380,000
Total Capital Leasing	<u>14,615,237</u>	<u>4,785,540</u>	<u>4,147,862</u>	<u>15,252,915</u>
Total Internal Service Funds	<u>\$19,999,926</u>	<u>\$ 5,026,549</u>	<u>\$ 4,642,009</u>	<u>\$ 20,384,466</u>

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, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 14,052,000	\$ 15,658,146	\$ 1,606,146
Miscellaneous Operating Revenues	629,000	1,634,727	1,005,727
Total Operating Revenues	<u>14,681,000</u>	<u>17,292,873</u>	<u>2,611,873</u>
Operating Expenses:			
Personal Services	2,089,279	2,103,912	(14,633)
Fringe Benefits	744,258	736,220	8,038
Maintenance and Operations	6,890,175	6,998,351	(108,176)
Capital Outlay	7,134,308	5,760,257	1,374,051
Total Operating Expenses	<u>16,858,020</u>	<u>15,598,740</u>	<u>1,259,280</u>
Operating Income (Loss)	<u>(2,177,020)</u>	<u>1,694,133</u>	<u>3,871,153</u>
Nonoperating Revenues:			
Investment Income	125,000	146,378	21,378
Miscellaneous Nonoperating Revenue	4,000	35,794	31,794
Total Nonoperating Revenues	<u>129,000</u>	<u>182,172</u>	<u>53,172</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u> </u>	<u>33,819</u>	<u>(33,819)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources (Uses)	<u>(2,048,020)</u>	<u>1,842,486</u>	<u>3,890,506</u>
Capital Contributions	<u> </u>	<u>52,475</u>	<u>52,475</u>
Other Financing Sources (Uses) :			
Transfers In	336,000	543,780	207,780
Transfers Out	(32,000)	(32,000)	
Total Other Financing Sources (Uses)	<u>304,000</u>	<u>511,780</u>	<u>207,780</u>
Excess of Revenues, Contributions and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(1,744,020)</u>	<u>2,406,741</u>	<u>4,150,761</u>
Appropriated Fund Balance	<u>1,744,020</u>	<u> </u>	<u>(1,744,020)</u>
Excess of Revenues, Contributions and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 2,406,741</u>	<u>\$ 2,406,741</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, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 17,475,045
Total Expenses	<u>15,632,559</u>
Excess of Revenues Over Expenses Before Other Financing Sources (Uses)	1,842,486
Adjustment to Full Accrual Basis:	
Depreciation	(5,404,397)
Capital Outlay	5,760,257
Loss on Disposal of Capital Assets	<u>(608,860)</u>
Income Before Transfers	<u>\$ 1,589,486</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, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,957,500	\$ 2,079,578	\$ 122,078
Miscellaneous Operating Revenues	1,113,295	771,534	(341,761)
Total Operating Revenues	<u>3,070,795</u>	<u>2,851,112</u>	<u>(219,683)</u>
Operating Expenses:			
Personal Services	504,755	506,399	(1,644)
Fringe Benefits	154,076	144,927	9,149
Maintenance and Operations	2,636,790	1,465,242	1,171,548
Capital Outlay	12,800		12,800
Total Operating Expenses	<u>3,308,421</u>	<u>2,116,568</u>	<u>1,191,853</u>
Operating Income (Loss)	<u>(237,626)</u>	<u>734,544</u>	<u>972,170</u>
Nonoperating Revenues:			
Investment Income	<u>91,000</u>	<u>100,618</u>	<u>9,618</u>
Nonoperating Expenses:			
Principal Maturities	467,450	244,622	222,828
Interest Expense	519,550	220,522	299,028
Miscellaneous Nonoperating Expense	5,150	3,090	2,060
Total Nonoperating Expenses	<u>992,150</u>	<u>468,234</u>	<u>523,916</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(1,138,776)</u>	<u>366,928</u>	<u>1,505,704</u>
Other Financing Uses:			
Transfers Out	<u>(255,648)</u>	<u>(127,824)</u>	<u>127,824</u>
Appropriated Fund Balance	<u>1,394,424</u>	<u></u>	<u>(1,394,424)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 239,104</u>	<u>\$ 239,104</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, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$2,951,730
Total Expenses	<u>2,584,802</u>
Excess of Revenues Over Expenses Before Other Financing Uses	366,928
Adjustment to Full Accrual Basis:	
Depreciation	(513,568)
Principal Maturities	<u>244,622</u>
Income Before Transfers	<u>\$ 97,982</u>

Telecommunications Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,120,000	\$1,133,124	\$ 13,124
Miscellaneous Operating Revenues	1,800	11,067	9,267
Total Operating Revenues	<u>1,121,800</u>	<u>1,144,191</u>	<u>22,391</u>
Operating Expenses:			
Personal Services	204,054	171,871	32,183
Fringe Benefits	61,397	49,683	11,714
Maintenance and Operations	948,757	662,804	285,953
Total Operating Expenses	<u>1,214,208</u>	<u>884,358</u>	<u>329,850</u>
Operating Income (Loss)	<u>(92,408)</u>	<u>259,833</u>	<u>352,241</u>
Nonoperating Revenues:			
Investment Income	16,600	29,830	13,230
Miscellaneous Nonoperating Revenue	7,375	4,810	(2,565)
Total Nonoperating Revenues	<u>23,975</u>	<u>34,640</u>	<u>10,665</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u> </u>	<u>1,358</u>	<u>(1,358)</u>
Excess of Revenues Over (Under) Expenses	(68,433)	293,115	361,548
Appropriated Fund Balance	<u>68,433</u>	<u> </u>	<u>(68,433)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 293,115</u>	<u>\$ 293,115</u>

Telecommunications Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,178,831
Total Expenses	<u>885,716</u>
Excess of Revenues Over Expenses	293,115
Adjustment to Full Accrual Basis:	
Depreciation	<u>(267,075)</u>
Income Before Transfers	<u><u>\$ 26,040</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, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,389,975	\$ 1,185,562	\$(204,413)
Other Operating Revenues	<u>676</u>	<u>676</u>	<u>676</u>
Total Operating Revenues	<u>1,389,975</u>	<u>1,186,238</u>	<u>(203,737)</u>
Operating Expenses:			
Personal Services	439,446	406,967	32,479
Fringe Benefits	164,594	151,966	12,628
Maintenance and Operations	<u>783,689</u>	<u>664,490</u>	<u>119,199</u>
Total Operating Expenses	<u>1,387,729</u>	<u>1,223,423</u>	<u>164,306</u>
Operating Income (Loss)	<u>2,246</u>	<u>(37,185)</u>	<u>(39,431)</u>
Nonoperating Revenues:			
Miscellaneous Nonoperating Revenue	<u> </u>	<u>1,500</u>	<u>1,500</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u>8,000</u>	<u>2,925</u>	<u>5,075</u>
Excess of Revenues Under Expenses	(5,754)	(38,610)	(32,856)
Appropriated Fund Balance	<u>5,754</u>	<u> </u>	<u>(5,754)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (38,610)</u>	<u>\$ (38,610)</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, 2006

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues

\$ 1,187,738

Total Expenses

1,226,348

Excess of Revenues Under Expenses

(38,610)

Adjustment to Full Accrual Basis:

Depreciation

(2,024)

Loss Before Transfers

\$ (40,634)

Employee Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 25,739,207	\$ 25,569,582	\$ (169,625)
Miscellaneous Operating Revenues	230,508	230,508	230,508
Total Operating Revenues	<u>25,739,207</u>	<u>25,800,090</u>	<u>60,883</u>
Operating Expenses:			
Personal Services	238,921	247,702	(8,781)
Fringe Benefits	60,522	67,522	(7,000)
Maintenance and Operations	27,326,920	24,391,723	2,935,197
Total Operating Expenses	<u>27,626,363</u>	<u>24,706,947</u>	<u>2,919,416</u>
Operating Income (Loss)	<u>(1,887,156)</u>	<u>1,093,143</u>	<u>2,980,299</u>
Nonoperating Revenues:			
Investment Income	<u>276,000</u>	<u>412,209</u>	<u>136,209</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(1,611,156)</u>	<u>1,505,352</u>	<u>3,116,508</u>
Other Financing Sources:			
Transfers In	<u>14,400</u>	<u>14,400</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>(1,596,756)</u>	<u>1,519,752</u>	<u>3,116,508</u>
Appropriated Fund Balance	<u>1,596,756</u>		<u>(1,596,756)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 1,519,752</u>	<u>\$ 1,519,752</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, 2006

Reconciliation of Modified Accrual Basis
to Full Accrual Basis:

Total Revenues

\$ 26,212,299

Total Expenses

24,706,947

Excess of Revenues Over Expenses

\$ 1,505,352

General Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	<u>\$ 1,975,362</u>	<u>\$ 2,106,875</u>	<u>\$ 131,513</u>
Operating Expenses:			
Maintenance and Operations	<u>2,080,225</u>	<u>1,108,292</u>	<u>971,933</u>
Operating Income (Loss)	<u>(104,863)</u>	<u>998,583</u>	<u>1,103,446</u>
Nonoperating Revenues:			
Investment Income	34,180	494,160	459,980
Insurance Refunds and Claims	<u>1,635</u>	<u>1,635</u>	<u>1,635</u>
Total Nonoperating Revenues	<u>34,180</u>	<u>495,795</u>	<u>461,615</u>
Excess of Revenues Over (Under) Expenses	(70,683)	1,494,378	1,565,061
Appropriated Fund Balance	<u>70,683</u>	<u> </u>	<u>(70,683)</u>
Excess of Revenues Over Expenses	<u><u>\$</u></u>	<u><u>\$ 1,494,378</u></u>	<u><u>\$ 1,494,378</u></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, 2006

Reconciliation of Modified Accrual Basis

to Full Accrual Basis:

Total Revenues

\$2,602,670

Total Expenses

1,108,292

Income Before Transfers

\$1,494,378

Capital Leasing Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 7,395,000	\$ 6,043,644	\$ (1,351,356)
Miscellaneous Operating Revenues	85,000	338,478	253,478
Total Operating Revenue	<u>7,480,000</u>	<u>6,382,122</u>	<u>(1,097,878)</u>
Operating Expenses:			
Maintenance and Operations	127,783	269,006	(141,223)
Capital Outlay	12,466,468	4,401,832	8,064,636
Total Operating Expenses	<u>12,594,251</u>	<u>4,670,838</u>	<u>7,923,413</u>
Operating Income (Loss)	<u>(5,114,251)</u>	<u>1,711,284</u>	<u>6,825,535</u>
Nonoperating Revenues:			
Investment Income	<u> </u>	<u>170,790</u>	<u>170,790</u>
Nonoperating Expenses:			
Principal Maturities	6,000,000	3,625,406	2,374,594
Interest Expense	1,100,000	416,317	683,683
Loss on Disposal of Capital Assets		21,890	(21,890)
Miscellaneous Nonoperating Expense	140,000	127,363	12,637
Total Nonoperating Expenses	<u>7,240,000</u>	<u>4,190,976</u>	<u>3,049,024</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(12,354,251)</u>	<u>(2,308,902)</u>	<u>10,045,349</u>
Other Financing Sources:			
Debt Issuances:			
Capitalized Leases	<u>8,500,000</u>	<u>4,271,606</u>	<u>(4,228,394)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>(3,854,251)</u>	<u>1,962,704</u>	<u>5,816,955</u>
Appropriated Fund Balance	<u>3,854,251</u>	<u> </u>	<u>(3,854,251)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$ </u>	<u>\$ 1,962,704</u>	<u>\$ 1,962,704</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, 2006

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 6,552,912
Total Expenses	<u>8,861,814</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(2,308,902)
Adjustment to Full Accrual Basis:	
Depreciation	(4,006,537)
Principal Maturities	3,625,406
Capital Outlay	4,401,832
Trustee Debt Service Escrow Account	<u>18,990</u>
Income Before Transfers	<u>\$ 1,730,789</u>

Schedule of General Capital Assets

By Source

June 30, 2006

General Capital Assets:	
Land	\$ 53,784,992
Improvements Other Than Buildings	13,103,050
Buildings	122,083,394
Furniture, Fixtures, Machinery and Equipment	119,819,064
Infrastructure	207,540,342
Construction in Progress	41,236,141
Accumulated Depreciation	<u>(215,117,888)</u>
 Total General Capital Assets	 <u><u>\$ 342,449,095</u></u>

Investment in General Capital Assets by Source:	
General Fund	\$ 60,725,042
General Obligation Bonds	121,063,357
Grant Funds	8,011,179
Infrastructure	260,685,993
Internal Service Funds	107,081,412
Accumulated Depreciation	<u>(215,117,888)</u>
 Total Investment in General Capital Assets	 <u><u>\$ 342,449,095</u></u>

Schedule of General Capital Assets

By Function and Activity
June 30, 2006

	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
General Government:			
Administration	\$ 210,295	\$ 752	\$ 3,290,682
Job Training Consortium			
Total General Government	<u>210,295</u>	<u>752</u>	<u>3,290,682</u>
Public Safety:			
Police	984,526	13,750	7,264,276
Fire	1,363,247	41,979	26,434,688
Metro Communications			
Total Public Safety	<u>2,347,773</u>	<u>55,729</u>	<u>33,698,964</u>
Transportation	340,623	386,667	22,250
Infrastructure	30,000,833		
Total Transportation	<u>30,341,456</u>	<u>386,667</u>	<u>22,250</u>
Engineering and Inspections	<u>4,838,973</u>	<u>497,867</u>	<u>23,486,922</u>
Culture and Recreation:			
Parks and Recreation	12,075,346	11,260,077	35,001,626
Library	2,310,608	67,420	25,003,154
Total Culture and Recreation	<u>14,385,954</u>	<u>11,327,497</u>	<u>60,004,780</u>
Internal Service Funds	<u>1,660,541</u>	<u>834,538</u>	<u>1,579,796</u>
Accumulated Depreciation		<u>(8,722,045)</u>	<u>(39,494,566)</u>
Total General Capital Assets	<u>\$ 53,784,992</u>	<u>\$ 4,381,005</u>	<u>\$ 82,588,828</u>

<u>Furniture, Fixtures, Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Construction In Progress</u>	<u>Total</u>
\$ 3,621,980	\$	\$	\$ 7,123,709
58,875			58,875
<u>3,680,855</u>			<u>7,182,584</u>
3,970,909			12,233,461
2,160,357		5,128,203	35,128,474
		366,821	366,821
<u>6,131,266</u>		<u>5,495,024</u>	<u>47,728,756</u>
1,656,304		40,500	2,446,344
	207,540,342	23,144,818	260,685,993
<u>1,656,304</u>	<u>207,540,342</u>	<u>23,185,318</u>	<u>263,132,337</u>
1,908,977		7,023,563	37,756,302
3,134,493		4,703,278	66,174,820
1,036,330		93,261	28,510,773
<u>4,170,823</u>		<u>4,796,539</u>	<u>94,685,593</u>
102,270,839		735,697	107,081,411
<u>(77,724,962)</u>	<u>(89,176,315)</u>		<u>(215,117,888)</u>
<u>\$ 42,094,102</u>	<u>\$ 118,364,027</u>	<u>\$ 41,236,141</u>	<u>\$ 342,449,095</u>

Schedule of Changes in General Capital Assets

By Function and Activity

For the Fiscal Year Ended June 30, 2006

	General Capital Assets July 1, 2005	Additions
General Government:		
Administration	\$ 7,022,071	\$ 108,087
Job Training Consortium	58,875	
Total General Government	<u>7,080,946</u>	<u>108,087</u>
Public Safety:		
Police	10,989,205	1,373,292
Fire	29,391,641	821,792
Total Public Safety	<u>40,380,846</u>	<u>2,195,084</u>
Transportation	2,320,778	169,198
Infrastructure	220,040,104	17,501,071
Total Transportation	<u>222,360,882</u>	<u>17,670,269</u>
Engineering and Inspections	<u>29,940,582</u>	<u>823,158</u>
Culture and Recreation:		
Parks and Recreation	60,577,751	1,122,670
Library	28,000,100	417,412
Total Culture and Recreation	<u>88,577,851</u>	<u>1,540,082</u>
Internal Service Funds	<u>98,877,081</u>	<u>13,309,122</u>
Construction in Progress	<u>32,755,651</u>	<u>30,883,641</u>
Accumulated Depreciation	<u>(201,399,447)</u>	<u>(19,468,079)</u>
Total General Capital Assets	<u>\$ 318,574,392</u>	<u>\$ 47,061,364</u>

Transfers		Deductions/ Disposals	General Capital Assets June 30, 2006
<u>In</u>	<u>Out</u>		
\$	\$	\$ 6,449	\$ 7,123,709
		6,449	58,875
			7,182,584
		129,037	12,233,460
		213,161	30,000,272
		342,198	42,233,732
		84,132	2,405,844
		84,132	237,541,175
			239,947,019
		31,001	30,732,739
		228,879	61,471,542
		228,879	28,417,512
			89,889,054
		5,840,489	106,345,714
		22,403,151	41,236,141
		(5,749,638)	(215,117,888)
\$	\$	\$ 23,186,661	\$ 342,449,095

Schedule of General Long-Term Debt

June 30, 2006

<u>Issue Date</u>	<u>Description</u>	<u>Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>
GENERAL OBLIGATION BONDS				
10/01/94	Public Improvement Series 1994 Tax Exempt	\$ 9,355,000	04/01/2006	5.30 - 5.50
10/27/94	Public Improvement Series 1994 Tax Exempt	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	40,000,000	04/01/2018	4.60 - 4.75
02/10/98	Public Improvement Series 1998 Tax Exempt	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	2.25-3.92
12/01/04	Public Improvement Refunding, Series 2004 Tax Exempt	31,715,000	02/01/2014	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.
TOTAL GENERAL OBLIGATION BONDS				
CERTIFICATES OF PARTICIPATION				
03/29/95	Coliseum Project 1995B Taxable	\$ 1,100,000	03/29/2010	5.30 var.
06/27/02	Equipment Project 2002 Tax Exempt	7,000,000	06/27/2005	4.00 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	08/30/2002	3.00
TOTAL CERTIFICATES OF PARTICIPATION				
REVENUE BONDS				
06/09/98	Combined Enterprise System 1998A Tax Exempt	\$ 30,000,000	06/01/2019	4.30- 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	06/01/2023	4.25-5.50
06/01/01	Combined Enterprise System 2001B Tax Exempt	20,190,000	06/01/2023	4.00 var.
07/23/04	Combined Enterprise System 2003A Tax Exempt	33,435,000	07/24/2003	2.00-5.25
08/01/04	Combined Enterprise System 2003B Tax Exempt	10,000,000	08/15/2003	4.00 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	31,070,000	06/01/2019	4.00 var. (4.99) ⁽¹⁾
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	11/17/2005	3.75-5.00
TOTAL SPECIAL OBLIGATION BONDS				
STATE INFRASTRUCTURE LOAN				
05/16/00	State Infrastructure Loan 2000 Wastewater Treatment Works	\$ 3,816,049	08/01/2000	2.55
TOTAL STATE INFRASTRUCTURE LOAN				
TOTAL GENERAL LONG-TERM DEBT				

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

Governmental Activities	Business-Type Activities	Total Outstanding Balance 6/30/2006
\$	\$	\$
13,600,000		13,600,000
1,760,000		1,760,000
4,165,000		4,165,000
6,300,000		6,300,000
28,065,000		28,065,000
5,700,000		5,700,000
32,940,000		32,940,000
10,000,000		10,000,000
10,205,891	784,109	10,990,000
26,781,274	658,726	27,440,000
13,770,000		13,770,000
12,000,000		12,000,000
10,000,000		10,000,000
<u>\$ 175,287,165</u>	<u>\$ 1,442,835</u>	<u>\$ 176,730,000</u>
\$	\$	\$
3,380,000	540,000	540,000
7,000,000		3,380,000
6,400,000		7,000,000
14,590,000		6,400,000
570,720	6,284,280	14,590,000
		6,855,000
<u>\$ 31,940,720</u>	<u>\$ 6,824,280</u>	<u>\$ 38,765,000</u>
\$	\$	\$
	22,480,000	22,480,000
	10,000,000	10,000,000
	31,240,000	31,240,000
	20,190,000	20,190,000
	31,210,000	31,210,000
	10,000,000	10,000,000
	30,860,000	30,860,000
	10,000,000	10,000,000
	29,600,000	29,600,000
<u>\$</u>	<u>\$ 195,580,000</u>	<u>\$ 195,580,000</u>
\$	\$	\$
	9,325,000	9,325,000
	8,400,000	8,400,000
<u>\$</u>	<u>\$ 17,725,000</u>	<u>\$ 17,725,000</u>
\$	\$	\$
	2,544,034	2,544,034
<u>\$</u>	<u>\$ 2,544,034</u>	<u>\$ 2,544,034</u>
<u>\$ 207,227,885</u>	<u>\$ 224,116,149</u>	<u>\$ 431,344,034</u>

Schedule of Changes in General Long-Term Debt

For the Fiscal Year Ended June 30, 2006

	Debt Outstanding July 1, 2005	Additions
Amount Available in Debt Service Fund for Retirement of Bonded Debt	\$ 12,801,938	\$
Amount to be Provided for Retirement of Bonded Debt	<u>153,748,059</u>	<u>22,000,000</u>
Total Amount to be Provided for Retirement of Bonded Debt	<u>166,549,997</u>	<u>22,000,000</u>
Amount Available in Special Revenue Fund for Retirement of Certificates of Participation	138,920	
Amount to be Provided for Retirement of Certificates of Participation	<u>37,595,440</u>	
Total Amount to be Provided for Retirement of Certificates of Participation	<u>37,734,360</u>	
Amount to be Provided for Retirement of Other Long-Term Debt:		
Lease-Purchase and Other Financing Agreements	4,778,237	6,849,438
Compensated Absences Payable	<u>9,237,752</u>	<u>7,090,281</u>
Total Amount to be Provided for Retirement of Other Long-Term Debt	<u>14,015,989</u>	<u>13,939,719</u>
Total Available and to be Provided	<u>\$218,300,346</u>	<u>\$35,939,719</u>
General Long-Term Debt Payable:		
General Obligation Bonds Payable	\$166,549,997	\$22,000,000
Lease-Purchase and Other Financing Agreements Payable	4,778,237	6,849,438
Certificates of Participation Payable	37,734,360	
Compensated Absences Payable	<u>9,237,752</u>	<u>7,090,281</u>
Total General Long-Term Debt Payable	<u>\$218,300,346</u>	<u>\$35,939,719</u>

<u>Transfers</u>	<u>Retirements</u>	<u>Debt Outstanding June 30, 2006</u>
\$ (1,513,617)	\$	\$ 11,288,321
<u>1,513,617</u>	<u>13,262,831</u>	<u>163,998,845</u>
_____	<u>13,262,831</u>	<u>175,287,166</u>
117,683		254,403
<u>(117,683)</u>	<u>5,793,640</u>	<u>31,686,317</u>
_____	<u>5,793,640</u>	<u>31,940,720</u>
	933,341	10,694,334
_____	<u>6,425,603</u>	<u>9,902,430</u>
_____	<u>7,358,944</u>	<u>20,596,764</u>
<u>\$</u>	<u>\$ 26,415,415</u>	<u>\$227,824,650</u>
\$	\$ 13,262,831	\$175,287,166
	933,341	10,694,334
	5,793,640	31,940,720
_____	<u>6,425,603</u>	<u>9,902,430</u>
<u>\$</u>	<u>\$ 26,415,415</u>	<u>\$227,824,650</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 depicts 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.	154-163
<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.	164-172
<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.	173-181
<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.	182-185
<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.	186-187

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, 2002-2006
(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>
\$ 152,734,241	\$ 176,353,629
31,259,212	22,945,680
<u>117,076,363</u>	<u>115,098,202</u>
<u>301,069,816</u>	<u>314,397,511</u>
324,801,885	332,354,548
24,155,414	21,268,644
<u>85,953,333</u>	<u>96,550,961</u>
<u>434,910,632</u>	<u>450,174,153</u>
477,536,126	508,708,177
55,414,626	44,214,324
<u>203,029,696</u>	<u>211,649,163</u>
<u>\$ 735,980,448</u>	<u>\$ 764,571,664</u>

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

Fiscal Years Ended June 30, 2002-2006
(Accrual Basis of Accounting)

	Fiscal Year		
	2002	2003	2004
Expenses			
Governmental Activities:			
General Government	\$ 28,695,422	\$ 26,891,086	\$ 33,663,093
Public Safety	73,864,416	77,218,663	80,125,252
Transportation	18,655,023	23,843,714	26,157,813
Engineering and Inspections	15,428,170	13,571,422	15,608,886
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
Intergovernmental	1,036,892	1,149,260	1,203,854
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 Inspections	3,886,786	3,735,377	3,939,179
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>
\$ 21,767,584	\$ 22,026,705
92,937,600	94,825,978
22,356,011	15,391,728
25,468,682	21,457,646
662,457	707,369
37,177,821	34,313,605
9,827,924	10,397,115
3,101,682	4,430,040
1,325,930	1,426,149
8,029,110	7,829,150
<hr/>	<hr/>
222,654,801	212,805,485
26,562,064	29,166,789
33,138,469	32,739,122
8,563,728	8,168,619
11,669,181	14,143,340
22,424,921	22,827,349
2,045,382	1,743,045
<hr/>	<hr/>
104,403,745	108,788,264
<hr/>	<hr/>
327,058,546	321,593,749
15,562,235	15,861,487
4,005,541	4,369,069
3,282,749	2,001,309
5,768,440	5,225,083
573,946	520,650
3,933,363	4,321,963
1,987,527	692,039
(4,470)	(6,079)
19,046,269	21,567,402
5,073,643	2,943,094
<hr/>	<hr/>
59,229,243	57,496,017
36,229,488	34,244,618
32,775,950	37,633,619
8,369,025	8,467,742
7,621,544	10,491,054
10,316,091	10,522,743
1,878,684	1,811,909
<hr/>	<hr/>
11,083,364	7,750,601
108,274,146	110,922,286
<hr/>	<hr/>
167,503,389	168,418,303
<u>\$ (159,555,157)</u>	<u>\$ (153,175,446)</u>

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

Fiscal Years Ended June 30, 2002-2006
(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
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
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>
\$ (159,555,157)	\$ (153,175,446)
115,805,629	115,905,412
35,542,429	38,365,460
322,227	285,450
2,734,573	2,920,404
6,764,970	7,149,137
1,968,825	1,835,739
3,612,340	3,527,728
1,012,047	820,924
1,024,673	1,029,986
2,468,216	2,737,908
149,050	126,145
4,944,761	5,538,900
849,817	880,465
<u>(12,189,950)</u>	<u>(12,486,495)</u>
<u>165,009,607</u>	<u>168,637,163</u>
1,758,810	1,947,658
1,366,287	2,177,854
<u>12,189,950</u>	<u>12,486,495</u>
<u>15,315,047</u>	<u>16,612,007</u>
<u>180,324,654</u>	<u>185,249,170</u>
<u>\$ 20,769,497</u>	<u>\$ 32,073,724</u>

Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2002-2006
(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><u>53,743,659</u></u>	<u><u>53,770,419</u></u>	<u><u>58,111,419</u></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><u>\$ 77,922,825</u></u>	<u><u>\$ 101,562,716</u></u>	<u><u>\$ 78,344,479</u></u>

Note: The City began to report accrual information with the implementation of GASB Statement 34 in fiscal year 2002.

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<u>2005</u>	<u>2006</u>
\$ 30,873,608	\$ 27,699,887
<u>28,042,697</u>	<u>28,676,068</u>
<u>58,916,305</u>	<u>56,375,955</u>
6,236,448	5,257,515
7,745,203	10,245,286
38,113,572	35,226,506
<u>12,801,938</u>	<u>11,288,321</u>
<u>\$ 64,897,161</u>	<u>\$ 62,017,628</u>

Changes in Fund Balances, Governmental Funds

Fiscal Years Ended June 30, 2002-2006

(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	26,353,877	28,368,650	29,574,624
Public Safety	75,083,942	76,171,096	80,146,449
Transportation	22,435,738	19,668,263	22,334,333
Engineering and Inspections	8,268,473	13,369,391	15,400,304
Environmental Services	(664,617)	(36,774)	(545,840)
Culture and Recreation	27,666,637	26,511,944	28,857,724
Community Development and Housing	10,761,099	9,893,342	9,412,480
Economic Opportunity	2,323,319	2,876,189	2,739,584
Water Resources	2,400,815	1,995,056	2,305,504
Intergovernmental	1,036,892	1,149,260	1,203,854
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, Fees on Long-Term Debt	7,614,477	6,263,612	7,580,858
Arbitrage Rebates		462,304	
Total Expenditures	<u>216,437,179</u>	<u>220,731,158</u>	<u>235,317,247</u>
Excess of Revenues Over (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	10.61%	11.01%	10.56%

Note: Prepared as of the implementation of GASB Statement No. 34 in fiscal year 2002.

<u>2005</u>	<u>2006</u>
\$ 153,940,553	\$ 157,592,796
135,315	35,138
39,412,389	40,890,658
8,926,893	9,402,583
979,352	1,029,871
21,437,475	19,898,897
3,989,090	4,167,865
4,107,499	4,629,375
<u>232,928,566</u>	<u>237,647,183</u>
21,871,616	22,959,738
90,184,454	94,305,718
17,747,401	10,933,491
23,891,187	20,887,622
655,149	709,272
34,078,493	32,317,884
10,126,921	10,765,672
2,992,840	4,503,052
1,325,930	1,426,149
17,826,084	32,523,826
14,772,770	15,191,850
6,948,544	7,857,987
<u>242,421,389</u>	<u>254,382,261</u>
<u>(9,492,823)</u>	<u>(16,735,078)</u>
14,580,000	22,000,000
30,572,711	
2,461,317	136,148
477,000	1,641,000
	422,898
31,645,707	28,877,314
(44,483,253)	(41,762,165)
<u>(33,058,668)</u>	
<u>2,194,814</u>	<u>11,315,195</u>
<u>\$ (7,298,009)</u>	<u>\$ (5,419,883)</u>
10.71%	11.59%

Tax Revenues By Source, Governmental Funds ^(a)

Fiscal Years Ended June 30, 1997-2006

(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>
1997	\$ 78,908,631	\$ 24,680,520	\$1,972,001	\$	\$ 105,561,152
1998	83,398,779	26,163,103	2,132,096		111,693,978
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
Change: 1997-2006	32.0%	35.7%	32.5%	(44.3%)	33.0%

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, 2006

	City - Wide			Total Levy	
	Property Valuation	Basic Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 20,600,894,953	\$.5675	\$ 116,910,079	\$ 111,253,544	\$ 5,656,535
Property taxed at prior year's rate	737,329,078	.5675	4,184,342	366	4,183,976
Registered motor vehicles taxed at prior year's rates	5,343,307	Various	32,992		32,992
Penalties			20,787	20,787	
Vehicle fee			1,849,290	1,849,290	
Business Improvement District		.0900	468,563	459,861	8,702
Historic Districts		.0500	74,147	70,147	4,000
Total	<u>21,343,567,338</u>		<u>123,540,200</u>	<u>113,653,995</u>	<u>9,886,205</u>
Discoveries:					
Current year taxes	93,607,561	.5675	531,223	531,223	
Prior year taxes	35,963,567	Various	206,466	206,466	
Penalties			59,776	59,776	
Total	<u>129,571,128</u>		<u>797,465</u>	<u>797,465</u>	
Abatements	<u>213,283,672</u>		<u>1,229,058</u>	<u>1,050,417</u>	<u>178,641</u>
Total property valuation	<u>\$ 21,259,854,794</u>				
Net levy			123,108,607	113,401,043	9,707,564
Uncollected taxes at June 30, 2006			<u>2,152,058</u>	<u>1,388,764</u>	<u>763,294</u>
Current year's taxes collected			<u>\$ 120,956,549</u>	<u>\$ 112,012,279</u>	<u>\$ 8,944,270</u>
Current levy collection percentage			<u>98.25%</u>	<u>98.78%</u>	<u>92.14%</u>

Assessed Value and Estimated Actual Value of All Taxable Property

Fiscal Years Ended June 30, 1997-2006

<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>
1997	1996 (c)	\$ 10,477,875,609	\$ 2,490,686,370	\$ 532,336,721	\$ 13,500,898,700
1998	1997 (c)	10,855,772,662	2,787,632,052	530,852,680	14,174,257,394
1999	1998 (c)	10,982,681,696	3,306,668,644	553,306,664	14,842,657,004
2000	1999 (c)	11,290,118,175	3,747,352,541	580,691,567	15,618,162,283
2001	2000 (c)	11,730,230,339	3,881,959,402	540,286,350	16,152,476,091
2002	2001 (c)	12,101,262,851	3,975,144,763	582,404,785	16,658,812,399
2003	2002 (c)	12,496,032,410	3,707,812,375	531,613,540	16,735,458,325
2004	2003 (c)	12,751,289,348	3,635,487,740	477,767,729	16,864,544,817
2005	2004 (c)	16,668,949,428	3,747,486,309	542,354,044	20,958,789,781
2006	2005 (c)	16,918,197,134	3,828,332,622	513,325,038	21,259,854,794

- (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 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.
- (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.
- (c) The City offered a 1% discount for taxes paid prior to September 1. This discount amounted to \$573,520 for 2005.

Total Weighted Average Rate	Estimated Actual Taxable Value
\$.5945	\$ 13,500,898,700
.6046	14,174,257,394
.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
.5526	21,259,854,794

Direct and Overlapping Property Tax Rates

Fiscal Years Ended June 30, 1997-2006

Fiscal Year Ended	City of Greensboro					Guilford County	Combined Tax Rate
	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	
Tax Rate (Per \$100)							
1997	\$.5845	\$.0130	\$.0500		\$.5945	\$.6572	\$1.2517
1998	.5925	.0150	.0500		.6046	.6572	1.2618
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	.5475	.0200	.0500	.0900	.5526	.6419	1.1945

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.

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.

Source: Adopted Budget

Principal Property Taxpayers

June 30, 2006 and June 30, 1997

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Current Year's Tax</u>	<u>2006</u>		
			<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value^(a)</u>
Koury Corporation	Real Estate Development	\$ 1,618,263	\$ 270,839,002	1	1.27%
Lorillard Tobacco Company	Cigarette Manufacturing	1,364,334	240,411,357	2	1.13
Duke Energy Corporation	Electric Utility	952,472	167,836,434	3	0.79
Starmount Company	Real Estate Development	943,783	166,305,400	4	0.78
RF Micro Devices, Inc.	Service Communications	922,010	162,468,700	5	0.76
Highwoods/Forsyth Ltd.	Real Estate Development	838,657	147,781,000	6	0.70
Proctor & Gamble Mfg. Co.	Chemicals	784,595	138,254,574	7	0.65
BellSouth	Service Communications	722,504	127,313,397	8	0.60
GGP Four Seasons LLC	Real Estate Development	697,346	122,880,295	9	0.58
Koury Ventures LTD	Real Estate Development	683,190	120,385,933	10	0.57
Jefferson-Pilot Life Ins Co.	Insurance	567,604	100,018,269	11	0.47
Stockhausen, Inc.	Specialty Chemicals	517,929	91,265,078	12	0.43
TYCO Electronics (AMP, Inc.)	Electronics Manufacturing	515,785	90,887,142	13	0.43
BNP/Chrysson Phase I LLC	Real Estate Management	409,930	72,234,416	14	0.34
URDT of North Carolina LLC	Real Estate Management	397,989	70,130,253	15	0.33
VF (Wrangler)	Textile Manufacturing	360,495	63,523,282	16	0.30
Harris-Teeter	Food Distribution	328,229	57,837,764	17	0.27
Syngenta (Novartis, CIBA)	Research & Development	327,588	57,724,720	18	0.27
Colonial Pipeline Co.	Petroleum Carrier	300,604	52,969,864	19	0.25
Greensboro Auto Auction, Inc.	Automobile Auctioneer	286,919	50,558,490	20	0.24
Guilford Mills, Inc.	Textile Manufacturing				
Cone Mills Corporation	Textile Manufacturing				
AT & T Communications	Service Communications				
American Express Travel	Credit Card Service Center				
Koger Equity Inc.	Real Estate Management				
Gilbarco Inc.	Service Station Equipment				
Piedmont Natural Gas	Natural Gas Utility				
Totals		<u>\$ 13,540,226</u>	<u>\$2,371,625,370</u>		<u>11.16%</u>

(a) Total Fiscal Year 2006 Taxable Assessed Value is \$21,259,854,794.

(b) Total Fiscal Year 1997 Taxable Assessed Value was \$13,500,898,700.

Source: Guilford County Tax Department

Note: GGP Four Seasons LLC purchased Four Seasons Mall from Koury Corporation. This purchase caused a significant shift in current tax revenues from Koury Corporation to GGP Four Seasons.

1997		
Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value ^(B)
\$ 294,629,899	1	2.18%
157,040,287	2	1.16
134,405,146	4	1.00
103,006,927	7	0.76
94,953,756	11	0.70
44,105,502	17	0.33
142,522,863	3	1.06
100,906,818	9	0.75
71,164,839	13	0.53
100,377,259	10	0.74
35,586,288	20	0.26
76,464,304	12	0.57
45,502,927	16	0.34
119,312,181	5	0.88
103,731,482	6	0.77
101,183,680	8	0.75
58,740,361	14	0.44
47,630,906	15	0.35
38,430,479	18	0.28
36,348,029	19	0.27
<u>\$ 1,906,043,933</u>		<u>14.12%</u>

Property Tax Levies and Collections

Fiscal Years Ended June 30, 1997-2006

<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>
1997	\$ 82,689,999	\$ (209,743)	\$ 82,480,256	\$81,777,207	99.15%
1998	87,914,575	(72,368)	87,842,207	86,834,677	98.85
1999	88,508,859	(62,668)	88,446,191	87,374,776	98.79
2000	92,905,836	(84,234)	92,821,602	91,647,025	98.73
2001	95,992,859	137,276	96,130,135	94,809,679	98.63
2002	98,928,643	(64,861)	98,863,782	97,679,465	98.80
2003	104,974,280	(185,300)	104,788,980	103,741,401	99.00
2004	106,015,920	(80,407)	105,935,513	104,456,282	98.60
2005	121,697,513	(797,785)	120,899,728	119,223,482	98.61
2006	123,108,607	-	123,108,607	120,956,549	98.25

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 211,323	\$ 81,988,530	99.40%
437,646	87,272,323	99.35
519,839	87,894,615	99.38
543,536	92,190,561	99.32
655,794	95,465,473	99.31
433,415	98,112,880	99.24
279,506	104,020,907	99.27
625,821	105,082,103	99.19
486,617	119,710,099	99.02
-	120,956,549	98.25

Ratios of Outstanding Debt by Type

Fiscal Years Ended June 30, 1997-2006

Fiscal Year	Governmental Activities				Business Activities	
	General Obligation Bonds	Certificates of Participation	Capital Leases	Other Financing	General Obligation Bonds	Water and Sewer Revenue Bonds
1997	\$ 134,445,000	\$ 64,520,000	\$ 4,141,211	\$ 1,315,000	\$ 10,640,000	\$ 48,940,000
1998	177,975,000	51,163,978	3,781,810	990,000	9,800,000	88,190,000
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 ^(c)	175,287,165	31,940,720	157,531	10,536,803	1,442,835	195,580,000

(a) Assessed property values, reference Table VIII.

(b) Population based on City Planning Department's estimates as of July 1 of each year.

(c) The City issued \$22,000,000 in General Obligation bonds in 2006.

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

Business-Type Activities (cont.)

<u>Certificates of Participation</u>	<u>Special Obligation Bonds</u>	<u>Watershed Protection Bonds</u>	<u>Other Financing</u>	<u>Total Primary Government</u>	<u>Percentage of Actual Assessed Value of Property^(a)</u>	<u>Per Capita^(b)</u>
\$ 18,762,519	\$16,000,000	\$ 4,510,724	\$ -	\$ 303,274,454	2.2%	\$ 1,499
17,706,022	16,000,000	4,467,560	-	370,074,370	2.6	1,804
16,576,181	16,000,000	4,405,463	-	351,969,671	2.4	1,685
15,383,463	15,170,000	4,284,091	5,777,675	344,720,621	2.2	1,618
14,103,376	14,305,000	3,940,580	5,777,675	368,527,263	2.3	1,627
12,736,570	13,400,000	3,592,429	3,922,497	368,244,448	2.2	1,604
12,917,744	12,450,000	3,221,017	3,642,319	386,749,547	2.3	1,669
10,946,640	11,455,000	2,804,637	3,081,746	404,555,088	2.4	1,720
8,915,640	10,415,000	2,402,196	2,798,437	436,733,870	2.1	1,832
6,824,280	17,725,000	2,051,799	2,544,034	444,090,167	2.1	1,843

Ratio of Net General Obligation Bonded Debt

To Assessed Value and Net General Obligation Debt Per Capita
Fiscal Years Ended June 30, 1997-2006

Fiscal Year Ended	General Bonded Debt Outstanding		Less Debt Payable from Water Resources Revenues	Total Net Bonded Debt
	General Obligation Bonds Debt	Less Amount Available in Debt Service Fund		
1997	\$ 145,085,000	\$ 4,320,275	\$ 10,640,000	\$ 130,124,725
1998	187,775,000	9,369,770	9,800,000	168,605,230
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

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

(b) Population figures are based on the City Planning Department's estimates from prior year.

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

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<u>Actual Assessed Value of Property</u> ^(a)	<u>Ratio of Net Bonded Debt To Assessed Valuation</u>	<u>Population(b)</u>	<u>Net Bonded Debt Per Capita</u>
\$ 13,500,898,700	1.0%	202,321	\$ 643
14,174,257,394	1.2	205,132	822
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

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds
Fiscal Year Ended June 30, 2006

<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)	\$175,287,165	100.00%	\$175,287,165
Overlapping Debt- Guilford County General Improvement Bonds	<u>438,880,000</u>	52.18%	<u>229,007,584</u>
Total Direct and Overlapping Debt	<u>\$614,167,165</u>		<u>\$404,294,749</u>

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

(b) Percentage of Direct and Overlapping Debt is based on 6/30/06 Assessed Valuation of Guilford County as compared to the 6/30/06 Assessed Valuation of the City of Greensboro.

Legal Debt Margin Information

Fiscal Years Ended June 30, 1997-2006

	Fiscal Year			
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Debt Limit	\$1,070,549,570	\$1,133,940,592	\$1,187,412,560	\$1,249,452,983
Total Net Debt Applicable to Limit	<u>275,010,396</u>	<u>271,713,143</u>	<u>254,477,333</u>	<u>233,592,244</u>
Legal Debt Margin	<u>\$ 795,539,174</u>	<u>\$ 862,227,449</u>	<u>\$ 932,935,227</u>	<u>\$1,015,860,739</u>
Legal Debt Margin as a Percentage of Debt Limit	74.31%	76.04%	78.57%	81.30%

(a) Appraised Value increased \$4,094,244,964 due to 2004 Revaluation.

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 15 percent of total assessed property value. However, the City has established a more conservative internal limit of no more than 8 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds. The City began reporting accrual information with the implementation of GASB Statement 34 in fiscal year 2002.

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed Value	\$21,259,854,794
Debt Limit (8 % of assessed value)	1,700,788,384
Debt Applicable to Limit:	
General Obligation Bonds	176,730,000
Other Long Term Debt	54,055,167
Less: Amount Set Aside For Repayment of General Obligation and Other Debt	(12,985,559)
Total Net Debt Applicable to Limit	<u>217,799,608</u>
Legal Debt Margin	<u>\$ 1,482,988,776</u>

Fiscal Year (Cont)

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005^(a)</u>	<u>2006</u>
\$1,292,198,087	\$1,332,704,992	\$1,338,836,666	\$1,349,163,585	\$1,676,703,182	\$ 1,700,788,384
<u>347,249,564</u>	<u>336,958,763</u>	<u>320,301,785</u>	<u>299,254,674</u>	<u>210,238,009</u>	<u>217,799,608</u>
<u>\$ 944,948,523</u>	<u>\$ 995,746,229</u>	<u>\$1,018,534,881</u>	<u>\$1,049,908,911</u>	<u>\$1,466,465,173</u>	<u>\$ 1,482,988,776</u>
73.13%	74.72%	76.08%	77.82%	87.46%	87.19%

Pledged Revenue Coverage

Fiscal Years Ended June 30, 1997-2006

Fiscal Year Ended June 30	Water Resources Enterprise Fund (a)						Coverage (f)
	Gross Revenues(c)	Less Operating Expenses(d)	Net Available Revenue	Debt Service Expenditures (e)			
				Principal	Interest	Total	
1997	\$ 33,860,896	\$ 22,034,403	\$ 11,826,493	\$ 1,060,000	\$ 2,472,161	\$ 3,532,161	3.35
1998	35,637,038	22,652,592	12,984,446	750,000	2,479,346	3,229,346	4.02
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

(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 and \$40,780,000 dated June 2005.

(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) Gross 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) The required coverage is 2.00.

(h) As defined in Articles 40 and 42 of the Sales Tax Act.

Solid Waste Management Fund (b)				
<u>Sales Tax Revenue Pledged (h)</u>	<u>Debt Service Expenditures</u>			<u>Coverage (g)</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
\$	\$	\$	\$	
10,206,764		791,758	791,758	12.89
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

Demographic and Economic Statistics

1997-2006

<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>
1997	202,321	\$ 3,393,881	\$ 32,101	\$ 27,416	34	58,404	3.4%
1998	205,132	3,471,466	33,765	28,963	35	59,691 (g)	2.8
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	31,225	35	62,426	6.7
2003	231,740	4,380,653	35,307	31,786	35	64,500	6.5
2004	235,262	4,361,773	34,656	32,888	35	67,099	5.6
2005	238,440	4,531,075	35,767	(f)	35	67,099	5.1
2006	240,955	(f)	(f)	(f)	(f)	69,171 (g)	(f)

- (a) Greensboro Planning Department estimates.
- (b) Bureau of Economic Analysis.
- (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.

Note: Statistic available only at the County level, NC Office of Budget & Management: State Demographer's Office.

Principal Employers

June 30, 2006 and June 30, 1997

<u>Employer</u>	<u>Product or Service</u>	<u>2006</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City/County Employment</u>
Guilford County School System	Public Schools	8,000	1	3.49%
Moses Cone Health System	Health Service	6,200	2	2.70
Sears Regional Credit Card Center	Retail /Customer Service	3,000	3	1.31
American Express, Inc.	Regional Card Center	2,800	4	1.22
Guilford County	Local Government	2,700	5	1.18
City of Greensboro	Local Government	2,400	6	1.05
TYCO Electronics (AMP, Inc.)	Electronics	2,000	7	0.87
High Point Regional Hospital	Health Service	1,975	8	0.86
United Parcel Service	Parcel Ground Service	1,900	9	0.83
Bank of America (Nations Bank)	Banking	1,800	10	0.79
Cone Mills Corporation	Textiles			
US Postal Service	Postal Service			
P. Lorillard, Inc.	Cigarettes/Tobacco			
Totals		<u>32,775</u>		<u>14.30%</u>

Source: North Carolina Employment Security Commission, Greensboro Chamber of Commerce, Guilford County Official Statement, 1996.

Note: Employees presented are based on latest data available for calendar years 2004 and 1995, respectively:

2004 total County employment was 229,199

1995 total County employment was 211,751

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1997

<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City/County Employment</u>
7,400	1	3.49%
4,000	2	1.89
2,600	4	1.23
2,600	5	1.23
2,200	9	1.04
2,200	10	1.04
2,400	7	1.13
3,000	3	1.42
2,500	6	1.18
2,400	8	1.13
<u>31,300</u>		<u>14.78%</u>

Full-Time Equivalent City Government Employees by Function/Program

Fiscal Years Ended June 30, 1997-2006

Function/Program	Full-time-Equivalent Employees as of June 30									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government	274	280	283	298	311	309	309	317	314	250
Public Safety	1,024	1,045	1,063	1,098	1,133	1,160	1,156	1,165	1,217	1,270 (a)
Transportation	133	139	137	139	135	139	140	140	143	143
Engineering and Inspections	80	82	82	82	82	85	83	86	86	151
Environmental Services	15	17	17	17	17	17	17	17	17	17
Culture and Recreation	294	409	417	424	441	440	434	404	421	422
Community Development & Housing	19	19	20	20	23	23	26	26	27	29
Economic Opportunity	53	54	54	57	64	65	63	63	65	65
Water Operations	122	123	124	125	135	136	139	139	145	323
Sewer Operations	150	153	153	156	164	164	164	165	174	-
Stormwater Management	73	82	81	81	84	78	76	77	77	76
War Memorial Coliseum	61	62	66	76	96	95	87	87	75	71
Solid Waste Management	139	143	144	147	148	150	150	150	161	166
Parking Facilities	9	12	12	12	12	12	12	12	12	12
Total	<u>2,446</u>	<u>2,620</u>	<u>2,653</u>	<u>2,732</u>	<u>2,845</u>	<u>2,873</u>	<u>2,856</u>	<u>2,848</u>	<u>2,934</u>	<u>2,995</u>

(a) Public Safety added 32 new positions due to annexation for new fire stations and 21 new positions were added for Metro 911 Communications operations.

Source: City Adopted Budget FY 2005-06, pgs. 22-23.

Operating Indicators by Function

Fiscal Years Ended June 30, 1997-2006

Function	Fiscal Year				
	2002	2003	2004	2005	2006 ⁽¹⁾
General Government					
Development plans submitted	832	770	600	700	274
Zoning violations investigated	279	266	250	250	276
Budget adjustments	392	347	373	395	458
Water and sewer laterals inspected ⁽²⁾	66	62	90,076	100,000	327,375
Work orders completed	(4)	13,850	13,950	14,230	13,714
Roadway footage inspected	321,407	295,189	407,934	358,300	309,252
Sidewalk footage inspected	28,888	6,030	(4)	10,496	41,823
Payments/receipts processed	552,740	558,267	564,000	549,108	553,332
Employment applications processed	(4)	(4)	6,500	7,000	13,714
Public Safety					
Police⁽³⁾					
Response calls for service	(4)	147,840	119,614	139,587	152,398
Average patrol response time (all types)	(4)	6:50	9:30	13:22	11:52
Fire					
Total fire responses	1,124	865	976	1,150	1,318
Fire investigations conducted	216	223	252	265	419
Total general responses	19,243	19,990	20,391	20,980	14,859
Transportation					
Total route miles	(4)	(4)	1.28	1.32	1.34
Number of passengers (in millions)	1.7	2.0	2.3	2.6	3.0
Engineering and Inspections					
Inspections on closed dwellings/units	1,470	1,186	2,392	1,150	989
Inspections performed on Local Ordinance Enforcement	21,053	23,481	27,420	21,000	20,086
Environmental Services					
Educational initiatives	63	63	63	83	223
Users of household hazardous waste disposal facility	6,842	7,215	8,108	7,977	11,183
Waste collected (in pounds)	487,558	417,326	492,623	427,912	380,189
Water Operations					
Water customer accounts	89,180	91,300	93,800	96,300	97,300
Significant industrial users	39	34	35	35	42
Meters read annually	486,125	503,000	503,000	506,000	510,000
Public Water Main (miles)	1,521	1,538	1,557	1,385	1,429
Water meters	91,260	93,130	94,220	95,060	97,398
Average Annual System Capacity (millions of gallons per day)	35.5	35.5	35.5	40.5	40.5
Average water MGD treated daily	31.8	28.5	30.6	31.5	33.2
New connections	(4)	(4)	(4)	(4)	2,275
Water main breaks	138	152	113	97	118
Average daily consumption (millions of gallons)	31.8	28.5	30.6	31.0	32.7
Peak consumption (millions of gallons)	41.4	35.3	38.1	41.4	41.1
Sewer Operations					
Average wastewater MGD treated daily	31.2	33.6	32.2	34.2	29.0
Public Sanitary Sewer (miles)	1,329	1,343	1,363	1,486	1,355
Treatment capacity (millions of gallons per day)	56.0	56.0	56.0	56.0	56.0
War Memorial Coliseum					
Total number of events	815	875	751	748	787
Total attendance (in millions)	1.1	1.4	1.3	1.0	1.4
Solid Waste Management					
Residential refuse collected (average tons per month)	4,908	5,023	4,751	4,888	4,993
Recyclables collected (average tons per day)	1,296	1,768	1,812	1,917	1,879
Yard waste collected (average tons per day)	1,215	1,494	1,422	1,206	1,172
White goods collected (average tons per day)	746	790	747	598	498
Phase II (tons processed per year)	140,000	140,000	140,000	140,000	140,000
Phase III (tons processed per year)	200,000	200,000	200,000	200,000	200,000
Compost Facility (tons processed per year)	30,000	30,000	30,000	30,000	30,000

(1) 2006 column is an estimate based on the individual department's data.

(2) As of FY2004, the water and sewer laterals inspected changed to water and sewer laterals footage inspected.

(3) As of FY2003, the Police Department changed their reporting of response calls for service to include all calls where officers were dispatched.

(4) Information not available.

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

Capital Asset Statistics by Function

Fiscal Years Ended June 30, 2002-2006

Function	Fiscal Year				
	2002	2003	2004	2005	2006
General Government: ^(a)					
Melvin Municipal Office Building (square footage)	131,475	131,475	131,475	131,475	131,475
Service Center (square footage)	156,757	156,757	156,757	156,757	156,757
Cone Building (square footage)	35,316	35,316	35,316	35,316	35,316
J. Edward Kitchen Operations Center (square footage)	(j)	(j)	(j)	(j)	119,000
Public Safety:					
Police ^(b)					
Stations	5	5	5	6	6
District Offices	2	2	2	3	3
Patrol Units	(j)	(j)	(j)	(j)	127
Fire ^(c)					
Fire Stations	18	18	18	19	20
Fire Trucks	(j)	(j)	(j)	(j)	36
Auxillary Response Vehicles	(j)	(j)	(j)	(j)	47
Transportation: ^(d)					
Streets (miles)	892	901	912	931	946
Highways (miles)	234	235	246	376	377
Sidewalks (miles)	(j)	(j)	(j)	(j)	373
Streetlights	(j)	(j)	(j)	(j)	18,457
Traffic signals	(j)	(j)	(j)	(j)	310
Culture and Recreation: ^(e)					
Libraries					
Main Building/Branches	7	7	6	7	7
Mobile Library - Reading Railroad	1	1	1	1	1
Parks and Recreation					
Parks, Open Spaces, Beautification Areas	286	310	312	350	353
Acres	3,754	3,912	4,043	5,749	5,781
Arboretum/ Bicentennial Garden/Bog Garden/Arts Center/Historical Tannenbaum Park	5	5	5	5	6
Camp for Special Populations/Recreation Centers/Multicultural Center	15	15	15	15	15
Golf Courses	3	2	2	2	2
Tennis Courts	112	112	112	112	112
Swimming Pools	7	7	7	7	7
Ball Fields	56	56	56	56	56
Basketball Courts	38	38	44	44	44
Cemeteries	4	4	4	4	4
Yard Waste Vehicles ⁽ⁱ⁾	4	4	4	4	4
Stormwater Management: ^(f)					
Storm Sewer (miles)	(j)	(j)	(j)	(j)	786
War Memorial Coliseum (Arena, Auditorium, Special Events Center, Meeting Rooms): ^(g)					
Arena Seating Capacity	23,300	23,300	23,500	23,500	23,500
Auditorium Seating Capacity	2,400	2,376	2,376	2,430	2,400
Special Events Center(with Mini-Arena) Capacity in square feet	120,000	120,000	167,000	167,000	167,000
Solid Waste Management					
Landfill ^(h)	1	1	1	1	1
Solid Waste Vehicles ⁽ⁱ⁾	84	84	89	89	91
Parking Facilities: ^(d)					
Davie Street Parking Deck (number of spaces)	415	415	415	415	415
Greene Street Parking Deck (number of spaces)	706	706	706	706	706
Church Street Parking Deck (number of spaces)	424	424	424	424	424
Bellemeade Street Parking Deck (number of spaces)	1,276	1,276	1,276	1,276	1,276

(a) City of Greensboro Engineering Department

(b) City of Greensboro Police Department

(c) City of Greensboro Fire Department

(d) City of Greensboro Transportation Department

(e) City of Greensboro Library and Parks and Recreation Departments

(f) City of Greensboro Water Resources Department

(g) www.greensborocoliseum.com/press_facts.cfm

(h) City of Greensboro Environmental Services Department

(i) City of Greensboro Financial & Administrative Services Department

(j) Information Not Available

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the Greensboro Housing Development Partnership and the Greensboro Transit Authority, which are discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Greensboro, North Carolina ("the City"), as of and for the year ended June 30, 2006, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 10, 2006. We did not audit the financial statements of the Greensboro ABC Board ("the Board"). 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 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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 that are required to be reported under Government Auditing Standards.

We noted other matters involving the internal control over financial reporting that we have reported to management of City in a separate letter dated October 10, 2006.

This report is intended solely for the information and use of management, others within the organization, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cherry, Robert + Nadel, C.C.P.

Raleigh, North Carolina
October 10, 2006



Independent Auditor's Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act

To the Honorable Mayor
and Members of the City Council
City of Greensboro
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, 2006. 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, 2006.

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State Single Audit Implementation Act.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cherry, Quindt & Hahn, LLP

Raleigh, North Carolina
October 10, 2006



**Independent Auditor's Report On Compliance With Requirements Applicable To Each
Major State Program and Internal Control Over Compliance In Accordance With
Applicable Sections of OMB Circular A-133 and the State Single Audit Implementation Act**

To the Honorable Mayor
and Members of the City Council
City of Greensboro
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, 2006. 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; and applicable sections of OMB Circular A-133, as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2006.

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 and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major State program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, members of City Council, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cherry, Robert F. Nelson, C.I.P.

Raleigh, North Carolina
October 10, 2006

**City of Greensboro, North Carolina
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2006**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Reportable condition(s) identified
 That are not considered to be
 Material weaknesses ___yes X none reported
- Noncompliance material to financial
 Statements noted ___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Reportable condition(s) identified
 That are not considered to be
 Material weaknesses ___yes X none reported
- Noncompliance material to federal awards ___ yes X 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 X 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
97.004, 97.067	Homeland Security Grant

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006**

Dollar threshold used to distinguish
Between Type A and Type B Programs \$ 472,359

Auditee qualified as low-risk auditee X yes no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes X no
- Reportable condition(s) identified
That are not considered to be
Material weaknesses yes X none reported
- Noncompliance material to State awards yes X no

Type of auditor's report issued on compliance of major State programs: Unqualified

Any audit findings disclosed that are required to be
Reported in accordance with the State Single
Audit Implementation Act yes X no

Identification of major State programs:

Program Name
Powell Bill
State Maintenance Assistance Program Funds

Section II – Financial Statement Findings

None reported

Section III – Federal Awards Findings and Questioned Costs

None reported

Section IV – State Award Findings and Questioned Costs

None reported

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2006

<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-97-MC-37-0007
Community Development Block Grants	14.218	B-98-MC-37-0007
Community Development Block Grants	14.218	B-99-MC-37-0007
Community Development Block Grants	14.218	B-00-MC-37-0007
Community Development Block Grants	14.218	B-01-MC-37-0007
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
Section 108 Project	14.218	
Day Care-Kids - 1996-97	14.218	
Day Care-Kids - 1997-98	14.218	
Day Care-Kids - 1998-99	14.218	
Day Care-Kids - 2000-01	14.218	
Day Care-Kids - 2001-02	14.218	
Day Care-Kids - 2002-03	14.218	
Day Care-Kids - 2003-04	14.218	
Day Care-Kids - 2004-05	14.218	
Day Care-Kids - 2005-06	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
Emergency Shelter Grants Program - 1993	14.231	S-93-MC-37-0004
Emergency Shelter Grants Program - 2004	14.231	S-04-MC-37-0004
Emergency Shelter Grants Program - 2005	14.231	S-05-MC-37-0004
HOPWA	14.241	NC19H02-F003
Brownfield Economic Development - 2003	14.246	B-03-BD-37-0041
Total Other Community Development Programs		
Office of Fair Housing & Equal Opportunity:		
Fair Housing Assistance Program	14.401	FF-204K-03-4013
Fair Housing Assistance Program	14.401	FF-204K-04-4013
Total Office of Fair Housing & Equal Opportunity		
Office of Healthy Homes & Lead Hazard Control:		
Lead Based Paint Grant - 2005-08	14.900	NCLHB0186-04
Total Office of Healthy Homes & Lead Hazard Control		
Total Department of Housing and Urban Development		
Department of Justice:		
Office of Community Oriented Policing Services:		
Cops More 2001	16.710	2001CLWX0027
Total Office of Community Oriented Policing Services		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 4,299,343	\$ 4,299,343	\$	\$ 4,299,343
2,291,430	2,291,430		2,291,430
2,512,741	2,512,741		2,512,741
2,494,687	2,494,687	6	2,494,693
2,628,455	2,628,455		2,628,455
2,462,428	2,423,729	11,855	2,435,584
3,192,573	2,393,116	388,811	2,781,927
2,916,684	1,388,541	542,743	1,931,284
3,014,531		2,263,115	2,263,115
12,101,000	6,934,121	1,938,586	8,872,707
19,132	19,131		19,131
10,880	10,869		10,869
20,265	20,509		20,509
18,125	18,125		18,125
11,599	11,598		11,598
16,589	12,655	394	13,049
45,265	36,811	275	37,086
20,265	8,136	804	8,940
20,265		8,362	8,362
207,148	70,456	19,496	89,952
178,000	178,000		178,000
<u>38,481,405</u>	<u>27,752,453</u>	<u>5,174,447</u>	<u>32,926,900</u>
987,000	987,000		987,000
651,870	651,870		651,870
756,955	756,955		756,955
2,013,117	2,000,267		2,000,267
1,786,215	1,786,215		1,786,215
1,442,832	1,442,832		1,442,832
1,591,000	1,534,297		1,534,297
1,786,979	1,718,544		1,718,544
1,810,327	1,766,465	24,916	1,791,381
1,945,023	1,648,016	111,532	1,759,548
2,102,632	1,937,289	8,498	1,945,787
1,937,835	1,202,078	72,955	1,275,033
3,077,922	868,443	454,878	1,323,321
2,151,646		413,127	413,127
82,000	82,000		82,000
86,218	75,533	10,685	86,218
83,985		82,780	82,780
1,228,000	1,160,044		1,160,044
2,000,000	9,412	255,868	265,280
<u>27,521,556</u>	<u>19,627,260</u>	<u>1,435,239</u>	<u>21,062,499</u>
68,700	35,725	32,975	68,700
60,200	173	23,163	23,336
<u>128,900</u>	<u>35,898</u>	<u>56,138</u>	<u>92,036</u>
3,000,000	308,961	920,513	1,229,474
3,000,000	308,961	920,513	1,229,474
<u>69,131,861</u>	<u>47,724,572</u>	<u>7,586,337</u>	<u>55,310,909</u>
597,375	510,483		510,483
<u>597,375</u>	<u>510,483</u>		<u>510,483</u>

Federal Programs (continued)

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2006

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Office of Justice:		
Local Law Enforcement Block Grant - 2003-04	16.592	03-LB-BX-1947
Local Law Enforcement Block Grant - 2004-05	16.592	04-LB-BX-0736
Federal Asset Forfeiture Funds	16.592	
Federal Asset Forfeiture Funds	16.005	
Joint Terrorism Task Force - 2004-05	16.614	
Passed through Greensboro Housing Authority:		
Weed and Seed Project - 2004-05	16.595	
Weed and Seed Project - 2005-06	16.595	
Total Passed through Greensboro Housing Authority		
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
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
Total Bureau of Alcohol, Tobacco and Firearms		
Total Department of Justice		
Department of Homeland Security:		
U.S. Secret Service:		
Financial Crimes Task Force - 2004-05	21.100	
Financial Crimes Task Force - 2005-06	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 - 2004	97.071	EMW-2004-GR-0699
Metro Medical Response System - 2005	97.067	2005-GE-T5-0051
Hazmat Equipment Grant - 2002-03	97.004	HS-TE-03-4109
Total Federal Emergency Management Agency		
Passed through Guilford County:		
State Homeland Security Grant - 2003	97.004	HS-MU-03-5041
State Homeland Security Grant - 2004	97.004	2004-GE-T4-0014
ODP Homeland Security Grant - 2005	97.067	2005-GE-T5-0051
Total Passed through Guilford County		
Passed through NC Department of Crime Control and Public Safety:		
State Homeland Security Grant - 2005	97.067	2005-GE-T5-0051
Total Passed through NC Department of Crime Control and Public Safety		
Total Department of Homeland Security		
Department of Labor:		
Employment and Training Administration:		
WIA Adult 1998 Carryover	17.255	1998 2020 42
WIA Adult 1999	17.255	1999 2020 42
WIA Adult 2000	17.255	2000 2020 42
WIA Adult 2001	17.255	2001 2020 42
WIA Adult 2002	17.258	2002 2020 42
WIA Adult 2003	17.258	2003 2020 42
WIA Adult 2004	17.258	2004 2020 42
WIA Adult 2005	17.258	2005 2020 42
WIA Dislocated Worker 1999	17.255	1999 2030 42
WIA Dislocated Worker 2000	17.255	2000 2030 42
WIA Dislocated Worker 2001	17.255	2001 2030 42

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 235,560	\$ 61,771	\$ 173,789	\$ 235,560
105,193	95,928	9,265	105,193
37,861	17,522	20,339	37,861
1,995,189	932,205	155,599	1,087,804
14,670	9,014	1,530	10,544
25,000		25,000	25,000
50,000		10,354	10,354
75,000		35,354	35,354
188,991		173,427	173,427
188,991		173,427	173,427
2,652,464	1,116,440	569,303	1,685,743
130,000	50,151	26,541	76,692
130,000	50,151	26,541	76,692
3,379,839	1,677,074	595,844	2,272,918
4,000	4,000		4,000
4,000		3,748	3,748
8,000	4,000	3,748	7,748
880,557	280,479	4,329	284,808
400,000	446	305,075	305,521
227,592			
21,739	16,727	5,012	21,739
1,529,888	297,652	314,416	612,068
58,000		5,816	5,816
308,000		307,994	307,994
178,153			
544,153		313,810	313,810
123,750		122,724	122,724
123,750		122,724	122,724
2,205,791	301,652	754,698	1,056,350
23,501	23,501		23,501
265,141	265,141		265,141
342,427	342,426		342,426
363,516	363,517		363,517
547,197	547,197		547,197
925,385	925,385		925,385
962,892	418,785	544,107	962,892
1,023,267		659,889	659,889
167,050	167,050		167,050
348,345	348,344		348,344
362,655	362,655		362,655

Federal Programs (continued)

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2006

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
WIA Dislocated Worker 2002	17.260	2002 2030 42
WIA Dislocated Worker 2003	17.260	2003 2030 42
WIA Dislocated Worker 2004	17.260	2004 2030 42
WIA Dislocated Worker 2005	17.260	2005 2030 42
WIA Youth 1999	17.255	1999 2040 42
WIA Youth 2000	17.255	2000 2040 42
WIA Youth 2001	17.259	2001 2040 42
WIA Youth 2002	17.259	2002 2040 42
WIA Youth 2003	17.259	2003 2040 42
WIA Youth 2004	17.259	2004 2040 42
WIA Youth 2005	17.259	2005 2040 42
WIA 10% Statewide Activities Carryover 1998	17.255	1998 2050 42
WIA 10% Statewide Activities 1999	17.255	1999 2050 42
WIA 10% Statewide Activities 2000	17.255	2000 2050 42
	17.258	
	17.259	
	17.260	
WIA 10% Statewide Activities 2001	17.258	2001 2050 42
	17.259	
	17.260	
WIA 10% Statewide Activities 2002	17.258	2002 2050 42
	17.259	
	17.260	
WIA 10% Statewide Activities 2003	17.258	2003 2050 42
	17.259	
	17.260	
WIA 10% Statewide Activities 2004	17.258	2004 2050 42
	17.259	
	17.260	
WIA 10% Statewide Activities 2005	17.258	2005 2050 42
	17.259	
	17.260	
1998 Administration Carryover	17.255	1998 2010 42
1999 Administration Cost Pool	17.255	1999 2010 42
2000 Administration Cost Pool	17.255	2000 2010 42
2001 Administration Cost Pool	17.258	2001 2010 42
	17.259	
	17.260	
2002 Administration Cost Pool	17.258	2002 2010 42
	17.259	
	17.260	
2003 Administration Cost Pool	17.258	2003 2010 42
	17.259	
	17.260	
2004 Administration Cost Pool	17.258	2004 2010 42
	17.259	
	17.260	
2005 Administration Cost Pool	17.258	2005 2010 42
	17.259	
	17.260	
Adult Omnibus 2002	17.258	2002 2024 42
Adult Omnibus Administration Cost Pool 2002	17.258	2002 2014 42
Hurricane Katrina 2005	17.260	2005 2068 42
Hurricane Katrina Administration 2005	17.260	2005 2068 42
NCETGP 99-3590	17.258	1999 3590 42
NCETGP 00-3590	17.258	2000 3590 42
NCETGP 01-3590	17.258	2001 3590 42
NCETGP 02-3590	17.258	2002 3590 42
Total Employment and Training Administration		
Other Department of Labor Programs:		
H-1B Technical Skills	17.249	AH-11077-01-60
Total Other Department of Labor Programs		
Total Department of Labor		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 727,656	\$ 727,656	\$	\$ 727,656
957,648	957,648		957,648
1,105,127	44,167	1,060,960	1,105,127
490,976		54,413	54,413
35,875	35,875		35,875
345,299	345,298		345,298
405,926	405,926		405,926
519,926	519,926		519,926
672,767	672,767		672,767
902,615	343,811	558,804	902,615
913,541		341,153	341,153
22,782	22,782		22,782
28,192	28,192		28,192
97,365	1,077		1,077
	18,064		18,064
	59,848		59,848
	18,376		18,376
151,316	36,842		36,842
	77,720		77,720
	36,754		36,754
218,334	44,800		44,800
	86,545		86,545
	86,989		86,989
313,799	66,228	28,897	95,125
	53,268	6,883	60,151
	60,733	13,069	73,802
396,751	35,799	69,992	105,791
	29,390	12,717	42,107
	3,775	24,144	27,919
233,542		24,344	24,344
2,611	2,611		2,611
52,006	52,007		52,007
115,120	115,120		115,120
125,789	40,391		40,391
	45,103		45,103
	40,295		40,295
199,421	60,800		60,800
	57,770		57,770
	80,851		80,851
283,978	102,821		102,821
	74,752		74,752
	106,405		106,405
330,070	23,718	71,507	95,225
	19,472	73,439	92,911
	2,501	139,432	141,933
269,753		74,303	74,303
		38,413	38,413
		6,127	6,127
66,224	66,224		66,224
7,358	7,358		7,358
285,000		81,649	81,649
15,000		8,142	8,142
69,161	69,161		69,161
59,582	59,582		59,582
73,683	73,683		73,683
5,697	5,697		5,697
<u>15,831,266</u>	<u>9,690,579</u>	<u>3,892,384</u>	<u>13,582,963</u>
<u>2,721,000</u>	<u>1,194,024</u>		<u>1,194,024</u>
<u>2,721,000</u>	<u>1,194,024</u>		<u>1,194,024</u>
<u>18,552,266</u>	<u>10,884,603</u>	<u>3,892,384</u>	<u>14,776,987</u>

Federal Programs (continued)

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2006

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Transportation:		
Federal Transit Administration:		
Section 5307 Operating Assistance - 2004-05	20.507	NC-90-X362
Section 5307 Operating Assistance - 2005-06	20.507	NC-90-X379
Section 5303 Metro Planning - 2004-05	20.505	
Section 5303 Metro Planning - 2005-06	20.505	
Section 5307 Capital Assistance Grant - 2002	20.507	NC-90-X298
Section 5307 Planning Grant - 2002	20.507	NC-90-X298
Section 5307 Capital Assistance Grant - 2003	20.507	NC-90-X324
Section 5307 Capital Assistance Grant - 2003	20.507	NC-90-X336
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 - 2005	20.507	NC-90-X362
Section 5307 Capital Assistance Grant - 2005	20.507	NC-90-X362
Section 5307 Capital Assistance Grant - 1999	20.507	NC-03-0042
Section 5309 Capital Assistance Grant - 2000	20.500	NC-03-0047
Section 5309 Capital Assistance Grant - 2001	20.500	NC-03-0046
Total Federal Transit Administration		
Federal Highway Administration:		
FTA Capital - Surface Transportation	20.205	NC-90-X252
STP-DA Preventative Maintenance - 2005-06	20.507	
16th Street Bridge Replacement	20.205	B-3930
Ballinger Road Bridge Replacement	20.205	B-4695
Bicentennial Greenway Trail Project	20.219	P05106
Southeast Connector Trail Phase II	20.219	P06115
Total Federal Highway Administration		
Total Department of Transportation		
Department of Agriculture:		
Forest Service:		
Greening Greensboro Initiative	10.664	ATB-2005-05
Urban Forestry Program 05-06	10.664	ATB-2006-39
Total Forest Service		
Total Department of Agriculture		
Environmental Protection Agency:		
Office of Water:		
Water Revolving Loan	66.458	
Total Office of Water		
Office of Solid Waste and Emergency Response:		
Brownsfield Assessment & Cleanup	66.818	BF-97491003-0
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
\$	\$ 1,890,858	\$ 462,312	\$ 2,353,170
1,912,312		1,841,402	1,841,402
58,496	58,496		58,496
62,400		62,400	62,400
333,837	267,451		267,451
200,000	152,982	32,928	185,910
2,634,360	2,592,000		2,592,000
2,080,000			
298,000	91,947	3,983	95,930
100,000	19,349	60,068	79,417
41,550		38,442	38,442
23,770			
5,122,288	5,117,282		5,117,282
3,275,877	3,257,438		3,257,438
1,471,643	1,028,495		1,028,495
<u>17,614,533</u>	<u>14,476,298</u>	<u>2,501,535</u>	<u>16,977,833</u>
7,508,173	6,543,329	36,560	6,579,889
500,000		158,550	158,550
2,769,018	215,117	37,344	252,461
500,000	52,821	40,284	93,105
50,000			
50,000			
<u>11,377,191</u>	<u>6,811,267</u>	<u>272,738</u>	<u>7,084,005</u>
<u>28,991,724</u>	<u>21,287,565</u>	<u>2,774,273</u>	<u>24,061,838</u>
15,000	4,946	7,034	11,980
9,306		5,748	5,748
<u>24,306</u>	<u>4,946</u>	<u>12,782</u>	<u>17,728</u>
<u>24,306</u>	<u>4,946</u>	<u>12,782</u>	<u>17,728</u>
4,202,675	3,645,483		3,645,483
<u>4,202,675</u>	<u>3,645,483</u>		<u>3,645,483</u>
200,000	25,896	128,981	154,877
200,000	25,896	128,981	154,877
<u>4,402,675</u>	<u>3,671,379</u>	<u>128,981</u>	<u>3,800,360</u>
<u>\$ 126,688,462</u>	<u>\$ 85,551,791</u>	<u>\$ 15,745,299</u>	<u>\$ 101,297,090</u>

State Programs

Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2006

<u>State Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Cultural Resources: State Aid to Public Libraries Total Department of Cultural Resources		
Department of Administration: Alternative Fuels and Vehicle Incentive Program Total Department of Administration		2004-0450-10
Department of Environmental Health and Natural Resources: Clean Water Management - 2001-02 Bioretention Areas Grant Community Waste Reduction and Recycling - 2004-05 Community Waste Reduction and Recycling - 2005-06 Northeast Walking Trail Carolyn Allen Community Park Total Department of Environmental Health and Natural Resources	66.460	02A-705 EW03036 H05014 H06023 2003-283 2001-190
Department of Crime Control and Public Safety: Homeland Security Grant Violent Crimes Task Force Regional Hazardous Materials Response Team - 2003-04 Regional Hazardous Materials Response Team - 2004-05 Regional Hazardous Materials Response Team - 2005-06 Regional Hazardous Materials Response Team - 2006-07 USAR Reimbursement Grant Total Department of Crime Control and Public Safety	97.004	HS-MU-03-4106 041-1-00-008-D-369
Department of Juvenile Justice and Delinquency Prevention: Conflict Resolution Workshops at Dudley Total Department of Juvenile Justice and Delinquency Prevention		041-1-02-001-AJ-172
Office of State Planning: GIS Data Clearinghouse Total Office of State Planning		99HQGR0155
Department of Transportation: Federal Transit Administration: Section 5303 Metro Planning - 2004-05 Section 5303 Metro Planning - 2005-06 Transportation Planning - 2004-05 Transportation Planning - 2005-06 Section 5307 Capital - 2002-03 Section 5307 Planning - 2002-03 Section 5307 Capital - 2002-03 Section 5307 Capital - 2003-04 Section 5307 Capital - 2003-04 Section 5307 Planning - 2003-04 Section 5307 Capital Assistance - 1999-00 Section 5309 Capital Assistance - 2000-01 Section 5309 Capital Assistance - 2000-01 Total Federal Transit Administration	20.505 20.505 20.507 20.507 20.507 20.507 20.507 20.507 20.507 20.507 20.507 20.500 20.500	05-08-007 06-08-007 03-09-298 03-09-298 05-09-324 05-09-336 00-03-006 01-03-019 00-03-020
Federal Highway Administration: Section 5309 Capital Assistance - 2000-01 Battleground Rail Trail Grant Eckerson/US 29 Environmental Study McKnight Mill Sidewalk Enhancement NCDOT SE Trail Connector - 2002-03 Lee Street Enhancement Grant - 2003-04 Total Federal Highway Administration	20.205 20.219 20.205 20.205	01-ST-001 E-4709 R-4707 WBS 36599 E-4776 WBS 36468.1 E-4777 E-2973 G WBS 33914.3.14
Governor's Highway Safety Program: Governor's Highway Safety Regional Coordinator - 2004-05 Governor's Highway Safety Regional Coordinator - 2005-06 Traffic Enforcement Positions - 2004-07 Total Governor's Highway Safety Program		157(b)2-05-14D 157(b)4-06-14-E PT-05-04-05-08
Division of Highways: Holden/Market Municipal Agreement - 2004-05 Hornaday Road Improvement - 2005 Knox Road Relocation Depot Landscaping Total Division of Highways		MA07202R WBS 39306 U-4750 WBS 39581.1.1 WBS 38111 P-3801 WBS 34309.2.2
Division of Rail: Depot Celebration - 2005-06 Total Division of Rail		WBS 40452
Oka T. Hester Park Dam Construction Bridge Construction & Maintenance Norwalk Street Extension Project State Maintenance Assistance Program Funds Interchange I-40 & High Point Road New Garden at Bryan Boulevard		6.498016T STP-0005
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		
Total Department of Transportation		
Total State Financial Assistance		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 305,985	\$ 305,985	\$ 340,313	\$ 340,313
305,985	305,985	340,313	340,313
	4,098		
	4,098		
570,000	555,513	12,349	567,862
90,000	84,617	(2,713)	81,904
12,960	2,477	8,895	11,372
10,727		6,874	6,874
200,000	200,000		200,000
250,000	250,000		250,000
1,133,687	1,092,607	25,405	1,118,012
		4,178	4,178
52,000	44,199		44,199
57,000	41,998	8,009	50,007
57,000		31,765	31,765
57,000			
7,000		6,427	6,427
230,000	86,197	50,379	136,576
		6,965	6,965
7,000		6,965	6,965
2,120	629		629
2,120	629		629
7,312	7,312		7,312
7,800		7,800	7,800
562,785	250,806		250,806
701,081		496,337	496,337
41,730	33,431		33,431
25,000	19,123	4,116	23,239
329,295	324,000		324,000
260,000			
37,250	11,493	498	11,991
12,500	2,419	7,508	9,927
640,286	639,661		639,661
409,484	407,179		407,179
183,955	128,562		128,562
3,218,478	1,823,986	516,259	2,340,245
		4,570	822,487
992,521	817,917		822,487
400,000			
750,000	90,229		90,229
64,000			
52,800		52,800	52,800
200,000	188,542		188,542
2,459,321	1,096,688	57,370	1,154,058
		6,851	6,851
10,000		513	513
803,820	253,957	269,415	523,372
823,820	253,957	276,779	530,736
300,000	300,000		300,000
3,750,000	107,035	228,969	336,004
400,000			
51,000		17,833	17,833
4,501,000	407,035	246,802	653,837
		9,669	9,669
10,000		9,669	9,669
5,015,000	3,173,757	90,808	3,264,565
320,000	320,000		320,000
1,121,503	772,693		772,693
1,494,850		1,494,850	1,494,850
412,445	412,445		412,445
150,000	150,000		150,000
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	5,784,998	474,577	6,259,575
6,590,139		4,499,000	4,499,000
6,600,397			
101,033,971	76,253,002	7,666,114	83,919,116
<u>\$102,712,763</u>	<u>\$77,742,518</u>	<u>\$ 8,089,176</u>	<u>\$85,521,611</u>

Notes to the Schedule of Expenditures of Federal and State Awards

For the Fiscal Year Ended June 30, 2006

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	\$331,477
Community Development Block Grant--Emergency Shelter Grant	14.231	\$93,466
Conflict Resolution Workshops at Dudley	041-1-02-001-AJ-172	\$6,965