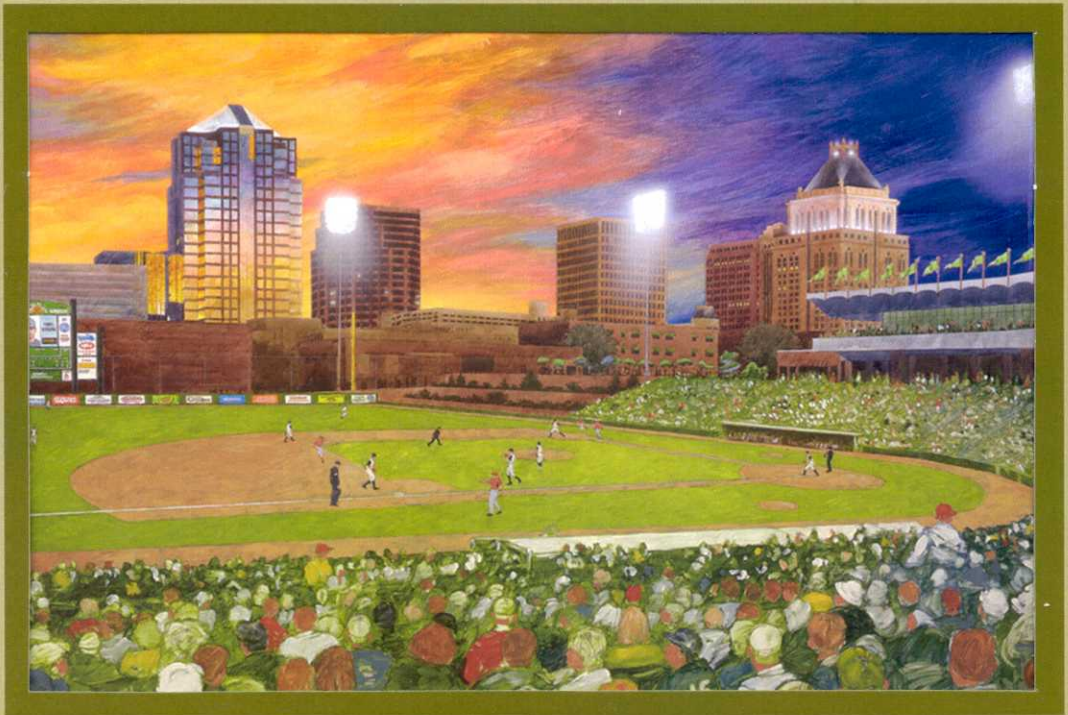




City of Greensboro, North Carolina



*Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2005*

City of Greensboro, North Carolina
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2005

Prepared by the
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*The 2005 Comprehensive Annual Financial Report
is dedicated to
former City Manager J. Edward Kitchen*

This year's Comprehensive Annual Financial Report is dedicated to former City Manager Ed Kitchen, who retired in August 2005 after 30 years of public service with the City of Greensboro. This dedication is particularly appropriate given Ed's strong interest in and commitment to stewardship of public resources.

During his nine-year tenure as City Manager, Ed managed the City's budget and finances in a conservative manner which maintained our AAA bond rating and consequently the lowest possible interest rate on bond issues. This conservatism stood us in good stead during times of unpredictable financial crisis, such as when the state unexpectedly withheld City revenues to balance its budget.

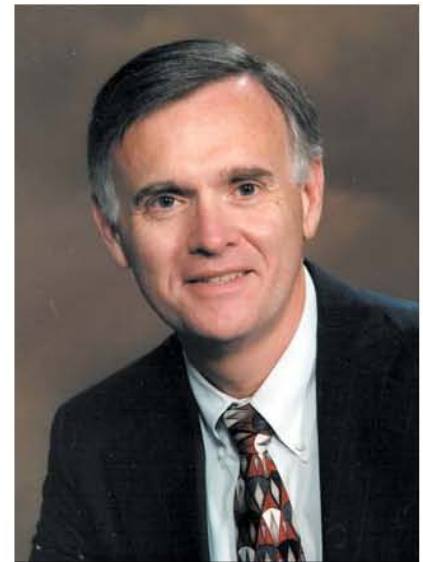
Ed also guided economic development efforts in Greensboro. These included the merger of multiple local economic development groups into one and the creation of a special Assistant City Manager for Economic Development. He particularly supported downtown revitalization in projects such as the creation of Center City Park and the attraction of Elon University's law school to Greensboro's central business district.

Ed's leadership in ensuring our future water supply resulted in adequate water for the next thirty-five plus years and sewer capacity to service growth for the next fifteen years. This was achieved in a city with no natural water source, at the top of the water basin, and which at the time of Ed's becoming manager was extremely vulnerable to drought and facing growth restriction.

Capital improvements and technology initiatives flourished under Ed as well – the new downtown library, the Parks and Recreation master plan, a Public Safety Training Center, Police District Stations, and a new multi-purpose community operations center named for him. Our Parks & Recreation and Housing programs have won national awards, Police and Fire achieved national accreditation and the Fire Department received an ASO I rating. The historic Greensboro Depot was also renovated into a state of the art transportation facility linking rail and bus services. The City underwent significant computer system upgrades and implemented a centralized citizen Contact Center to improve service delivery.

Finally, the City gratefully acknowledges Ed's leadership of our internal strategic planning efforts and the first true Comprehensive Plan for City growth.

Thank you, Ed, for your valued service to the community and City government.



CITY OF GREENSBORO
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2005

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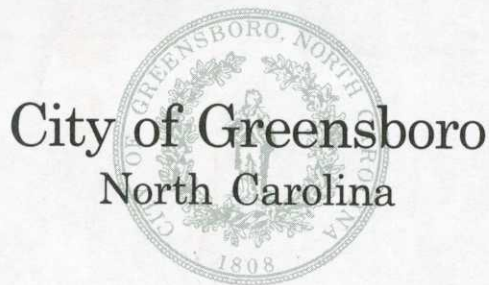
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October 7, 2005

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, 2005, 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, 2005, 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, 2005. 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, 2004, 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 238,440 and presently covers a land area of approximately 121.5 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, 2005.

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.

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 2004-05 funding:

- Economic Development, particularly in the downtown area
- Public Safety
- Protection of Natural Resources and Growth Management
- Maintenance of Existing Facilities and Assets
- Community Relations
- Fiscal Management

FACTORS AFFECTING FINANCIAL CONDITION

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 will add 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.

% Employment Distribution (Guilford County)

Agriculture & Mining	2,349	.87
Construction	13,229	4.89
Manufacturing	50,297	18.61
Transportation, Communications & Utilities	18,179	6.73
Wholesale Trade	19,025	7.04
Retail Trade	49,110	18.17
Finance, Insurance & Real Estate	15,925	5.89
Services	72,226	26.72
Government	29,944	11.08
	270,284	100%
Source: Greensboro Economic Development Partnership, 12/2004		

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. 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 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 also recently began operations in The Depot, downtown Greensboro's newly renovated transportation hub. 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.

Area businesses have experienced moderate 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.

% Greensboro Unemployment

	1999	2000	2001	2002	2003	2004	2005
Jan	2.5	2.9	3.7	6.3	6.2	5.8	5.2
Feb	2.6	3.2	3.9	6.4	6.0	5.8	5.5
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	-
Oct	2.6	2.9	5.2	6.4	6.7	5.1	-
Nov	2.6	3.3	6.2	6.3	6.2	5.5	-
Dec	2.3	2.9	5.9	6.3	5.8	5.4	-

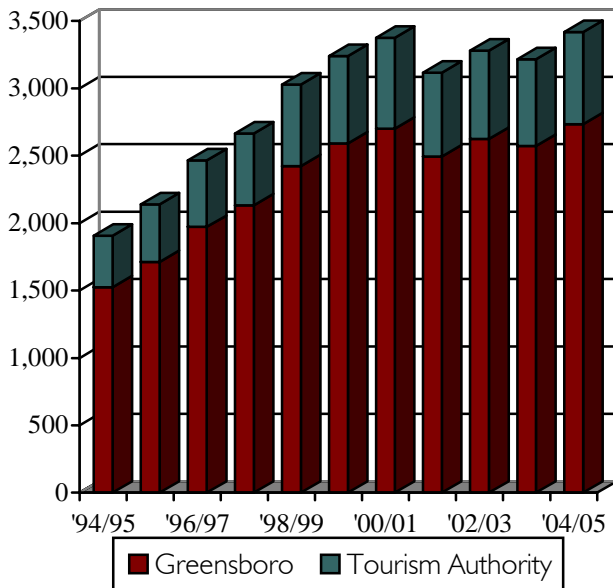
Source: North Carolina Employment Security Commission

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

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

Source: North Carolina Employment Security Commission

\$ in thousands 3% City Occupancy Tax Revenues

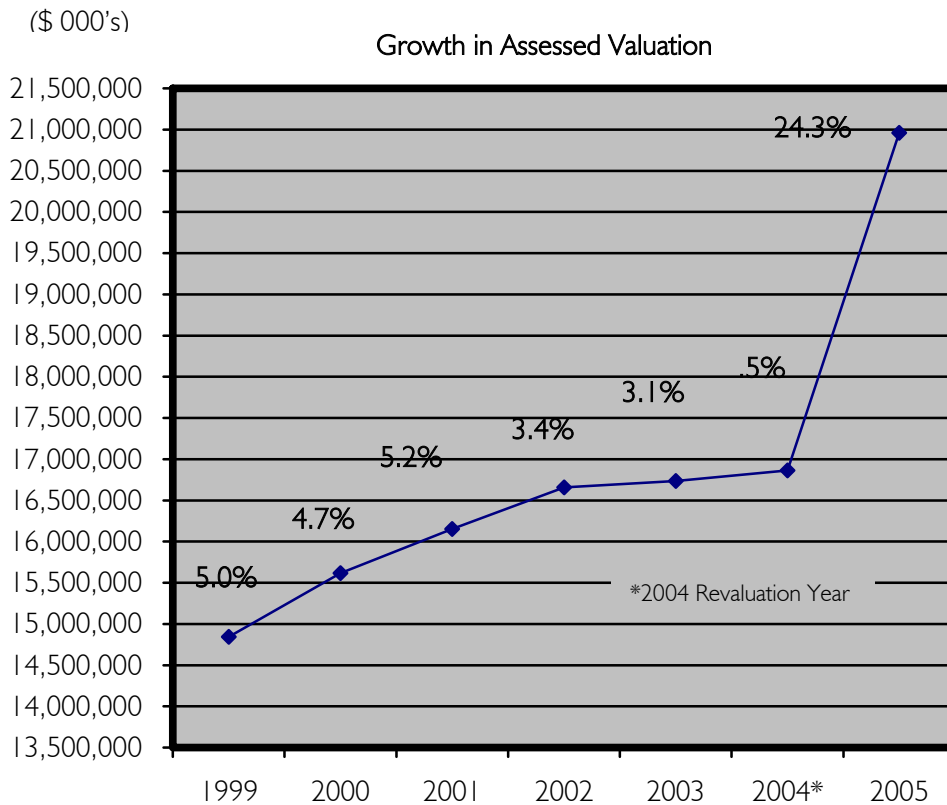


There are currently 8,739 hotel/motel rooms throughout the City. Receipts from the City's 3% occupancy tax totaled \$2,734,573 in FY 2004-05, increasing by 6.3% over the prior year, with moderate growth expected next year. The Tourism Authority receives 20% of the City's 3% occupancy tax, while a portion of the County's 3% occupancy tax is remitted to the City for tourism development activities.

Greensboro Area Largest Employers

Company	Product / Service	Approximate Number of Full-Time Employees
Guilford County Public Schools	Education	7,900
Moses H.Cone Health System & Affiliates	Health Care	7,000
U.S. Postal Service	Postal Service	3,367
Guilford County	Government	3,000
City of Greensboro	Government	2,995
American Express, Inc.	Credit Card Services	2,100
United Parcel Service	Shipping	2,066
Lorillard Tobacco Company	Cigarettes	1,950
The University of North Carolina at Greensboro	Education	1,940
Bank of America, N.A.	Banking Services	1,900
VF (Vanity Fair) Corporation	Apparel	1,500
Gilbarco Veeder-Root	Service Station Equipment	1,500
TIMCO Aviation Services, Inc.	Aircraft Maintenance	1,500
International Textile Group	Textile	1,500
RF Micro Devices	Semiconductors	1,500
Volvo Trucks North America	Truck Production	1,475
Tyco Electronics Corporation	Electronics	995
Procter & Gamble Corporation	Consumer Products	900

Source: Greensboro Chamber of Commerce, June 2005



Population Characteristics

	Median Age	Median Household Income	% Households Earning >\$20,000
Greensboro	33.0	\$34,656	77.2
Guilford County	35.6	37,805	79.3
North Carolina	35.7	35,356	76.4
United States	36.0	38,201	NA

Source: Sales and Marketing Management Magazine, 2004
 Book of County Demographics, 2004
 U.S.Census, 2000

Business Investment FY2005 Summary

	New Jobs	Investment
Expanding Firms	1,010	\$ 4,500,000
New Firms	2,063	163,800,000
Total	3,073	\$ 168,300,000

Source: Greensboro Chamber of Commerce

Retail Sales Data

Fiscal Year	Retail Sales	% Increase Over Previous Year
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

Source: North Carolina Department of Revenue

B. Long-Term Financial Planning

The City currently has \$71,320,000 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	\$54,420,000
Public Transportation	1,000,000
Neighborhood Redevelopment	2,800,000
Parks and Recreational Facilities	13,100,000

In accordance with these plans, the City intends to issue another \$27 million in fixed and variable rate general obligation bonds by January 2006. In November 2005, the City will issue \$8.6 million in special obligation bonds to fund a solid waste transfer station located in the western region of the City. The City has begun construction of the estimated \$9.2 million facility as an alternative to the White Street Landfill. The project cost to date is \$1.6 million, which includes land and right of way purchases, design and construction start-up. Debt service for the special obligation bonds will be backed by a pledge of a portion of the City's local option sales tax receipts.

Bond-financed and other major capital projects completed, or in progress at year-end include significant street and bridge projects, additional fire stations, water and sewer system upgrades, and parks and recreation improvements. The Kitchen Operating Center, a new facility which houses water resource and public safety services, is nearing full operations this year.

The proposed six-year Capital Improvement Plan (CIP) includes approximately \$450 million for projects that will be undertaken during FY 2005-2011 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 5.1% less than the capital plan adopted last year. A substantial portion of the CIP relates to environmental related projects such as water resources projects, funded from Enterprise Fund net revenues and proceeds of Combined Enterprise System Revenue Bonds.

Proposed projects, which form the basis for potential bond referenda in 2006 and later years, include further implementation of the Parks and Recreation Master Plan, new and renovated fire stations, branch library improvements and the renovation of the War Memorial Auditorium.

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.

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, 2005 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 \$9,559,522 for the fiscal year ended June 30, 2005 as compared to \$6,128,911 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 \$252,640,398 during the year. The City's average yield on investments for the year was 3.8%. Interest earnings showed an increase over the prior year largely due to the market

conditions. Interest earned on bond proceeds was used to offset the cost of debt service. Interest earnings were the equivalent of nearly 4.6 cents on the tax rate for FY 2004-05.

In addition, during FY 2005, the City entered into Master Standby Purchase Agreements for certain of its Combined Enterprise System Revenue Bonds and Certificates of Participation to streamline the bond issuance process and to take advantage of cost savings.

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, 2004, the date of the last actuarial valuation, amounted to \$18,772,248 of which 23.8% was funded. The valuation projects that an annual contribution of 6.77% of law enforcement payroll or \$1,727,950 is required in FY 2006 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 \$1,670,838 in FY 2004-05, which represents 165% 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 445 retirees receiving these benefits, which are financed on a pay-as-you-go basis. GAAP do 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 consecutive years, (1975 through 2004). 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 and responsible actions in response to statewide slowing of the economy and decreased state-shared revenues. The financial outlook for FY 2005-06 is strong, with moderate 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, 2004

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.



Nancy L. Zjelke

President

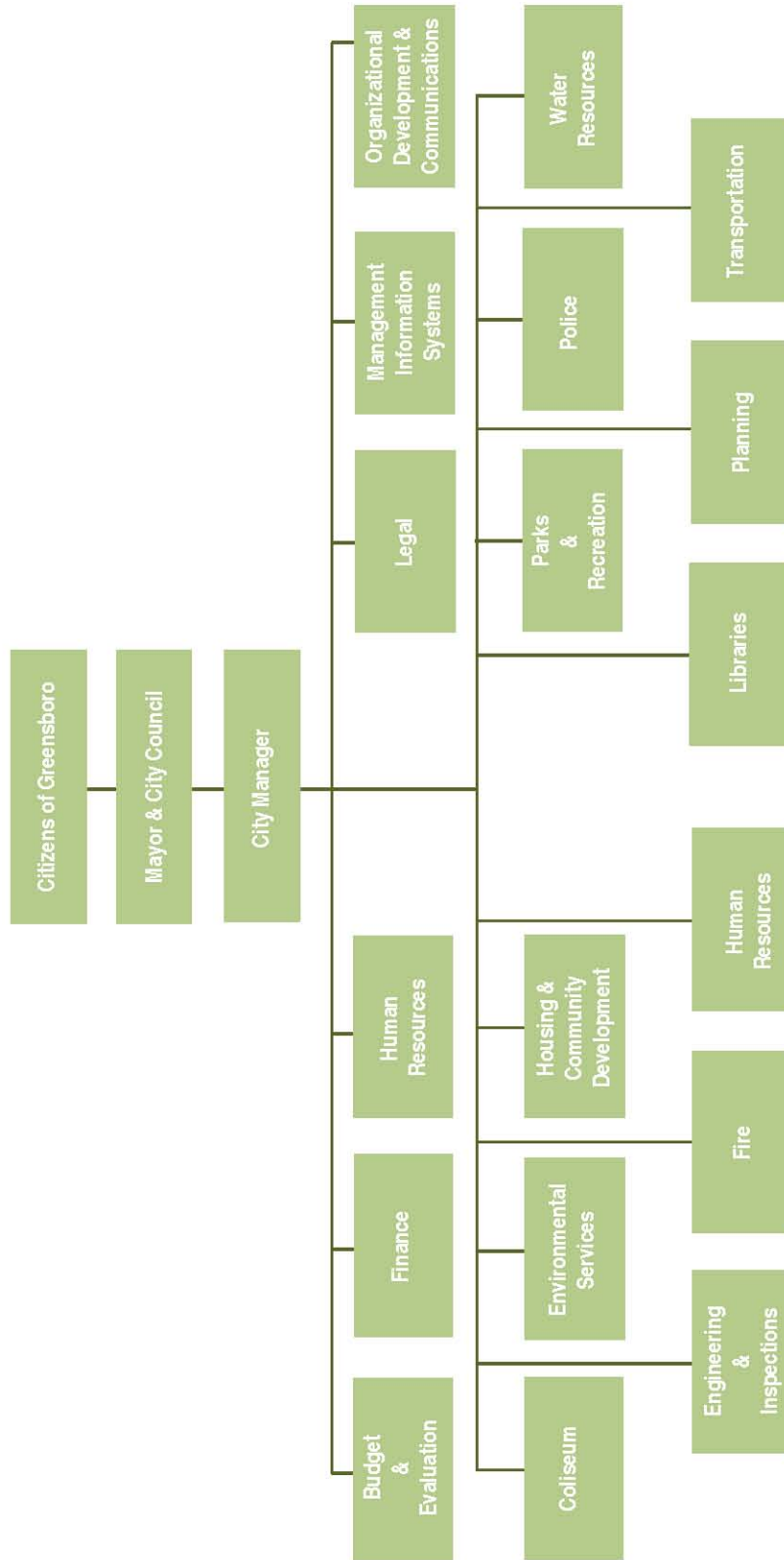
Jeffrey R. Emer

Executive Director

Organizational Chart



City of Greensboro



Greensboro City Council



Greensboro City Council
Keith A. Holiday, Mayor
Yvonne J. Johnson, Mayor Pro Tem
Thomas M. Phillips, At Large
Donald R. Vaughan, At Large
T. Dianne Bellamy-Small, District 1
Claudette Burroughs-White, District 2
Robert V. Perkins, District 3
Florence F. Gatten, 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
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, as of and for the year ended June 30, 2005, 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 of Greensboro's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Greensboro ABC 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 Greensboro ABC 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the 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 as of June 30, 2005, 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 7, 2005 on our consideration of City of Greensboro'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 performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Greensboro's basic financial statements. The letter of transmittal, combining and individual nonmajor fund financial statements and schedules, 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, and the statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor 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 letter of transmittal 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, Bekaert & Holland, L.L.P.

Greensboro, North Carolina
October 7, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Greensboro, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City of Greensboro for the fiscal year ended June 30, 2005. The Management Discussion and Analysis (MD&A) section is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial condition, identify material deviations from the financial budget, and identify individual fund issues or concerns.

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

FINANCIAL HIGHLIGHTS

- ❖ The assets of the City of Greensboro exceeded its liabilities at the close of the fiscal year by \$736 million (*net assets*).

The City's net assets increased by \$20.8 million (2.9%) compared to FY 2004. The governmental net assets increased slightly by \$1.6 million (.4%) due to higher than anticipated sales tax receipts, additional interest earnings and approximately 4% less expenditures compared to budget. The business-type net assets increased by \$19.2 million (5.4%) primarily due to self-sustaining Water Resources operations and a non-recurring receipt for purchase of certain of Greensboro's future water rights in the Randleman Dam project.

- ❖ The governmental activities program revenue decreased by \$5.2 million, down 8% from last year, largely due to a change in accounting treatment for Stormwater Management services which are recorded in an Enterprise Fund in FY 2005 compared to a Special Revenue Fund in FY2004. General revenues for property taxes increased by more than \$15 million as a result of an increase in the tax rate to fund public safety, solid waste and other initiatives. Investment earnings were the equivalent of 4.6 cents on the property tax rate compared to 3.6 cents last year. In the City's business-type activities, program revenues increased by \$17.4 million or 19.1% to \$108.3 million. The change in business-type activities is largely due to increased capital contributions from developers for donated water and sewer lines, higher utility rates adopted January 1, 2005, and a one-time contribution of \$5.2 million from Randolph County relating to purchase of water rights. City-wide, charges for services increased \$7.8 million or 6.3%.
- ❖ During the year, the City's governmental expenses were \$222.7 million, an increase of \$10.8 million or 5.1% from last year primarily to support higher staffing levels and new positions for public safety and also considers reclassification of approximately \$6 million of expenses for Stormwater services to business-type activities in FY 2005. In all, expenses increased 11.6% in the City's business-type activities due to the Stormwater reclassification and increased debt service for ongoing significant capital improvements.
- ❖ Of the City's various business-type service areas, water and sewer operations and stormwater management generated sufficient revenues in their programs to cover expenses. No significant new funding sources were noted in FY 2005, however, a property sale agreement generated \$2.1 million in revenue, and is recorded in the Economic Opportunity function.
- ❖ The total cost of all City programs increased by \$21.7 million or 7.1% compared to FY 2004.
- ❖ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$123.8 million, a decrease of approximately \$13 million in comparison with the prior year largely due to spending related to capital projects. Approximately 57.6% of this total amount, or \$75.5 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 \$28.0 million, or 13.8% of total general fund expenditures and transfers for the fiscal year. Of this balance, \$7.2 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 \$19.3 million as of June 30, 2005.
- ❖ Charges for services for the City's largest enterprise activity, the Water Resources Fund, comprising water and sewer operations increased 15.4% in FY 2005, excluding a \$5 million payment from Randolph County for purchase of water rights. The City purchased a water supply from four neighboring municipalities in the current year for approximately \$2 million. Payments of \$4,455,000 were also made to the PTRWA for reservoir and surrounding infrastructure improvements associated with the construction of the Randleman Dam, which should be 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 equity interest in the Randleman Dam project is approximately \$47.4 million as of June 30, 2005.
- ❖ Deficit fund balances of were reported in the Community Development Block Grant Fund (\$92,034) Hope VI Program (\$46,110), Workforce Investment Act Fund (\$133,742), South Elm Street Redevelopment Fund (\$131,068) and the Neighborhood Redevelopment Series 2005 Bond Fund, respectively, as of the end of the fiscal year. These deficits will be funded with grant and other reimbursements from governmental agencies and from the future sale of general obligation bonds in FY2006.
- ❖ The General Fund budget for the fiscal year ended June 30, 2005 was adopted with a \$.5500 per \$100 assessed valuation property tax rate, and is \$.0425 higher than the revenue neutral tax rate relating to revaluation. Major cost increases included addition of 32 police patrol positions (\$.01), health insurance costs (\$.01) and adjustment for elimination of the regressive residential solid waste fee (\$.015). An additional levy of \$.0175 per \$100 assessed valuation was used to improve and expand the public transit system compared to \$.0200 in the prior year.
- ❖ As of June 30, 2005, the City had collected approximately \$204.7 million or 103% of its amended budgeted General Fund revenues and had incurred \$203.9 million or 96% of its budgeted expenditures. The net effect on General Fund fund balance was an increase of approximately \$805,000 this year.
- ❖ Overall General Fund budget appropriations were increased by approximately \$3.6 million for various small enhancements to several functions during FY 2005.

Key Ratios

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ Bonded Debt Per Capita	\$645	\$648	\$693	\$576
% Debt Service to General Governmental Expenditures	8.5	7.9	8.1	8.1
% Property Tax Collections	97.97	98.53	98.83	98.74
% Increase in Assessed Property Valuation	24.3	.8	.5	3.1

- ❖ Revaluation of assessed property occurred in 2004 and was last adjusted in 1996.
- ❖ The City's total bonded debt increased by \$34 million due to issuances of both general obligation and revenue bonds during FY2005, in addition to normal debt service retirements. Interest rates on the City's variable rate debt were 2.3% and 3.25% respectively for tax-exempt and taxable general obligations at June 30, 2005.

- ❖ The City of Greensboro maintained its AAA, Aa1, and AAA general obligation (GO) credit rating from Standard and Poor's, Moody's Investors Service and Fitch IBCA this year. The Combined Enterprise System Revenue Bonds were reaffirmed by the three rating services as follows:

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

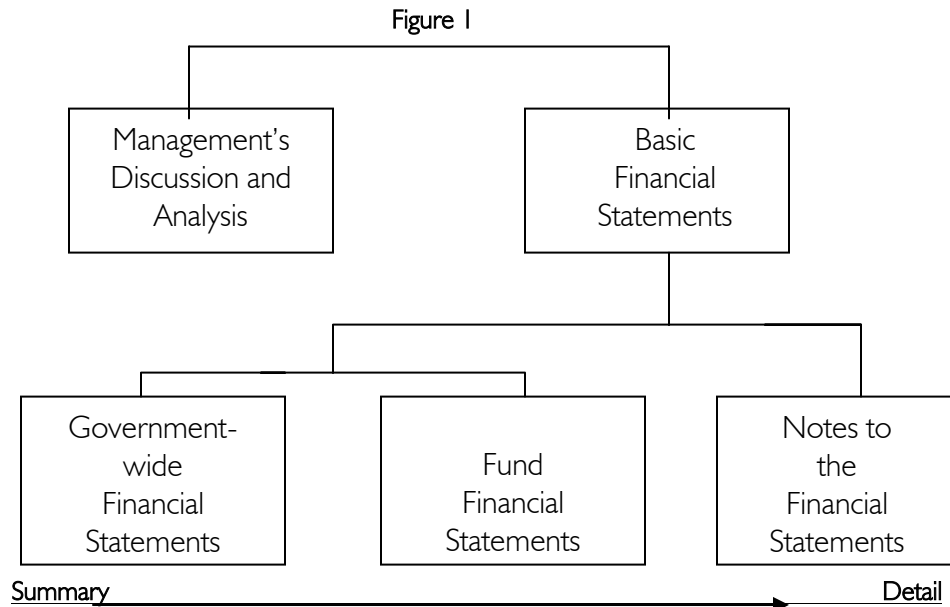
Fitch IBCA (Fitch)

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Required Components of Annual Financial Report



A. Government-Wide Financial Statements

The government-wide statements report both short-term and long-term information about the financial condition of the City as a whole, focusing on the government's operational accountability. The accounting methods of these statements reflect that of private sector companies in that all governmental and business-type activities are consolidated into columns that add to a total for the primary government. The statement of net assets reports the City's net assets and includes all, both current and non-current, assets and liabilities of the government. The difference between the two is reported as net assets. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. You will also need to consider other non-financial factors, such as changes in the City's property tax base, local economy and service levels, to assess the overall health of the City. On the other hand, the statement of activities reports how net assets have changed and includes all of the current year's revenues and expenses regardless of when cash is received or paid.

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

Governmental Activities- Most of the City's basic services are included here, such as police, fire, transportation, environmental services, libraries, housing and community development, public improvements, parks and recreation and general administration. Property taxes 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 123-145.

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 25-26 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 on pages starting on page 33 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements for the fiscal year ended June 30, 2005 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 \$735,980,448 at the close of June 30, 2005 compared to \$715,210,951 in the previous year. The net assets for the City as a whole increased 2.9% at June 30, 2005. This increase of \$20.8 million represents a combination of increased collections for sales and other taxes and enterprise user fees along with increased interest earnings compared to previous years.

The largest portion of the City of Greensboro's net assets \$477,536,126 (65%) 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 \$55,414,626 (8%), 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 \$200,242,052 at June 30, 2004 to \$203,029,696 (27%) at the end of this year. However, it should be noted that of this total reported "unrestricted" amount, only approximately \$25 million is available and unobligated to finance additional day-to-day governmental activities or unforeseen circumstances in the future.

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

	Governmental Activities		Business-Type Activities		Total		% Change
	2004	2005	2004	2005	2004	2005	
Current and Other Assets	\$ 234,114	\$ 231,167	\$ 134,213	\$ 175,522	\$ 368,327	\$ 406,689	10.4%
Capital Assets, Net	366,040	318,574	445,307	518,205	811,347	836,779	3.1%
Total Assets	<u>600,154</u>	<u>549,741</u>	<u>579,520</u>	<u>693,727</u>	<u>1,179,674</u>	<u>1,243,468</u>	5.4%
Long-Term Debt Outstanding	208,982	212,482	197,894	230,768	406,876	443,250	8.9%
Other Liabilities	30,410	36,189	27,177	28,048	57,587	64,237	11.5%
Total Liabilities	<u>239,392</u>	<u>248,671</u>	<u>225,071</u>	<u>258,816</u>	<u>464,463</u>	<u>507,487</u>	9.3%
Net Assets	<u>\$360,762</u>	<u>\$301,070</u>	<u>\$354,449</u>	<u>\$434,911</u>	<u>\$715,211</u>	<u>\$735,981</u>	2.9%
Invested in Capital Assets,							
Net of Related Debt	\$193,892	\$152,734	\$276,298	\$324,802	\$470,190	\$477,536	1.6%
Restricted	37,034	31,259	7,745	24,156	44,779	55,415	23.8%
Unrestricted	<u>129,836</u>	<u>117,077</u>	<u>70,406</u>	<u>85,953</u>	<u>200,242</u>	<u>203,030</u>	1.4%
Total Net Assets	<u>\$ 360,762</u>	<u>\$ 301,070</u>	<u>\$ 354,449</u>	<u>\$ 434,911</u>	<u>\$ 715,211</u>	<u>\$ 735,981</u>	2.9%

*For more detailed information, see the Statement of Net Assets on page 2.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 41,055	\$ 35,109	\$ 83,430	\$ 97,191	\$ 124,485	\$ 132,300
Operating Grants and Contributions	18,290	19,046			18,290	19,046
Capital Grants and Contributions	5,049	5,074	7,458	11,083	12,507	16,157
General Revenues:						
Property Taxes	100,305	115,806			100,305	115,806
Other Taxes	51,599	55,450			51,599	55,450
Investment Income	1,597	4,945	402	1,759	1,999	6,704
Other	3,252	999	2,406	1,366	5,658	2,365
Total Revenues	<u>221,147</u>	<u>236,429</u>	<u>93,696</u>	<u>111,399</u>	<u>314,843</u>	<u>347,828</u>
Expenses:						
General Government	33,663	21,767			33,663	21,767
Public Safety	80,125	92,938			80,125	92,938
Transportation	26,158	22,356			26,158	22,356
Engineering and Inspection	15,609	25,469			15,609	25,469
Environmental Services	1,110	662			1,110	662
Culture and Recreation	30,831	37,178			30,831	37,178
Community Development and Housing	9,414	9,828			9,414	9,828
Economic Opportunity	2,733	3,102			2,733	3,102
Water Resources	2,306				2,306	
Intergovernmental	1,204	1,326			1,204	1,326
Interest, Fees on Long Term Debt	8,665	8,029			8,665	8,029
Water Resources			52,062	59,700	52,062	59,700
Stormwater Management				8,564		8,564
War Memorial Coliseum			17,562	11,669	17,562	11,669
Solid Waste Management			21,699	22,425	21,699	22,425
Parking Facilities			2,192	2,045	2,192	2,045
Total Expenses	<u>211,818</u>	<u>222,655</u>	<u>93,515</u>	<u>104,403</u>	<u>305,333</u>	<u>327,058</u>
Net Increase (Decrease) in Net Assets Before Transfers	<u>9,329</u>	<u>13,774</u>	<u>181</u>	<u>6,996</u>	<u>9,510</u>	<u>20,770</u>

(Continued)	Governmental Activities		Business-Type Activities		Total	
	2004	2005	2004	2005	2004	2005
Transfers	(7,635)	(12,190)	7,635	12,190		
Increase						
Net Assets	1,694	1,584	7,816	19,186	9,510	20,770
Beg. Net Assets						
Restated	359,068	299,486	346,633	415,725	705,701	715,211
Ending Net	\$ 360,762	\$ 301,070	\$ 354,449	\$ 434,911	\$ 715,211	\$ 735,981

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

	FY2004	FY2005	\$ Change	% Change
Interest Revenue	\$1,597	\$4,945	\$3,348	209.6%
Interest Expense	8,665	8,029	(636)	-7.3%
Net	(\$7,068)	(\$3,084)	\$3,984	-56.4%

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

	FY2004	FY2005	\$ Change	% Change
Interest Revenue	\$ 402	\$ 1,759	\$1,357	337.6%
Interest Expense	7,007	8,027	1,020	14.6%
Net	(\$6,605)	(\$6,268)	\$337	-5.1%

A. Governmental Activities

Governmental activities increased the City's net assets by approximately \$1.6 million. Key elements of this increase are as follows:

Expenditure levels for significant service areas such as public safety and culture and recreation increased in FY 2005 with offsetting increases in property and other tax revenue as well as investment income. Expenditures of approximately \$8.5 million for support services were also reclassified from "General Government" to "Engineering and Inspections" in FY2005 following departmental reorganizations. Stormwater operations expenditures of approximately \$5.9 million, previously included in the "Transportation" and "Water Resources" categories, were reclassified to an enterprise fund.

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

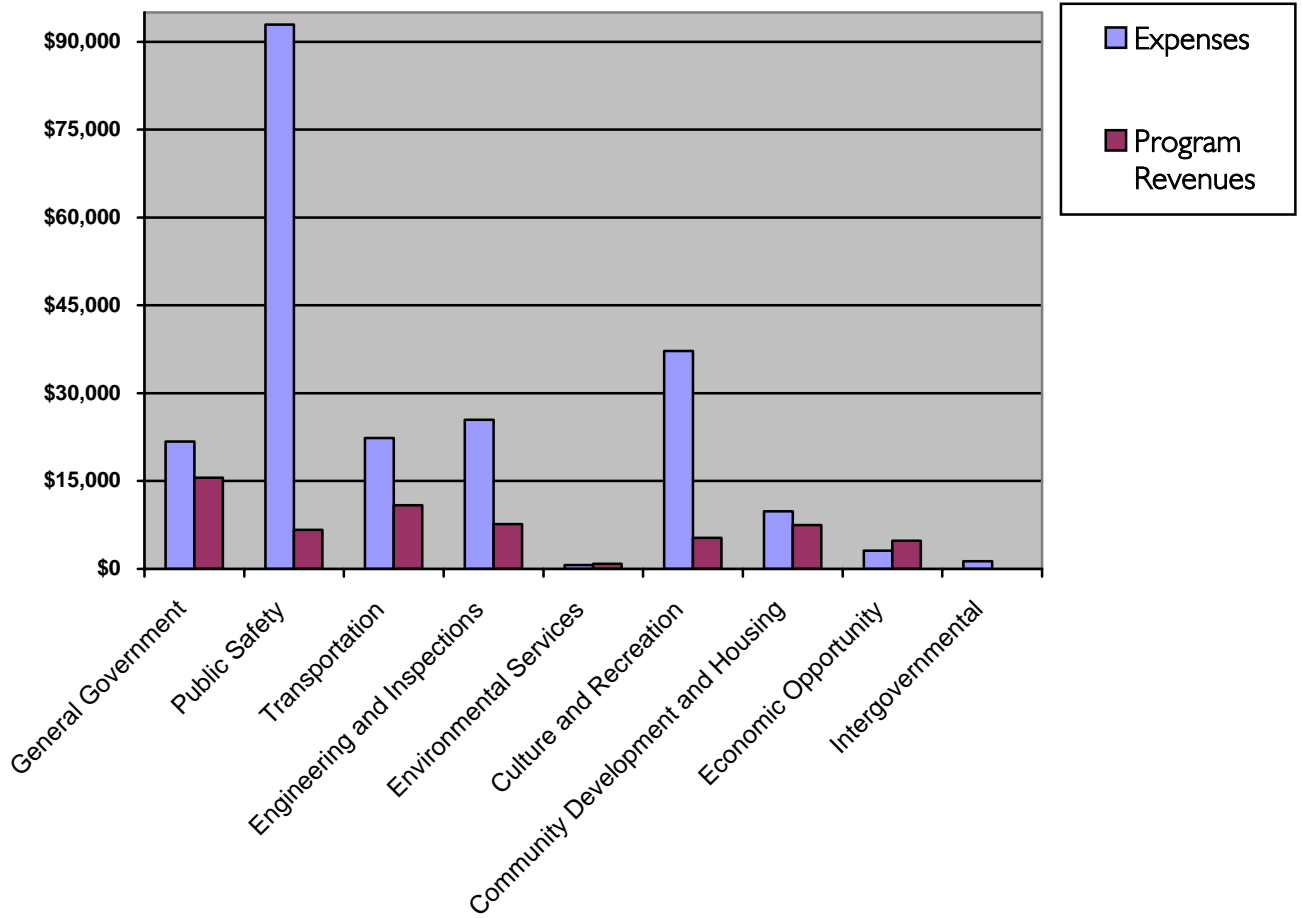


Table A-4
Net Cost – Governmental Activities
(In thousands of dollars)

	Total Cost of Services		% Change	Net Cost Of Services		% Change
	<u>2004</u>	<u>2005</u>		<u>2004</u>	<u>2005</u>	
General Government	\$33,663	\$21,768	-35.3%	(\$16,596)	(\$6,205)	62.6%
Public Safety	80,125	92,938	16.0%	(72,625)	(86,270)	-18.8%
Transportation	26,158	22,356	-14.5%	(15,445)	(11,467)	25.8%
Engineering and Inspections	15,609	25,469	63.2%	(10,195)	(17,832)	-74.9%
Environmental Services	1,110	662	-40.4%	8,140	199	-97.6%
Culture and Recreation	30,831	37,178	20.6%	(26,277)	(31,865)	-21.3%
Community Development and Housing	9,414	9,828	4.4%	(2,245)	(2,343)	-4.4%
Economic Opportunity	2,733	3,102	13.5%	(27)	1,713	6444.4%
Water Resources	2,306		-100.0%	(2,285)		100.0%
Intergovernmental	1,204	1,326	10.1%	(1,204)	(1,326)	-10.1%
Total	<u>\$203,153</u>	<u>\$214,627</u>	5.6%	<u>(\$138,759)</u>	<u>(\$155,396)</u>	-12.0%

B. Business-Type Activities

Business-type activities increased the City of Greensboro's net assets by \$19.2 million, largely attributable to higher charges for services impacted by several user rate increases, a one time payment from Randolph County to purchase water rights and a reduction in net expenses of approximately \$2 million in the Coliseum Fund. In FY 2004-05, the City also eliminated the regressive residential solid waste collection fee and imposed additional property taxes of \$.015 to transfer to the operations.

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. Effective, July 1, 2004, those stormwater activities, previously accounted for in the General Fund in the Transportation and Water Resources expenditure categories were reclassified to an enterprise fund, using the full accrual method of accounting. Stormwater fees of approximately \$8 million were reclassified, as well.

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>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>
Water Resources	\$20,535	\$30,912	\$10,210	\$19,699
Stormwater Management**		2,064		409
War Memorial Coliseum	(298)	1,158	(2,376)	(918)
Parking Facilities	1,478	1,631	948	1,088
Solid Waste Management	(679)	360	(1,491)	(629)
Total	<u>\$21,036</u>	<u>\$36,125</u>	<u>\$7,291</u>	<u>\$19,649</u>

*Excludes the effect of Internal Service Fund chargebacks.

** Operations included in governmental activities in FY2004

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 \$61,309,316 as compared to \$53,341,275 for the preceding year, an increase of 15%. Operating expenses increased by 10% and totaled \$50,794,157 as compared to \$46,213,469 for the preceding year. An approximate 15% increase in water and sewer rates was effective January 2005 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 \$8,392,655 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. PTRWA initiated construction of the Dam in 2002 and spent more than \$9.8 million on the project in the current year. The City continues to make a significant investment in water resource needs to replace and expand existing infrastructure and to meet new environmental regulations. In 2005, we issued \$40,860,000 in Combined Enterprise System Revenue Bonds to fund these needs.

3) *Stormwater Management Fund*

Charges for current services totaled \$8,369,025 as compared to \$7,542,489 for the preceding year, an increase of 11%. Operating expenses (excluding depreciation) increased by 17% and totaled \$6,909,135 as compared to \$5,895,947 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 \$7,621,544 as compared to \$11,833,848 for the preceding year, a decrease of 36%. The total number of events in FY 2004-05 decreased from 751 to 748 with attendance at approximately 1 million compared to about 1.3 million last year. In the prior year, the Greensboro Coliseum hosted the Mens' ACC Basketball tournament, with week-long attendance of approximately 100,000. This tournament is scheduled to return to Greensboro in March 2006 along with the Men's NCAA Division I championship games. Operating expenses totaled \$11,892,154 as compared to \$17,462,976 for the preceding year, a decrease of 32%. The General Fund contributed \$1,800,000 toward Coliseum operating activities this year. In addition, revenues from the privatized concessions operations (FY04) 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.

3) *Parking Facilities Fund*

Charges for current services totaled \$1,878,684 as compared to \$1,931,440 in the preceding year, a decrease of 2.7%. Operating expenses totaled \$1,464,264 as compared to \$1,504,506 for the preceding year, also a decrease of 2.7%. This fund incurs interest payments on outstanding debt for parking facilities certificates of participation. General Fund support in FY 2004-05 totaled \$1,226,395.

4) *Solid Waste Management Fund*

Charges for current services totaled \$10,316,091 as compared to \$14,422,659 for the preceding year, a decrease of 28.5%. In FY 2005, the City eliminated the \$5.00 per month residential solid waste collection fee and raised property taxes by \$.015 to offset this change. General Fund contributions totaled \$10.4 million compared to \$5 million in the prior year, to finance the cost of solid waste collection and disposal. Operating expenses totaled \$21,517,314 as compared to \$20,942,578 for the preceding year, an increase of 2.7%.

The City has commenced construction of a transfer station for municipal solid waste as an alternative to the White Street Landfill, at an estimated cost of \$9.2 million. In order to fund the additional costs for land, operations, and haul & disposal associated with the transfer station, which is scheduled to open in July 2006, the FY 2007 budget includes additional General Fund transfers of \$4.4 million to support these added costs. The City plans to issue \$8.6 million in special obligation bonds in November 2005 associated with the new facility.

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

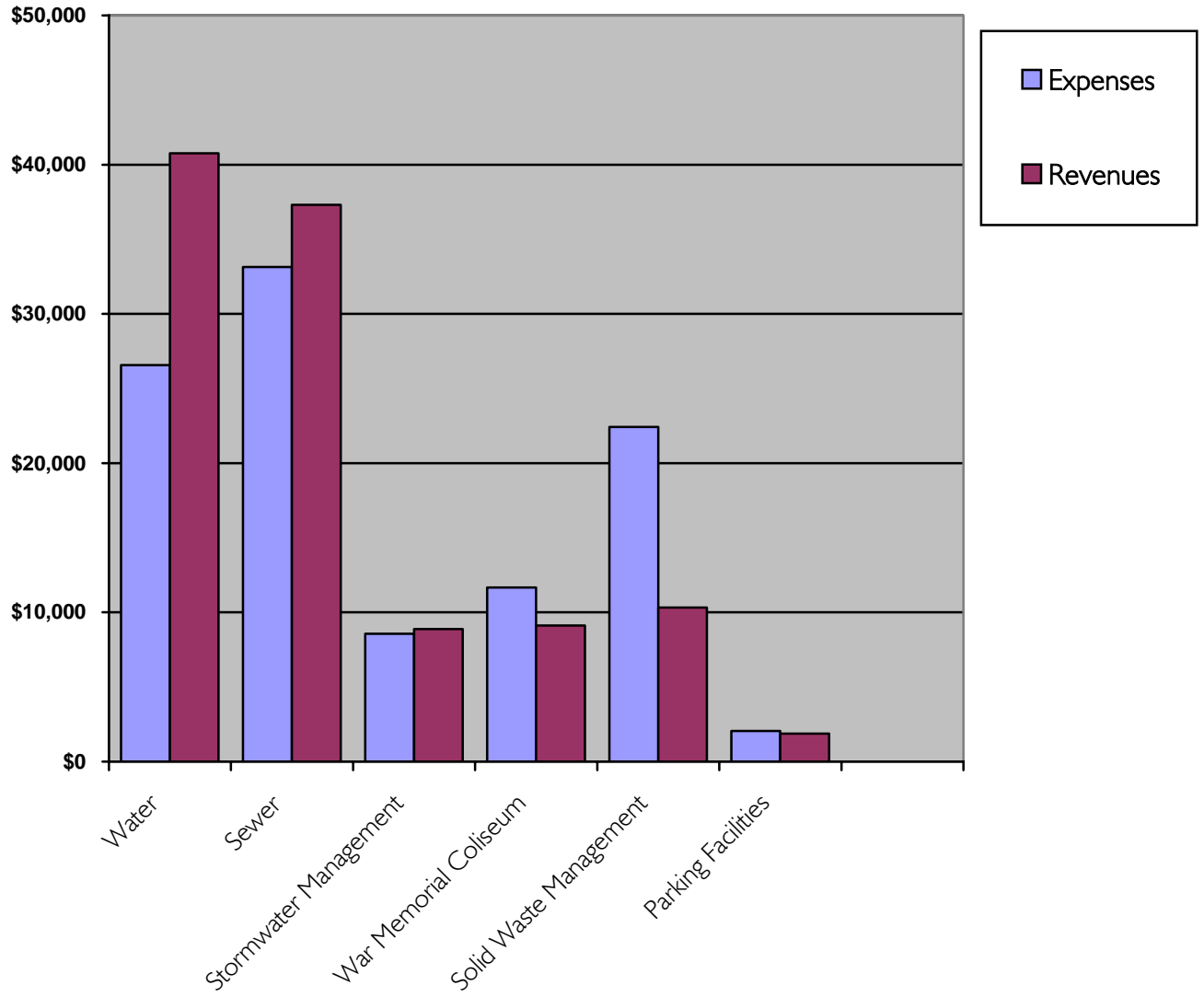
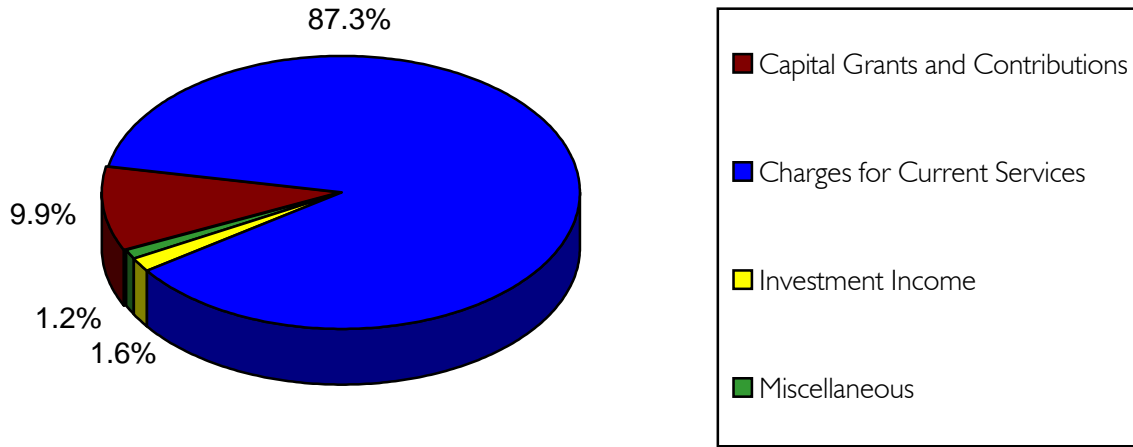


Figure 4
Revenues by Sources – Business-Type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

A. Governmental Funds

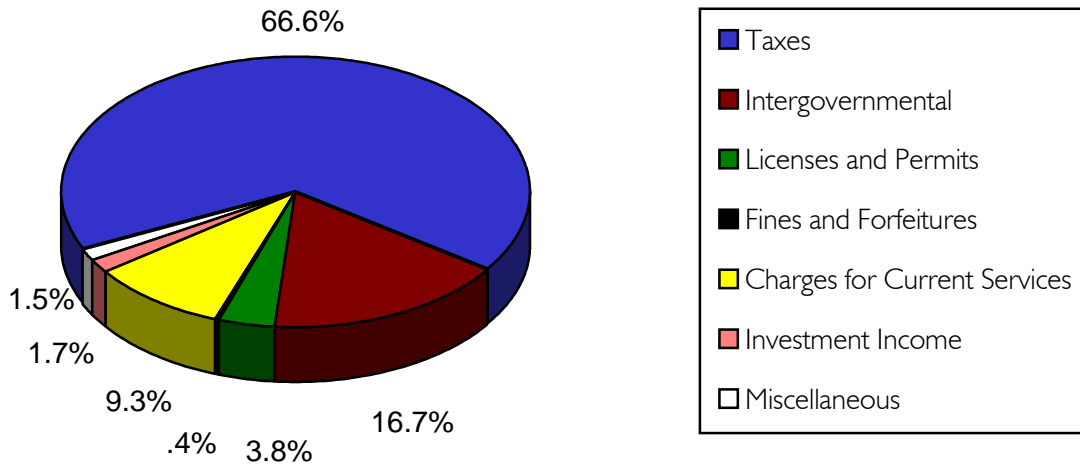
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2005, governmental funds reported a combined fund balance of \$123,813,466 a decrease of approximately \$13 million in comparison with June 2004, due to significant expenditures for bond-financed capital projects. \$37,110,056 or 30% 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 the 911 wireless emergency system and 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, \$28,042,697, exemplifies 48% of the total General Fund fund balance. Of this amount, \$7,171,221 is designated for appropriation in next year's budget, \$1,609,585 is designated for hazardous waste material collection, and \$19,261,891 or 9% of the subsequent years' budget is undesignated and retained for working capital purposes as well as unforeseen emergencies.

The Debt Service Fund has a total fund balance of \$13,030,506 compared to \$13,917,614 in the prior year. Amounts are designated for debt service in FY 2006 (\$12,801,938) and succeeding years.

Revenues for general governmental functions (General, Special Revenue and Debt Service Funds) amounted to \$231,209,894 for the fiscal year ended June 30, 2005 and are comprised of various sources as shown in the following graph:

Figure 5
Revenues by Sources – Governmental Activities



Property tax collections, including delinquent amounts, were \$120,350,318. The current year rate of collections decreased .56% as compared to the previous year, from 98.53% to 97.97%.

The property tax rate decreased in FY 2004-05, due to property revaluation in 2004, however it is \$.042 above the revenue neutral rate of \$.508. Tax rates for the current and three preceding fiscal years were adopted, as follows:

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund	\$.5500	\$.5975	\$.5975	\$.5625
Transit Authority	<u>.0175</u>	<u>.0200</u>	<u>.0200</u>	<u>.0200</u>
Total Tax Rate	<u>\$.5675</u>	<u>\$.6175</u>	<u>\$.6175</u>	<u>\$.5825</u>

The *local option sales tax* collection amounted to \$35,542,429 as compared to the previous year's collection of \$34,121,791 an increase of \$1,420,638 or 4.2% 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 currently at 4.5%. Increased collections represent a general improvement over the weakened economic conditions noted in the Triad region during the past several years. Guilford County also changed its method of sales tax distribution for all municipalities within the county in FY 2003-04 to the "ad valorem" (property tax) method 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 15.3% of overall general government revenues in FY 05.

Intergovernmental Revenues amounted to \$38,553,374 as compared to previous year revenues of \$39,184,108 a decrease of 1.6% from last year. State-shared and grant revenues are a major source of funding for municipal operations and services, with intergovernmental revenues comprising 16.7% of total general governmental revenues, as compared to 17.9% in the previous year. The decrease is attributable to decreased funding for state and federal grants.

Licenses and permits amounted to \$8,926,893 compared to previous year revenues of \$8,481,016 an increase of 5% due to higher collections of cable TV access licenses and building permits.

Fines and forfeitures amounted to \$979,352 as compared to the previous year's collection of \$823,071 an increase of 19% over last year. The increase is primarily due to increased collections for parking violations and library fines.

Charges for current services amounted to \$21,437,475 as compared to the previous year's revenue of \$28,324,184. The decline is primarily due to reclassifying approximately \$7.5 million in stormwater services fees from a special revenue fund to an enterprise fund in FY 2005.

B. Proprietary Funds

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

General Fund Budgetary Highlights

The General Fund budget for FY 2004-05 was adopted at \$208,812,646 and represents an increase of 4.6% over the adopted FY 2003-04 budget. Significant variances from the original and final amended budget follow:

- \$502,866 in increases allocated to culture and recreation projects
- \$340,400 in increases allocated to organizational development and communication
- \$109,392 in increases allocated to management information systems
- \$309,552 in increases allocated to transportation projects
- \$170,828 in increases allocated to environmental services projects

In addition, \$3,011,125 in funding of 911 communications systems was transferred from the police department to a new special revenue fund, in preparation for consolidation of services with Guilford County.

The net increases were funded from the available beginning fund balance. During the year, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon existing fund balance.

As of June 2005, the City had collected approximately \$204.7 million or 103% of its budgeted General Fund revenues and had incurred \$ 203.9 million or 96% of its budgeted expenditures. Significant differences between *actual results* and the *amended budget* are highlighted below:

- \$2,569,000 in increases for local option sales tax receipts as well as approximately \$800,000 more in property tax revenues
- \$2,469,000 in decreases for general government expenditures, across all "staff" departments and less contributions to outside agencies and other staff supported functions by \$460,000
- \$1,000,000 in decreases for building maintenance
- \$2,000,000 in decreases for culture and recreation activities associated with Parks and Recreation (\$1.1 million) and Libraries (\$.9 million)

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, 2005, amounts to \$836,779,797 (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 \$25,432,362 or 3.1% over the prior year.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Land	\$ 52,096	\$ 51,415	\$ 36,649	\$ 33,695	\$ 88,745	\$ 85,110
Construction in Progress	32,756	32,896	84,188	75,877	116,944	108,773
Buildings	83,903	74,044	140,847	137,876	224,750	211,920
Improvements Other Than Buildings	4,574	5,092	11,498	8,841	16,072	13,933
Furniture, Fixtures, Machinery and Equipment	39,215	40,747	9,565	7,430	48,780	48,177
Infrastructure	106,030	161,846	235,458	181,588	341,488	343,434
Total Capital Assets	\$ 318,574	\$ 366,040	\$ 518,205	\$ 445,307	\$ 836,779	\$ 811,347

This year's major capital asset additions included:

- Over \$12 million was spent on governmental buildings for police, parks and recreation, libraries and the new operations center located in the southern district of the City
- Construction in progress for the business activities increased by over \$9 million for sewer pumping station projects
- Two new fire stations are under construction at a cost of approximately \$5 million. Both are scheduled for completion by June 2006 and are in response to growing service needs and by City initiated annexations

Construction in progress for governmental-type and business-type capital assets totaled \$32,755,651 and \$84,188,051, respectively as of June 30, 2005. No major demolitions were recorded this year.

The City adopted the FY 2005-2011 Capital Improvements Program (CIP) totaling \$449,868,982 or a 5.1% decrease from the prior year plan amounts. Funding for major improvements is allocated as follows:

Table C-2
CIP Expenditures – 5 Year Plan

<u>CIP Expenditure Category by Service Area</u>	<u>% of Total CIP</u>
Environmental Protection	43%
Transportation	20%
Culture and Recreation	22%
Public Safety	8%
Economic and Community Development	6%
General Government	1%
	<u>100%</u>

Table C-3
CIP Funding Sources – 5 Year Plan

<u>CIP Funding Source</u>	<u>% of Total CIP</u>
Revenue Bonds	30%
Authorized Bonds	18%
Grants/Other	5%
Enterprise Funds	14%
Unauthorized Bonds	24%
Miscellaneous Sources	8%
General Fund/Capital Reserve	<u>1%</u>
	100%

Additional information on the City's capital assets can be found in Note I.D.5 and IV.C of this report.

B. Long-Term Debt

As of June 30, 2005, the City had total bonded debt outstanding of \$380,105,000, with \$169,080,000 backed by the full faith, credit and taxing power of the City.

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
General Obligation Bonds	\$166,550	\$166,106	\$ 2,530	\$ 3,679	\$169,080	\$169,785
Special Obligation Bonds			10,415	11,455	10,415	11,455
Revenue Bonds			200,610	164,470	200,610	164,470
Total	<u>\$166,550</u>	<u>\$166,106</u>	<u>\$213,555</u>	<u>\$179,604</u>	<u>\$380,105</u>	<u>\$345,710</u>

The City's total outstanding long-term liabilities increased by approximately \$38 million during the current fiscal year from the issuance of new revenue and general obligation bonds. The issuance of these bonds supports continued enhancements of the capital projects program, including improvements to the City's water and sewer system and other public facilities such as fire stations, libraries and park and recreation sites. To accommodate these and future business-activity projects, utility rates were increased by approximately 10% effective January 1, 2005 with future rate increases of 10% also anticipated in FY 06 and FY07.

The City of Greensboro has a general obligation bond rating of Aa1 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 \$1,466,465,173. The City has \$71,320,000 in authorized, but unissued bonds at June 30, 2005.

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 has decreased in the past year to 5.6%, down from 6.3% in June 2004. 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 5.5%. Over the past twelve months, the number of goods-producing jobs in the Piedmont Triad has risen .9%, while goods-producing employment nationally has risen 1.0%. However, during the same period, the number of jobs in business, education, health and leisure services has grown locally 1.9%. This employment category accounts for 40.5% of all Triad jobs. In addition, since August 2004, real spending at the retail level has risen 8.3%. (Triad Business Index, August 2005).

Durable spending in construction dollars, according to new residential building permit activity, increased by approximately \$47 million in FY 2005, while commercial new construction increased by approximately \$26 million. Revenue generated from construction permits within the City increased 13% during the year.

The property tax base increased by 24% to \$21 billion in the fiscal year ended June 30, 2005, due to octennial property revaluation, performed in 2004. Collection of sales tax receipts increased by 4.2% over the prior year, primarily due to improving economic conditions in the region. The City also experienced a 6.3% increase in hotel/motel occupancy tax receipts for the fiscal year ended June 30, 2005.

The FY 2005 property tax rate was adopted at 56.75 cents per \$100 assessed value and includes 1.75 cents and .85 cents to fund transit and housing initiatives. The adopted tax rate is lower than the previous rate by 5 cents, however, it is higher than a revenue neutral rate by 4.25 cents. The revenue neutral rate is that rate which would generate revenue growth equal to the average annual growth experienced since the last property revaluation in 1996.

Significant City service enhancements planned for the fiscal year ending June 30, 2006 includes increased support for public safety, particularly for fire enhancements along with water resource and environmental issues. The FY 2006 budget includes a total net gain of 60 full time equivalent positions, primarily for fire personnel. Considering the above indicators when adopting the operating budget for the next fiscal year, the City's adopted FY 2005-06 budget increased 1.4% or \$4.96 million to \$349,840,088. The FY 2006 adopted property tax rate remained the same at 56.76 cents per \$100 value.

City management has reaffirmed its intention to continue to maintain the undesignated General Fund balance at 9% of the 2006 fiscal year budget.

Budget Highlights for the Fiscal Year Ending June 30, 2006

Governmental Activities:

Limited enhancements were included in the FY 2006 budget and are for operating costs associated with new fire stations and continued anticipated increases in health insurance costs for employees. In addition, a transfer of ¼ cent of the property tax from the General Fund to the GTA Fund is used to offset projected losses in federal operating subsidies for fixed route bus service. Thirty new employee positions relate to increased fire operations.

Business-Type Activities:

Water Resources activities, with a budget of \$69 million in FY 2006, compared to \$62 million in the prior year, has increases of approximately \$3 million in the construction and maintenance division where maintenance and repairs to the City's water and sewer pipes, sewage pump stations and metering system and installations of all new customer connections takes place. This is in response to the significant improvements that have been undertaken in the City's utility infrastructure in the past ten years. Accordingly, budgeted debt service expense has also increased.

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.

City of Greensboro
Statement of Net Assets
June 30, 2005

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and Cash Equivalents/Investments	\$ 114,222,129	\$ 42,842,121	\$ 157,064,250	\$ 3,857,031
Receivables, Net				
Taxes	3,929,906		3,929,906	250,226
Accounts, Notes and Mortgages	28,949,209	13,204,952	42,154,161	413,542
Assessments	98,242		98,242	
Intergovernmental	18,232,564	542,659	18,775,223	252,784
Interest	930,172	302,490	1,232,662	1,302,289
Real Estate Foreclosed	361,454		361,454	
Internal Balances	(1,879,948)	1,879,948		
Due from Component Unit	526,821		526,821	
Inventories	1,474,362	1,318,678	2,793,040	2,459,417
Miscellaneous	516,716	1,828,660	2,345,376	54,209
Assets Held for Resale	95,180		95,180	
Insurance Deposits	12,058,514		12,058,514	
Deferred Charges	2,105,349		2,105,349	
Long-Term Note Receivable				14,426,094
Investment in Joint Venture		47,431,345	47,431,345	
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments	45,270,678	62,704,576	107,975,254	
Receivables, (Net):				
Accounts, Notes and Mortgages	178,634		178,634	
Assessments	7,769	367,810	375,579	
Intergovernmental	31,718	584,491	616,209	
Interest		96,518	96,518	
Miscellaneous		2,417,606	2,417,606	
Permanently Restricted:				
Cash and Cash Equivalents/Investments	1,986,746		1,986,746	
Net Pension Asset	2,070,398		2,070,398	
Capital Assets, Net				
Non-Depreciable:				
Land	52,096,326	36,649,477	88,745,803	1,439,752
Construction in Progress	32,755,651	84,188,051	116,943,702	503,901
Depreciable:				
Land Improvements	12,734,240	14,465,541	27,199,781	2,022
Accumulated Depreciation	(8,168,035)	(10,617,683)	(18,785,718)	(607)
Buildings	120,421,526	203,487,861	323,909,387	21,325,795
Accumulated Depreciation	(36,518,257)	(62,640,302)	(99,158,559)	(2,133,315)
Improvements Other than Buildings	11,108	10,596,856	10,607,964	206,665
Accumulated Depreciation	(3,630)	(2,947,073)	(2,950,703)	(182,021)
Furniture, Fixtures, Machinery and Equipment	110,909,544	38,395,611	149,305,155	11,900,340
Accumulated Depreciation	(71,694,552)	(28,831,005)	(100,525,557)	(4,394,263)
Infrastructure	191,045,444	397,834,827	588,880,271	
Accumulated Depreciation	(85,014,973)	(162,376,756)	(247,391,729)	
Total Assets	549,741,005	693,727,259	1,243,468,264	51,683,861

LIABILITIES	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Accounts Payable	\$ 11,446,520	\$ 4,416,045	\$ 15,862,565	\$ 1,770,917
Contracts/Retainage Payable	1,534,701	1,416,358	2,951,059	1,735,157
Intergovernmental Payable	1,505,487	712,769	2,218,256	
Customer Deposits Payable	31,612	1,922,226	1,953,838	
Accrued Interest Payable	2,442,165	1,063,263	3,505,428	
Due to Primary Government				526,821
Miscellaneous	114,399		114,399	46,466
Accrued Landfill Liability		500,000	500,000	
Unearned Revenues	5,570,579		5,570,579	443,290
Liabilities Payable from Restricted Assets:				
Contracts/Retainage Payable	3,599,311		3,599,311	
Miscellaneous	706,911		706,911	
Noncurrent Liabilities:				
Due Within One Year:				
General Obligation Bonds	13,262,831	1,087,168	14,349,999	
Lease Purchase and Other Financing Agreements Payable	719,975	418,717	1,138,692	
Revenue Bonds Payable		5,030,000	5,030,000	
Special Obligation Bonds Payable		1,090,000	1,090,000	
Certificates of Participation Payable	5,673,640	2,091,360	7,765,000	
Federal Loan Obligation		254,403	254,403	
Note Payable				127,494
Compensated Absences	5,520,449	1,303,737	6,824,186	13,302
Miscellaneous		481	481	
Due in More Than One Year:				
Payable from Restricted Assets:				
Accounts Payable		72,003	72,003	
Contracts/Retainage Payable		5,217,266	5,217,266	
Intergovernmental Payable		10,599	10,599	
General Obligation Bonds	153,287,166	1,442,835	154,730,001	
Lease Purchase and Other Financing Agreements Payable	4,058,262	1,983,479	6,041,741	
Revenue Bonds Payable		195,580,000	195,580,000	
Special Obligation Bonds Payable		9,325,000	9,325,000	
Certificates of Participation Payable	32,060,720	6,824,280	38,885,000	
Premium (Discount) on Debt	3,419,158	3,097,283	6,516,441	
Federal Loan Obligation		2,544,034	2,544,034	
Note Payable				266,425
Compensated Absences	3,717,303	608,988	4,326,291	19,630
Deposits Returnable				175
Accrued Landfill Liability		10,652,768	10,652,768	
Unearned Revenues		151,565	151,565	
Total Liabilities	248,671,189	258,816,627	507,487,816	4,949,677
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	152,734,241	324,801,885	477,536,126	28,569,174
Restricted for:				
Highway Improvements	3,879,051		3,879,051	
Transportation	417,408		417,408	
Culture and Recreation	365,693		365,693	
Capital Projects	8,018,147	24,155,414	32,173,561	
Community Development	2,114,889		2,114,889	29,167
Public Safety	151,843		151,843	
Environmental Services	3,902		3,902	
Engineering and Inspections	192,621		192,621	
Pension Benefits	2,070,398		2,070,398	
Insurance Deposits	12,058,514		12,058,514	
Perpetual Care:				
Nonexpendable	1,986,746		1,986,746	
Unrestricted	117,076,363	85,953,333	203,029,696	18,135,843
Total Net Assets	\$ 301,069,816	\$ 434,910,632	\$ 735,980,448	\$ 46,734,184

City of Greensboro
Statement of Activities
For the Fiscal Year Ended June 30, 2005

<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	\$ 21,767,584	\$ 15,562,235	\$	\$
Public Safety	92,937,600	4,005,541	1,974,792	687,563
Transportation	22,356,011	3,282,749	7,596,063	9,837
Engineering and Inspections	25,468,682	5,768,440		1,868,367
Environmental Services	662,457	573,946	68,336	218,872
Culture and Recreation	37,177,821	3,933,363	1,379,313	
Community Development & Housing	9,827,924	1,987,527	5,308,366	189,004
Economic Opportunity	3,101,682	(4,470)	2,719,399	2,100,000
Intergovernmental	1,325,930			
Interest, Fees on Long-Term Debt	8,029,110			
Total Governmental Activities	222,654,801	35,109,331	19,046,269	5,073,643
Business-Type Activities:				
Water Operations	26,562,064	36,229,488		4,537,861
Sewer Operations	33,138,469	32,775,950		4,537,861
Stormwater Management	8,563,728	8,369,025		507,642
War Memorial Coliseum	11,669,181	7,621,544		1,500,000
Solid Waste Management	22,424,921	10,316,091		
Parking Facilities	2,045,382	1,878,684		
Total Business-Type Activities	104,403,745	97,190,782		11,083,364
Total Primary Government	\$ 327,058,546	\$ 132,300,113	\$ 19,046,269	\$ 16,157,007
Component Units:				
Greensboro Housing Dev. Partnership	\$ 127,947	\$ 70,741	\$	\$
Greensboro Transit Authority	12,328,852	2,360,781		6,910,346
Greensboro ABC Board	20,793,884	20,776,345		
Total Component Units	\$ 33,250,683	\$ 23,207,867	\$	\$ 6,910,346

General Revenues:
 Property Tax
 Local Option Sales Tax
 Vehicle Gross Receipts Tax
 Hotel/Motel Occupancy Tax
 Utility Franchise Tax
 Piped Natural Gas Tax
 Telecommunications Sales Tax
 Sales Tax Hold Harmless
 Beer and Wine Tax
 ABC Profit Distribution
 Intergovernmental - undesignated
 Investment Income
 Miscellaneous

Transfers In (Out)

Total General Revenues and Transfers

Change in Net Assets

Net Assets - July 1

Cumulative Effect of Change in Accounting
 Principle for Fund Accounting
 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	
\$ (6,205,349)	\$	\$ (6,205,349)	\$
(86,269,704)		(86,269,704)	
(11,467,362)		(11,467,362)	
(17,831,875)		(17,831,875)	
198,697		198,697	
(31,865,145)		(31,865,145)	
(2,343,027)		(2,343,027)	
1,713,247		1,713,247	
(1,325,930)		(1,325,930)	
(8,029,110)		(8,029,110)	
(163,425,558)		(163,425,558)	
	14,205,285	14,205,285	
	4,175,342	4,175,342	
	312,939	312,939	
	(2,547,637)	(2,547,637)	
	(12,108,830)	(12,108,830)	
	(166,698)	(166,698)	
	3,870,401	3,870,401	
(163,425,558)	3,870,401	(159,555,157)	
			(57,206)
			(3,057,725)
			(17,539)
			(3,132,470)
115,805,629		115,805,629	3,658,772
35,542,429		35,542,429	
322,227		322,227	
2,734,573		2,734,573	
6,764,970		6,764,970	
1,968,825		1,968,825	
3,612,340		3,612,340	
1,012,047		1,012,047	
1,024,673		1,024,673	
2,468,216		2,468,216	
149,050		149,050	
4,944,761	1,758,810	6,703,571	1,349,190
849,817	1,366,287	2,216,104	228,181
(12,189,950)	12,189,950		
165,009,607	15,315,047	180,324,654	5,236,143
1,584,049	19,185,448	20,769,497	2,103,673
360,762,038	354,448,913	715,210,951	44,630,511
(61,276,271)	61,276,271		
299,485,767	415,725,184	715,210,951	44,630,511
\$ 301,069,816	\$ 434,910,632	\$ 735,980,448	\$ 46,734,184

BALANCE SHEET

Governmental Funds
June 30, 2005

ASSETS	(1)				
	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT. SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 48,484,241	\$ 1,764,189	\$ 12,979,890	\$ 10,004,746	\$ 73,233,066
Receivables:					
Taxes	3,927,043			2,863	3,929,906
Accounts, Notes and Mortgages	3,430,600	14,373,145		11,145,464	28,949,209
Assessments				98,242	98,242
Intergovernmental	16,036,590	28,263	228,568	1,543,627	17,837,048
Real Estate Foreclosed	361,454				361,454
Internal Receivables		485,000		175,000	660,000
Due from Component Unit	526,821				526,821
Inventories	793,686				793,686
Miscellaneous	328,114				328,114
Assets Held for Resale				95,180	95,180
Restricted Assets:					
Cash and Cash Equivalents/Investments				45,708,800	45,708,800
Receivables:					
Accounts, Notes and Mortgages				178,634	178,634
Assessments				7,769	7,769
Intergovernmental				31,718	31,718
Total Assets	\$ 73,888,549	\$ 16,650,597	\$ 13,208,458	\$ 68,992,043	\$ 172,739,647
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 2,843,783	\$	\$ 177,952	\$ 682,199	\$ 3,703,934
Contracts/Retainage Payable	388,757	38,262		1,107,682	1,534,701
Intergovernmental Payable	1,468,541				1,468,541
Internal Payable				435,000	435,000
Miscellaneous		56,650		57,749	114,399
Deferred Revenues	9,565,208	14,360,505		13,212,671	37,138,384
Liabilities Payable From Restricted Assets:					
Contracts/Retainage Payable				3,599,311	3,599,311
Internal Payable				225,000	225,000
Miscellaneous	705,955			956	706,911
Total Liabilities	14,972,244	14,455,417	177,952	19,320,568	48,926,181
Fund Balances:					
Reserved by State Statute	17,958,568	525,903	228,568	2,581,389	21,294,428
Reserved for Encumbrances	2,897,108	192,073		626,589	3,715,770
Reserved for Inventories	793,686				793,686
Reserved for 911 Wireless	978,430				978,430
Reserved for Assets Held for Resale				95,180	95,180
Reserved for Capital Projects	8,245,816				8,245,816
Reserved for Perpetual Care				1,986,746	1,986,746
Total Reserved Fund Balance	30,873,608	717,976	228,568	5,289,904	37,110,056
Unreserved, Reported In:					
Designated for Subsequent Year's Expenditures:					
General Fund	7,171,221				7,171,221
Special Revenue Funds		174,951		444,924	619,875
Debt Service Fund			3,418,785		3,418,785
Total Unreserved-Subsequent Year's Expenditures	<u>7,171,221</u>	<u>174,951</u>	<u>3,418,785</u>	<u>444,924</u>	<u>11,209,881</u>
Designated for Debt Service:					
Special Revenue Funds				138,920	138,920
Debt Service Fund			9,383,153		9,383,153
Total Designated for Debt Service			<u>9,383,153</u>	<u>138,920</u>	<u>9,522,073</u>
Designated for Specific Purposes:					
General Fund	1,609,585				1,609,585
Special Revenue Funds				1,230,006	1,230,006
Capital Projects Funds				38,113,572	38,113,572
Total Unreserved-Specific Purposes	<u>1,609,585</u>			<u>39,343,578</u>	<u>40,953,163</u>
Undesignated:					
General Fund	19,261,891				19,261,891
Special Revenue Funds		1,302,253		4,454,149	5,756,402
Total Unreserved-Undesignated	<u>19,261,891</u>	<u>1,302,253</u>		<u>4,454,149</u>	<u>25,018,293</u>
Total Fund Balances	58,916,305	2,195,180	13,030,506	49,671,475	123,813,466
Total Liabilities and Fund Balances	\$ 73,888,549	\$ 16,650,597	\$ 13,208,458	\$ 68,992,043	\$ 172,739,647

(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, 2005

Total fund balances - governmental funds	\$ 123,813,466
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.	280,394,844
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	31,566,285
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.	64,600,888
Long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(202,091,820)
Miscellaneous adjustments to net assets include investment income receivable and pension assets not reported in the governmental funds.	<u>2,786,153</u>
Net assets of governmental activities	<u>\$ 301,069,816</u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds
For the Fiscal Year Ended June 30, 2005

	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Taxes	\$ 150,682,146	\$	\$	\$ 3,258,407	\$ 153,940,553
Assessments				135,315	135,315
Intergovernmental	19,500,196		107,291	19,804,902	39,412,389
Licenses and Permits	8,926,893				8,926,893
Fines and Forfeitures	979,352				979,352
Charges for Current Services	18,830,820	991,611		1,615,044	21,437,475
Investment Income	7,545	114,085	2,810,798	1,056,662	3,989,090
Miscellaneous	2,048,520		336,498	1,722,481	4,107,499
Total Revenues	<u>200,975,472</u>	<u>1,105,696</u>	<u>3,254,587</u>	<u>27,592,811</u>	<u>232,928,566</u>
Expenditures:					
Current:					
General Government	21,857,796			94,999	21,952,795
Public Safety	83,893,658			9,268,266	93,161,924
Transportation	15,549,873			15,785,073	31,334,946
Engineering and Inspections	16,159,327			8,153,732	24,313,059
Environmental Services	655,149				655,149
Culture and Recreation	29,863,658			4,972,853	34,836,511
Community Development and Housing Economic Opportunity		2,270,827		7,856,094	10,126,921
Intergovernmental	1,325,930			2,992,840	2,992,840
Debt Service:					1,325,930
Principal Retirement			12,758,770	2,014,000	14,772,770
Interest, Fees on Long-Term Debt			5,965,324	983,220	6,948,544
Total Expenditures	<u>169,305,391</u>	<u>2,270,827</u>	<u>18,724,094</u>	<u>52,121,077</u>	<u>242,421,389</u>
Excess of Revenues Over (Under) Expenditures	<u>31,670,081</u>	<u>(1,165,131)</u>	<u>(15,469,507)</u>	<u>(24,528,266)</u>	<u>(9,492,823)</u>
Other Financing Sources (Uses):					
Debt Issuances:					
General Obligation Bonds Issued				14,580,000	14,580,000
Federal Loan Program				477,000	477,000
Refunding Bonds Issued			30,572,711		30,572,711
Premium, (Discount) on Debt			2,641,815	(180,498)	2,461,317
Transfers In	3,721,500	1,782,332	14,426,541	11,715,334	31,645,707
Transfers Out	(34,586,695)			(9,896,558)	(44,483,253)
Payment to Escrow Agent for Refunded Debt			(33,058,668)		(33,058,668)
Total Other Financing Sources (Uses)	<u>(30,865,195)</u>	<u>1,782,332</u>	<u>14,582,399</u>	<u>16,695,278</u>	<u>2,194,814</u>
Net Change in Fund Balances	<u>804,886</u>	<u>617,201</u>	<u>(887,108)</u>	<u>(7,832,988)</u>	<u>(7,298,009)</u>
Fund Balances - July 1	58,111,419	1,577,979	13,917,614	62,848,886	136,455,898
Cumulative Effect of Change in Accounting Principle for Fund Accounting				(5,344,423)	(5,344,423)
Fund Balances - July 1, restated	<u>58,111,419</u>	<u>1,577,979</u>	<u>13,917,614</u>	<u>57,504,463</u>	<u>131,111,475</u>
Fund Balances - June 30	<u>\$ 58,916,305</u>	<u>\$ 2,195,180</u>	<u>\$ 13,030,506</u>	<u>\$ 49,671,475</u>	<u>\$ 123,813,466</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, 2005

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

Net change in fund balances----total governmental funds.	\$ (7,298,009)
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.	8,070,391
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	4,857,894
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.	(1,527,252)
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.	761,332
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.	236,596
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>(3,516,903)</u>
Change in net assets of governmental activities	<u><u>\$ 1,584,049</u></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, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 147,044,606	\$ 147,044,606	\$ 150,682,146	\$ 3,637,540
Intergovernmental	19,013,501	19,165,653	19,500,196	334,543
Licenses and Permits	8,773,675	8,773,675	8,926,893	153,218
Fines and Forfeitures	860,520	860,520	979,352	118,832
Charges for Current Services	17,867,163	17,867,163	18,830,820	963,657
Investment Income	5,000	5,000	7,545	2,545
Miscellaneous	1,599,605	1,864,605	2,048,520	183,915
Appropriated Fund Balance	10,132,076	13,073,970		(13,073,970)
Total Revenues	<u>205,296,146</u>	<u>208,655,192</u>	<u>200,975,472</u>	<u>(7,679,720)</u>
Expenditures:				
Current:				
General Government:	23,868,531	24,327,283	21,857,796	2,469,487
Public Safety	88,477,406	85,430,703	83,893,658	1,537,045
Transportation	15,377,175	15,686,727	15,549,873	136,854
Engineering and Inspections	17,528,887	18,069,664	16,159,327	1,910,337
Environmental Services	755,135	925,963	655,149	270,814
Culture and Recreation	31,394,820	31,897,676	29,863,658	2,034,018
Intergovernmental	1,361,855	1,359,578	1,325,930	33,648
Total Expenditures	<u>178,763,809</u>	<u>177,697,594</u>	<u>169,305,391</u>	<u>8,392,203</u>
Excess of Revenues Over Expenditures	<u>26,532,337</u>	<u>30,957,598</u>	<u>31,670,081</u>	<u>712,483</u>
Other Financing Sources (Uses):				
Transfers In	3,516,500	3,721,500	3,721,500	
Transfers Out	(30,048,837)	(34,679,098)	(34,586,695)	92,403
Total Other Financing Sources (Uses)	<u>(26,532,337)</u>	<u>(30,957,598)</u>	<u>(30,865,195)</u>	<u>92,403</u>
Net Change in Fund Balances			804,886	804,886
Fund Balances - July 1			<u>58,111,419</u>	<u>58,111,419</u>
Fund Balances - June 30	<u>\$</u>	<u>\$</u>	<u>\$ 58,916,305</u>	<u>\$ 58,916,305</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, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for Current Services	\$ 350,000	\$ 350,000	\$ 991,611	\$ 641,611
Investment Income	50,000	50,000	114,085	64,085
Appropriated Fund Balance	515,349	515,349		(515,349)
Total Revenues	915,349	915,349	1,105,696	190,347
Expenditures:				
Current:				
Community Development and Housing	2,697,681	2,697,681	2,270,827	(426,854)
Excess of Revenues Under Expenditures	(1,782,332)	(1,782,332)	(1,165,131)	617,201
Other Financing Sources:				
Transfers In	1,782,332	1,782,332	1,782,332	
Net Change in Fund Balances			617,201	617,201
Fund Balances - July 1			1,577,979	1,577,979
Fund Balances - June 30	\$	\$	\$ 2,195,180	\$ 2,195,180

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

Statement of Net Assets

Proprietary Funds

June 30, 2005

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
ASSETS				
Current Assets:				
Cash and Cash Equivalents/Investments	\$ 28,165,029	\$ 2,658,524	\$ 3,459,387	\$ 8,202,064
Receivables (Net):				
Accounts, Notes and Mortgages	12,225,978	177,194	235,951	553,094
Intergovernmental	397,932	18,251	42,108	61,116
Interest	198,271	27,486	11,920	62,497
Inventories	1,201,921		28,951	87,806
Miscellaneous	1,584,644		1,311	53,153
Total Current Assets	<u>43,773,775</u>	<u>2,881,455</u>	<u>3,779,628</u>	<u>9,019,730</u>
Noncurrent Assets:				
Restricted:				
Cash and Cash Equivalents/Investments	52,779,851	3,390,339	1,115,133	5,419,177
Receivables (Net):				
Assessments	367,810			
Intergovernmental	584,488	3		
Interest	61,803	5,044		29,671
Miscellaneous	2,417,606			
Self-Funded Retention Deposits				
Investment in Joint Venture	47,431,345			
Capital Assets:				
Non-Depreciable:				
Land	25,553,136	751,637	1,416,153	4,955,164
Construction in Progress	77,301,619	2,377,728		3,538,404
Depreciable:				
Land Improvements	1,753,057	3,080	74,831	12,577,633
Buildings	118,420,368	1,734	64,032,303	1,763,363
Improvements Other than Buildings	10,119,992		275,756	35,887
Furniture, Fixtures, Machinery and Equipment	28,701,148	238,120	8,567,243	586,222
Infrastructure	298,896,425	98,938,402		
Less Accumulated Depreciation	<u>(177,448,004)</u>	<u>(46,524,423)</u>	<u>(25,598,780)</u>	<u>(10,182,809)</u>
Total Noncurrent Assets	<u>486,940,644</u>	<u>59,181,664</u>	<u>49,882,639</u>	<u>18,722,712</u>
Total Assets	<u>530,714,419</u>	<u>62,063,119</u>	<u>53,662,267</u>	<u>27,742,442</u>

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

Other Enterprise Fund	(1) Totals	Internal Service Funds
\$ 357,117	\$ 42,842,121	\$ 41,198,351
12,735	13,204,952	
23,252	542,659	395,516
2,316	302,490	214,417
	1,318,678	680,676
<u>189,552</u>	<u>1,828,660</u>	<u>188,602</u>
<u>584,972</u>	<u>60,039,560</u>	<u>42,677,562</u>
76	62,704,576	1,339,336
	367,810	
	584,491	
	96,518	
	2,417,606	
	47,431,345	12,058,514
3,973,387	36,649,477	1,660,541
970,300	84,188,051	2,442,353
56,940	14,465,541	823,430
19,270,093	203,487,861	1,518,545
165,221	10,596,856	11,108
302,878	38,395,611	94,863,457
	397,834,827	
<u>(7,658,803)</u>	<u>(267,412,819)</u>	<u>(63,139,886)</u>
<u>17,080,092</u>	<u>631,807,751</u>	<u>51,577,398</u>
<u>17,665,064</u>	<u>691,847,311</u>	<u>94,254,960</u>

(Continued)

Statement of Net Assets (continued)

Proprietary Funds

June 30, 2005

	Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 1,310,664	\$ 228	\$ 3,084,414	\$ 20,739
Contracts/Retainage Payable	42,850	23,628		1,349,880
Intergovernmental Payable	680,463		32,306	
Internal Payables				
General Obligation Bonds Payable	1,087,168			
Revenue Bonds Payable	5,030,000			
Special Obligation Bonds Payable				1,090,000
Lease-Purchase and Other				
Financing Agreements Payable	418,717			
Certificates of Participation Payable			110,000	
Federal Loan Obligation	254,403			
Accrued Landfill Liability				500,000
Interest Payable	971,619		1,662	44,080
Customer Deposits Payable	1,795,289		85,124	600
Compensated Absences Payable	773,906	104,999	108,471	299,415
Miscellaneous	277		204	
Total Current Liabilities	<u>12,365,356</u>	<u>128,855</u>	<u>3,422,181</u>	<u>3,304,714</u>
Noncurrent Liabilities:				
Payable from Restricted Assets:				
Accounts Payable	72,003			
Contracts/Retainage Payable	5,063,654	113,612		40,000
Intergovernmental Payable	10,599			
General Obligation Bonds Payable	1,442,835			
Revenue Bonds Payable	195,580,000			
Premium-Revenue Bonds Payable	3,089,642			
Special Obligation Bonds Payable				9,325,000
Discount-Special Obligation Bonds Payable				(31,112)
Lease-Purchase and Other				
Financing Agreements Payable	1,983,479			
Certificates of Participation Payable			540,000	
Premium (Discount)-Certificates of Participation			(2,969)	
Federal Loan Obligation	2,544,034			
Accrued Landfill Liability				10,652,768
Compensated Absences Payable	252,742	135,447	131,834	72,227
Unearned Revenues			151,565	
Total Noncurrent Liabilities	<u>210,038,988</u>	<u>249,059</u>	<u>820,430</u>	<u>20,058,883</u>
Total Liabilities	<u>222,404,344</u>	<u>377,914</u>	<u>4,242,611</u>	<u>23,363,597</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	208,989,797	55,786,278	48,120,475	2,943,129
Restricted	15,464,792	3,281,774		5,408,848
Unrestricted	83,855,486	2,617,153	1,299,181	(3,973,132)
Total Net Assets	<u>\$ 308,310,075</u>	<u>\$ 61,685,205</u>	<u>\$ 49,419,656</u>	<u>\$ 4,378,845</u>

Other Enterprise Fund	(1) Totals	Internal Service Funds
\$	\$ 4,416,045	\$ 7,742,586
	1,416,358	
	712,769	
	1,087,168	244,622
	5,030,000	
	1,090,000	
	418,717	521,975
1,981,360	2,091,360	3,500,000
	254,403	
	500,000	
45,902	1,063,263	
41,213	1,922,226	31,612
16,946	1,303,737	207,499
	481	
<u>2,085,421</u>	<u>21,306,527</u>	<u>12,248,294</u>
	72,003	
	5,217,266	
	10,599	
	1,442,835	4,812,391
	195,580,000	
	3,089,642	
	9,325,000	
	(31,112)	
	1,983,479	93,262
6,284,280	6,824,280	10,500,000
41,722	38,753	
	2,544,034	
	10,652,768	
16,738	608,988	120,177
	151,565	
<u>6,342,740</u>	<u>237,510,100</u>	<u>15,525,830</u>
<u>8,428,161</u>	<u>258,816,627</u>	<u>27,774,124</u>
8,962,206	324,801,885	19,846,634
	24,155,414	12,058,514
274,697	84,073,385	34,575,688
<u>\$ 9,236,903</u>	<u>\$ 433,030,684</u>	<u>\$ 66,480,836</u>

City of Greensboro
Reconciliation of the Statement of Net Assets-Proprietary Funds
To the Statement of Net Assets
June 30, 2005

Net assets - proprietary funds	\$ 433,030,684
Amounts reported for business-type activities in the statement of net assets are different because:	
Internal service funds	<u>1,879,948</u>
Net assets of business-type activities	<u>\$ 434,910,632</u>

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

Proprietary Funds

For the Fiscal Year Ended June 30, 2005

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Revenues:				
Charges for Current Services	\$ 61,309,316	\$ 8,369,025	\$ 7,621,544	\$ 10,316,091
Miscellaneous	2,278,726	19,460	1,726,675	1,109,501
Total Operating Revenues	<u>63,588,042</u>	<u>8,388,485</u>	<u>9,348,219</u>	<u>11,425,592</u>
Operating Expenses:				
Personal Services	11,540,473	2,442,637	3,292,986	5,319,421
Fringe Benefits	3,844,081	862,500	841,762	1,888,225
Maintenance and Operations	24,196,182	3,603,998	5,681,282	13,320,915
Insurance Claims and Expenses				
Depreciation	11,213,421	1,654,593	2,076,124	988,753
Total Operating Expenses	<u>50,794,157</u>	<u>8,563,728</u>	<u>11,892,154</u>	<u>21,517,314</u>
Operating Income (Loss)	<u>12,793,885</u>	<u>(175,243)</u>	<u>(2,543,935)</u>	<u>(10,091,722)</u>
Nonoperating Revenues (Expenses):				
Investment Income	1,085,883	174,035	58,705	424,118
Net Income from Joint Venture	832,030			
Miscellaneous Nonoperating Revenue	7,633,340		8,950	1,121
Interest Expense	(6,904,737)		(17,227)	(588,403)
Loss on Disposal of Capital Assets	(14,465)			
Amortization of Underwriters' Expense	(188,860)			(23,374)
Miscellaneous Nonoperating Expense	(1,380,036)		(19,242)	(2,580)
Total Nonoperating Revenues (Expenses)	<u>1,063,155</u>	<u>174,035</u>	<u>31,186</u>	<u>(189,118)</u>
Income (Loss) Before Contributions and Transfers	13,857,040	(1,208)	(2,512,749)	(10,280,840)
Capital Contributions	6,027,748	507,642		
Transfers In			1,800,000	10,373,045
Transfers Out	(185,815)	(97,500)	(205,000)	(721,175)
Change in Net Assets	<u>19,698,973</u>	<u>408,934</u>	<u>(917,749)</u>	<u>(628,970)</u>
Net Assets - July 1	288,611,102		50,337,405	5,007,815
Cumulative Effect of Change in Accounting Principle for Fund Accounting		61,276,271		
Net Assets - July 1, restated	<u>288,611,102</u>	<u>61,276,271</u>	<u>50,337,405</u>	<u>5,007,815</u>
Net Assets - June 30	<u>\$ 308,310,075</u>	<u>\$ 61,685,205</u>	<u>\$ 49,419,656</u>	<u>\$ 4,378,845</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 1,878,684	\$ 89,494,660	\$ 49,648,039
580	5,134,942	1,524,841
1,879,264	94,629,602	51,172,880
335,371	22,930,888	3,413,427
109,160	7,545,728	1,059,393
477,069	47,279,446	11,755,937
		24,881,949
542,664	16,475,555	9,830,465
1,464,264	94,231,617	50,941,171
415,000	397,985	231,709
16,069	1,758,810	1,295,405
	832,030	
	7,643,411	37,792
(516,853)	(8,027,220)	(461,561)
	(14,465)	(1,252,315)
(21,657)	(233,891)	(2,953)
(31,066)	(1,432,924)	(197,969)
(553,507)	525,751	(581,601)
(138,507)	923,736	(349,892)
	6,535,390	
1,226,395	13,399,440	1,577,920
	(1,209,490)	(930,324)
1,087,888	19,649,076	297,704
8,149,015	352,105,337	66,183,132
	61,276,271	
8,149,015	413,381,608	66,183,132
\$ 9,236,903	\$ 433,030,684	\$ 66,480,836

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, 2005

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

Net change in fund balances----total proprietary funds.	\$ 19,649,076
Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The net revenue (loss) of certain activities of internal service funds is reported with business-type activities.	<u>(463,628)</u>
Change in net assets of business-type activities	<u>\$ 19,185,448</u>

Statement of Cash Flows

Proprietary Funds
For the Fiscal Year Ended June 30, 2005

	Business-Type Activities - Enterprise Funds			
	Water Resources	Stormwater Management	War Memorial Coliseum	Solid Waste Management
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 58,900,508	\$ 8,261,825	\$ 10,038,987	\$ 10,526,496
Payments to Suppliers	(30,953,724)	(3,622,079)	(5,709,662)	(12,654,518)
Payments to Employees	(14,441,290)	(3,296,253)	(4,143,078)	(7,178,407)
Other Receipts	7,696,346	19,460	1,726,675	1,110,622
Net Cash Provided by (Used for) Operating Activities	<u>21,201,840</u>	<u>1,362,953</u>	<u>1,912,922</u>	<u>(8,195,807)</u>
Cash Flows from Noncapital Financing Activities:				
Subsidies and Transfers In			1,595,000	10,373,045
Subsidies and Transfers Out	(185,815)	(97,500)		(721,175)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(185,815)</u>	<u>(97,500)</u>	<u>1,595,000</u>	<u>9,651,870</u>
Cash Flows from Capital and Related Financing Activities:				
Capital Debt Issued	75,057,424			
Acquisition and Construction of Capital Assets	(27,263,851)	(632,582)	(8,207)	889,662
Proceeds from Sale of Capital Assets	2			
Payment to Escrow Agent for Refunding of Debt	(32,428,140)			
Principal Paid on Capital Debt	(6,519,860)		(90,000)	(1,040,000)
Interest and Fiscal Charges Paid on Capital Debt	(6,999,448)		(19,717)	(581,462)
Net Cash Provided By (Used) for Capital and Related Financing Activities	<u>1,846,127</u>	<u>(632,582)</u>	<u>(117,924)</u>	<u>(731,800)</u>
Cash Flows from Investing Activities:				
Interest	1,016,059	141,505	53,322	436,669
Net Increase (Decrease) in Cash and Cash Equivalents	23,878,211	774,376	3,443,320	1,160,932
Balances - July 1	57,066,669	5,274,487	1,131,200	12,460,309
Balances - June 30	<u>\$ 80,944,880</u>	<u>\$ 6,048,863</u>	<u>\$ 4,574,520</u>	<u>\$ 13,621,241</u>
Reconciliation of Cash and Cash Equivalents/Investments:				
Cash and Cash Equivalents/Investments - Current	\$ 28,165,029	\$ 2,658,524	\$ 3,459,387	\$ 8,202,064
Cash and Cash Equivalents/Investments - Restricted	52,779,851	3,390,339	1,115,133	5,419,177
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 80,944,880</u>	<u>\$ 6,048,863</u>	<u>\$ 4,574,520</u>	<u>\$ 13,621,241</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 1,871,780	\$ 89,599,596	\$ 49,544,373
(487,325)	(53,427,308)	(33,627,456)
(439,383)	(29,498,411)	(4,577,877)
580	10,553,683	1,348,234
<u>945,652</u>	<u>17,227,560</u>	<u>12,687,274</u>
1,226,395	13,194,440	1,577,920
	(1,004,490)	(930,324)
<u>1,226,395</u>	<u>12,189,950</u>	<u>647,596</u>
	75,057,424	7,000,000
(1,812,357)	(28,827,335)	(11,646,851)
	2	569
	(32,428,140)	
(1,941,000)	(9,590,860)	(4,680,016)
(380,075)	(7,980,702)	(595,446)
<u>(4,133,432)</u>	<u>(3,769,611)</u>	<u>(9,921,744)</u>
17,930	1,665,485	1,270,360
(1,943,455)	27,313,384	4,683,486
2,300,648	78,233,313	37,854,201
<u>\$ 357,193</u>	<u>\$ 105,546,697</u>	<u>\$ 42,537,687</u>
\$ 357,117	\$ 42,842,121	\$ 41,198,351
76	62,704,576	1,339,336
<u>\$ 357,193</u>	<u>\$ 105,546,697</u>	<u>\$ 42,537,687</u>

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2005

	Business-Type Activities - Enterprise Funds			
	<u>Water Resources</u>	<u>Stormwater Management</u>	<u>War Memorial Coliseum</u>	<u>Solid Waste Management</u>
(continued)				
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Operating Income (Loss)	\$ 12,793,885	\$ (175,243)	\$ (2,543,935)	\$ (10,091,722)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for):				
Operating Activities:				
Depreciation	11,213,421	1,654,593	2,076,124	988,753
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	(2,408,808)	(107,200)	177,939	210,405
Decrease in Inventories	(218,970)		(4,207)	(2,520)
Increase (Decrease) in Intergovernmental Receivables	(254,267)	(10,130)	(42,108)	8,919
(Increase) Decrease in Miscellaneous Assets	(1,008,460)		404	
Increase in Investment in Joint Venture	(4,455,000)			
Increase (Decrease) in Accounts Payable	(820,845)	(7,951)	17,531	10,846
Increase in Landfill Liability				649,152
Increase (Decrease) in Compensated Absences Payable	133,570	8,884	(13,771)	30,139
Increase in Intergovernmental Payable	685,726		5,441	
Increase in Customer Deposits Payable				
Increase (Decrease) in Miscellaneous Payable	123,968		2,239,504	(900)
Increase in Other Receipts	5,417,620			1,121
Total Adjustments	<u>8,407,955</u>	<u>1,538,196</u>	<u>4,456,857</u>	<u>1,895,915</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 21,201,840</u>	<u>\$ 1,362,953</u>	<u>\$ 1,912,922</u>	<u>\$ (8,195,807)</u>
Noncash Investing, Capital and Financing Activities:				
Lease-Purchase and Other Capital Financing Agreements	\$ 26,509	\$	\$	\$
Donated Assets	6,027,748	507,642		
Equity Interest in Joint Venture	832,030			
Total Noncash Investing, Capital and Financing Activities	<u>\$ 6,886,287</u>	<u>\$ 507,642</u>	<u>\$</u>	<u>\$</u>

Other Enterprise Fund	Totals	Internal Service Funds
\$ 415,000	\$ 397,985	\$ 231,709
542,664	16,475,555	9,830,465
(6,904)	(2,134,568)	(158,592)
(3,645)	(225,697)	(114,447)
	(301,231)	(265,118)
	(1,008,056)	3,242,003
(6,611)	(4,455,000)	
	(807,030)	
	649,152	24,643
3,625	162,447	(129,701)
	691,167	
		16,612
	2,362,572	
1,523	5,420,264	9,700
<u>530,652</u>	<u>16,829,575</u>	<u>12,455,565</u>
<u>\$ 945,652</u>	<u>\$ 17,227,560</u>	<u>\$ 12,687,274</u>
\$	\$ 26,509	\$ 43,216
	6,535,390	
	832,030	
<u>\$</u>	<u>\$ 7,393,929</u>	<u>\$ 43,216</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, 2005

	Pension Benefit Trust
ASSETS	
Cash and Cash Equivalents/Investments,	
Restricted for:	
Pension Benefits-Police Special	
Separation Allowance	
Cash and Cash Equivalents	\$ 118,917
US Government Agencies	3,965,494
US Treasuries	167,413
Commercial Paper	104,274
Money Market Mutual Funds	228,321
Interest Receivable	<u>25,530</u>
Total Assets Held in Trust for	
Pension Benefits	<u>\$ 4,609,949</u>

City of Greensboro
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2005

	Pension Benefit Trust
ADDITIONS	
Employer Contribution	\$ 1,670,838
Investment Income	114,361
Total Additions	<u>1,785,199</u>
DEDUCTIONS	
Benefits Paid-Police Special Separation Allowance	1,622,459
Administrative Expenses	1,240
Total Deductions	<u>1,623,699</u>
Change in Net Assets	161,500
Net Assets - Beginning of the Year	<u>4,448,449</u>
Net Assets - End of the Year	<u><u>\$ 4,609,949</u></u>

Statement of Net Assets

Component Units

June 30, 2005

ASSETS	Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Total Component Units
Cash and Cash Equivalents/Investments	\$ 153,195	\$ 2,877,342	\$ 826,494	\$ 3,857,031
Receivables, Net				
Taxes		250,226		250,226
Accounts, Notes and Mortgages		404,125	9,417	413,542
Intergovernmental	159,508	93,276		252,784
Interest		1,302,289		1,302,289
Inventories		130,159	2,329,258	2,459,417
Miscellaneous			54,209	54,209
Long-Term Note Receivable		14,426,094		14,426,094
Capital Assets:				
Non-Depreciable:				
Land		1,099,897	339,855	1,439,752
Construction in Progress	55,000	448,901		503,901
Depreciable:				
Land Improvements		2,022		2,022
Accumulated Depreciation		(607)		(607)
Buildings	121,287	19,557,104	1,647,404	21,325,795
Accumulated Depreciation	(77,282)	(1,384,181)	(671,852)	(2,133,315)
Improvements Other than Buildings		3,807	202,858	206,665
Accumulated Depreciation		(666)	(181,355)	(182,021)
Furniture, Fixtures, Machinery and Equipment	135	10,663,225	1,236,980	11,900,340
Accumulated Depreciation	(45)	(3,530,501)	(863,717)	(4,394,263)
Total Assets	<u>411,798</u>	<u>46,342,512</u>	<u>4,929,551</u>	<u>51,683,861</u>
LIABILITIES				
Accounts Payable	27,406	37,247	1,706,264	1,770,917
Contracts/Retainage Payable		1,735,157		1,735,157
Due to Primary Government			526,821	526,821
Miscellaneous			46,466	46,466
Unearned Revenues		443,290		443,290
Noncurrent Liabilities:				
Due Within One Year:				
Note Payable	127,494			127,494
Compenstated Absences		13,302		13,302
Due in More Than One Year:				
Note Payable	266,425			266,425
Compensated Absences		19,630		19,630
Deposits Returnable		175		175
Total Liabilities	<u>421,325</u>	<u>2,248,801</u>	<u>2,279,551</u>	<u>4,949,677</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt		26,859,001	1,710,173	28,569,174
Restricted for:				
Community Development	29,167			29,167
Unrestricted	(38,694)	17,234,710	939,827	18,135,843
Total Net Assets	<u>\$ (9,527)</u>	<u>\$ 44,093,711</u>	<u>\$ 2,650,000</u>	<u>\$ 46,734,184</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, 2005**

	Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Greensboro Housing Dev. Partnership			
Governmental Activities:			
Community Development & Housing	\$ 127,947	\$ 70,741	\$
Total Greensboro Housing Dev. Partnership	127,947	70,741	
Greensboro Transit Authority			
Business Type Activities:			
Transit Operations	12,328,852	2,360,781	6,910,346
Total Greensboro Transit Authority	12,328,852	2,360,781	6,910,346
Greensboro ABC Board			
Business Type Activities:			
ABC Board Operations	20,793,884	20,776,345	
Total Greensboro ABC Board	20,793,884	20,776,345	
Total	\$ 33,250,683	\$ 23,207,867	\$ 6,910,346

General Revenues:

Taxes:
 Property 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
\$ (57,206)	\$	\$	\$ (57,206)
(57,206)			(57,206)
	(3,057,725)		(3,057,725)
	(3,057,725)		(3,057,725)
		(17,539)	(17,539)
		(17,539)	(17,539)
(57,206)	(3,057,725)	(17,539)	(3,132,470)
	3,658,772		3,658,772
	1,331,651	17,539	1,349,190
	228,181		228,181
	5,218,604	17,539	5,236,143
(57,206)	2,160,879		2,103,673
47,679	41,932,832	2,650,000	44,630,511
\$ (9,527)	\$ 44,093,711	\$ 2,650,000	\$ 46,734,184

NOTES TO THE FINANCIAL STATEMENTS
CITY OF GREENSBORO, NORTH CAROLINA

JUNE 30, 2005

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.

I. 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 Parking facilities 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.

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.

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 ad valorem taxes, sales taxes, state-shared revenues and reimbursements, and profit distributions from the ABC Board to be available if they are collected within 90 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 2004 through February 2005 apply to the Fiscal Year ended June 30, 2005.

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 2005-2006 and are not shown as receivables at June 30, 2005. For those motor vehicles registered under the annual system, taxes are due on May 1 of each year. Taxes for vehicles registered annually that have already been collected as of year end are reflected as deferred revenues at June 30, 2005 because they will be used to fund City operations during the 2005-2006 Fiscal Year.

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 government-wide financial statements as well as for its proprietary operations and Pension Trust Fund.

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 .85 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 over 95,000 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

I. 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 \$133,580. The net receivable of \$3,927,043 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. 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.

6. 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, 2005 are composed of the following:

	Fund Financial Statements		
	General Fund	Housing Partnership Fund	Other Non-Major Special Revenue Funds
Deferred Revenue:			
Taxes Receivable	\$ 3,927,043	\$	\$ 2,863
Prepaid Taxes Not Yet Earned	1,249,840		1,953
Prepaid Assessments Not Yet Earned	620		97,147
Prepaid Privilege Licenses Revenues	1,357,966		
Other Prepaid Deferred Revenues	304,729		2,295,920
Notes and Mortgages Receivable	2,530,058	14,360,505	10,708,777
Other Deferred Revenues	194,952		106,011
	<u>\$ 9,565,208</u>	<u>\$ 14,360,505</u>	<u>\$ 13,212,671</u>

	Basic Financial Statements	
	Governmental Activities	Business-Type Activities
Unearned Revenue:		
Prepaid Taxes Not Yet Earned	\$ 1,251,793	\$
Prepaid Assessments Not Yet Earned	97,767	
Prepaid Privilege Licenses Not Yet Earned	1,357,966	
Other Prepaid Deferred Revenues	2,600,649	151,565
Other Deferred Revenues	262,404	
	<u>\$ 5,570,579</u>	<u>\$ 151,565</u>

7. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund-types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. 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.

8. 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, 2005 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 911 Wireless - This represents a portion of fund balance to be used for 911 communications.

e. 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.

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. Reserved for Specific Purpose - This represents a portion of fund balance which has been reserved by the City for use in future periods.

i. 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, 2006.

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

l. Undesignated - This represents the amount of fund balance which is available for future appropriations.

9. 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.

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.

10. Accounting Changes and Reclassifications

Effective, July 1, 2004, the City adopted GASB Statement No. 40, "Deposit and Investment Risk Disclosures" and made conforming changes to the notes to the financial statements for deposits and investments. In addition, the City changed the basis of accounting and measurement focus for stormwater operations from the previous treatment in special revenue and capital project funds to enterprise funds as of July 1, 2004. Accordingly, the Stormwater Management Fund and Stormwater Capital Improvement Fund beginning net assets were increased by \$57,526,753 and \$3,749,518, respectively. All of the stormwater capital assets totaling \$56,163,410 as of July 1, 2004 were transferred from the "Governmental" activities to the "Business-Type" activities in the Statement of Net Assets at the government-wide level of reporting. In addition, beginning compensated absence liability balances of \$231,562 were reclassified between categories.

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 \$202,091,820 difference are as follows:

Bonds and Notes Payable (including Premium of \$3,419,158 and including Deferred Issuance Costs of \$2,106,869)	\$ 162,805,273
Intergovernmental Payable	36,946
Accrued Interest Payable	2,442,165
Certificate of Participation Payable	23,734,360
Compensated Absences	8,910,076
Lease Purchase & Other Financing Payable	4,163,000
Combined Adjustment	<u>\$ 202,091,820</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 \$8,070,391 difference are as follows:

Capital Outlay	\$	17,826,084
Disposals		(1,038,269)
Depreciation Expense		(8,717,424)
Combined Adjustment	\$	<u>8,070,391</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 \$1,527,252 difference are as follows:

Issuance of Debt	\$	(15,212,858)
Principal Expenditure		15,078,770
Interest Expenditure		(619,005)
Salary Expense		(741,646)
Miscellaneous Expense		(32,513)
Combined Adjustment	\$	<u>(1,527,252)</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. 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 \$3,564,046, primarily for establishment of the Guilford Metro 911 program and various other governmental enhancements. No expenditures exceeded appropriations at the legal level of control during Fiscal Year 2004-2005.

B. Deficit Fund Equity

The following funds reported deficit fund balances as of June 30, 2005:

Community Development Block Grant Fund	\$ (92,034)
Hope VI Program Fund	(46,110)
Workforce Investment Act Fund	(133,742)
South Elm Street Redevelopment Fund	(131,068)
Neighborhood Redevelopment Series 2005 Bond Fund	(220,812)

These deficits will be eliminated with future reimbursements of federal grants and issuance of general obligation bonds.

IV. *Detailed Notes on all Funds*

A. Deposits and Investments

I. 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, 2005, the City's deposits had a carrying amount of \$678,563 and a bank balance of \$5,002,856. 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, 2005, the carrying amount of deposits was \$799,194 and the bank balance was \$1,086,776. 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 \$904,667 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	\$ 8,005,937	0.419
U.S Government Agencies	189,393,921	2.153
North Carolina Capital Management Trust (NCCMT)	71,423,048	0.003
Commercial Paper	4,986,542	0.079
Total Fair Value	<u>\$ 273,809,448</u>	
Portfolio Weighted Average Maturity		1.710

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, 2005, the City had investments in the NCCMT Cash Portfolio which is rated AAA by Standard and Poor's. The City also invests in U. S. Government Agencies, all of which are AAA rated by Standard and Poor's. Investments in commercial paper by the City are rated either A1/P1 by Standard and Poor's or Moody's Investors Service.

Concentration of Credit Risk

The City does not limit the amount of investment in any one issuer. As of June 30, 2005 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	28.55%
Federal Home Loan Bank	26.00%
Federal Farm Credit Bank	12.17%
Federal Home Loan Mortgage Corporation	11.92%

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

Because interest rates were higher on June 30, 2005 than at the date of the execution of the swaps, the swaps had estimated fair values of (\$117,779) (Swap 1), (\$317,778) (Swap 2) and (Swap 3) (\$4,105,294) as of June 30, 2005. 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, 2005, 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, 2005 of 2.98% (Swap 1) and 3.52% (Swap 2). As of June 30, 2005, the rate on the City's bonds was 2.30%, whereas 67% of 1 Month LIBOR was 2.24%.

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, 2005 of 4.89%. As of June 30, 2005, the rate on the City's bonds was 2.30%, whereas 72% of 1 Month LIBOR was 2.40%.

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, 2005 is \$14,426,094. Interest income of \$18,782,771 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%.

In January, 2005, the City sold a downtown facility, previously 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, 2005.

C. Capital Assets

Capital asset activity for the year ended June 30, 2005 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital Assets, Non-depreciable:					
Land	\$ 51,415,258	\$ 1,374,666	\$	\$ (693,598)	\$ 52,096,326
Construction in Progress	32,896,102	22,056,467	(1,857,584)	(20,339,334)	32,755,651
Total Capital Assets, Non-depreciable	<u>84,311,360</u>	<u>23,431,133</u>	<u>(1,857,584)</u>	<u>(21,032,932)</u>	<u>84,851,977</u>
Capital Assets, Depreciable:					
Buildings	108,895,030	13,184,035	(1,734)	(1,655,805)	120,421,526
Improvements Other Than Buildings	12,686,198	67,624	(3,080)	(5,394)	12,745,348
Furniture, Fixtures, Machinery and Equipment	107,415,570	11,029,166	(255,797)	(7,279,395)	110,909,544
Infrastructure	287,815,965	2,167,881	(98,938,402)		191,045,444
Total Capital Assets, Depreciable	<u>516,812,763</u>	<u>26,448,706</u>	<u>(99,199,013)</u>	<u>(8,940,594)</u>	<u>435,121,862</u>
Less Accumulated Depreciation for:					
Buildings	(34,851,105)	(3,081,349)	217	1,413,980	(36,518,257)
Improvements Other Than Buildings	(7,593,782)	(581,187)	1,540	1,764	(8,171,665)
Furniture, Fixtures, Machinery and Equipment	(66,668,363)	(11,063,197)	114,016	5,922,992	(71,694,552)
Infrastructure	(125,970,233)	(3,822,154)	44,777,414		(85,014,973)
Total Accumulated Depreciation	<u>(235,083,483)</u>	<u>(18,547,887)</u>	<u>44,893,187</u>	<u>7,338,736</u>	<u>(201,399,447)</u>
Total Capital Assets, Depreciable, Net Governmental Activities	<u>281,729,280</u>	<u>7,900,819</u>	<u>(54,305,826)</u>	<u>(1,601,858)</u>	<u>233,722,415</u>
Capital Assets, Net	<u>\$ 366,040,640</u>	<u>\$ 31,331,952</u>	<u>\$ (56,163,410)</u>	<u>\$ (22,634,790)</u>	<u>\$ 318,574,392</u>

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Business-Type Activities:					
Capital Assets, Non-depreciable:					
Land	\$ 33,694,791	\$ 2,954,686	\$	\$	\$ 36,649,477
Construction in Progress	75,877,247	26,396,873	1,857,584	(19,943,653)	84,188,051
Total Capital Assets, Non-depreciable	109,572,038	29,351,559	1,857,584	(19,943,653)	120,837,528
Capital Assets, Depreciable:					
Buildings	195,343,486	8,142,641	1,734		203,487,861
Improvements Other Than Buildings	21,224,785	3,834,532	3,080		25,062,397
Furniture, Fixtures, Machinery and Equipment	34,704,752	3,596,625	255,797	(161,563)	38,395,611
Infrastructure	290,642,258	8,254,167	98,938,402		397,834,827
Total Capital Assets, Depreciable	541,915,281	23,827,965	99,199,013	(161,563)	664,780,696
Less Accumulated Depreciation for:					
Buildings	(57,468,061)	(5,172,024)	(217)		(62,640,302)
Improvements Other Than Buildings	(12,383,436)	(1,179,780)	(1,540)		(13,564,756)
Furniture, Fixtures, Machinery and Equipment	(27,275,011)	(1,578,425)	(114,016)	136,447	(28,831,005)
Infrastructure	(109,054,016)	(8,545,326)	(44,777,414)		(162,376,756)
Total Accumulated Depreciation	(206,180,524)	(16,475,555)	(44,893,187)	136,447	(267,412,819)
Total Capital Assets, Depreciable, Net Business Activities	335,734,757	7,352,410	54,305,826	(25,116)	397,367,877
Capital Assets, Net	\$ 445,306,795	\$ 36,703,969	\$ 56,163,410	\$ (19,968,769)	\$ 518,205,405

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

Governmental Activities:	
General Government	\$ 579,473
Public Safety	1,220,398
Transportation, including depreciation of general infrastructure assets	3,984,004
Engineering and Inspections	645,389
Culture and Recreation	2,288,158
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	9,830,465
Total depreciation expense - Governmental Activities	\$ 18,547,887
Business-Type Activities:	
Water Resources Fund, including depreciation of infrastructure assets	\$ 11,213,421
Stormwater Management Fund	1,654,593
War Memorial Coliseum Fund	2,076,124
Parking Facilities Fund	988,753
Solid Waste Management Fund	542,664
Total depreciation expense - Business-Type Activities	\$ 16,475,555

Construction Commitments

The City has construction contract commitments on capital projects at June 30, 2005 as follows:

Governmental Funds:	
Special Revenue	\$ 357,676
Capital Projects	<u>17,122,117</u>
Total Governmental Funds	<u>17,479,793</u>
Enterprise Funds:	
Water Resources	8,957,581
Solid Waste Management	<u>7,003</u>
Total Enterprise Funds	<u>8,964,584</u>
	<u>\$ 26,444,377</u>

Discretely Presented Component Units:

Activity for GHDP for the year ended June 30, 2005, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Construction in Progress	\$ 439,975	\$	\$ (272,498)	\$ 167,477
				<u>167,477</u>
Capital Assets, Depreciable, Amortized:				
Buildings	121,287			121,287
Software		135		135
Total Capital Assets Depreciable, Amortized	<u>121,287</u>	<u>135</u>		<u>121,422</u>
Less Accumulated Depreciation Amortization for:				
Buildings	(69,863)	(7,419)		(77,282)
Software		(45)		(45)
Total Accumulated Depreciation, Amortization	<u>(69,863)</u>	<u>(7,464)</u>		<u>(77,327)</u>
Total Capital Assets, Depreciable, Amortized-Net	51,424	(7,329)		44,095
GHDP Capital Assets, Net	<u>\$ 491,399</u>	<u>\$ (7,329)</u>	<u>\$ (272,498)</u>	<u>\$ 211,572</u>

Activity for GTA for the year ended June 30, 2005, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land	\$ 1,099,897	\$	\$	\$ 1,099,897
Construction in Progress	315,551	133,350		448,901
Total Capital Assets, Non-depreciable	<u>1,415,448</u>	<u>133,350</u>		<u>1,548,798</u>
Capital Assets, Depreciable:				
Buildings	19,557,104			19,557,104
Improvements Other Than Buildings	5,829			5,829
Furniture, Fixtures, Machinery and Equipment	8,716,373	2,683,110	(736,258)	10,663,225
Total Capital Assets, Depreciable	<u>28,279,306</u>	<u>2,683,110</u>	<u>(736,258)</u>	<u>30,226,158</u>
Less Accumulated Depreciation for:				
Buildings	(895,253)	(488,928)		(1,384,181)
Improvements Other Than Buildings	(1,077)	(196)		(1,273)
Furniture, Fixtures, Machinery and Equipment	(3,412,237)	(838,595)	720,331	(3,530,501)
Total Accumulated Depreciation	<u>(4,308,567)</u>	<u>(1,327,719)</u>	<u>720,331</u>	<u>(4,915,955)</u>
Total Capital Assets, Depreciable-Net	<u>23,970,739</u>	<u>1,355,391</u>	<u>(15,927)</u>	<u>25,310,203</u>
GTA Capital Assets, Net	<u>\$ 25,386,187</u>	<u>\$ 1,488,741</u>	<u>\$ (15,927)</u>	<u>\$ 26,859,001</u>

Activity for ABC Board for the year ended June 30, 2005, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land	\$ 339,855	\$	\$	\$ 339,855
Capital Assets, Depreciable:				
Buildings	1,647,404			1,647,404
Improvements Other Than Buildings	196,772	6,086		202,858
Furniture, Fixtures, Machinery and Equipment	1,047,133	189,847		1,236,980
Total Capital Assets, Depreciable	<u>2,891,309</u>	<u>195,933</u>		<u>3,087,242</u>
Less Accumulated Depreciation for:				
Buildings	(639,558)	(32,294)		(671,852)
Improvements Other Than Buildings	(174,778)	(6,577)		(181,355)
Furniture, Fixtures, Machinery and Equipment	(729,422)	(134,295)		(863,717)
Total Accumulated Depreciation	<u>(1,543,758)</u>	<u>(173,166)</u>		<u>(1,716,924)</u>
Total Capital Assets, Depreciable-Net	<u>1,347,551</u>	<u>22,767</u>		<u>1,370,318</u>
ABC Capital Assets, Net	<u>\$ 1,687,406</u>	<u>\$ 22,767</u>	<u>\$</u>	<u>\$ 1,710,173</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 \$11,152,768 reported as landfill closure and post closure care liability at June 30, 2005 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 3.6% filled.

These 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, 2005, the City had expended \$3,876,035 to complete closure for the White Street facility, Phase II. The balance of closure costs, estimated at \$8,195,001 for Phase III 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, 2005:

I. Internal Receivables/Payables:

	Receivable By:		
	Housing Partnership <u>Revolving Fund</u>	Non-Major Governmental <u>Funds</u>	<u>Total</u>
Current Payable From:			
Non-Major Governmental Funds	\$ 485,000	\$ 175,000	\$ 660,000

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

	Receivable By:
Payable From: Component Unit – ABC Board	<u>General Fund</u> \$ <u>526,821</u>

Internal receivables and payable were recorded due to timing lags in receipt of funds from outside parties. Current internal balances for the Housing Partnership Fund represent amounts advanced to the Community Development Fund (\$162,000) and the Neighborhood Redevelopment-Series 2005 Bond Fund pending issuance of bonds and reimbursement receipts from grantor agencies in the next fiscal year. Receivable by other Non-Major Governmental Funds will be paid back to the respective funds following future grant reimbursements.

3. Interfund Transfers:

	General Fund	Non-Major Governmental Funds	Internal Service Funds	Water Resources Fund
<u>Transfers From:</u>	<u>\$ (34,586,695)</u>	<u>\$ (9,896,558)</u>	<u>\$ (930,324)</u>	<u>\$ (185,815)</u>
<u>Transfers To:</u>				
General Fund	\$	\$ 3,500,000	\$ 16,500	\$
Housing Partnership Revolving	1,782,332			
Debt Service	14,425,000	1,541		
Non-Major Governmental Funds	4,398,993	6,358,403	913,824	
Enterprise Funds:				
War Memorial Coliseum	1,800,000			
Solid Waste	10,373,045			
Other Non-Major Fund	1,226,395			
Internal Service Funds	580,930			185,815
Fiduciary Funds		36,614		
<u>Total</u>	<u>\$ 34,586,695</u>	<u>\$ 9,896,558</u>	<u>\$ 930,324</u>	<u>\$ 185,815</u>
	War Memorial Coliseum Fund	Solid Waste Management Fund	Stormwater Management Fund	Total
<u>Transfers From:</u>	<u>\$ (205,000)</u>	<u>\$ (721,175)</u>	<u>\$ (97,500)</u>	<u>\$ (46,623,067)</u>
<u>Transfers To:</u>				
General Fund	\$ 205,000	\$	\$	\$ 3,721,500
Housing Partnership Revolving				1,782,332
Debt Service				14,426,541
Non-Major Governmental Funds			7,500	11,678,720
Enterprise Funds:				
War Memorial Coliseum				1,800,000
Solid Waste				10,373,045
Other Non-Major Fund				1,226,395
Internal Service Funds		721,175	90,000	1,577,920
Fiduciary Funds				36,614
<u>Total</u>	<u>\$ 205,000</u>	<u>\$ 721,175</u>	<u>\$ 97,500</u>	<u>\$ 46,623,067</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.

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

The Greensboro ABC Board transferred \$2,468,216 to the General Fund in FY 2005, which was recorded as Intergovernmental Revenue.

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, 2005 is \$1,466,465,173. 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 2.3% and 3.25%, respectively as of June 30, 2005. Principal is payable annually in varying amounts through 2023. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

\$161,492,984

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.

5,057,013

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 rates varying from 2.25% to 5.5%. Principal is payable annually in varying amounts through 2030. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

2,530,003
\$169,080,000

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, 2005, \$76,060,000 of General Obligation Bonds outstanding are considered defeased.

On February 1, 2005, the City issued \$14,580,000 General Obligation Public Improvement Bonds Series 2005A payable semiannually at a fixed rate ranging from 3.0% to 4.13% on February 1 and August 1, with a final maturity in 2023. The original issue premium amounted to \$106,475. The proceeds of these bonds will be used for improvements to the City's facilities for parks and recreation, libraries and fire stations along with the public transportation system.

On December 1, 2004, the City issued \$31,290,000 in Refunding General Obligation Bonds to defease \$32,465,000 Series 1996 Public Improvement Refunding General Obligation Bonds. The net proceeds of \$33,795,408 (net of \$39,834 in underwriting fees, accrued interest and other issuance costs) were placed in escrow in an irrevocable trust to provide for all future debt service payments on the old bonds. As a result, the liability for the 1996 Refunding General Obligation Bonds has been removed from the City's financial statements. Aggregate debt service payments over the next seven years was decreased by an estimated \$1,992,587, resulting in an economic savings of \$1,797,665.

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

Fiscal Year	Governmental Activities Annual Requirements		Business-Type Activities Annual Requirements		Total
	Principal	Interest	Principal	Interest	
2005-06	\$ 13,262,831	\$ 6,239,662	\$ 1,087,168	\$ 131,755	\$ 20,721,416
2006-07	13,758,573	5,789,292	591,428	71,567	20,210,860
2007-08	13,756,718	5,286,135	578,282	46,430	19,667,565
2008-09	13,813,944	4,825,658	191,056	13,540	18,844,198
2009-10	14,232,931	4,260,621	82,069	4,017	18,579,638
2010-15	48,945,000	13,664,331			62,609,331
2015-20	30,910,000	6,157,270			37,067,270
2020-25	17,870,000	926,986			18,796,986
	<u>\$ 166,549,997</u>	<u>\$ 47,149,955</u>	<u>\$ 2,530,003</u>	<u>\$ 267,309</u>	<u>\$ 216,497,264</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, 2005 is 6.8. The City demonstrated compliance with bond covenants during Fiscal Year 2004-05.

Special Obligation Bonds Debt Service Requirements to Maturity are:

Fiscal Year	Business-Type Activities Annual Requirements		Total
	Principal	Interest	
2005-06	\$ 1,090,000	\$ 528,961	\$ 1,618,961
2006-07	1,145,000	475,551	1,620,551
2007-08	1,200,000	419,446	1,619,446
2008-09	1,260,000	359,446	1,619,446
2009-10	1,325,000	296,446	1,621,446
2010-13	4,395,000	464,880	4,859,880
	<u>\$ 10,415,000</u>	<u>\$ 2,544,730</u>	<u>\$ 12,959,730</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 the 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 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 2.3% as of June 30, 2005.

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 1.20. The coverage ratio at June 30, 2005 is 2.3. The City was in compliance with all such covenants during Fiscal Year 2004-05.

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>	
2005-06	\$ 5,030,000	\$ 6,952,784	\$ 11,982,784
2006-07	6,325,000	7,535,352	13,860,352
2007-08	6,620,000	7,964,486	14,584,486
2008-09	6,870,000	7,676,159	14,546,159
2009-10	7,295,000	7,376,604	14,671,604
2010-15	41,485,000	31,383,389	72,868,389
2015-20	52,405,000	20,153,858	72,558,858
2020-25	50,315,000	8,408,294	58,723,294
2025-30	24,265,000	1,554,478	25,819,478
	<u>\$ 200,610,000</u>	<u>\$ 99,005,404</u>	<u>\$ 299,615,404</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 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 quarterly at variable rates and payable semi-annually at fixed a rate on tax-exempt issues from 3% to 5% and on taxable issues from 3.5% to 8%. The outstanding tax-exempt and taxable variable rate bonds are reported at 3.25% as of the end of June 30, 2005. Principal is payable annually in varying amounts through 2030. 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, 2005, \$25,850,000 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	
2005-06	\$ 5,673,640	\$ 1,457,241	\$ 2,091,360	\$ 236,449	\$ 9,458,690
2006-07	5,849,672	1,218,735	2,160,328	172,548	9,401,283
2007-08	6,040,240	969,816	2,224,760	106,622	9,341,438
2008-09	6,205,808	709,686	2,289,192	38,738	9,243,424
2009-10	2,690,000	441,487	150,000	4,875	3,286,362
2010-15	9,805,000	946,238			10,751,238
2015-16	1,470,000	47,775			1,517,775
	<u>\$ 37,734,360</u>	<u>\$ 5,790,978</u>	<u>\$ 8,915,640</u>	<u>\$ 559,232</u>	<u>\$ 53,000,210</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 2.6% to 5.35% and redevelopment projects that bear interest at an approximate rate of 2.3%. 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	
2005-06	\$ 719,975	\$ 181,854	\$ 673,120	\$ 174,832	\$ 1,749,781
2006-07	352,213	175,617	643,696	152,278	1,323,804
2007-08	339,049	164,662	652,694	130,549	1,286,954
2008-09	318,000	153,087	665,560	108,775	1,245,422
2009-10	255,000	134,538	482,515	86,046	958,099
2010-15	1,271,000	542,585	1,828,643	188,892	3,831,120
2015-20	1,125,000	264,139	254,405	6,486	1,650,030
2020-22	398,000	23,574			421,574
	<u>\$ 4,778,237</u>	<u>\$ 1,640,056</u>	<u>\$ 5,200,633</u>	<u>\$ 847,858</u>	<u>\$ 12,466,784</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 \$2,798,436 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 \$3,372,000 in a 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 \$314,000 maturing in 2016.

In addition, the City received \$477,000 in HUD Section 108 variable rate notes in 2004-05 maturing in 2016. Interim and current year additional notes bear interest at a rate of 3 Month LIBOR plus 20 basis points which approximated 3.68% at June 30, 2005. Total notes outstanding for HUD funding is \$4,163,000 with a total commitment of \$7,461,000.

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

Long-term liability activity for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:						
Bonds and Notes Payable:						
General Obligation Bonds	\$ 166,105,780	\$ 45,152,711	\$	\$ (44,708,494)	\$ 166,549,997	\$ 13,262,831
Certificates of Participation	36,248,360	7,000,000		(5,514,000)	37,734,360	5,673,640
Section 108 HUD Loan	3,992,000	477,000		(306,000)	4,163,000	198,000
Deferred Amounts:						
For Issuance Premium	863,714	2,641,815		(86,371)	3,419,158	(86,371)
Total Debt Payable	<u>207,209,854</u>	<u>55,271,526</u>		<u>(50,614,865)</u>	<u>211,866,515</u>	<u>19,048,100</u>
Other Liabilities						
Capital Leases	1,771,705	43,216		(1,199,684)	615,237	521,975
Compensated Absences	8,701,503	6,622,552	(231,562)	(5,854,741)	9,237,752	5,520,449
Governmental Activity Long-Term Liability	<u>\$ 217,683,062</u>	<u>\$ 61,937,294</u>	<u>\$ (231,562)</u>	<u>\$ (57,669,290)</u>	<u>\$ 221,719,504</u>	<u>\$ 25,090,524</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities:						
Bonds and Notes Payable:						
General Obligation Bonds	\$ 3,679,219	\$ 717,289	\$	\$ (1,866,505)	\$ 2,530,003	\$ 1,087,168
Special Obligation Bonds	11,455,000			(1,040,000)	10,415,000	1,090,000
Revenue Bonds	164,470,000	71,930,000		(35,790,000)	200,610,000	5,030,000
Certificates of Participation	10,946,640			(2,031,000)	8,915,640	2,091,360
State Water Revolving Loan Watershed	3,081,746		(28,906)	(254,403)	2,798,437	254,403
	2,804,637	26,509		(428,950)	2,402,196	418,717
Deferred Amounts:						
For Issuance Discounts	(44,793)			13,681	(31,112)	13,681
For Issuance Premiums	1,502,038	1,788,734		(162,377)	3,128,395	(303,952)
Total Debt Payable	<u>197,894,487</u>	<u>74,462,532</u>	<u>(28,906)</u>	<u>(41,559,554)</u>	<u>230,768,559</u>	<u>9,681,377</u>
Other Liabilities						
Accrued Landfill Liability	10,503,616	649,152			11,152,768	500,000
Compensated Absences	1,518,716	1,700,361	231,562	(1,537,914)	1,912,725	1,303,737
Business-Type Activity Long-Term Liability	<u>\$ 209,916,819</u>	<u>\$ 76,812,045</u>	<u>\$ 202,656</u>	<u>\$ (43,097,468)</u>	<u>\$ 243,834,052</u>	<u>\$ 11,485,114</u>

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. Additions of \$43,216 were recorded for Internal Service Fund capital leases.

	<u>Ending Balance</u>
Internal Service Funds:	
Bonds and Notes Payable:	
General Obligation Bonds	\$ 5,057,013
Certificate of Participation Payable	<u>14,000,000</u>
Total Debt Payable	19,057,013
Other Liabilities:	
Capital Leases	615,237
Compensated Absences	<u>327,676</u>
Internal Service Fund Long-Term Liability	<u>\$ 19,999,926</u>

Swap Payments and Associated Debt

Using rates as of June 30, 2005, 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	<u>Variable Rate Bonds</u>		Rate Swaps,	<u>Total</u>
	<u>Principal</u>	<u>Interest⁽¹⁾</u>	<u>Net⁽²⁾</u>	
2005	\$	\$ 503,451	\$ 229,380	\$ 732,831
2006	1,470,000	1,158,510	965,666	3,594,176
2007	3,025,000	1,124,700	1,893,330	6,043,030
2008	3,200,000	1,055,125	1,841,770	6,096,895
2009	3,350,000	981,525	1,786,637	6,118,162
2010	3,670,000	904,475	1,729,529	6,304,004
2011	3,755,000	820,065	1,666,052	6,241,117
2012	3,960,000	733,700	1,602,280	6,295,980
2013	4,175,000	642,620	1,535,112	6,352,732
2014	4,345,000	546,595	1,464,288	6,355,883
2015	2,470,000	446,660	1,390,021	4,306,681
2016	2,600,000	389,850	1,326,167	4,316,017
2017	2,735,000	330,050	1,258,951	4,324,001
2018	2,880,000	267,145	1,188,246	4,335,391
2019	5,775,000	200,905	1,113,792	7,089,697
2020	2,960,000	68,080	1,001,843	4,029,923
	<u>\$ 50,370,000</u>	<u>\$ 10,173,456</u>	<u>\$ 21,993,064</u>	<u>\$ 82,536,520</u>

(1) Computed at 2.30% at June 30, 2005

(2) Computed at (2.92% less 67% of 1 Month LIBOR at June 30, 2005-Swap 1) and (3.46% less 67% of 1 Month LIBOR at June 30, 2005-Swap 2) and (4.99% less 72% of 1 Month LIBOR at June 30, 2005-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, 2005 amounted to \$11,150,477 of which \$9,237,752 relates to Governmental Activities and \$1,912,725 relates to Business-Type Activities.

Changes in accumulated annual leave are as follows:

Fund Type	Balance	Current Year			Balance	Due Within One Year
	<u>7/1/04</u>	<u>Increase</u>	<u>Transfers</u>	<u>Decrease</u>	<u>6/30/05</u>	
Governmental Activities	\$ 8,701,503	\$ 6,622,552	\$ (231,562)	\$ (5,854,741)	\$ 9,237,752	\$ 5,520,449
Business-Type Activities	1,518,716	1,931,923		(1,537,914)	1,912,725	1,303,737
	<u>\$ 10,220,219</u>	<u>\$ 8,554,475</u>	<u>\$ (231,562)</u>	<u>\$ (7,392,655)</u>	<u>\$ 11,150,477</u>	<u>\$ 6,824,186</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, 2005. GTA leave liability is \$32,932.

City employees had accumulated sick leave benefits of \$40,147,490 at June 30, 2005, 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 risk-sharing participation, 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.

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.

I. 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, as well as administers a dental plan 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 actuarially determined and 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 \$3,600,000 per occurrence, with an aggregate available for the City of \$8,105,308 as of June 30, 2005. Additional amounts of \$2,662,377 are recorded in the Excess Liability Fund – Tier I for payment of City claims. Accordingly, a total of \$10,767,685 is included in the City's General Insurance Fund as insurance deposits. A portion of the Excess Liability Fund – Tier I, \$943,030, is also available to be used as a "run-off" account for any unsettled claims which occurred as of December 31, 1999 and were reported by January 7, 2000. This amount will be handled under the old fund structure and will be shared by members in accordance with the original bylaws. In addition, the City recorded \$990,829 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 for each member agency. These claims are shared jointly by all members of the Fund.

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, 2005, the City did not contribute to the Property Deductible Fund. At June 30, 2005, the total retained earnings of the Local Government Property Insurance Deductible Fund, Inc. is \$0, following distribution to individual accounts for respective members.

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 2005 and 2004 are as follows:

	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Total 2004-05</u>	<u>Total 2003-04</u>
Balance - July 1	\$ 2,860,381	\$ 1,226,738	\$ 4,087,119	\$ 3,833,466
Add: Incurred Claims (including IBNR's and Changes in Estimates	25,210,818	597,605	25,808,423	17,758,572
Deduct: Claims Payments	<u>(21,858,646)</u>	<u>(579,597)</u>	<u>(22,438,243)</u>	<u>(17,504,919)</u>
Balance - June 30	<u>\$ 6,212,553</u>	<u>\$ 1,244,746</u>	<u>\$ 7,457,299</u>	<u>\$ 4,087,119</u>

B. Subsequent Events

The City intends to issue \$27 million in fixed and variable rate general obligation bonds to fund street improvements and neighborhood redevelopment by the end of the calendar year. On November 17, 2005, \$8.6 million in special obligation bonds will be issued to finance a solid waste transfer station. In addition, on July 1, 2005, the City merged fire operations with Rural Fire District #14 located in eastern Guilford County, and assumed an outstanding obligation of \$422,898 which is collateralized by the District's real property. The City is obligated to make annual debt service payments of \$44,796 through August, 2018.

C. Commitments and Contingencies

I. Legalities

The City is party to a number of civil lawsuits and other legal actions. In the opinion of the City's attorney and management, the ultimate outcome of these suits is not expected to have a significant impact upon the City's financial position. In prior years, the City had a judgment by a jury for \$1.5 million in a personal injury suit. The trial judge reversed the jury award and ordered a new trial. The North Carolina Court of Appeals dismissed the case completely and the plaintiffs have appealed to the North Carolina Supreme Court. Our insurance fund has sufficient reserves to cover this judgment.

2. Authorized capital projects at June 30, 2005 are comprised of the following:

	<u>Project Authorization</u>	<u>Expended Through June 30, 2005</u>	<u>Unexpended Authorization</u>
Governmental Funds:			
Special Revenue	\$ 18,529,519	\$ 14,482,972	\$ 4,046,547
Capital Projects	333,530,650	219,790,125	113,740,525
	<u>\$ 352,060,169</u>	<u>\$ 234,273,097</u>	<u>\$ 117,787,072</u>
Enterprise Funds:			
Water Resources	\$ 235,208,216	\$ 178,269,008	\$ 56,939,208
Coliseum	1,493,600	1,407,723	85,877
Parking Facilities	7,685,497	4,422,523	3,262,974
Solid Waste Management	10,468,825	1,758,491	8,710,334
	<u>\$ 254,856,138</u>	<u>\$ 185,857,745</u>	<u>\$ 68,998,393</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, 2005, 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, 2005 totaled \$279,505. Future lease payments less payments under sublease agreement are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2005-06	\$ 261,928
2006-07	238,346
2007-08	174,512
2008-09	111,598
2009-10	15,512
	<u>\$ 801,896</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, 2005 totaled \$1,745,672. Future lease payments are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2005-06	\$ 1,823,740
2006-07	1,329,169
2007-08	690,652
2008-09	128,822
	<u>\$ 3,972,383</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 rehab 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. The \$650,000 line of credit has an outstanding balance of \$127,494 as of June 30, 2005.

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 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 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, 2005. In December 2004, the City received a payment 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, 2005.

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 2005-2006. The City has contributed an additional \$14,850,000 as of June 2005 for reservoir and infrastructure improvements. Each participant has the right to purchase future treated water in agreed upon allotments, according to a uniform rate structure set by the Authority. The City's net investment and its share of the operating results of the Authority are reported in the Water Resources Enterprise Fund. At June 30, 2005, the City's equity interest in the Authority was \$47,431,345. 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 2004-05, the City levied \$3,418,216 in room occupancy taxes, of which \$683,643 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 Council has authorized the City to provide health care benefits to retirees until age 65. As of June 30, 2005, 445 retirees are participating in one or more health, dental and life insurance programs. The City's contribution is determined by the number of years of service prior to retirement. For retirees with 30 or more years of service, the City funds the benefit at the active employees' benefit rate. Retirees with 25 years and 20 years of service are funded at 75 percent and 50 percent of the active employees' benefit rate, respectively. The City does not fund any portion of the cost for retirees with less than 20 years of service. Retirees are required to pay a portion of the premium for health and all of the premium for dental coverage and dependent health coverage. Those retirees who were employed at least 20 years receive reduced term life insurance coverage until age 65.

Post employment health care 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 \$1,856,854 for the Fiscal Year ended June 30, 2005.

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, 2005 was \$57,430,741.

I. Pension Plan Obligations

I. 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, 2005 was \$119,092,873 and the City's total payroll was \$127,200,466.

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, 2005, 2004, and 2003 were \$4,535,174, \$4,351,154, and \$4,226,384, respectively. The contributions made by the City equaled 100% of the required contributions in each year. 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, 2002, the Board's mandatory contribution was 4.96%. The employer contributions to the System for the years ended June 30, 2005, 2004 and 2003 were \$339,124, \$333,114, and \$313,413, respectively. There is no unfunded accrued pension liability as of June 30, 2005. 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, 2005 was \$26,727,001. The City's total payroll was \$127,200,466.

All full-time City law enforcement officers are covered by the System. At December 31, 2004, the date of the latest actuarial valuation, the System's membership consisted of:

Retirees currently receiving benefits	117
Active plan members	<u>542</u>
Total	<u><u>659</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 and securities as follows:

<u>Agency</u>	<u>% of Plan Net Assets</u>
Federal Home Loan Bank	29.88
Federal National Mortgage Association	32.81
United States Treasury Notes	3.77
Federal Home Loan Mortgage Corporation	13.69
Federal Farm Credit Bank	13.99

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 \$1,670,838 or 6.3% of annual covered payroll. Current contributions equaled 165% of the actuarially required amounts in Fiscal Year 2004-05. 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, 2003 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, 2003 was 27 years.

<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
\$ 1,257,899	121.70%	\$ (1,336,248)
1,075,432	143.10%	(1,833,802)
1,434,242	164.96%	(2,070,398)

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

Annual Required Contribution	\$ 1,343,829
Interest on Net Pension Obligation	(110,028)
Adjustment to Annual Required Contribution	200,441
Annual Pension Cost	<u>1,434,242</u>
Contributions Made	<u>(1,670,838)</u>
Decrease in Net Pension Obligation	(236,596)
Net Pension Obligation-Beginning of Year	<u>(1,833,802)</u>
Net Pension Obligation-End of Year	<u><u>\$ (2,070,398)</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, 2005 were calculated using a covered payroll (base salary) in the amount of \$22,803,031. The City's total payroll was \$127,200,466. Total contributions were \$2,271,945, which consisted of \$1,140,152 from the City and \$1,131,793 from the law enforcement officers. The City's required contributions and the officer's voluntary contributions represented 5.0% and 4.96% of the covered payroll amount, respectively.

Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance

Required Supplementary Information

Years Ended December 31, 1995 - 2004

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)
12/31/1995	\$ 2,406,842	\$ 7,657,871	31.4%	\$ 5,251,029	\$ 17,210,802	30.5%
12/31/1996	2,407,134	8,329,669	28.9%	5,922,535	18,085,582	32.7%
12/31/1997	2,530,925	9,511,422	26.6%	6,980,497	19,065,240	36.6%
12/31/1998	2,617,828	10,512,393	24.9%	7,894,565	19,370,384	40.8%
12/31/1999	2,700,772	11,397,369	23.7%	8,696,597	20,497,436	42.4%
12/31/2000 *	3,244,197	14,006,640	23.2%	10,762,443	21,823,165	49.3%
12/31/2001	3,980,402	14,890,819	26.7%	10,910,417	22,633,569	48.2%
12/31/2002	4,428,099	15,831,856	28.0%	11,403,757	23,199,431	49.2%
12/31/2003	4,411,127	16,260,001	27.1%	11,848,874	24,027,245	49.3%
12/31/2004	4,465,487	18,772,248	23.8%	14,306,761	25,053,871	57.1%

* 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, 1996 - 2005

<u>Year Ended 6/30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1996 (2)	\$ 592,512	92.7 %
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	1,434,242	164.9

Notes to the Required Schedules:

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

Valuation Date	12/31/2004
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, 2005

ASSETS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 5,475,500	\$ 4,529,246	\$	\$ 10,004,746
Receivables:				
Taxes	2,863			2,863
Accounts, Notes and Mortgages	11,145,464			11,145,464
Assessments	98,242			98,242
Intergovernmental	1,543,627			1,543,627
Internal Receivables	175,000			175,000
Assets Held for Resale	95,180			95,180
Restricted Assets:				
Cash and Cash Equivalents/Investments	5,752,320	37,969,734	1,986,746	45,708,800
Receivables:				
Accounts, Notes and Mortgages	177,534	1,100		178,634
Assessments	7,769			7,769
Intergovernmental	31,718			31,718
Total Assets	<u>\$ 24,505,217</u>	<u>\$ 42,500,080</u>	<u>\$ 1,986,746</u>	<u>\$ 68,992,043</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 682,199	\$	\$	\$ 682,199
Contracts/Retainage Payable	546,441	561,241		1,107,682
Internal Payable	435,000			435,000
Miscellaneous	57,749			57,749
Deferred Revenues	13,212,671			13,212,671
Liabilities Payable From Restricted Assets:				
Accounts Payable				
Contracts/Retainage Payable		3,599,311		3,599,311
Interfund Payable		225,000		225,000
Miscellaneous		956		956
Total Liabilities	<u>14,934,060</u>	<u>4,386,508</u>		<u>19,320,568</u>
Fund Balances:				
Reserved by State Statute	2,581,389			2,581,389
Reserved for Encumbrances	626,589			626,589
Reserved for Assets Held for Resale	95,180			95,180
Reserved for Perpetual Care			1,986,746	1,986,746
Total Reserved Fund Balance	<u>3,303,158</u>		<u>1,986,746</u>	<u>5,289,904</u>
Unreserved, Reported In:				
Designated for Subsequent Year's Expenditures:				
Special Revenue Funds	444,924			444,924
Designated for Debt Service:				
Special Revenue Funds	138,920			138,920
Designated for Specific Purposes:				
Special Revenue Funds	1,230,006			1,230,006
Capital Projects Funds		38,113,572		38,113,572
Total Unreserved-Specific Purposes	<u>1,230,006</u>	<u>38,113,572</u>		<u>39,343,578</u>
Undesignated:				
Special Revenue Funds	4,454,149			4,454,149
Capital Projects Funds				
Total Unreserved-Undesignated	<u>4,454,149</u>			<u>4,454,149</u>
Total Fund Balances	<u>9,571,157</u>	<u>38,113,572</u>	<u>1,986,746</u>	<u>49,671,475</u>
Total Liabilities and Fund Balances	<u>\$ 24,505,217</u>	<u>\$ 42,500,080</u>	<u>\$ 1,986,746</u>	<u>\$ 68,992,043</u>

COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds
June 30, 2005

ASSETS	STREET AND SIDEWALK REVOLVING	STATE HIGHWAY ALLOCATION	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS	COMMUNITY DEVELOPMENT
Cash and Cash Equivalents/Investments	\$ 3,712,783	\$	\$ 9,957	\$ 138,920	\$ 871,257	\$ 3,223
Receivables:						
Taxes					2,863	
Accounts, Notes and Mortgages			34,933			5,427,891
Assessments	98,242					
Intergovernmental	11,649		1,737	207,414	527	158,374
Internal Receivables						
Assets Held for Resale	95,180					
Restricted Assets:						
Cash and Cash Equivalents/Investments		3,544,048				
Receivables:						
Accounts, Notes and Mortgages						
Assessments		7,769				
Intergovernmental		31,718				
Total Assets	\$ 3,917,854	\$ 3,583,535	\$ 46,627	\$ 346,334	\$ 874,647	\$ 5,589,488
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$	\$	\$	\$	\$	\$ 4,220
Contracts/Retainage Payable						36,148
Internal Payable						162,000
Miscellaneous	1,868					55,881
Deferred Revenues	195,389	7,769	34,933		4,816	5,423,273
Total Liabilities	197,257	7,769	34,933		4,816	5,681,522
Fund Balances:						
Reserved by State Statute	106,829	31,718	1,737	207,414	527	162,992
Reserved for Encumbrances	428,933	114,110	2,201		30,943	
Reserved for Assets Held for Resale	95,180					
Unreserved Fund Balance:						
Designated for Subsequent Year's Expenditures	444,924					
Designated for Debt Service				138,920		
Designated for Specific Purposes	1,109,360					
Undesignated	1,535,371	3,429,938	7,756		838,361	(255,026)
Total Fund Balances	3,720,597	3,575,766	11,694	346,334	869,831	(92,034)
Total Liabilities and Fund Balances	\$ 3,917,854	\$ 3,583,535	\$ 46,627	\$ 346,334	\$ 874,647	\$ 5,589,488

HOME PROGRAM	HOPEVI	WORKFORCE INVESTMENT ACT	JOB TRAINING CONSORTIUM	SOUTH ELM STREET REDEVELOPMENT	STATE AND FEDERAL GRANTS	GUILFORD METRO 911	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ 5,929	\$ 1,309	\$ 1,847	\$ 3,685	\$ 984	\$	\$ 725,606	\$ 5,475,500
5,073,037					609,603		2,863
743,281	7	20,560		3,546	387,537	8,995	11,145,464
21,000					154,000		98,242
					2,208,272		1,543,627
					177,534		175,000
							95,180
							5,752,320
							177,534
							7,769
							31,718
<u>\$ 5,843,247</u>	<u>\$ 1,316</u>	<u>\$ 22,407</u>	<u>\$ 3,685</u>	<u>\$ 4,530</u>	<u>\$ 3,536,946</u>	<u>\$ 734,601</u>	<u>\$ 24,505,217</u>
\$ 645,323	\$ 426	\$ 2,149	\$	\$	\$ 30,081	\$	\$ 682,199
58,570					388,125		546,441
	47,000	154,000		63,598			435,000
				72,000			57,749
<u>5,073,037</u>					<u>2,473,454</u>		<u>13,212,671</u>
<u>5,776,930</u>	<u>47,426</u>	<u>156,149</u>		<u>135,598</u>	<u>2,891,660</u>		<u>14,934,060</u>
764,281	7	20,560	1	3,546	1,272,781	8,996	2,581,389
						50,402	626,589
							95,180
							444,924
							138,920
							1,230,006
<u>(697,964)</u>	<u>(46,117)</u>	<u>(154,302)</u>	<u>3,684</u>	<u>(134,614)</u>	<u>(627,495)</u>	<u>120,646</u>	<u>4,454,149</u>
<u>66,317</u>	<u>(46,110)</u>	<u>(133,742)</u>	<u>3,685</u>	<u>(131,068)</u>	<u>645,286</u>	<u>734,601</u>	<u>9,571,157</u>
<u>\$ 5,843,247</u>	<u>\$ 1,316</u>	<u>\$ 22,407</u>	<u>\$ 3,685</u>	<u>\$ 4,530</u>	<u>\$ 3,536,946</u>	<u>\$ 734,601</u>	<u>\$ 24,505,217</u>

COMBINING BALANCE SHEET

Nonmajor Capital Projects Funds
June 30, 2005

ASSETS	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS
Cash and Cash Equivalents/Investments	\$ 3,048,616	\$	\$ 1,480,630
Restricted Assets:			
Cash and Cash Equivalents/Investments		11,842,314	
Receivables:			
Accounts, Notes and Mortgages			
Total Assets	<u>\$ 3,048,616</u>	<u>\$ 11,842,314</u>	<u>\$ 1,480,630</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts/Retainage Payable	\$ 556,345	\$	\$ 4,896
Liabilities Payable From Restricted Assets:			
Contracts/Retainage Payable		1,828,225	
Internal Payable			
Miscellaneous			
Total Liabilities Payable From Restricted Assets		<u>1,828,225</u>	
Total Liabilities	556,345	1,828,225	4,896
Fund Balances:			
Unreserved Fund Balance:			
Designated for Capital Projects	<u>2,492,271</u>	<u>10,014,089</u>	<u>1,475,734</u>
Total Liabilities and Fund Balances	<u>\$ 3,048,616</u>	<u>\$ 11,842,314</u>	<u>\$ 1,480,630</u>

PUBLIC IMPROVEMENTS SERIES 1990, 1992 1994 and 1998	REDEVELOPMENT SERIES 1994	PUBLIC IMPROVEMENT SERIES 1998A	PUBLIC IMPROVEMENT SERIES 1998B	HOUSING/ REDEVELOPMENT SERIES 1998
\$	\$	\$	\$	\$
1,704,746	336,331	3,514,501	2,558	137,576
	1,100			
<u>\$ 1,704,746</u>	<u>\$ 337,431</u>	<u>\$ 3,514,501</u>	<u>\$ 2,558</u>	<u>\$ 137,576</u>
\$	\$	\$	\$	\$
		99,848		5,909
				956
		99,848		6,865
		99,848		6,865
1,704,746	337,431	3,414,653	2,558	130,711
<u>\$ 1,704,746</u>	<u>\$ 337,431</u>	<u>\$ 3,514,501</u>	<u>\$ 2,558</u>	<u>\$ 137,576</u>

COMBINING BALANCE SHEET(continued)

Nonmajor Capital Projects Funds
June 30, 2005

ASSETS	STREET IMPROVEMENT SERIES 2003	PARKS & RECREATION SERIES 2003 and 2005A	FIRE STATION SERIES 2003 and 2005A
Cash and Cash Equivalents/Investments	\$	\$	\$
Restricted Assets:			
Cash and Cash Equivalents/Investments	5,396,958	5,795,926	4,761,293
Receivables:			
Accounts, Notes and Mortgages	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 5,396,958</u>	<u>\$ 5,795,926</u>	<u>\$ 4,761,293</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts/Retainage Payable	\$	\$	\$
Liabilities Payable From Restricted Assets:			
Contracts/Retainage Payable	1,205,486	14,234	344,467
Internal Payable			
Miscellaneous			
Total Liabilities Payable From Restricted Assets	<u>1,205,486</u>	<u>14,234</u>	<u>344,467</u>
Total Liabilities	1,205,486	14,234	344,467
Fund Balances:			
Unreserved Fund Balance:			
Designated for Capital Projects	<u>4,191,472</u>	<u>5,781,692</u>	<u>4,416,826</u>
Total Liabilities and Fund Balances	<u>\$ 5,396,958</u>	<u>\$ 5,795,926</u>	<u>\$ 4,761,293</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</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$	\$ 4,529,246
508,323	3,485,114	474,183	5,723	4,188	37,969,734
					1,100
<u>\$ 508,323</u>	<u>\$ 3,485,114</u>	<u>\$ 474,183</u>	<u>\$ 5,723</u>	<u>\$ 4,188</u>	<u>\$ 42,500,080</u>
\$	\$	\$	\$	\$	\$ 561,241
3,046		92,693	5,403		3,599,311
				225,000	225,000
					956
<u>3,046</u>		<u>92,693</u>	<u>5,403</u>	<u>225,000</u>	<u>3,825,267</u>
3,046		92,693	5,403	225,000	4,386,508
505,277	3,485,114	381,490	320	(220,812)	38,113,572
<u>\$ 508,323</u>	<u>\$ 3,485,114</u>	<u>\$ 474,183</u>	<u>\$ 5,723</u>	<u>\$ 4,188</u>	<u>\$ 42,500,080</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2005

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 3,258,407	\$	\$	\$ 3,258,407
Assessments	135,315			135,315
Intergovernmental	18,945,887	859,015		19,804,902
Charges for Current Services	1,615,044			1,615,044
Investment Income	1,056,662			1,056,662
Miscellaneous	862,824	859,657		1,722,481
Total Revenues	<u>25,874,139</u>	<u>1,718,672</u>		<u>27,592,811</u>
Expenditures:				
Current:				
General Government	94,699	300		94,999
Public Safety	5,000,759	4,267,507		9,268,266
Transportation	6,221,875	9,563,198		15,785,073
Engineering and Inspections	746,313	7,407,419		8,153,732
Culture and Recreation	823,603	4,149,250		4,972,853
Community Development and Housing	6,982,381	873,713		7,856,094
Economic Opportunity	2,992,840			2,992,840
Debt Service:				
Principal Retirement	2,014,000			2,014,000
Interest	952,877			952,877
Fees and Other	30,343			30,343
Total Expenditures	<u>25,859,690</u>	<u>26,261,387</u>		<u>52,121,077</u>
Excess of Revenues Over (Under)				
Expenditures	<u>14,449</u>	<u>(24,542,715)</u>		<u>(24,528,266)</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued		14,580,000		14,580,000
Premium on Debt		(180,498)		(180,498)
Federal Loan Program	477,000			477,000
Transfers In	4,305,475	7,373,245	36,614	11,715,334
Transfers Out	(9,895,017)	(1,541)		(9,896,558)
Total Other Financing Sources (Uses)	<u>(5,112,542)</u>	<u>21,771,206</u>	<u>36,614</u>	<u>16,695,278</u>
Net Change in Fund Balances	<u>(5,098,093)</u>	<u>(2,771,509)</u>	<u>36,614</u>	<u>(7,832,988)</u>
Fund Balances - July 1	18,306,435	42,592,319	1,950,132	62,848,886
Cumulative Effect of Change in Accounting Principle for Fund Accounting	<u>(3,637,185)</u>	<u>(1,707,238)</u>		<u>(5,344,423)</u>
Fund Balances - July 1, restated	<u>14,669,250</u>	<u>40,885,081</u>	<u>1,950,132</u>	<u>57,504,463</u>
Fund Balances - June 30	<u>\$ 9,571,157</u>	<u>\$ 38,113,572</u>	<u>\$ 1,986,746</u>	<u>\$ 49,671,475</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2005

	<u>STREET AND SIDEWALK REVOLVING</u>	<u>STATE HIGHWAY ALLOCATION</u>	<u>CEMETERY</u>	<u>HOTEL/MOTEL OCCUPANCY TAX</u>	<u>SPECIAL TAX DISTRICTS</u>	<u>COMMUNITY DEVELOPMENT</u>
Revenues:						
Taxes	\$	\$	\$	\$ 2,734,573	\$ 523,834	\$
Assessments	131,002	4,313				
Intergovernmental		6,590,139				1,796,034
Charges for Current Services	859,371		359,468			396,205
Investment Income	182,047	619,982	53,609	4,139	16,527	109,941
Miscellaneous	10,430	19,531	5,070	10,093	19,987	
Total Revenues	<u>1,182,850</u>	<u>7,233,965</u>	<u>418,147</u>	<u>2,748,805</u>	<u>560,348</u>	<u>2,302,180</u>
Expenditures:						
Current:						
General Government						
Public Safety						
Transportation	869,757	2,123,748				
Engineering and Inspections						
Culture and Recreation			655,475	19,000		
Community Development and Housing					219,656	2,530,311
Economic Opportunity						
Debt Service:						
Principal Retirement				2,014,000		
Interest				952,877		
Fees and Other				30,343		
Total Expenditures	<u>869,757</u>	<u>2,123,748</u>	<u>655,475</u>	<u>3,016,220</u>	<u>219,656</u>	<u>2,530,311</u>
Excess of Revenues Over (Under)						
Expenditures	<u>313,093</u>	<u>5,110,217</u>	<u>(237,328)</u>	<u>(267,415)</u>	<u>340,692</u>	<u>(228,131)</u>
Other Financing Sources (Uses):						
Transfers In			127,665			
Transfers Out	(1,141,158)	(8,717,245)	(36,614)			
Debt Issuances:						
Federal Loan Program						
Total Other Financing Sources (Uses)	<u>(1,141,158)</u>	<u>(8,717,245)</u>	<u>91,051</u>			
Net Change in Fund Balances	(828,065)	(3,607,028)	(146,277)	(267,415)	340,692	(228,131)
Fund Balances - July 1	4,548,662	7,182,794	157,971	613,749	529,139	136,097
Fund Balances - June 30	<u>\$ 3,720,597</u>	<u>\$ 3,575,766</u>	<u>\$ 11,694</u>	<u>\$ 346,334</u>	<u>\$ 869,831</u>	<u>\$ (92,034)</u>

HOME PROGRAM	HOPE VI	WORKFORCE INVESTMENT ACT	JOB TRAINING CONSORTIUM	SOUTH ELM STREET REDEVELOPMENT	STATE AND FEDERAL GRANTS	GUILFORD METRO 911	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$	\$	\$	\$	\$	\$	\$	\$ 3,258,407
2,236,016		2,719,399		12,174	5,592,125		135,315
18,343	23,147	(4,747)		989	7,216	25,469	18,945,887
46,913	127,661	215	62		228,565	394,297	1,615,044
<u>2,301,272</u>	<u>150,808</u>	<u>2,714,867</u>	<u>62</u>	<u>13,163</u>	<u>5,827,906</u>	<u>419,766</u>	<u>862,824</u>
2,421,118	486,771	2,848,609		144,231	94,699		94,699
					1,357,633	3,643,126	5,000,759
					3,228,370		6,221,875
					746,313		746,313
					149,128		823,603
					1,324,525		6,982,381
							2,992,840
							2,014,000
							952,877
							30,343
<u>2,421,118</u>	<u>486,771</u>	<u>2,848,609</u>		<u>144,231</u>	<u>6,900,668</u>	<u>3,643,126</u>	<u>25,859,690</u>
(119,846)	(335,963)	(133,742)	62	(131,068)	(1,072,762)	(3,223,360)	14,449
					219,849	3,957,961	4,305,475
							(9,895,017)
	477,000						477,000
	477,000				219,849	3,957,961	(5,112,542)
(119,846)	141,037	(133,742)	62	(131,068)	(852,913)	734,601	(5,098,093)
186,163	(187,147)		3,623		1,498,199		14,669,250
<u>\$ 66,317</u>	<u>\$ (46,110)</u>	<u>\$ (133,742)</u>	<u>\$ 3,685</u>	<u>\$ (131,068)</u>	<u>\$ 645,286</u>	<u>\$ 734,601</u>	<u>\$ 9,571,157</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2005

	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	GENERAL CAPITAL IMPROVEMENTS
Revenues:			
Intergovernmental	\$ 859,015	\$	\$
Miscellaneous			360,000
Total Revenues	<u>859,015</u>		<u>360,000</u>
Expenditures:			
Current:			
General Government			300
Public Safety			155,212
Transportation	1,266,929	8,208,378	
Engineering and Inspections	293,106		
Culture and Recreation			381,988
Community Development and Housing		110,930	
Total Expenditures	<u>1,560,035</u>	<u>8,319,308</u>	<u>537,500</u>
Excess of Revenues Under Expenditures	<u>(701,020)</u>	<u>(8,319,308)</u>	<u>(177,500)</u>
Other Financing Sources (Uses):			
Debt Issuances:			
General Obligation Bonds Issued			
Premium on Debt			
Transfers In	950,000	5,217,245	200,000
Transfers Out			
Total Other Financing Sources (Uses)	<u>950,000</u>	<u>5,217,245</u>	<u>200,000</u>
Net Change in Fund Balances	248,980	(3,102,063)	22,500
Fund Balances - July 1	<u>2,243,291</u>	<u>13,116,152</u>	<u>1,453,234</u>
Fund Balances - June 30	<u>\$ 2,492,271</u>	<u>\$ 10,014,089</u>	<u>\$ 1,475,734</u>

PUBLIC IMPROVEMENT SERIES 1990, 1992 1994 and 1998	REDEVELOPMENT SERIES 1994	PUBLIC IMPROVEMENT SERIES 1998A	PUBLIC IMPROVEMENT SERIES 1998B	HOUSING REDEVELOPMENT SERIES 1998
\$	\$	\$	\$	\$
	132,049			102,254
	132,049			102,254
		1,076,177		
6,522	226,668		4,760	310,543
6,522	226,668	1,076,177	4,760	310,543
(6,522)	(94,619)	(1,076,177)	(4,760)	(208,289)
		786,000		
		(1,541)		
		784,459		
(6,522)	(94,619)	(291,718)	(4,760)	(208,289)
1,711,268	432,050	3,706,371	7,318	339,000
\$ 1,704,746	\$ 337,431	\$ 3,414,653	\$ 2,558	\$ 130,711

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (continued)

Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2005

	STREET IMPROVEMENTS SERIES 2003	PARKS & RECREATION SERIES 2003 and 2005A	FIRE STATION SERIES 2003 and 2005A
Revenues:			
Intergovernmental	\$	\$	\$
Miscellaneous	84,000		
Total Revenues	<u>84,000</u>		
Expenditures:			
Current:			
General Government			
Public Safety			1,486,002
Transportation			
Engineering and Inspections	7,107,791		
Culture and Recreation		2,126,148	
Community Development and Housing			
Total Expenditures	<u>7,107,791</u>	<u>2,126,148</u>	<u>1,486,002</u>
Excess of Revenues Under Expenditures	<u>(7,023,791)</u>	<u>(2,126,148)</u>	<u>(1,486,002)</u>
Other Financing Sources:			
Debt Issuances:			
General Obligation Bonds Issued		4,500,000	4,380,000
Premium on Debt	(65,914)	(53,914)	(26,421)
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	<u>(65,914)</u>	<u>4,446,086</u>	<u>4,353,579</u>
Net Change in Fund Balances	(7,089,705)	2,319,938	2,867,577
Fund Balances - July 1	<u>11,281,177</u>	<u>3,461,754</u>	<u>1,549,249</u>
Fund Balances - June 30	<u>\$ 4,191,472</u>	<u>\$ 5,781,692</u>	<u>\$ 4,416,826</u>

<u>PUBLIC TRANSPORTATION SERIES 2003 and 2005A</u>	<u>NATURAL SCIENCE CENTER SERIES 2005</u>	<u>LAW ENFORCEMENT SERIES 2003</u>	<u>LIBRARY FACILITIES SERIES 2003 and 2005A</u>	<u>NEIGHBORHOOD REDEVELOPMENT SERIES 2005</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$	\$
			181,354		859,015
					859,657
			181,354		1,718,672
					300
87,891		1,550,116			4,267,507
	14,886		1,626,228		9,563,198
				220,812	7,407,419
					4,149,250
87,891	14,886	1,550,116	1,626,228	220,812	873,713
(87,891)	(14,886)	(1,550,116)	(1,444,874)	(220,812)	26,261,387
					(24,542,715)
500,000	3,500,000		1,700,000		14,580,000
(1,624)		(32,625)	220,000		(180,498)
					7,373,245
					(1,541)
498,376	3,500,000	(32,625)	1,920,000		21,771,206
410,485	3,485,114	(1,582,741)	475,126	(220,812)	(2,771,509)
94,792		1,964,231	(474,806)		40,885,081
<u>\$ 505,277</u>	<u>\$ 3,485,114</u>	<u>\$ 381,490</u>	<u>\$ 320</u>	<u>\$ (220,812)</u>	<u>\$ 38,113,572</u>

Enterprise Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2005

	Debt Outstanding July 1, 2004	Additions	Retirements	Adjustments	Debt Outstanding June 30, 2005
Water Resources:					
General Obligation Bonds	\$ 3,679,219	\$ 717,289	\$ 1,866,505	\$	\$ 2,530,003
Revenue Bonds	164,470,000	71,930,000	35,790,000		200,610,000
Federal Loan Obligation	3,081,746		254,403	(28,906)	2,798,437
Other Financing Agreements	2,804,637	26,509	428,950		2,402,196
Compensated Absences	893,078	987,043	853,473		1,026,648
Total Water Resources	<u>174,928,680</u>	<u>73,660,841</u>	<u>39,193,331</u>	<u>(28,906)</u>	<u>209,367,284</u>
War Memorial Coliseum:					
Certificates of Participation	740,000		90,000		650,000
Compensated Absences	254,076	148,812	162,583		240,305
Total War Memorial Coliseum	<u>994,076</u>	<u>148,812</u>	<u>252,583</u>		<u>890,305</u>
Parking Facilities:					
Certificates of Participation	10,206,640		1,941,000		8,265,640
Compensated Absences	30,059	25,444	21,819		33,684
Total Parking Facilities	<u>10,236,699</u>	<u>25,444</u>	<u>1,962,819</u>		<u>8,299,324</u>
Solid Waste Management:					
Special Obligation Bonds	11,455,000		1,040,000		10,415,000
Accrued Landfill Liability	10,503,616	649,152			11,152,768
Compensated Absences	341,503	327,352	297,213		371,642
Total Solid Waste Management	<u>22,300,119</u>	<u>976,504</u>	<u>1,337,213</u>		<u>21,939,410</u>
Stormwater Management:					
Compensated Absences	231,562	211,710	202,826		240,446
Total Stormwater Management	<u>231,562</u>	<u>211,710</u>	<u>202,826</u>		<u>240,446</u>
Total Enterprise Funds	<u>\$ 208,691,136</u>	<u>\$ 75,023,311</u>	<u>\$ 42,948,772</u>	<u>\$ (28,906)</u>	<u>\$ 240,736,769</u>

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

Component Unit

For the Fiscal Year Ended June 30, 2005

	GREENSBORO TRANSIT AUTHORITY
Revenues:	
Charges for Current Services	\$ 2,360,781
Miscellaneous	27,286
Total Operating Revenues	<u>2,388,067</u>
Operating Expenses:	
Personal Services	432,526
Fringe Benefits	99,931
Maintenance and Operations	10,452,749
Depreciation	1,327,720
Total Operating Expenses	<u>12,312,926</u>
Operating Loss	<u>(9,924,859)</u>
Nonoperating Revenues (Expenses):	
Investment Income	1,331,651
Property Taxes	3,658,772
Grants	6,910,346
Miscellaneous Nonoperating Revenue	200,895
Loss on Disposal of Capital Assets	(15,926)
Total Nonoperating Revenues (Expenses)	<u>12,085,738</u>
Change in Net Assets	2,160,879
Net Assets - July 1	<u>41,932,832</u>
Net Assets - June 30	<u>\$ 44,093,711</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2005

	GREENSBORO TRANSIT AUTHORITY
Cash Flows from Operating Activities:	
Receipts from Customers	\$ (446,741)
Payments to Suppliers	(6,219,138)
Payments to Employees	(524,295)
Other Receipts	10,797,299
Net Cash Provided by Operating Activities	<u>3,607,125</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	<u>(2,838,017)</u>
Cash Flows from Investing Activities:	
Interest	<u>1,330,644</u>
Net Increase in Cash and Cash Equivalents	2,099,752
Cash and Cash Equivalents/ Investments - July 1	777,590
Cash and Cash Equivalents/ Investments - June 30	<u>\$ 2,877,342</u>
Reconciliation of Cash and Cash Equivalents/ Investments:	
Cash and Cash Equivalents/ Investments - Current	\$ 2,877,342
Cash and Cash Equivalents/ Investments - Restricted	<u>\$ 2,877,342</u>
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 2,877,342</u>

Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2005

(continued)

**GREENSBORO
TRANSIT
AUTHORITY**

Reconciliation of Operating Loss to Net

Cash Used for Operating Activities:

Operating Loss	\$ (9,924,859)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	1,327,720
Change in Assets and Liabilities:	
Increase in Receivables	(264,845)
Increase in Inventories	(22,865)
Decrease in Intergovernmental Receivables	3,578,734
Increase in Accounts Payable	648,647
Increase in Annual Leave Accrual	7,987
Decrease in Miscellaneous Payable	(2,513,407)
Other Receipts	10,770,013
Total Adjustments	<u>13,531,984</u>

Net Cash Provided by Operating Activities \$ 3,607,125

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, 2005

	Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 2,205,000	\$ 2,360,781	\$ 155,781
Other Operating Revenues	3,000	27,286	24,286
Total Operating Revenues	<u>2,208,000</u>	<u>2,388,067</u>	<u>180,067</u>
Operating Expenses:			
Personal Services	384,096	432,526	48,430
Fringe Benefits	100,072	99,931	(141)
Maintenance and Operations	10,488,922	10,411,062	(77,860)
Capital Outlay	14,261	5,967	(8,294)
Total Operating Expenses	<u>10,987,351</u>	<u>10,949,486</u>	<u>(37,865)</u>
Operating Loss	<u>(8,779,351)</u>	<u>(8,561,419)</u>	<u>217,932</u>
Nonoperating Revenues:			
Investment Income	1,500,495	1,331,651	(168,844)
Property Tax Collections	3,576,104	3,658,772	82,668
State and Federal Grants	3,339,945	3,213,664	(126,281)
Mortgage Note Principal Payment	148,240	191,707	43,467
Miscellaneous Nonoperating Revenue	194,000	200,895	6,895
Total Nonoperating Revenues	<u>8,758,784</u>	<u>8,596,689</u>	<u>(162,095)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(20,567)</u>	<u>35,270</u>	<u>55,837</u>
Other Financing Uses:			
Transfers Out	<u>(332,750)</u>	<u>(309,750)</u>	<u>23,000</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>(353,317)</u>	<u>(274,480)</u>	<u>78,837</u>
Appropriated Fund Balance	<u>353,317</u>	<u> </u>	<u>(353,317)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (274,480)</u>	<u>\$ (274,480)</u>

Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 10,984,756
Total Expenses	<u>10,949,486</u>
Excess of Revenues Over Expenses	
Before Other Financing Uses	35,270
Adjustment to Full Accrual Basis:	
Depreciation	(1,327,720)
Capital Outlay	5,967
Mortgage Note Principal Payment	(191,707)
Transit Grant Project Funds Revenues and Expenses	3,654,995
Loss on Disposal of Capital Assets	<u>(15,926)</u>
Income Before Transfers	<u><u>\$ 2,160,879</u></u>

Greensboro Transit Planning and Grant Project Fund

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

From Project Inception and For the Year Ended June 30, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Federal Grants	\$ 8,429,167	\$ 3,218,058	\$ 2,177,216	\$ 5,395,274
State Grants	1,053,644	331,846	2,706	334,552
Total Revenues	<u>9,482,811</u>	<u>3,549,904</u>	<u>2,179,922</u>	<u>5,729,826</u>
Expenses:				
Capital Improvements:				
Section 5307 Capital Program	6,829,609	1,080,140	2,701,330	3,781,470
Section 5309 Capital Program	1,839,554	1,285,619		1,285,619
Multi Modal Transportation Center	1,200,000	1,200,000	(48,539)	1,151,461
Planning and Capital Assistance	667,296	505,353	20,190	525,543
Total Expenses	<u>10,536,459</u>	<u>4,071,112</u>	<u>2,672,981</u>	<u>6,744,093</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(1,053,648)</u>	<u>(521,208)</u>	<u>(493,059)</u>	<u>(1,014,267)</u>
Other Financing Sources:				
Transfers In	<u>1,053,648</u>	<u>735,362</u>	<u>309,750</u>	<u>1,045,112</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 214,154</u>	<u>\$ (183,309)</u>	<u>\$ 30,845</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Federal Grants	\$ 14,946,338	\$ 14,134,563	\$ 783,486	\$ 14,918,049
State Grants	1,868,291	1,008,740	736,376	1,745,116
Local Grants/ In Kind Services	1,449,998	1,299,998	(3,101)	1,296,897
Investment Income		(21,560)		(21,560)
Total Revenues	<u>18,264,627</u>	<u>16,421,741</u>	<u>1,516,761</u>	<u>17,938,502</u>
Expenses:				
Capital Improvements:				
Multi Modal Transportation Center	18,682,922	18,516,900	130,661	18,647,561
Total Capital Improvements	<u>18,682,922</u>	<u>18,516,900</u>	<u>130,661</u>	<u>18,647,561</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(418,295)</u>	<u>(2,095,159)</u>	<u>1,386,100</u>	<u>(709,059)</u>
Other Financing Sources:				
Transfers In	<u>418,295</u>	<u>568,295</u>	<u>(568,295)</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ (1,526,864)</u>	<u>\$ 817,805</u>	<u>\$ (709,059)</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, 2005 is presented below:

	<u>Amount</u>	<u>Percent of Total</u>
<u>Revenues and Other Financing Sources</u>		
Taxes	\$ 150,682,146	73.6%
Intergovernmental	19,500,196	9.5%
Licenses and Permits	8,926,893	4.4%
Fines and Forfeitures	979,352	0.5%
Charges for Current Services	18,830,820	9.2%
Miscellaneous	2,056,065	1.0%
Other Financing Sources	<u>3,721,500</u>	<u>1.8%</u>
Total Revenues and Other Financing Sources	<u>\$ 204,696,972</u>	<u>100.0%</u>
<u>Expenditures and Other Financing Uses</u>		
General Government	\$ 21,857,796	10.7%
Public Safety	83,893,658	41.2%
Transportation	15,549,873	7.6%
Engineering and Inspections	16,159,327	7.9%
Environmental Services	655,149	0.3%
Culture and Recreation	29,863,658	14.6%
Intergovernmental	1,325,930	0.7%
Other Financing Uses	<u>34,586,695</u>	<u>17.0%</u>
Total Expenditures and Other Financing Uses	<u>\$ 203,892,086</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, 2005

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Ad Valorem Taxes-Current Year	\$ 112,600,000	\$ 113,421,524	\$ 821,524
Ad Valorem Taxes-Prior Year	701,000	954,573	253,573
Penalties and Interest	413,000	441,393	28,393
Local Option Sales Tax	32,973,606	35,542,429	2,568,823
Vehicle Gross Receipts Tax	357,000	322,227	(34,773)
Total Taxes	<u>147,044,606</u>	<u>150,682,146</u>	<u>3,637,540</u>
Intergovernmental:			
State Grants:			
Libraries	305,985	322,008	16,023
State-Shared:			
Utility Taxes:			
Utility Franchise Tax	6,826,049	6,764,970	(61,079)
Piped Natural Gas Excise Tax	1,994,056	1,968,825	(25,231)
Telecommunications Sales Tax	3,554,601	3,612,340	57,739
Beer and Wine Tax	1,014,815	1,024,673	9,858
State Reimbursements/Other:			
Sales Tax Hold Harmless Payment	1,012,050	1,012,047	(3)
Court Fees	103,700	149,050	45,350
Payment In Lieu of Taxes	225,650	225,848	198
Local Grants:			
Parks and Recreation	5,150		(5,150)
Libraries	933,300	938,800	5,500
School Safety Programs	885,297	936,617	51,320
Environmental Programs	75,000	76,802	1,802
ABC Board Profit Distribution	2,230,000	2,468,216	238,216
Total Intergovernmental	<u>19,165,653</u>	<u>19,500,196</u>	<u>334,543</u>
Licenses and Permits:			
Privilege Licenses:			
Privilege Licenses-Current Year	3,125,975	3,032,498	(93,477)
Penalties on Privilege Licenses	40,000	55,920	15,920
Privilege Licenses-Prior Years	50,000	24,024	(25,976)
Penalties on Prior Years' Licenses	10,000	5,811	(4,189)
Motor Vehicle Licenses	850,000	879,431	29,431
Cable TV Access Licenses	2,296,000	2,333,150	37,150
Other Licenses and Permits	583,700	613,609	29,909
Construction Permits:			
Building Permits	820,000	956,934	136,934
Electrical Permits	426,000	406,397	(19,603)
Plumbing Permits	277,000	293,885	16,885
Heating Permits	295,000	325,234	30,234
Total Licenses and Permits	<u>8,773,675</u>	<u>8,926,893</u>	<u>153,218</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Fines and Forfeitures:			
Parking Violations	\$ 475,000	\$ 604,926	\$ 129,926
Library Fines	135,120	147,238	12,118
City Code Violations	33,000	43,590	10,590
False Burglar Alarm Fines	217,400	183,598	(33,802)
Total Fines and Forfeitures	<u>860,520</u>	<u>979,352</u>	<u>118,832</u>
Charges for Current Services:			
Planning:			
Preliminary Plan Reviews	105,000	98,881	(6,119)
Final Plats/Declarations	12,500	8,110	(4,390)
Rezoning Applications	50,000	50,550	550
Other Planning Fees	20,000	13,320	(6,680)
Police Department:			
Police Department Services	19,700	13,836	(5,864)
Tow-In Services	23,380	33,007	9,627
Off-Duty Employment	1,850,000	1,575,602	(274,398)
Contracted Services	410,845	520,689	109,844
Communications Reimbursement	50,000		(50,000)
911 Wireless Telephone	250,000		(250,000)
Fire Department:			
Hazardous Material Fees	20,000	21,468	1,468
Fire Department Plan Reviews	59,400	48,552	(10,848)
Fire Code Reinspections	20,800	27,200	6,400
Disaster Recovery		362,637	362,637
Miscellaneous Permits	35,400	38,830	3,430
Transportation:			
State Highway System:			
Signals, Signs and Lights	569,205	856,848	287,643
Maintenance to Highways	267,620	329,090	61,470
Ridesharing Revenue	90,000	106,492	16,492
Van Pool Revenue	5,000	5,028	28
Monthly Parking Fees	11,250	9,916	(1,334)
Engineering and Inspections:			
Plan Review/Water and Sewer/Roadways	180,000	234,134	54,134
Vacant Lot Cleaning Fees	87,130	172,511	85,381
Junked Auto Fees	150,000	60,921	(89,079)
Boarding Vacant Houses		8,795	8,795
Environmental Services:			
Hazardous Waste Disposal Fees	377,702	394,548	16,846
Parks and Recreation:			
Maintenance Service-Local Agencies	99,380	73,744	(25,636)
Admissions and Charges	1,871,150	2,040,313	169,163
Rental and Lease	770,001	843,060	73,059
Catering Services	45,750	33,316	(12,434)

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Charges for Current Services (Continued):			
Concessions	\$ 135,300	\$ 184,337	\$ 49,037
Concessions-Alcoholic Beverages	10,550	11,352	802
Bur-Mil Reimbursement	384,780	334,120	(50,660)
Mowing Services-State Highways	88,000	80,910	(7,090)
Fishing, Hunting and Boating Fees	36,555	29,323	(7,232)
Other Parks and Recreation Revenue	131,850	153,806	21,956
Library Fees	15,445	10,160	(5,285)
Interdepartmental Charges:			
Information Systems Services	4,243,850	4,682,848	438,998
Administrative Charges	3,501,000	3,554,434	53,434
Engineering Services	1,370,000	1,370,000	
Rents	498,620	438,132	(60,488)
Total Charges for Current Services	<u>17,867,163</u>	<u>18,830,820</u>	<u>963,657</u>
Miscellaneous:			
Sale of Assets	373,425	533,055	159,630
Miscellaneous Receivables Revenue	29,000	12,981	(16,019)
Donations and Private Contributions	155,500	89,101	(66,399)
Contracted Construction Projects	892,000	917,804	25,804
Service Charges	5,400	5,790	390
Other Revenue	414,280	497,334	83,054
Total Miscellaneous	<u>1,869,605</u>	<u>2,056,065</u>	<u>186,460</u>
Appropriated Fund Balance	<u>13,073,970</u>		<u>(13,073,970)</u>
Total Revenues	<u>208,655,192</u>	<u>200,975,472</u>	<u>(7,679,720)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures:			
General Government:			
Legislative:			
Governing Body	\$ 227,251	\$ 188,534	\$ (38,717)
Clerk of Governing Body	292,828	275,534	(17,294)
Elections	90,000		(90,000)
Total Legislative	<u>610,079</u>	<u>464,068</u>	<u>(146,011)</u>
Executive:			
City Manager	1,198,398	1,119,361	(79,037)
Enterprise Resource Planning	234,572	195,088	(39,484)
Economic Development	453,765	289,145	(164,620)
Internal Audit	311,354	300,380	(10,974)
Minority and Women's Business Enterprises	281,009	280,664	(345)
Total Executive	<u>2,479,098</u>	<u>2,184,638</u>	<u>(294,460)</u>
Organizational Development and Communications	<u>2,587,809</u>	<u>2,275,428</u>	<u>(312,381)</u>
Human Relations	<u>558,905</u>	<u>533,203</u>	<u>(25,702)</u>
Human Resources:			
Administration	444,376	326,408	(117,968)
Compensation and Employment	585,947	579,913	(6,034)
HRIS and Benefits	481,838	514,466	32,628
Employee Safety and Health	514,810	467,066	(47,744)
Total Human Resources	<u>2,026,971</u>	<u>1,887,853</u>	<u>(139,118)</u>
Budget and Evaluation	<u>667,421</u>	<u>666,895</u>	<u>(526)</u>
Planning	<u>1,881,567</u>	<u>1,584,282</u>	<u>(297,285)</u>
Finance:			
Administration	813,823	731,773	(82,050)
Accounting	850,213	783,696	(66,517)
Purchasing and Supply	567,061	494,610	(72,451)
Collections	1,491,626	1,330,214	(161,412)
Total Finance	<u>3,722,723</u>	<u>3,340,293</u>	<u>(382,430)</u>
Legal	<u>991,839</u>	<u>933,628</u>	<u>(58,211)</u>
Management Information Systems:			
Administration	406,094	395,398	(10,696)
Desktop Services	3,866,517	3,660,600	(205,917)
Geographic Information Services	610,343	602,490	(7,853)
Application Services	2,170,772	2,041,117	(129,655)
Total Management Information Systems	<u>7,053,726</u>	<u>6,699,605</u>	<u>(354,121)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other General Government:			
Chamber of Commerce	\$ 200,000	\$ 150,000	\$ (50,000)
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	
Downtown Development	215,000		(215,000)
NC Metropolitan Coalition	12,000	12,000	
Productivity Improvement Program	8,000	424	(7,576)
FEMA Response		10,118	10,118
Nondepartmental	953,263	761,161	(192,102)
Total Other General Government	<u>1,747,145</u>	<u>1,287,903</u>	<u>(459,242)</u>
Total General Government	<u>24,327,283</u>	<u>21,857,796</u>	<u>(2,469,487)</u>
Public Safety:			
Police:			
Administration	2,431,264	2,366,504	(64,760)
Resource Management	9,182,876	7,624,148	(1,558,728)
Field Operations	22,178,801	21,113,155	(1,065,646)
Criminal Investigations	3,317,772	3,342,881	25,109
Special Operations	1,758,599	2,036,552	277,953
Investigative Support	4,536,441	4,047,066	(489,375)
Vice/Narcotics	1,451,472	1,492,705	41,233
Professional Standards	967,144	1,238,935	271,791
Organizational Development	1,310,172	3,621,582	2,311,410
Communications	1,566,282	1,300,020	(266,262)
911 Program	21,725		(21,725)
Information and Technology	4,227,307	3,944,540	(282,767)
Total Police	<u>52,949,855</u>	<u>52,128,088</u>	<u>(821,767)</u>
Fire:			
Administration	2,299,723	2,201,292	(98,431)
Training	1,175,441	1,168,859	(6,582)
Fire Prevention	1,269,725	1,311,262	41,537
Emergency Services	23,159,313	22,748,525	(410,788)
Regulatory/Fleet Repair Service	3,225,956	3,036,508	(189,448)
Stations and Buildings	1,350,690	1,299,124	(51,566)
Total Fire	<u>32,480,848</u>	<u>31,765,570</u>	<u>(715,278)</u>
Total Public Safety	<u>85,430,703</u>	<u>83,893,658</u>	<u>(1,537,045)</u>
Transportation:			
Administration	1,934,901	1,958,844	23,943
Street Cleaning	498,670	527,989	29,319
Traffic Operations	3,170,441	3,109,292	(61,149)
Storm Sewer Construction	1,873,215	1,873,669	454
Street Administration	4,881,908	4,680,415	(201,493)
Traffic Engineering	3,046,857	3,080,508	33,651
Transportation Planning	280,735	319,156	38,421
Total Transportation	<u>15,686,727</u>	<u>15,549,873</u>	<u>(136,854)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Engineering and Inspections:			
Administration	\$ 770,265	\$ 604,404	\$ (165,861)
Engineering	4,477,055	4,191,536	(285,519)
Facilities Engineering	702,140	526,641	(175,499)
Central City Maintenance	3,807,562	3,526,844	(280,718)
Building Maintenance	3,464,830	2,745,071	(719,759)
Franchise Administration	156,114	110,583	(45,531)
Service Center Maintenance	530,129	490,426	(39,703)
Building Inspections	2,865,571	2,827,850	(37,721)
Local Ordinance Enforcement	1,295,998	1,135,972	(160,026)
Total Engineering and Inspections	<u>18,069,664</u>	<u>16,159,327</u>	<u>(1,910,337)</u>
Environmental Services	<u>925,963</u>	<u>655,149</u>	<u>(270,814)</u>
Culture and Recreation:			
Parks and Recreation:			
Administration	1,898,389	1,857,322	(41,067)
Bryan Park at Guilford County	5,300		(5,300)
Bryan Enrichment Center	290,221	237,223	(52,998)
Bryan Park Operations	616,152	513,393	(102,759)
Gillespie Golf Course	534,745	526,835	(7,910)
Greensboro Sportsplex	879,539	803,910	(75,629)
City Arts	915,326	820,823	(94,503)
Program and Community Services	988,021	972,030	(15,991)
Neighborhood Playgrounds and Centers	2,492,190	2,341,827	(150,363)
Swimming Pools	462,708	495,083	32,375
Memorial Stadium	325,354	235,201	(90,153)
Hagan Stone Park	493,804	456,190	(37,614)
Hester Park	339,093	324,539	(14,554)
Country Park	362,632	363,355	723
Jaycee Park	96,435	117,446	21,011
Athletics	863,694	803,567	(60,127)
Regional Parks	19,445	17,623	(1,822)
Bur-Mil Club	836,094	829,090	(7,004)
Lake Wardens	835,070	811,265	(23,805)
Barber Park	428,065	384,815	(43,250)
Equipment Maintenance	270,018	268,138	(1,880)
Development and Maintenance	5,110,616	4,988,927	(121,689)
Landscape and Beautification	2,335,720	2,187,639	(148,081)
Tannenbaum Park	268,661	255,437	(13,224)
Carolyn Allen Park	299,724	219,994	(79,730)
Price Park	2,004	323	(1,681)
Total Parks and Recreation	<u>21,969,020</u>	<u>20,831,995</u>	<u>(1,137,025)</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	Final Budget	Actual	Variance Positive (Negative)
Library:			
Administration	\$ 2,716,549	\$ 2,270,102	\$ (446,447)
Main Library	1,646,318	1,588,708	(57,610)
Extension Services	122,865	129,590	6,725
Collection Inventory	892,357	691,514	(200,843)
Benjamin Branch Library	341,767	337,708	(4,059)
Northeast Branch Library	5,990	2,289	(3,701)
Vance H. Chavis Branch Library	367,478	365,624	(1,854)
Southwest Branch Library	488,673	470,795	(17,878)
Glenwood Branch Library	383,419	324,864	(58,555)
Kathleen Clay Edwards Branch Library	499,571	444,325	(55,246)
McGirt-Horton Branch Library	382,686	355,156	(27,530)
Historical Museum	821,983	790,744	(31,239)
Total Library	<u>8,669,656</u>	<u>7,771,419</u>	<u>(898,237)</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	100,000	100,000	
Eastern Music Festival	10,000	10,000	
Fun Fourth - Grassroots	10,000	7,500	(2,500)
Downtown Banners/Grassroots	11,000	14,744	3,744
Blandwood Mansion	10,000	10,000	
Greensboro Jaycees	20,000	20,000	
Festival of Lights	10,000	10,000	
Total Other Culture and Recreation	<u>1,259,000</u>	<u>1,260,244</u>	<u>1,244</u>
Total Culture and Recreation	<u>31,897,676</u>	<u>29,863,658</u>	<u>(2,034,018)</u>
Intergovernmental:			
Guilford County:			
Animal Shelter and Animal Control	936,379	919,487	(16,892)
Tax Collections	355,515	355,512	(3)
Environmental Health Control	7,500		(7,500)
National Guard Armory	3,000	3,000	
Human Service Agencies:			
Program Administration	344	94	(250)
PCC Community Nursing	9,000		(9,000)
Piedmont Council of Governments	47,840	47,837	(3)
Total Intergovernmental	<u>1,359,578</u>	<u>1,325,930</u>	<u>(33,648)</u>
Total Expenditures	<u>177,697,594</u>	<u>169,305,391</u>	<u>(8,392,203)</u>
Excess of Revenues Over Expenditures	<u>30,957,598</u>	<u>31,670,081</u>	<u>712,483</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other Financing Sources (Uses):			
Transfers In:			
State Highway Allocation Fund	\$ 3,500,000	\$ 3,500,000	\$
Coliseum Fund	205,000	205,000	
Technical Services Fund	16,500	16,500	
Total Transfers In	<u>3,721,500</u>	<u>3,721,500</u>	
Transfers Out:			
Cemetery Operating Fund	127,665	127,665	
Housing Partnership Revolving Fund	1,782,332	1,782,332	
State and Federal Grants Fund	113,594	21,191	(92,403)
Guilford Metro 911	3,830,137	3,830,137	
General Capital Improvements Fund	200,000	200,000	
Debt Service Fund	14,425,000	14,425,000	
Libraries Bond Fund	220,000	220,000	
War Memorial Coliseum Fund	1,800,000	1,800,000	
Parking Facilities Fund	1,226,395	1,226,395	
Solid Waste Management Fund	10,373,045	10,373,045	
Equipment Services Fund	566,530	566,530	
Employee Health Insurance Fund	14,400	14,400	
Total Transfers Out	<u>34,679,098</u>	<u>34,586,695</u>	<u>(92,403)</u>
Total Other Financing Sources (Uses)	<u>(30,957,598)</u>	<u>(30,865,195)</u>	<u>92,403</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$</u>	804,886	804,886
Fund Balance - July 1		<u>58,111,419</u>	<u>58,111,419</u>
Fund Balance - June 30		<u>\$ 58,916,305</u>	<u>\$ 58,916,305</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 motor vehicle license tax and 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.

Housing Partnership Revolving Fund

In FY 2001-02, City Council increased its General Fund support to the Housing Partnership Revolving Fund from one cent to one and one-third cent 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 Loan 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 will replace many of the Job Training Consortium Fund activities.

Job Training Consortium Fund

The purpose of the Job Training Consortium Fund is to account for Job Training Partnership Act grant funds used to establish programs for public service employment jobs, on-the-job-training programs and classroom training.

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, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 211,800	\$ 131,002	\$ (80,798)
Charges for Current Services:			
Red Light Camera Violations	1,087,500	859,371	(228,129)
Investment Income	180,000	182,047	2,047
Miscellaneous:			
Sales and Use Tax Refund	_____	10,430	10,430
Appropriated Fund Balance	1,594,646	_____	(1,594,646)
Total Revenues	<u>3,073,946</u>	<u>1,182,850</u>	<u>(1,891,096)</u>
Expenditures:			
Transportation:			
Street Construction	1,907,788	869,757	(1,038,031)
Bridge Construction and Maintenance	25,000	_____	(25,000)
Total Expenditures	<u>1,932,788</u>	<u>869,757</u>	<u>(1,063,031)</u>
Excess of Revenues Over Expenditures	1,141,158	313,093	(828,065)
Other Financing Uses:			
Transfers Out	<u>(1,141,158)</u>	<u>(1,141,158)</u>	_____
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	(828,065)	(828,065)
Fund Balance - July 1		<u>4,548,662</u>	<u>4,548,662</u>
Fund Balance - June 30		<u>\$ 3,720,597</u>	<u>\$ 3,720,597</u>

State Highway Allocation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental:			
State Powell Bill	\$ 5,935,760	\$ 6,590,139	\$ 654,379
Assessments	47,700	4,313	(43,387)
Investment Income	700,000	619,982	(80,018)
Miscellaneous:			
Sales and Use Tax Refund	78,000	19,531	(58,469)
Appropriated Fund Balance	4,193,342		(4,193,342)
Total Revenues	<u>10,954,802</u>	<u>7,233,965</u>	<u>(3,720,837)</u>
Expenditures:			
Transportation:			
Transportation Improvements	7,500		(7,500)
Streets and Structures	2,230,057	2,123,748	(106,309)
Total Expenditures	<u>2,237,557</u>	<u>2,123,748</u>	<u>(113,809)</u>
Excess of Revenues Over Expenditures	8,717,245	5,110,217	(3,607,028)
Other Financing Uses:			
Transfers Out	<u>(8,717,245)</u>	<u>(8,717,245)</u>	
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	(3,607,028)	(3,607,028)
Fund Balance - July 1		<u>7,182,794</u>	<u>7,182,794</u>
Fund Balance - June 30		<u>\$ 3,575,766</u>	<u>\$ 3,575,766</u>

Cemetery Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Forest Lawn Cemetery	\$ 320,850	\$ 292,975	\$ (27,875)
Maplewood Cemetery	38,800	27,740	(11,060)
Greenhill Cemetery	45,810	38,753	(7,057)
Total Charges for Current Services	<u>405,460</u>	<u>359,468</u>	<u>(45,992)</u>
Investment Income	<u>93,165</u>	<u>53,609</u>	<u>(39,556)</u>
Miscellaneous:			
Donations and Contributions	100	4,940	4,840
Other Miscellaneous Revenue	<u>100</u>	<u>130</u>	<u>130</u>
	<u>100</u>	<u>5,070</u>	<u>4,970</u>
Appropriated Fund Balance	<u>125,962</u>	<u></u>	<u>(125,962)</u>
Total Revenues	<u>624,687</u>	<u>418,147</u>	<u>(206,540)</u>
Expenditures:			
Culture and Recreation:			
Cemeteries:			
Administration	272,198	264,545	(7,653)
Forest Lawn Cemetery	178,416	168,422	(9,994)
Maplewood Cemetery	101,875	86,763	(15,112)
Greenhill Cemetery	<u>160,848</u>	<u>135,745</u>	<u>(25,103)</u>
Total Expenditures	<u>713,337</u>	<u>655,475</u>	<u>(57,862)</u>
Excess of Revenues Under Expenditures	<u>(88,650)</u>	<u>(237,328)</u>	<u>(148,678)</u>
Other Financing Sources (Uses):			
Transfers In	127,665	127,665	
Transfers Out	<u>(39,015)</u>	<u>(36,614)</u>	<u>2,401</u>
Total Other Financing Sources (Uses)	<u>88,650</u>	<u>91,051</u>	<u>2,401</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$</u>	<u>(146,277)</u>	<u>(146,277)</u>
Fund Balance - July 1		<u>157,971</u>	<u>157,971</u>
Fund Balance - June 30		<u>\$ 11,694</u>	<u>\$ 11,694</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, 2005

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Room Occupancy Tax	\$ 2,615,900	\$ 2,734,573	\$ 118,673
Investment Income	10,000	4,139	(5,861)
Miscellaneous:			
Donations and Contributions	250,000		(250,000)
Other Miscellaneous Revenue	250,000	10,093	10,093
	250,000	10,093	(239,907)
Appropriated Fund Balance	186,100		(186,100)
Total Revenues	3,062,000	2,748,805	(313,195)
Expenditures:			
Culture and Recreation		19,000	19,000
Debt Service:			
Principal Retirement	2,015,000	2,014,000	(1,000)
Interest	1,000,000	952,877	(47,123)
Fees and Other	47,000	30,343	(16,657)
Total Expenditures	3,062,000	3,016,220	(45,780)
Excess of Revenues Under Expenditures	\$	(267,415)	(267,415)
Fund Balance - July 1		613,749	613,749
Fund Balance - June 30		\$ 346,334	\$ 346,334

Special Tax Districts Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes:			
Ad Valorem Taxes	<u>\$ 403,000</u>	<u>\$ 523,834</u>	<u>\$ 120,834</u>
Investment Income	<u> </u>	<u>16,527</u>	<u>16,527</u>
Miscellaneous:			
Sales and Use Tax Refund	<u> </u>	<u>19,987</u>	<u>19,987</u>
Appropriated Fund Balance	<u>170,610</u>	<u> </u>	<u>(170,610)</u>
Total Revenues	<u>573,610</u>	<u>560,348</u>	<u>(13,262)</u>
Expenditures:			
Community Development:			
Aycock Historic District	79,610	6,713	(72,897)
College Hill Historic District	144,000	37,943	(106,057)
Business Improvement District	<u>350,000</u>	<u>175,000</u>	<u>(175,000)</u>
Total Expenditures	<u>573,610</u>	<u>219,656</u>	<u>(353,954)</u>
Excess of Revenues Over Expenditures	<u><u>\$</u></u>	340,692	340,692
Fund Balance - July 1		<u>529,139</u>	<u>529,139</u>
Fund Balance - June 30		<u><u>\$ 869,831</u></u>	<u><u>\$ 869,831</u></u>

Housing Partnership Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Current Services:			
Mortgage Collections	\$ 350,000	\$ 471,643	\$ 121,643
Rents		22,390	22,390
Sale of Materials		8	8
Sale of Real Estate		11,295	11,295
Other Revenue		486,275	486,275
Total Charges for Current Services	<u>350,000</u>	<u>991,611</u>	<u>641,611</u>
Investment Income	<u>50,000</u>	<u>114,085</u>	<u>64,085</u>
Appropriated Fund Balance	<u>515,349</u>		<u>(515,349)</u>
Total Revenues	<u>915,349</u>	<u>1,105,696</u>	<u>190,347</u>
Expenditures:			
Housing:			
Administration	1,355,128	1,220,988	(134,140)
Housing Programs	<u>1,342,553</u>	<u>1,049,839</u>	<u>(292,714)</u>
Total Expenditures	<u>2,697,681</u>	<u>2,270,827</u>	<u>(426,854)</u>
Excess of Revenues Under Expenditures	(1,782,332)	(1,165,131)	(617,201)
Other Financing Sources:			
Transfers In	<u>1,782,332</u>	<u>1,782,332</u>	
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	617,201	617,201
Fund Balance - July 1		<u>1,577,979</u>	<u>1,577,979</u>
Fund Balance - June 30		<u>\$ 2,195,180</u>	<u>\$ 2,195,180</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Intergovernmental:				
Federal Grants	\$ 29,978,694	\$ 24,879,105	\$ 1,796,034	\$ 26,675,139
Local Grants	85,637	85,637		85,637
Total Intergovernmental	<u>30,064,331</u>	<u>24,964,742</u>	<u>1,796,034</u>	<u>26,760,776</u>
Investment Income	<u>1,058,316</u>	<u>1,080,388</u>	<u>109,941</u>	<u>1,190,329</u>
Charges for Current Services:				
Program Income	209,239			
Rent	241,423	178,218	20,375	198,593
Mortgage Collections	3,911,622	4,024,585	299,832	4,324,417
Sale of Real Estate	163,048	182,832	59,398	242,230
Other Revenue	32,611	34,627	16,600	51,227
Total Charges for Current Services	<u>4,557,943</u>	<u>4,420,262</u>	<u>396,205</u>	<u>4,816,467</u>
Total Revenues	<u>35,680,590</u>	<u>30,465,392</u>	<u>2,302,180</u>	<u>32,767,572</u>
Expenditures:				
Community Development:				
Block Grant:				
Administration	2,796,949	2,268,711	401,680	2,670,391
Community Planning	626,855	660,230	49,976	710,206
Fair Housing	157,500	135,473	17,469	152,942
Rental Rehabilitation	1,040,626	554,077	257,846	811,923
Citywide Housing Repair	3,207,531	3,180,975	9,054	3,190,029
Target Area Personnel	569,778	467,775	5,000	472,775
Targeted Loan Pool Program	890,000	7,200	250,990	258,190
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 CDVD Partners	130,000	130,000		130,000
Greensboro Women's Club	62,000	62,000		62,000
Asheboro	2,761,082	1,767,484	169,756	1,937,240
Asheboro Resource Center	50,000	50,000		50,000
Arlington Park	1,234,898	862,453	35,876	898,329
Rosewood	966,313	733,428	12,780	746,208
Section 108 Loan Principal Retirement	2,768,815	2,130,904	306,000	2,436,904
Section 108 Loan Interest		153,110	178,423	331,533
Section 108 Fees			300	300
Eastside Park	1,836,464	1,601,379	216,028	1,817,407
Best Street	328,597	328,594	6	328,600
Gorrell Street	55,039	32,930	2,893	35,823
Gideon's Army	12,500	12,500		12,500
Willow Oaks	444,417	436,172	6,463	442,635
Housing Coalition	72,500	42,500	30,000	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	78,241	15,596	93,837
Project Deadbolt	4,195	4,194		4,194
Project Homestead Construction Training	20,000	20,000		20,000
Episcopal Servant Center	53,662	33,630	20,032	53,662
Youth Focus	15,310	8,310	7,000	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, 2005

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Expenditures (Continued):				
Lot Acquisition	\$ 232,846	\$ 232,845	\$	\$ 232,845
Homeowner Rehab	275,483		180,612	180,612
Family and Children's Services	34,713	34,712		34,712
Salvation Army	233,750	153,000	80,750	233,750
Jericho House	62,000	62,000		62,000
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			
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	15,000	15,000		15,000
Malachi House	56,000	56,000		56,000
Mary's House	26,000	26,000		26,000
Room at the Inn of the Triad	125,000	125,000		125,000
Prince of Peace Shelter	55,000	55,000		55,000
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	145,600	119,600	26,000	145,600
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	162,120	98,425	39,409	137,834
Camel Street Apartments 04	178,000	24,634	153,366	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	756,954	1	756,955
Home Grants 95	2,013,117	2,000,267		2,000,267
Home Grants 96	1,814,611	1,814,610	1	1,814,611
Home Grants 97	1,470,598	1,470,598		1,470,598
Home Grants 98	1,620,475	1,554,225	9,547	1,563,772
HOPWA	1,228,000	1,112,587	47,457	1,160,044
Federal Emergency Shelter Grant	82,000	82,000		82,000
Total Expenditures	35,695,975	30,344,680	2,530,311	32,874,991
Excess of Revenues Over (Under) Expenditures	(15,385)	120,712	(228,131)	(107,419)
Other Financing Sources:				
Transfers In	15,385	15,385		15,385
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$	136,097	(228,131)	(92,034)
Fund Balance - July 1			136,097	
Fund Balance - June 30		\$ 136,097	\$ (92,034)	\$ (92,034)

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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Intergovernmental:				
Federal Grants:				
Greensboro Home Program	\$ 7,430,841	\$ 4,550,497	\$ 775,227	\$ 5,325,724
Greensboro Affordable Home Loans - ADDI	169,444			
Guilford County Home Program	798,999	9,600	134,946	144,546
High Point Home Program	2,440,524	871,026	829,534	1,700,560
Burlington Home Program	1,200,253	894,701	349,568	1,244,269
Alamance County Home Program	553,982	344,575	146,741	491,316
Local Grants	38,595			
Total Intergovernmental	<u>12,632,638</u>	<u>6,670,399</u>	<u>2,236,016</u>	<u>8,906,415</u>
Investment Income	<u>46,514</u>	<u>46,643</u>	<u>18,343</u>	<u>64,986</u>
Miscellaneous:				
Mortgage Collections	195,917	193,383	43,413	236,796
Program Income - Prior Years	1,100		1,100	1,100
Other	10,839	10,840	2,400	13,240
Total Miscellaneous	<u>207,856</u>	<u>204,223</u>	<u>46,913</u>	<u>251,136</u>
Total Revenues	<u>12,887,008</u>	<u>6,921,265</u>	<u>2,301,272</u>	<u>9,222,537</u>
Expenditures:				
Greensboro Home Program	7,190,770	4,087,223	885,421	4,972,644
Greensboro Affordable Home Loans - ADDI	21,450		21,000	21,000
Guilford County Home Program	821,094	178,953	241,878	420,831
High Point Home Program	2,801,194	1,152,123	773,699	1,925,822
Burlington Home Program	1,394,733	961,663	330,592	1,292,255
Alamance County Home Program	642,382	339,755	168,528	508,283
Total Expenditures	<u>12,871,623</u>	<u>6,719,717</u>	<u>2,421,118</u>	<u>9,140,835</u>
Excess of Revenues Over (Under) Expenditures	15,385	201,548	(119,846)	81,702
Other Financing Uses:				
Transfers Out	<u>(15,385)</u>	<u>(15,385)</u>		<u>(15,385)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$</u>	186,163	(119,846)	66,317
Fund Balance - July 1			<u>186,163</u>	
Fund Balance - June 30		<u>\$ 186,163</u>	<u>\$ 66,317</u>	<u>\$ 66,317</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Investment Income	\$ 67,757	\$ 46,211	\$ 23,147	\$ 69,358
Miscellaneous:				
Mortgage Collections	139,391	8,435	130,956	139,391
Other Revenue	139,391	3,370	(3,295)	75
Total Miscellaneous	<u>139,391</u>	<u>11,805</u>	<u>127,661</u>	<u>139,466</u>
Total Revenues	<u>207,148</u>	<u>58,016</u>	<u>150,808</u>	<u>208,824</u>
Expenditures:				
Section 108 Loans	7,461,000	4,696,117	475,361	5,171,478
Willow Oaks	<u>207,148</u>	<u>59,046</u>	<u>11,410</u>	<u>70,456</u>
Total Expenditures	<u>7,668,148</u>	<u>4,755,163</u>	<u>486,771</u>	<u>5,241,934</u>
Excess of Revenues Under Expenditures	<u>(7,461,000)</u>	<u>(4,697,147)</u>	<u>(335,963)</u>	<u>(5,033,110)</u>
Other Financing Sources:				
Debt Issuances:				
Federal Loan Program	<u>7,461,000</u>	<u>4,510,000</u>	<u>477,000</u>	<u>4,987,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	(187,147)	141,037	(46,110)
Fund Balance - July 1			<u>(187,147)</u>	
Fund Balance - June 30		<u>\$ (187,147)</u>	<u>\$ (46,110)</u>	<u>\$ (46,110)</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants:				
WIA Adult	\$ 3,928,673	\$ 2,388,689	\$ 890,591	\$ 3,279,280
WIA Dislocated Worker	4,296,901	2,021,781	826,389	2,848,170
WIA Youth	3,372,237	1,835,899	790,762	2,626,661
WIA 10% Statewide Activities	792,253	379,698	211,657	591,355
H-1B Technical Skills Training	2,721,000	1,194,024		1,194,024
Total Federal Grants	<u>15,111,064</u>	<u>7,820,091</u>	<u>2,719,399</u>	<u>10,539,490</u>
State Grants:				
NCETGP Grant	208,123	208,123		208,123
Total Intergovernmental	<u>15,319,187</u>	<u>8,028,214</u>	<u>2,719,399</u>	<u>10,747,613</u>
Investment Income		3,606	(4,747)	(1,141)
Miscellaneous:				
Sale of Materials		1,809	215	2,024
Sale of Equipment		93		93
Other		2,272		2,272
Total Miscellaneous		<u>4,174</u>	<u>215</u>	<u>4,389</u>
Total Revenues	<u>15,319,187</u>	<u>8,035,994</u>	<u>2,714,867</u>	<u>10,750,861</u>
Expenditures:				
WIA Adult	3,928,673	2,424,786	868,644	3,293,430
WIA Dislocated Worker	4,296,901	1,999,427	912,965	2,912,392
WIA Youth	3,372,237	1,886,110	812,254	2,698,364
WIA 10% Statewide Activities	792,253	323,524	254,746	578,270
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>15,319,187</u>	<u>8,035,994</u>	<u>2,848,609</u>	<u>10,884,603</u>
Excess of Revenues Under Expenditures	<u>\$</u>		(133,742)	(133,742)
Fund Balance - July 1				
Fund Balance - June 30		<u>\$</u>	<u>\$ (133,742)</u>	<u>\$ (133,742)</u>

Job Training Consortium Fund

Schedule of Revenues and Expenditures - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
Federal Grants:				
Welfare to Work 98-375 I	\$ 964,293	\$ 964,293	\$	\$ 964,293
Welfare to Work PY 99	449,396	449,395		449,395
Total Intergovernmental	<u>1,413,689</u>	<u>1,413,688</u>		<u>1,413,688</u>
Miscellaneous:				
Other Revenue		3,623	62	3,685
Total Revenues	<u>1,413,689</u>	<u>1,417,311</u>	<u>62</u>	<u>1,417,373</u>
Expenditures:				
Economic Opportunity:				
Federal Grants:				
Welfare to Work 98-375 I	964,293	964,292		964,292
Welfare to Work 99-375 I	449,396	449,396		449,396
Total Expenditures	<u>1,413,689</u>	<u>1,413,688</u>		<u>1,413,688</u>
Excess of Revenues Over Expenditures	<u>\$</u>	3,623	62	3,685
Fund Balance - July 1			3,623	
Fund Balance - June 30		<u>\$ 3,623</u>	<u>\$ 3,685</u>	<u>\$ 3,685</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
South Elm Street Section 108	\$ 3,000,000	\$	\$	\$
EPA Brownsfield Assessment	200,000	13,722	12,174	25,896
South Elm Street BEDI - 2005	2,000,000			
Total Intergovernmental Revenue	<u>5,200,000</u>	<u>13,722</u>	<u>12,174</u>	<u>25,896</u>
Investment Income			989	989
Total Revenues	<u>5,200,000</u>	<u>13,722</u>	<u>13,163</u>	<u>26,885</u>
Expenditures:				
South Elm Street Section 108	3,000,000		122,645	122,645
EPA Brownsfield Assessment	200,000	13,722	12,174	25,896
South Elm Street BEDI - 2005	2,000,000		9,412	9,412
Total Expenditures	<u>5,200,000</u>	<u>13,722</u>	<u>144,231</u>	<u>157,953</u>
Excess of Revenues Under Expenditures	<u>\$</u>		(131,068)	(131,068)
Fund Balance - July 1				
Fund Balance - June 30		<u>\$</u>	<u>\$ (131,068)</u>	<u>\$ (131,068)</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Intergovernmental:				
Federal Grants	\$ 14,017,528	\$ 4,693,911	\$ 2,479,053	\$ 7,172,964
State Grants	14,481,611	3,071,959	3,006,915	6,078,874
Local Grants	942,403	753,042	106,157	859,199
Total Intergovernmental	<u>29,441,542</u>	<u>8,518,912</u>	<u>5,592,125</u>	<u>14,111,037</u>
Investment Income	<u>11,025</u>	<u>5,387</u>	<u>7,216</u>	<u>12,603</u>
Miscellaneous:				
Mortgage Collections			4,100	4,100
In-Kind and Matching Revenues	1,654,428	1,224,894	224,465	1,449,359
Total Miscellaneous	<u>1,654,428</u>	<u>1,224,894</u>	<u>228,565</u>	<u>1,453,459</u>
Total Revenues	<u>31,106,995</u>	<u>9,749,193</u>	<u>5,827,906</u>	<u>15,577,099</u>
Expenditures:				
General Government:				
Scattered Site Rehab 2001-02	396,500	378,843	6,522	385,365
GIS Data Clearinghouse	2,120	629		629
Public Access Channel	607,100	443,908	88,177	532,085
Total General Government	<u>1,005,720</u>	<u>823,380</u>	<u>94,699</u>	<u>918,079</u>
Public Safety:				
Local Law Enforcement Block Grant 2003-04	268,258	52,659	15,975	68,634
Local Law Enforcement Block Grant 2004/05	121,381		106,587	106,587
Forfeiture Funds - 2001-02	100,000			
Forfeiture Funds - 2002-03	430,000	197,160	64,177	261,337
Forfeiture Funds - 2003-04	527,500	70,017	422,239	492,256
Forfeiture Funds - 2004-05	271,000		43,340	43,340
Weed and Seed Operation	25,000			
Homeland Security Grant - 2004-05	308,000			
Governor's Highway Safety Regional Coordinator	10,000			
Violent Crime Task Force	227,027	209,242		209,242
Violent Crime Task Force - 2001-02	130,000	31,278	18,873	50,151
Financial Crimes Task Force - 2003-04	5,500	1,421	4,069	5,490
Financial Crimes Task Force - 2004-05	4,000		4,000	4,000
NC Joint Terrorism Task Force - 2004	11,705	7,458	3,392	10,850
NC Joint Terrorism Task Force - 2005	14,670		9,014	9,014
PNRC Grant - 2004	12,000	11,423	577	12,000
COPS More - 2001	796,500	500,899	179,745	680,644
Bulletproof Vest Partnership - 2004	14,916		14,916	14,916
USDA Investigation Participation - 2005	15,000			
Traffic Enforcement Positions - 2004-07	1,042,680		313,501	313,501
Ticket Today License Delay -2005	5,000		4,408	4,408
Conflict Resolution Workshops at Dudley	7,000			
Fire Capital Equipment	280,000	278,044		278,044
Metro Medical Response System - 2003	880,557	234,169	46,310	280,479
Metro Medical Response System - 2004	400,000		446	446
Structural Collapse Training	120,300	117,212		117,212
Regional Hazmat Response Team - 2003-04	52,000	32,865	11,334	44,199
Regional Hazmat Response Team - 2004-05	57,000		41,998	41,998
Assistance to Firefighters Grant - 2002-03	475,200	474,832		474,832
Assistance to Firefighters Grant - 2003-04	32,092		32,092	32,092
Local Response Grant	90,900	85,743	4,364	90,107
Hazmat Equipment Grant - 2003-04	21,739	451	16,276	16,727
Total Public Safety	<u>6,756,925</u>	<u>2,304,873</u>	<u>1,357,633</u>	<u>3,662,506</u>
Transportation:				
Transportation Planning - 2002-03	606,363	422,385		422,385
Transportation Planning - 2003-04	801,548	486,289		486,289
Transportation Planning - 2004-05	703,481		313,508	313,508
NC Association of Metropolitan Planning	4,000		2,680	2,680
PART Regional Travel Model Services	22,000	20,905		20,905
NCDOT US 29 Corridor	46,156	46,156		46,156
Eckerson US 29 Environmental Study	750,000	26,457	63,772	90,229
Section 5303 Metro Planning - 2002-03	51,350	51,350		51,350
Section 5303 Metro Planning - 2003-04	69,210	30,320	38,890	69,210
Section 5303 Metro Planning - 2004-05	73,120		73,120	73,120
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, 2005

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Expenditures: (Continued)				
Transportation (continued):				
Holden/Market Street Intersection Improvement	\$ 491,158	\$	\$ 491,158	\$ 491,158
Bentley Road Improvement	92,000		92,000	92,000
Hornaday Road Improvement	3,750,000		107,035	107,035
NC 68/Triad Center Drive	263,368	242,106	(31,935)	210,171
NC SE Trail Connector - 2002-03	66,000			
Lee Street Enhancement Grant - 2003-04	200,000		188,542	188,542
Oka T. Hester Park Dam Construction	5,000,000	1,284,157	1,889,600	3,173,757
Total Transportation	<u>13,053,754</u>	<u>2,610,125</u>	<u>3,228,370</u>	<u>5,838,495</u>
Engineering and Inspections:				
16th Street Bridge Replacement	2,476,850	210,620	58,277	268,897
Ballinger Road Bridge Replacement	625,000	66,026		66,026
Clean Water Management	1,020,000	456,711	535,276	991,987
Electronic Waste Recycling 2004-05	14,400		2,752	2,752
Flood Mitigation Grant - 2001-02	20,000			
North Buffalo Water Quality Investigation	87,896	64,802	18,255	83,057
Piedmont Triad Water Quality Yr 1	58,137	58,138	(1)	58,137
Piedmont Triad Water Quality Yr 2	48,488		19,179	19,179
Bioretention Areas Grant	150,000	28,454	112,575	141,029
Total Engineering and Inspections	<u>4,500,771</u>	<u>884,751</u>	<u>746,313</u>	<u>1,631,064</u>
Culture and Recreation:				
Glenwood Resource Center	171,100	96,917	33,332	130,249
LSTA Digitization Starter - 2004-05	7,875		7,650	7,650
TYGR Paws Project - 2003-04	5,500	61	4,806	4,867
TYGR Paws Project - 2004-05	6,000		77	77
Tannenbaum-Sternberger - 2001-02	30,000	16,635	10,895	27,530
Environmental Design Crime Prevention	20,000		18,016	18,016
Greening Greensboro Initiative	30,000		9,891	9,891
Youth Football Program - 2003-04	2,000	1,054	946	2,000
Musep Concert Series Program - 2003-04	20,000	1,050	18,950	20,000
Musep Concert Series Program - 2004-05	21,500			
NCDENR Adopt a Trail - 2004-05	4,000		3,410	3,410
Bicentennial Greenway Trail Program	63,950			
Youth Council Artistry Award	1,550		1,550	1,550
GACVB Carolyn Allen Park Grant	26,000		26,000	26,000
Senior Center Project - 2004-05	7,883		7,883	7,883
Senior Games Project - 2004-05	2,222		2,222	2,222
Youth First Teen Summit - 2004-05	3,500		3,500	3,500
Youth First Teen Summit - 2005-08	3,500			
Total Culture and Recreation	<u>426,580</u>	<u>115,717</u>	<u>149,128</u>	<u>264,845</u>
Community Development and Housing:				
Fair Housing Assistance - 2000-04	491,818	331,644	67,172	398,816
NCHFA/Duke Power Energy Grant - 2001-02	150,000	128,271	14,349	142,620
NCHFA/Duke Power Energy Grant - 2002-03	150,000		39,062	39,062
Lead Paint Grant - 2002-05	3,000,000	2,159,580	819,448	2,979,028
Lead Paint Grant - 2005-08	3,000,000		308,961	308,961
Emergency Shelter Grant	86,218		75,533	75,533
Total Community Development and Housing	<u>6,878,036</u>	<u>2,619,495</u>	<u>1,324,525</u>	<u>3,944,020</u>
Total Expenditures	<u>32,621,786</u>	<u>9,358,341</u>	<u>6,900,668</u>	<u>16,259,009</u>
Excess of Revenues Over (Under) Expenditures	(1,514,791)	390,852	(1,072,762)	(681,910)
Other Financing Sources (Uses):				
Transfers In	1,652,973	1,245,529	219,849	1,465,378
Transfers Out	<u>(138,182)</u>	<u>(138,182)</u>		<u>(138,182)</u>
Total Other Financing Sources (Uses)	<u>1,514,791</u>	<u>1,107,347</u>	<u>219,849</u>	<u>1,327,196</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$</u>	1,498,199	(852,913)	645,286
Fund Balance - July 1			1,498,199	
Fund Balance - June 30		<u>\$ 1,498,199</u>	<u>\$ 645,286</u>	<u>\$ 645,286</u>

Guilford Metro 911 Fund

Schedule of Revenues, Expenditures - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Investment Income	\$	\$	\$ 25,469	\$ 25,469
Miscellaneous:				
Sale of Material			3	3
Other Revenue	380,000		394,294	394,294
Total Miscellaneous	380,000		394,297	394,297
Total Revenues	380,000		419,766	419,766
Expenditures:				
Metro Communications Administration	127,824		130,175	130,175
Communications	3,707,681		3,217,953	3,217,953
911 Wireless	314,625		153,299	153,299
Emergency Management	187,831		141,699	141,699
Total Expenditures	4,337,961		3,643,126	3,643,126
Excess of Revenues Under Expenditures	(3,957,961)		(3,223,360)	(3,223,360)
Other Financing Sources:				
Transfers In	3,957,961		3,957,961	3,957,961
Excess of Revenues and Other Financing Sources Over Expenditures	\$		734,601	734,601
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 734,601	\$ 734,601

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, 2005

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental:			
Local Reimbursements:			
Payment In Lieu of Taxes	\$ 120,000	\$ 107,291	\$ (12,709)
Investment Income	2,419,761	2,810,798	391,037
Miscellaneous:			
Sales and Use Tax Refund		148,972	148,972
Other Revenue	100,000	187,526	87,526
Total Miscellaneous	100,000	336,498	236,498
Appropriated Fund Balance	3,256,800		(3,256,800)
Total Revenues	5,896,561	3,254,587	(2,641,974)
Expenditures:			
Debt Service:			
Principal Retirement	12,758,771	12,758,770	(1)
Interest	6,870,290	5,605,100	(1,265,190)
Fees and Other	883,527	360,224	(523,303)
Total Expenditures	20,512,588	18,724,094	(1,788,494)
Excess of Revenues Under Expenditures	(14,616,027)	(15,469,507)	(853,480)
Other Financing Sources (Uses):			
Debt Issuances:			
Refunding Bonds Issued	30,607,880	30,572,711	(35,169)
Premium on Debt	2,641,815	2,641,815	
Transfers In	14,425,000	14,426,541	1,541
Payment to Escrow Agent for Refunded Debt	(33,058,668)	(33,058,668)	
Total Other Financing Sources (Uses)	14,616,027	14,582,399	(33,628)
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	\$	(887,108)	(887,108)
Fund Balance - July 1		13,917,614	13,917,614
Fund Balance - June 30		\$ 13,030,506	\$ 13,030,506

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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Intergovernmental:				
State Grant	\$ 1,388,000	\$ 565,237	\$ 859,015	\$ 1,424,252
State Reimbursements - Transportation Projects		130,312		130,312
Total Intergovernmental	<u>1,388,000</u>	<u>695,549</u>	<u>859,015</u>	<u>1,554,564</u>
Charges for Current Services:				
Contracted Construction Projects	<u>410,000</u>	<u>80,000</u>		<u>80,000</u>
Appropriated Fund Balance	<u>267,000</u>			
Total Revenues	<u>2,065,000</u>	<u>775,549</u>	<u>859,015</u>	<u>1,634,564</u>
Expenditures:				
Capital Improvements:				
Transportation:				
Transportation Improvements	5,432,537	1,052,604	1,266,929	2,319,533
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	1,335,000	479,587	293,106	772,693
Culture and Recreation:				
Bur-Mil Park Trail Improvements	<u>167,600</u>	<u>167,595</u>		<u>167,595</u>
Total Expenditures	<u>12,542,600</u>	<u>7,293,447</u>	<u>1,560,035</u>	<u>8,853,482</u>
Excess of Revenues Under Expenditures	<u>(10,477,600)</u>	<u>(6,517,898)</u>	<u>(701,020)</u>	<u>(7,218,918)</u>
Other Financing Sources:				
Debt Issuances:				
Capitalized Leases		183,589		183,589
Transfers In	<u>10,477,600</u>	<u>8,577,600</u>	<u>950,000</u>	<u>9,527,600</u>
Total Other Financing Sources	<u>10,477,600</u>	<u>8,761,189</u>	<u>950,000</u>	<u>9,711,189</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	2,243,291	248,980	2,492,271
Fund Balance - July 1			<u>2,243,291</u>	
Fund Balance - June 30		<u>\$ 2,243,291</u>	<u>\$ 2,492,271</u>	<u>\$ 2,492,271</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, 2005

	<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	\$ 94,996	\$ 110,930	\$ 205,926
Sidewalk and Crosswalk Construction	700,000			
Transportation:				
Transportation Improvements	28,908,362	8,553,699	8,208,378	16,762,077
Engineering and Inspections:				
Streets and Structures	4,717,970	4,717,969		4,717,969
Sidewalk and Crosswalk Construction	3,246,617	2,986,071		2,986,071
Bridge Construction and Maintenance	498,521	498,520		498,520
Total Expenditures	<u>38,921,470</u>	<u>16,851,255</u>	<u>8,319,308</u>	<u>25,170,563</u>
Other Financing Sources (Uses):				
Transfers In	39,668,390	30,839,327	5,217,245	36,056,572
Transfers Out	<u>(746,920)</u>	<u>(871,920)</u>		<u>(871,920)</u>
Total Other Financing Sources (Uses)	<u>38,921,470</u>	<u>29,967,407</u>	<u>5,217,245</u>	<u>35,184,652</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	13,116,152	(3,102,063)	10,014,089
Fund Balance - July 1			<u>13,116,152</u>	
Fund Balance - June 30		<u>\$ 13,116,152</u>	<u>\$ 10,014,089</u>	<u>\$ 10,014,089</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Intergovernmental:				
State Grant	\$ 250,000	\$	\$	\$
Miscellaneous:				
Rent		25,000		25,000
Sale of Real Estate	360,000	4,600	360,000	364,600
Donations and Private Contributions	380,977	380,977		380,977
	<u>990,977</u>	<u>410,577</u>	<u>360,000</u>	<u>770,577</u>
Total Revenues				
	<u>990,977</u>	<u>410,577</u>	<u>360,000</u>	<u>770,577</u>
Expenditures:				
Capital Improvements:				
General Government	757,628	737,754	300	738,054
Public Safety	2,007,051	1,582,051	155,212	1,737,263
Culture and Recreation	7,514,843	5,660,691	381,988	6,042,679
	<u>10,279,522</u>	<u>7,980,496</u>	<u>537,500</u>	<u>8,517,996</u>
Total Expenditures				
	<u>10,279,522</u>	<u>7,980,496</u>	<u>537,500</u>	<u>8,517,996</u>
Excess of Revenues Under Expenditures	<u>(9,288,545)</u>	<u>(7,569,919)</u>	<u>(177,500)</u>	<u>(7,747,419)</u>
Other Financing Sources:				
Transfers In	<u>9,288,545</u>	<u>9,023,153</u>	<u>200,000</u>	<u>9,223,153</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	1,453,234	22,500	1,475,734
Fund Balance - July 1			<u>1,453,234</u>	
Fund Balance - June 30		<u>\$ 1,453,234</u>	<u>\$ 1,475,734</u>	<u>\$ 1,475,734</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, 2005

	<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
	<u>1,741,499</u>	<u>2,058,186</u>		<u>2,058,186</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
General Government:				
Public Buildings	2,131,350	2,128,071		2,128,071
Public Safety:				
Opticom System	204,310	204,308		204,308
Transportation:				
Transportation Improvements	1,879,734	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	69,864,382	6,522	69,870,904
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
	<u>92,521,169</u>	<u>91,153,035</u>	<u>6,522</u>	<u>91,159,557</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(90,779,670)</u>	<u>(89,094,849)</u>	<u>(6,522)</u>	<u>(89,101,371)</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)
	<u>90,779,670</u>	<u>90,806,117</u>		<u>90,806,117</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	1,711,268	(6,522)	1,704,746
Fund Balance - July 1			1,711,268	
Fund Balance - June 30		<u>\$ 1,711,268</u>	<u>\$ 1,704,746</u>	<u>\$ 1,704,746</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$	\$ 125,394	\$ 113,335	\$ 238,729
Interest Collected - Rehabilitation Mortgages		2,714	6,614	9,328
Rent	3,293	4,393	8,800	13,193
Sale of Real Estate	555,183	555,183		555,183
Donations & Private Contributions	20,000	20,000		20,000
All Other Revenue	1,060	26,803	3,300	30,103
	<u>579,536</u>	<u>734,487</u>	<u>132,049</u>	<u>866,536</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Neighborhood Renewal	7,864,536	7,587,437	226,668	7,814,105
	<u>7,864,536</u>	<u>7,587,437</u>	<u>226,668</u>	<u>7,814,105</u>
Excess of Revenues Under Expenditures	<u>(7,285,000)</u>	<u>(6,852,950)</u>	<u>(94,619)</u>	<u>(6,947,569)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	7,285,000	7,285,000		7,285,000
	<u>7,285,000</u>	<u>7,285,000</u>		<u>7,285,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	432,050	(94,619)	337,431
Fund Balance - July 1			<u>432,050</u>	
Fund Balance - June 30		<u>\$ 432,050</u>	<u>\$ 337,431</u>	<u>\$ 337,431</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, 2005

	<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	\$ 13,608,731	\$ 249,134	\$ 13,857,865
Fire Station	1,500,000	1,497,690	2,114	1,499,804
Police Department	411,035	410,982	(410,982)	
Technology and Facilities:				
Municipal Buildings	2,000,000	2,630,025	(824,026)	1,805,999
Medford Center Improvements	4,374,965	146,201	2,059,937	2,206,138
Total Expenditures	<u>22,786,000</u>	<u>18,293,629</u>	<u>1,076,177</u>	<u>19,369,806</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>22,000,000</u>	<u>784,459</u>	<u>22,784,459</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	3,706,371	(291,718)	3,414,653
Fund Balance - July 1			<u>3,706,371</u>	
Fund Balance - June 30		<u>\$ 3,706,371</u>	<u>\$ 3,414,653</u>	<u>\$ 3,414,653</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, 2005

	<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	\$ 2,149,649	\$ 4,760	\$ 2,154,409
Greensboro Housing Authority Projects	1,500,000	1,500,000		1,500,000
	<u>3,656,966</u>	<u>3,649,649</u>	<u>4,760</u>	<u>3,654,409</u>
Other Financing Sources (Uses):				
Debt Issuances:				
General Obligation Bonds Issued	3,700,000	3,700,000		3,700,000
Transfers Out	(43,034)	(43,033)		(43,033)
	<u>3,656,966</u>	<u>3,656,967</u>		<u>3,656,967</u>
Excess of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>\$</u>	7,318	(4,760)	2,558
Fund Balance - July 1			<u>7,318</u>	
Fund Balance - June 30		<u>\$ 7,318</u>	<u>\$ 2,558</u>	<u>\$ 2,558</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, 2005

	<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	\$ 101,500
Interest Collected - Rehabilitation Mortgages			754	754
			<u>102,254</u>	<u>102,254</u>
Total Revenues				
Expenditures:				
Capital Improvements:				
Community Development and Housing:				
Single Family Housing Program	3,025,000	2,891,640	76,782	2,968,422
Multi-family Housing Program	2,275,000	2,283,983	200,789	2,484,772
Neighborhood Renewal	1,000,000	785,377	32,972	818,349
			<u>310,543</u>	<u>6,271,543</u>
Total Expenditures	<u>6,300,000</u>	<u>5,961,000</u>		<u>6,271,543</u>
Excess of Revenues Under Expenditures	<u>(6,300,000)</u>	<u>(5,961,000)</u>	<u>(208,289)</u>	<u>(6,169,289)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	6,300,000	6,300,000		6,300,000
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	339,000	(208,289)	130,711
Fund Balance - July 1			<u>339,000</u>	
Fund Balance - June 30		<u>\$ 339,000</u>	<u>\$ 130,711</u>	<u>\$ 130,711</u>

Street Improvement 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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Miscellaneous:	\$	\$	\$ 84,000	\$ 84,000
Expenditures:				
Capital Improvements:				
Engineering and Inspections:				
Issuance Costs	392,975	198,621	43,923	242,544
Resurfacing and Signal Replacement	5,950,000	125,884	310,072	435,956
Roadway Improvements	46,107,025	1,626,436	2,682,504	4,308,940
Sidewalk and Bikeways Projects	5,300,000	297,279	190,180	487,459
Streetscape Projects	14,000,000	3,866,517	3,881,112	7,747,629
Total Expenditures	71,750,000	6,114,737	7,107,791	13,222,528
Excess of Revenues Under Expenditures	(71,750,000)	(6,114,737)	(7,023,791)	(13,138,528)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	71,750,000	17,330,000		17,330,000
Premium on Debt		65,914	(65,914)	
Total Other Financing Sources	71,750,000	17,395,914	(65,914)	17,330,000
Excess of Other Financing Sources Over (Under) Expenditures	\$	11,281,177	(7,089,705)	4,191,472
Fund Balance - July 1			11,281,177	
Fund Balance - June 30		\$ 11,281,177	\$ 4,191,472	\$ 4,191,472

Parks and Recreation 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, 2005

	<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
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
ADA Compliance for Park Restrooms	1,427,550	4,342	18,284	22,626
Barber Park Recreation Center	2,749,720		28	28
Barber Park Tennis Pavilion Roof	2,936,446	2,733,457	197,786	2,931,243
Carolyn Allen Community Park	3,177,670	3,144,762	27,184	3,171,946
Facility Floors and Bleacher Replacement	1,093,000			
HVAC Installation in Recreation Centers	706,174	704,877		704,877
Keeley Park	6,790,198			
Lake Facility Improvements	163,000	14,500	144,053	158,553
Playground Equipment and Bleachers	1,573,000	421,817	127,273	549,090
Southwest Greensboro Recreation Center	5,775,696		1,592,408	1,592,408
Northwest Walking Trail	397,867	384,629		384,629
Northeast Sports Center	6,050,027	6,050,027		6,050,027
Barber Park Master Plan	65,000	65,000		65,000
Gateway Garden Project	1,500,000			
General Administration - Parks and Recreation	244,652	118,749	19,132	137,881
Total Expenditures	34,650,000	13,642,160	2,126,148	15,768,308
Excess of Revenues Under Expenditures	(34,200,000)	(13,192,160)	(2,126,148)	(15,318,308)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	34,200,000	16,600,000	4,500,000	21,100,000
Premium on Debt		53,914	(53,914)	
Total Other Financing Sources	34,200,000	16,653,914	4,446,086	21,100,000
Excess of Revenues and Other Financing Sources Over Expenditures	\$	3,461,754	2,319,938	5,781,692
Fund Balance - July 1			3,461,754	
Fund Balance - June 30		\$ 3,461,754	\$ 5,781,692	\$ 5,781,692

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, 2005

	<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	2,027,300	1,271,363	391,020	1,662,383
Grandover Fire Station	923	188		188
Horsepen Creek Fire Station	2,300,000	3,192	228,681	231,873
Lake Jeanette Fire Station	2,534,799	2,494,160	38,694	2,532,854
Orchard Fire Station	2,586,009		604,959	604,959
Willow Road Fire Station	222,700		222,648	222,648
Total Expenditures	<u>9,671,731</u>	<u>3,768,903</u>	<u>1,486,002</u>	<u>5,254,905</u>
Excess of Revenues Under Expenditures	<u>(9,550,000)</u>	<u>(3,647,172)</u>	<u>(1,486,002)</u>	<u>(5,133,174)</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	9,550,000	5,170,000	4,380,000	9,550,000
Premium on Debt		26,421	(26,421)	
Total Other Financing Sources	<u>9,550,000</u>	<u>5,196,421</u>	<u>4,353,579</u>	<u>9,550,000</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	1,549,249	2,867,577	4,416,826
Fund Balance - July 1			1,549,249	
Fund Balance - June 30		<u>\$ 1,549,249</u>	<u>\$ 4,416,826</u>	<u>\$ 4,416,826</u>

Public Transportation Bond Fund - Series 2003 and 2005

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2005

	<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	\$ 406,832	\$ 87,891	\$ 494,723
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	2,000,000	500,000	500,000	1,000,000
Premium on Debt		1,624	(1,624)	
Total Other Financing Sources	2,000,000	501,624	498,376	1,000,000
Excess of Other Financing Sources Over Expenditures	<u>\$</u>	94,792	410,485	505,277
Fund Balance - July 1			94,792	
Fund Balance - June 30		<u>\$ 94,792</u>	<u>\$ 505,277</u>	<u>\$ 505,277</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, 2005

	<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	\$ 14,886
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	3,500,000		3,500,000	3,500,000
Excess of Other Financing Sources				
Over Expenditures	\$		3,485,114	3,485,114
Fund Balance - July 1				
Fund Balance - June 30		\$	\$ 3,485,114	\$ 3,485,114

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, 2005

	<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	\$ 1,530,281	\$ 1,139,135	\$ 2,669,416
Police Building - Western District	<u>4,029,453</u>	<u>3,618,113</u>	<u>410,981</u>	<u>4,029,094</u>
Total Expenditures	<u>7,080,000</u>	<u>5,148,394</u>	<u>1,550,116</u>	<u>6,698,510</u>
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	7,080,000	7,080,000		7,080,000
Premium on Debt		<u>32,625</u>	<u>(32,625)</u>	
Total Other Financing Sources	<u>7,080,000</u>	<u>7,112,625</u>	<u>(32,625)</u>	<u>7,080,000</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	1,964,231	(1,582,741)	381,490
Fund Balance - July 1			<u>1,964,231</u>	
Fund Balance - June 30		<u>\$ 1,964,231</u>	<u>\$ 381,490</u>	<u>\$ 381,490</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Miscellaneous:				
Donations and Private Contributions	\$ 603,022	\$ 405,238	\$ 181,354	\$ 586,592
Expenditures:				
Capital Improvements:				
Culture and Recreation:				
Hemphill Square Branch	2,975,340	2,106,867	871,313	2,978,180
Edwards Family Branch	2,792,912	2,032,402	754,915	2,787,317
Lake Jeanette Branch	74,770	74,768		74,768
Total Expenditures	5,843,022	4,214,037	1,626,228	5,840,265
Excess of Revenues Under Expenditures	(5,240,000)	(3,808,799)	(1,444,874)	(5,253,673)
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	5,020,000	3,320,000	1,700,000	5,020,000
Premium on Debt		13,993		13,993
Transfers In	220,000		220,000	220,000
Total Other Financing Sources	5,240,000	3,333,993	1,920,000	5,253,993
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$	(474,806)	475,126	320
Fund Balance - July 1			(474,806)	
Fund Balance - June 30		\$ (474,806)	\$ 320	\$ 320

Neighborhood Redevelopment Bond Fund - Series 2005

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Project Inception and For the Fiscal Year Ended June 30, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital Improvements:				
Community Development and Housing	\$ 2,800,000	\$ _____	\$ 220,812	\$ 220,812
Other Financing Sources:				
Debt Issuances:				
General Obligation Bonds Issued	2,800,000	_____	_____	_____
Excess of Other Financing Sources				
Under Expenditures	<u>\$</u>		(220,812)	(220,812)
Fund Balance - July 1		_____	_____	_____
Fund Balance - June 30		<u>\$</u>	<u>\$ (220,812)</u>	<u>\$ (220,812)</u>

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, 2005

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 59,314,250	\$ 61,309,316	\$ 1,995,066
Other Operating Revenues	873,040	1,407,438	534,398
Total Operating Revenues	<u>60,187,290</u>	<u>62,716,754</u>	<u>2,529,464</u>
Operating Expenses:			
Personal Services	12,071,483	11,540,473	(531,010)
Fringe Benefits	3,957,907	3,844,037	(113,870)
Maintenance and Operations	26,272,005	22,153,416	(4,118,589)
Capital Outlay	2,371,430	563,362	(1,808,068)
Total Operating Expenses	<u>44,672,825</u>	<u>38,101,288</u>	<u>(6,571,537)</u>
Operating Income	<u>15,514,465</u>	<u>24,615,466</u>	<u>9,101,001</u>
Nonoperating Revenues:			
Investment Income	431,054	1,065,055	634,001
Net Income from Joint Venture		832,030	832,030
Miscellaneous Nonoperating Revenue	5,464,257	5,455,342	(8,915)
Total Nonoperating Revenues	<u>5,895,311</u>	<u>7,352,427</u>	<u>1,457,116</u>
Nonoperating Expenses:			
Principal Maturities	6,521,351	6,519,860	(1,491)
Interest Expense	7,980,355	6,904,737	(1,075,618)
Amortization of Underwriters' Expense		150,541	150,541
Miscellaneous Nonoperating Expense	501,195	554,309	53,114
Total Nonoperating Expenses	<u>15,002,901</u>	<u>14,129,447</u>	<u>(873,454)</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	<u>6,406,875</u>	<u>17,838,446</u>	<u>11,431,571</u>
Capital Contributions		<u>6,027,748</u>	<u>6,027,748</u>
Other Financing Sources (Uses):			
Debt Issuances:			
Other Financing Agreements - Watershed		26,509	26,509
General Obligation Bonds Issued - Refunding	682,120	717,289	35,169
Revenue Bonds Issued - Refunding	31,070,000	31,070,000	
Premium on Bonds Issued	680,275	680,275	
Payment to Escrow Agent for Refunding of Debt	(32,428,140)	(32,428,140)	
Transfers Out	(9,921,086)	(9,921,086)	
Total Other Financing Sources (Uses)	<u>(9,916,831)</u>	<u>(9,855,153)</u>	<u>61,678</u>
Excess of Revenues, Contributions and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(3,509,956)</u>	<u>14,011,041</u>	<u>17,520,997</u>
Appropriated Fund Balance	<u>3,509,956</u>		<u>(3,509,956)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 14,011,041</u>	<u>\$ 14,011,041</u>

Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 70,069,181
Total Expenses	<u>52,230,735</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	17,838,446
Adjustment to Full Accrual Basis:	
Depreciation	(11,213,421)
Principal Maturities	6,519,860
Capital Outlay	563,362
Capital Project Expenses	(2,906,856)
Capital Project Cost Sharing and Other Reimbursements	3,070,114
Loss on Disposal of Capital Assets	<u>(14,465)</u>
Income Before Contributions and Transfers	<u>\$ 13,857,040</u>

Water Resources Bond Fund - Series 2001

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
From Project Inception and For the Year Ended June 30, 2005

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Expenses:				
Capital Improvements:				
Steveco Building	\$ 1,672,300	\$ 1,584,299	\$ 74,615	\$ 1,658,914
Lake Daniel Reservoir	3,224,340	3,224,704		3,224,704
Osborne Treatment Plant	20,167,118	20,228,270	(1,587,617)	18,640,653
North Buffalo Plant	1,250,995	1,236,488	14,500	1,250,988
South Buffalo Extension	2,142,941	2,142,677		2,142,677
Reedy Fork Pumping and Lift Station	1,041,523	1,033,513		1,033,513
Bledsoe Drive Pumping Station	905,579	905,578		905,578
Peach Orchard Pumping Station	895,000	853,698	40,246	893,944
Randleman Feeder Main/Engineering	22,000	22,000		22,000
Northside Feeder Main	331,192	331,191		331,191
Guilford College Water Line Relocation	43,000			
Lake Brandt Dam Repair	1,288,975	1,288,975		1,288,975
Mitchell Water Plant	502,325	498,800		498,800
Mitchell Sediment Basin Improvements	2,670,145	2,670,140		2,670,140
Mitchell Pumping Station Drive	420,000	381,290	12,315	393,605
Mitchell Filter Rehabilitation	1,735,128	1,725,606	7,054	1,732,660
Randleman Water Supply			1,694,187	1,694,187
Reidsville Improvements	303,835	281,698		281,698
Burlington Water Interconnection	300,000	170,300		170,300
Muddy Branch Sewer Rehabilitation	1,340,428	1,340,425		1,340,425
Lawndale Lift Station	1,211,700	1,185,368		1,185,368
Townsend Plant Sediment Basin Improvements	1,784,000	1,776,727		1,776,727
Total Capital Improvements	<u>43,252,524</u>	<u>42,881,747</u>	<u>255,300</u>	<u>43,137,047</u>
Nonoperating Expenses:				
Interest Expense	2,100,000	2,318,574		2,318,574
Bond Issue Expense	800,000	566,698	(72,925)	493,773
Miscellaneous Bond Expenses	50,000	190,838	62,290	253,128
Total Expenses	<u>46,202,524</u>	<u>45,957,857</u>	<u>244,665</u>	<u>46,202,522</u>
Nonoperating Revenues:				
Investment Income	462,524	1,013,209	(586,187)	427,022
Cost Sharing Reimbursements		35,500		35,500
Total Nonoperating Revenues	<u>462,524</u>	<u>1,048,709</u>	<u>(586,187)</u>	<u>462,522</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(45,740,000)	(44,909,148)	(830,852)	(45,740,000)
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	<u>45,740,000</u>	<u>45,740,000</u>		<u>45,740,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 830,852</u>	<u>\$ (830,852)</u>	<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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Expenses:				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 344,650	\$ 344,650	\$	\$ 344,650
Water Resources Operations Center	7,495,962	3,902,291	3,479,096	7,381,387
Water Supply	7,349,108	4,245,294	3,017,874	7,263,168
Water Treatment Plants	1,372,605	277,942	1,000,603	1,278,545
Sewer Pumping Stations	14,709,584	9,462,528	4,703,665	14,166,193
North Buffalo Pilot Facility	38,601	38,600		38,600
Osborne Treatment Plant	1,504,718	1,127,576	398,325	1,525,901
Haw River Project	7,823,573	7,798,023	25,550	7,823,573
Sewer Mains	4,876,225	4,168,350	187,992	4,356,342
Total Capital Improvements	<u>45,515,026</u>	<u>31,365,254</u>	<u>12,813,105</u>	<u>44,178,359</u>
Nonoperating Expenses:				
Interest Expense	1,895,086	1,155,086	740,000	1,895,086
Bond Issue Expense	589,888	589,888		589,888
Total Expenses	<u>48,000,000</u>	<u>33,110,228</u>	<u>13,553,105</u>	<u>46,663,333</u>
Nonoperating Revenues:				
Investment Income	1,000,000	249,867	204,448	454,315
Miscellaneous Nonoperating Revenue		2,904,000		2,904,000
Total Revenues	<u>1,000,000</u>	<u>3,153,867</u>	<u>204,448</u>	<u>3,358,315</u>
Excess of Revenues Under Expenses				
Before Other Financing Sources	(47,000,000)	(29,956,361)	(13,348,657)	(43,305,018)
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	<u>47,000,000</u>	<u>43,435,000</u>		<u>43,435,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 13,478,639</u>	<u>\$ (13,348,657)</u>	<u>\$ 129,982</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 3,970,000	\$ 448,254	\$ 540,070	\$ 988,324
Water Mains ,Tanks and Supply	7,648,000	58,122	2,112,611	2,170,733
Water Treatment Plants	8,965,000		962,294	962,294
Sewer Pumping Stations	7,000,000		4,495,276	4,495,276
Osborne Treatment Plant	4,125,705		1,596,705	1,596,705
Sewer Mains	18,291,295		2,223,083	2,223,083
Total Capital Improvements	<u>50,000,000</u>	<u>506,376</u>	<u>11,930,039</u>	<u>12,436,415</u>
Nonoperating Expenses:				
Interest Expense	2,300,000			
Bond Issue Expense	700,000		477,365	477,365
Miscellaneous Bond Expenses			44	44
Total Expenses	<u>53,000,000</u>	<u>506,376</u>	<u>12,407,448</u>	<u>12,913,824</u>
Nonoperating Revenues:				
Investment Income	<u>1,000,000</u>		<u>20,828</u>	<u>20,828</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(52,000,000)	(506,376)	(12,386,620)	(12,892,996)
Other Financing Sources:				
Debt Issuances:				
Revenue Bonds Issued	<u>52,000,000</u>		<u>40,860,000</u>	<u>40,860,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ (506,376)</u>	<u>\$ 28,473,380</u>	<u>\$ 27,967,004</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Guilford County Construction:				
Reimbursements	\$ 2,867,883	\$ 518,386	\$ 869,974	\$ 1,388,360
Miscellaneous Nonoperating Revenue			1,314	1,314
Total Revenues	<u>2,867,883</u>	<u>518,386</u>	<u>871,288</u>	<u>1,389,674</u>
Expenses:				
Capital Improvements:				
Sumner Elementary School	433,352	412,389	17,112	429,501
Bishop Road Sewer Outfall	530,248	44,147	472,157	516,304
Waldenbrook Water Line	158,928	71,235	84,529	155,764
Twillia Acres Water and Sewer Project	890,040	6,552	12,791	19,343
Sedgefield Water Line	411,120			
Northeast High School Sewer Project	444,195		302,628	302,628
Total Expenses	<u>2,867,883</u>	<u>534,323</u>	<u>889,217</u>	<u>1,423,540</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (15,937)</u>	<u>\$ (17,929)</u>	<u>\$ (33,866)</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Expenses:				
Capital Improvements:				
Winston-Salem Water Line Project	\$ 264,307	\$ 264,307	\$	\$ 264,307
Water Line and Tank Construction	7,152,294	3,077,875	1,644,105	4,721,980
Randleman Dam Project	39,112,761	39,112,761		39,112,761
Osborne Improvements	4,202,675	3,645,483		3,645,483
Chloramine Conversion Project	2,797,000			
Automated Meter Reading Project	2,447,257			
Sewer Line Construction	15,161,515	10,323,971	2,277,251	12,601,222
Haw River Project	11,000,000	7,764,252	58,753	7,823,005
Billing Software Upgrade	3,000,000	1,645,196	1,251,835	2,897,031
Total Capital Improvements	<u>85,137,809</u>	<u>65,833,845</u>	<u>5,231,944</u>	<u>71,065,789</u>
Other Operating Revenues:				
Cost Sharing Reimbursements	275,000	31,576		31,576
Sales Tax Refund		2,043,774		2,043,774
Total Other Operating Revenues	<u>275,000</u>	<u>2,075,350</u>		<u>2,075,350</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(84,862,809)</u>	<u>(63,758,495)</u>	<u>(5,231,944)</u>	<u>(68,990,439)</u>
Other Financing Sources:				
Transfers from Water Resources:				
Capital Reserve Fund	48,919,863	46,419,863		46,419,863
Water Resources Operating Fund	27,285,271	19,050,000	9,735,271	28,785,271
Debt Issuances:				
Federal Loan Program	4,202,675	3,844,955	(28,906)	3,816,049
Total Other Financing Sources	<u>80,407,809</u>	<u>69,314,818</u>	<u>9,706,365</u>	<u>79,021,183</u>
Appropriated Fund Balance	<u>4,455,000</u>			
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 5,556,323</u>	<u>\$ 4,474,421</u>	<u>\$ 10,030,744</u>

Stormwater Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 7,920,522	\$ 8,369,025	\$ 448,503
Other Operating Revenues	11,500	19,460	7,960
Total Operating Revenues	<u>7,932,022</u>	<u>8,388,485</u>	<u>456,463</u>
Operating Expenses:			
Personal Services	2,627,570	2,442,637	(184,933)
Fringe Benefits	938,631	862,500	(76,131)
Maintenance and Operations	3,660,584	3,078,169	(582,415)
Capital Outlay	6,067	5,680	(387)
Total Operating Expenses	<u>7,232,852</u>	<u>6,388,986</u>	<u>(843,866)</u>
Operating Income	<u>699,170</u>	<u>1,999,499</u>	<u>1,300,329</u>
Nonoperating Revenues:			
Investment Income	150,000	155,235	5,235
Miscellaneous Nonoperating Revenue	3,000		(3,000)
Total Nonoperating Revenues	<u>153,000</u>	<u>155,235</u>	<u>2,235</u>
Excess of Revenues Over Expenses Before Other Financing Uses	<u>852,170</u>	<u>2,154,734</u>	<u>1,302,564</u>
Capital Contributions		<u>507,642</u>	<u>507,642</u>
Other Financing Uses:			
Transfers Out	<u>(2,943,204)</u>	<u>(2,943,204)</u>	
Excess of Revenues Under Expenses and Other Financing Uses	(2,091,034)	(280,828)	1,810,206
Appropriated Fund Balance	<u>2,091,034</u>		<u>(2,091,034)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (280,828)</u>	<u>\$ (280,828)</u>

Stormwater Management Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 8,543,720
Total Expenses	<u>6,388,986</u>
Excess of Revenues Over Expenses Before	
Contributions and Other Financing Sources (Uses)	2,154,734
Adjustment to Full Accrual Basis:	
Depreciation	(1,654,593)
Capital Outlay	5,680
Net Capital Project Expenses	<u>(507,029)</u>
Loss Before Contributions and Transfers	<u><u>\$ (1,208)</u></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, 2005

	<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	\$ 7,385,497	\$ 2,832,555	\$ 1,289,968	\$ 4,122,523
Other Financing Sources(Uses):				
Transfers In	7,685,497	4,839,793	2,845,704	7,685,497
Transfers Out	(300,000)	(300,000)		(300,000)
Total Other Financing Sources (Uses)	7,385,497	4,539,793	2,845,704	7,385,497
Excess of Other Financing Sources Over Expenses and Other Financing Uses	\$	\$ 1,707,238	\$ 1,555,736	\$ 3,262,974

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June, 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 8,589,300	\$ 7,621,544	\$ (967,756)
Other Operating Revenues	205,000	226,675	21,675
Total Operating Revenues	<u>8,794,300</u>	<u>7,848,219</u>	<u>(946,081)</u>
Operating Expenses:			
Personal Services	3,781,655	3,306,756	(474,899)
Fringe Benefits	929,531	841,762	(87,769)
Maintenance and Operations	5,812,780	5,486,696	(326,084)
Total Operating Expenses	<u>10,523,966</u>	<u>9,635,214</u>	<u>(888,752)</u>
Operating Loss	<u>(1,729,666)</u>	<u>(1,786,995)</u>	<u>(57,329)</u>
Nonoperating Revenues:			
Investment Income	20,000	35,905	15,905
Miscellaneous Nonoperating Revenue	<u>20,000</u>	<u>8,950</u>	<u>8,950</u>
Total Nonoperating Revenues	<u>20,000</u>	<u>44,855</u>	<u>24,855</u>
Nonoperating Expenses:			
Principal Maturities	100,000	90,000	(10,000)
Interest Expense	12,000	16,556	4,556
Miscellaneous Nonoperating Expense	5,000	19,242	14,242
Total Nonoperating Expenses	<u>117,000</u>	<u>125,798</u>	<u>8,798</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(1,826,666)</u>	<u>(1,867,938)</u>	<u>(41,272)</u>
Other Financing Sources (Uses):			
Transfers In	2,005,000	2,005,000	
Transfers Out	<u>(205,000)</u>	<u>(205,000)</u>	
Total Other Financing Sources (Uses)	<u>1,800,000</u>	<u>1,800,000</u>	
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	(26,666)	(67,938)	(41,272)
Appropriated Fund Balance	<u>26,666</u>		<u>(26,666)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses Over Expenses	<u>\$</u>	<u>\$ (67,938)</u>	<u>\$ (67,938)</u>

War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 7,893,074
Total Expenses	<u>9,761,012</u>
Excess of Revenues Under Expenses	
Before Other Financing Sources	(1,867,938)
Adjustment to Full Accrual Basis:	
Depreciation	(2,076,124)
Principal Maturities	90,000
Compensated Absences	13,770
Amortization of Bond Discount	(671)
Net Capital Project Revenues	<u>1,328,214</u>
Loss Before Transfers	<u>\$ (2,512,749)</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Revenues:				
Donations and Contributions	\$ 1,493,600	\$ 1,000,000	\$ 1,500,000	\$ 2,500,000
Investment Income		5,950	22,799	28,749
Total Revenues	<u>1,493,600</u>	<u>1,005,950</u>	<u>1,522,799</u>	<u>2,528,749</u>
Expenses:				
Capital Improvements:				
Coliseum Complex Improvements	<u>625,600</u>	<u>336,929</u>	<u>202,794</u>	<u>539,723</u>
Excess of Revenues Over Expenses Before Other Financing Uses	868,000	669,021	1,320,005	1,989,026
Other Financing Uses:				
Transfers Out:				
Coliseum Operating Fund	<u>(868,000)</u>	<u>(663,000)</u>	<u>(205,000)</u>	<u>(868,000)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 6,021</u>	<u>\$ 1,115,005</u>	<u>\$ 1,121,026</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 1,995,155	\$ 1,878,684	\$ (116,471)
Other Operating Revenues	3,800	580	(3,220)
Total Operating Revenues	<u>1,998,955</u>	<u>1,879,264</u>	<u>(119,691)</u>
Operating Expenses:			
Personal Services	338,361	335,371	(2,990)
Fringe Benefits	104,463	109,160	4,697
Maintenance and Operations	685,981	477,069	(208,912)
Capital Outlay	345,223	244,140	(101,083)
Total Operating Expenses	<u>1,474,028</u>	<u>1,165,740</u>	<u>(308,288)</u>
Operating Income	<u>524,927</u>	<u>713,524</u>	<u>188,597</u>
Nonoperating Revenues:			
Investment Income	<u>24,700</u>	<u>13,696</u>	<u>(11,004)</u>
Nonoperating Expenses:			
Principal Maturities	1,941,005	1,941,000	(5)
Interest Expense	277,090	269,671	(7,419)
Amortization of Underwriters' Expense		21,657	21,657
Miscellaneous Nonoperating Expense		15,883	15,883
Total Nonoperating Expenses	<u>2,218,095</u>	<u>2,248,211</u>	<u>30,116</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(1,668,468)</u>	<u>(1,520,991)</u>	<u>147,477</u>
Other Financing Sources (Uses):			
Transfers In	1,593,979	1,593,979	
Transfers Out	(367,584)	(367,584)	
Total Other Financing Sources (Uses)	<u>1,226,395</u>	<u>1,226,395</u>	
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>(442,073)</u>	<u>(294,596)</u>	<u>147,477</u>
Appropriated Fund Balance	<u>442,073</u>		<u>(442,073)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (294,596)</u>	<u>\$ (294,596)</u>

Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,892,960
Total Expenses	<u>3,413,951</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	(1,520,991)
Adjustment to Full Accrual Basis:	
Depreciation	(542,664)
Principal Maturities	1,941,000
Capital Outlay	244,140
Trustee Debt Service Escrow Account	(259,992)
Loss Before Transfers	<u>\$ (138,507)</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 12,866,912	\$ 10,316,091	\$ (2,550,821)
Other Operating Revenues	773,500	1,109,501	336,001
Total Operating Revenues	<u>13,640,412</u>	<u>11,425,592</u>	<u>(2,214,820)</u>
Operating Expenses:			
Personal Services	5,776,493	5,319,421	(457,072)
Fringe Benefits	1,944,189	1,888,225	(55,964)
Maintenance and Operations	18,121,572	13,320,915	(4,800,657)
Capital Outlay	94,276	4,276	(90,000)
Total Operating Expenses	<u>25,936,530</u>	<u>20,532,837</u>	<u>(5,403,693)</u>
Operating Loss	<u>(12,296,118)</u>	<u>(9,107,245)</u>	<u>3,188,873</u>
Nonoperating Revenues:			
Investment Income	300,000	424,118	124,118
Miscellaneous Nonoperating Revenue	-	1,121	1,121
Total Nonoperating Revenues	<u>300,000</u>	<u>425,239</u>	<u>125,239</u>
Nonoperating Expenses:			
Principal Maturities	1,590,000	1,040,000	(550,000)
Interest Expense	578,880	588,403	9,523
Miscellaneous Nonoperating Expense	3,000	2,580	(420)
Total Nonoperating Expenses	<u>2,171,880</u>	<u>1,630,983</u>	<u>(540,897)</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(14,167,998)</u>	<u>(10,312,989)</u>	<u>3,855,009</u>
Other Financing Sources (Uses):			
Transfers In	10,373,045	10,373,045	
Transfers Out	(721,175)	(721,175)	
Total Other Financing Sources (Uses)	<u>9,651,870</u>	<u>9,651,870</u>	
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>(4,516,128)</u>	<u>(661,119)</u>	<u>3,855,009</u>
Appropriated Fund Balance	<u>4,516,128</u>		<u>(4,516,128)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (661,119)</u>	<u>\$ (661,119)</u>

Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis	
to Full Accrual Basis:	
Total Revenues	\$ 11,850,831
Total Expenses	<u>22,163,820</u>
Excess of Revenues Under Expenses	
Before Other Financing Sources	(10,312,989)
Adjustment to Full Accrual Basis:	
Depreciation	(988,753)
Capital Outlay	4,276
Principal Maturities	1,040,000
Net Nonoperating Expenses - Landfill Expansion Project Fund	<u>(23,374)</u>
Loss Before Transfers	<u>\$ (10,280,840)</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, 2005

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Expenses:				
Capital Improvements:				
Miscellaneous Capital Projects	\$ 2,193,780	\$	\$ 92,997	\$ 92,997
Landfill Expansion - Cell 2 and 3	381,220	528,809		528,809
Solid Waste Transfer Station	843,825	843,685		843,685
Total Expenses	<u>3,418,825</u>	<u>1,372,494</u>	<u>92,997</u>	<u>1,465,491</u>
Nonoperating Revenues:				
Investment Income		40,971	6,601	47,572
Excess of Revenues Under Expenses Before Other Financing Sources	(3,418,825)	(1,331,523)	(86,396)	(1,417,919)
Other Financing Sources:				
Transfers In		3,418,825		3,418,825
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$ (3,418,825)</u>	<u>\$ 2,087,302</u>	<u>\$ (86,396)</u>	<u>\$ 2,000,906</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, 2005

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenses:				
Capital Improvements:				
Solid Waste Transfer Station	\$ 7,050,000	\$	\$ 293,000	\$ 293,000
Nonoperating Expenses:				
Interest Expense	350,000			
Bond Issue Expense	250,000			
Total Expenses	<u>7,650,000</u>		<u>293,000</u>	<u>293,000</u>
Nonoperating Revenues:				
Investment Income	<u>350,000</u>			
Excess of Revenues Under Expenses Before Other Financing Sources	(7,300,000)		(293,000)	(293,000)
Other Financing Sources:				
Debt Issuances:				
Special Obligation Bonds Issued	<u>7,300,000</u>			
Excess of Revenues and Other Financing Sources Under Expenses	<u>\$</u>	<u>\$</u>	<u>\$ (293,000)</u>	<u>\$ (293,000)</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.

City/County 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, 2005

ASSETS	Equipment Services	Technical Services	City/County Telecommunications	Graphic Services	Employee Insurance
Current Assets:					
Cash and Cash Equivalents/Investments	\$ 6,266,830	\$ 4,035,136	\$ 1,169,980	\$ 29,867	\$ 14,965,911
Receivables (Net):					
Intergovernmental	297,015	21,307	3,576	48,303	1,782
Interest	30,856	22,283	5,734		86,721
Inventories	604,052		35,374	41,250	
Miscellaneous	39,455	45,197			
Total Current Assets	<u>7,238,208</u>	<u>4,123,923</u>	<u>1,214,664</u>	<u>119,420</u>	<u>15,054,414</u>
Noncurrent Assets:					
Restricted:					
Cash and Cash Equivalents/Investments					
Self-Funded Retention Deposits					1,140,829
Capital Assets:					
Non-Depreciable:					
Land					
Construction in Progress	268,634				
Depreciable:					
Land Improvements	73,528				
Buildings	252,294	173,863			
Improvements Other than Buildings		11,108			
Furniture, Fixtures, Machinery and Equipment	55,118,881	7,656,575	2,351,652	33,578	
Less Accumulated Depreciation	<u>(39,405,364)</u>	<u>(4,206,905)</u>	<u>(1,793,470)</u>	<u>(10,748)</u>	
Total Noncurrent Assets	<u>16,307,973</u>	<u>3,634,641</u>	<u>558,182</u>	<u>22,830</u>	<u>1,140,829</u>
Total Assets	<u>23,546,181</u>	<u>7,758,564</u>	<u>1,772,846</u>	<u>142,250</u>	<u>16,195,243</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	156,428	51,441	17,834	329	6,212,553
General Obligation Bonds Payable		244,622			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Customer Deposits Payable					
Compensated Absences	138,102	35,170	9,640	24,587	
Total Current Liabilities	<u>294,530</u>	<u>331,233</u>	<u>27,474</u>	<u>24,916</u>	<u>6,212,553</u>
Noncurrent Liabilities:					
General Obligation Bonds Payable		4,812,391			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Compensated Absences	52,794	52,275	15,108		
Total Noncurrent Liabilities	<u>52,794</u>	<u>4,864,666</u>	<u>15,108</u>		
Total Liabilities	<u>347,324</u>	<u>5,195,899</u>	<u>42,582</u>	<u>24,916</u>	<u>6,212,553</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	16,307,973	(1,422,372)	558,182	22,830	
Restricted					1,140,829
Unrestricted	6,890,884	3,985,037	1,172,082	94,504	8,841,861
Total Net Assets	<u>\$ 23,198,857</u>	<u>\$ 2,562,665</u>	<u>\$ 1,730,264</u>	<u>\$ 117,334</u>	<u>\$ 9,982,690</u>

General Insurance	Capital Leasing	Totals
\$ 7,893,644	\$ 6,836,983	\$ 41,198,351
	23,533	395,516
45,117	23,706	214,417
		680,676
	103,950	188,602
<u>7,938,761</u>	<u>6,988,172</u>	<u>42,677,562</u>
	1,339,336	1,339,336
10,917,685		12,058,514
	1,660,541	1,660,541
	2,173,719	2,442,353
	749,902	823,430
	1,092,388	1,518,545
		11,108
	29,702,771	94,863,457
	(17,723,399)	(63,139,886)
<u>10,917,685</u>	<u>18,995,258</u>	<u>51,577,398</u>
<u>18,856,446</u>	<u>25,983,430</u>	<u>94,254,960</u>
	59,255	7,742,586
1,244,746		244,622
	521,975	521,975
	3,500,000	3,500,000
31,612		31,612
		207,499
<u>1,276,358</u>	<u>4,081,230</u>	<u>12,248,294</u>
		4,812,391
	93,262	93,262
	10,500,000	10,500,000
		120,177
	<u>10,593,262</u>	<u>15,525,830</u>
<u>1,276,358</u>	<u>14,674,492</u>	<u>27,774,124</u>
	4,380,021	19,846,634
10,917,685		12,058,514
6,662,403	6,928,917	34,575,688
<u>\$ 17,580,088</u>	<u>\$ 11,308,938</u>	<u>\$ 66,480,836</u>

Internal Service Funds

Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2005

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>City/County Telecommunications</u>
Operating Revenues:			
Charges for Current Services-Internal	\$ 14,809,613	\$ 2,256,658	\$ 1,074,267
Charges for Current Services-External	79,722	265,576	
Total Charges for Current Services	<u>14,889,335</u>	<u>2,522,234</u>	<u>1,074,267</u>
Miscellaneous	991,146	281,020	64,305
Total Operating Revenues	<u>15,880,481</u>	<u>2,803,254</u>	<u>1,138,572</u>
Operating Expenses:			
Personal Services	2,101,685	455,544	199,986
Fringe Benefits	676,101	128,527	54,446
Maintenance and Operations	6,414,619	1,564,768	692,317
Insurance Claims and Expenses	586,614	2,656	3,414
Depreciation	5,481,533	513,567	276,122
Total Operating Expenses	<u>15,260,552</u>	<u>2,665,062</u>	<u>1,226,285</u>
Operating Income (Loss)	<u>619,929</u>	<u>138,192</u>	<u>(87,713)</u>
Nonoperating Revenues(Expenses):			
Investment Income	125,426	225,616	24,579
Miscellaneous Nonoperating Revenue	13,931		12,010
Interest Expense		(221,790)	
Loss on Disposal of Capital Assets	(933,073)		(312,942)
Amortization of Underwriters' Expense		(2,953)	
Miscellaneous Nonoperating Expense	(18,441)		(7,555)
Total Nonoperating Revenues(Expenses)	<u>(812,157)</u>	<u>873</u>	<u>(283,908)</u>
Income(Loss) Before Transfers	<u>(192,228)</u>	<u>139,065</u>	<u>(371,621)</u>
Other Financing Sources (Uses):			
Transfers In	1,563,520		
Transfers Out	(786,000)	(144,324)	
Total Other Financing Sources (Uses)	<u>777,520</u>	<u>(144,324)</u>	
Change in Net Assets	585,292	(5,259)	(371,621)
Net Assets - July 1	<u>22,613,565</u>	<u>2,567,924</u>	<u>2,101,885</u>
Net Assets -June 30	<u>\$ 23,198,857</u>	<u>\$ 2,562,665</u>	<u>\$ 1,730,264</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 925,908	\$ 21,996,813	\$ 2,052,694	\$ 5,887,753	\$ 49,003,706
299,035				644,333
<u>1,224,943</u>	<u>21,996,813</u>	<u>2,052,694</u>	<u>5,887,753</u>	<u>49,648,039</u>
2,063			186,307	1,524,841
<u>1,227,006</u>	<u>21,996,813</u>	<u>2,052,694</u>	<u>6,074,060</u>	<u>51,172,880</u>
432,543	223,669			3,413,427
143,937	56,382			1,059,393
639,415	2,139,114	154,269	151,435	11,755,937
	23,146,270	1,142,995		24,881,949
1,679			3,557,564	9,830,465
<u>1,217,574</u>	<u>25,565,435</u>	<u>1,297,264</u>	<u>3,708,999</u>	<u>50,941,171</u>
9,432	(3,568,622)	755,430	2,365,061	231,709
	377,224	427,478	115,082	1,295,405
2,136	15	9,700		37,792
			(239,771)	(461,561)
(6,300)				(1,252,315)
(1,567)			(170,406)	(2,953)
<u>(5,731)</u>	<u>377,239</u>	<u>437,178</u>	<u>(295,095)</u>	<u>(197,969)</u>
3,701	(3,191,383)	1,192,608	2,069,966	(349,892)
	14,400			1,577,920
	14,400			(930,324)
				647,596
3,701	(3,176,983)	1,192,608	2,069,966	297,704
113,633	13,159,673	16,387,480	9,238,972	66,183,132
<u>\$ 117,334</u>	<u>\$ 9,982,690</u>	<u>\$ 17,580,088</u>	<u>\$ 11,308,938</u>	<u>\$ 66,480,836</u>

Internal Service Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2005

Increase (Decrease) in Cash and Cash Equivalents/ Investments

	Equipment Services	Technical Services	City/County Telecommunications
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 14,889,335	\$ 2,522,234	\$ 1,074,266
Payments to Suppliers	(7,117,949)	(1,540,007)	(781,455)
Payments to Employees	(2,748,220)	(715,123)	(252,588)
Other Receipts	991,146	281,020	64,305
Net Cash Provided By (Used for) Operating Activities	<u>6,014,312</u>	<u>548,124</u>	<u>104,528</u>
Cash Flows from Noncapital Financing Activities:			
Subsidies and Transfers In	1,563,520		
Subsidies and Transfers Out	(786,000)	(144,324)	
Net Cash Provided By (Used for) Noncapital Financing Activities	<u>777,520</u>	<u>(144,324)</u>	
Cash Flows from Capital and Related Financing Activities:			
Capital Debt Issued			
Acquisition and Construction of Capital Assets	(5,454,114)	(36,032)	
Proceeds from Sale of Capital Assets			
Principal Paid on Capital Debt		(234,724)	
Interest and Fiscal Charges Paid on Capital Debt		(221,790)	
Net Cash Provided By (Used for) Capital and Related Financing Activities	<u>(5,454,114)</u>	<u>(492,546)</u>	
Cash Flows from Investing Activities:			
Interest	<u>116,742</u>	<u>223,527</u>	<u>23,540</u>
Net Increase (Decrease) in Cash and Cash Equivalents/Investments	1,454,460	134,781	128,068
Balances - July 1	<u>4,812,370</u>	<u>3,900,355</u>	<u>1,041,912</u>
Balances - June 30	<u>\$ 6,266,830</u>	<u>\$ 4,035,136</u>	<u>\$ 1,169,980</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Operating Income (Loss)	<u>\$ 619,929</u>	<u>\$ 138,192</u>	<u>\$ (87,713)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Depreciation	5,481,533	513,567	276,122
Changes in Assets and Liabilities:			
(Increase) in Inventories	(150,176)		(5,008)
(Increase) Decrease in Intergovernmental Receivables	(31,586)	29,008	53,342
(Increase) Decrease in Miscellaneous Assets			4,457
Increase (Decrease) in Accounts Payable	65,046	(1,591)	(138,515)
Increase (Decrease) in Compensated Absences Payable	29,566	(1,378)	1,843
(Decrease) in Intergovernmental Payables		(129,674)	
Increase in Customer Deposits Payable			
Increase in Other Receipts			
Total Adjustments	<u>5,394,383</u>	<u>409,932</u>	<u>192,241</u>
Net Cash Provided By (Used for) Operating Activities	<u>\$ 6,014,312</u>	<u>\$ 548,124</u>	<u>\$ 104,528</u>
Noncash Investing, Capital and Financing Activities:			
Lease-Purchase and Other Capital Financing Agreements	<u>\$</u>	<u>\$</u>	<u>\$</u>

Graphic Services	Employee Insurance	General Insurance	Capital Leasing	Totals
\$ 1,224,942	\$ 21,996,813	\$ 2,052,694	\$ 5,784,089	\$ 49,544,373
(647,615)	(21,952,479)	(1,494,191)	(93,760)	(33,627,456)
(581,895)	(280,051)			(4,577,877)
2,063		9,700		1,348,234
<u>(2,505)</u>	<u>(235,717)</u>	<u>568,203</u>	<u>5,690,329</u>	<u>12,687,274</u>
	14,400			1,577,920
	<u>14,400</u>			<u>(930,324)</u>
				<u>647,596</u>
			7,000,000	7,000,000
			(6,156,705)	(11,646,851)
569				569
			(4,445,292)	(4,680,016)
			<u>(373,656)</u>	<u>(595,446)</u>
<u>569</u>			<u>(3,975,653)</u>	<u>(9,921,744)</u>
	348,210	423,627	134,714	1,270,360
(1,936)	126,893	991,830	1,849,390	4,683,486
<u>31,803</u>	<u>14,839,018</u>	<u>6,901,814</u>	<u>6,326,929</u>	<u>37,854,201</u>
<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>\$ 9,432</u>	<u>\$ (3,568,622)</u>	<u>\$ 755,430</u>	<u>\$ 2,365,061</u>	<u>\$ 231,709</u>
1,679			3,557,564	9,830,465
(3,408)				(158,592)
(4,793)	(720)		(159,698)	(114,447)
	(18,546)	(231,547)	(19,482)	(265,118)
	3,352,171	18,008	(53,116)	3,242,003
(5,388)				24,643
(27)				(129,701)
		16,612		16,612
		9,700		9,700
<u>(11,937)</u>	<u>3,332,905</u>	<u>(187,227)</u>	<u>3,325,268</u>	<u>12,455,565</u>
<u>\$ (2,505)</u>	<u>\$ (235,717)</u>	<u>\$ 568,203</u>	<u>\$ 5,690,329</u>	<u>\$ 12,687,274</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 43,216</u>	<u>\$ 43,216</u>

Internal Service Funds

Schedule of Changes in Long-Term Debt
For the Fiscal Year Ended June 30, 2005

	Debt Outstanding July 1, 2004	Additions	Retirements	Debt Outstanding June 30, 2005
Equipment Services:				
Compensated Absences	\$ 161,330	\$ 178,673	\$ 149,107	\$ 190,896
Technical Services:				
General Obligation Bonds	5,291,737		234,724	5,057,013
Compensated Absences	88,823	28,994	30,372	87,445
Total Technical Services	5,380,560	28,994	265,096	5,144,458
City/County Telecommunications:				
Compensated Absences	22,904	14,774	12,930	24,748
Graphic Services:				
Compensated Absences	29,975	30,886	36,274	24,587
Capital Leasing:				
Lease-Purchase Agreements	1,771,707	43,216	1,199,686	615,237
Certificates of Participation	10,500,000	7,000,000	3,500,000	14,000,000
Total Capital Leasing	12,271,707	7,043,216	4,699,686	14,615,237
Total Internal Service Funds	<u>\$ 17,866,476</u>	<u>\$ 7,296,543</u>	<u>\$ 5,163,093</u>	<u>\$ 19,999,926</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, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 13,900,000	\$ 14,889,335	\$ 989,335
Miscellaneous Operating Revenues	574,000	991,148	417,148
Total Operating Revenues	<u>14,474,000</u>	<u>15,880,483</u>	<u>1,406,483</u>
Operating Expenses:			
Personal Services	2,134,975	2,101,686	(33,289)
Fringe Benefits	697,122	676,101	(21,021)
Maintenance and Operations	6,901,188	7,001,234	100,046
Capital Outlay	7,418,746	5,099,096	(2,319,650)
Total Operating Expenses	<u>17,152,031</u>	<u>14,878,117</u>	<u>(2,273,914)</u>
Operating Income	<u>(2,678,031)</u>	<u>1,002,366</u>	<u>3,680,397</u>
Nonoperating Revenues:			
Investment Income	125,000	125,426	426
Miscellaneous Nonoperating Revenue	4,000	13,931	9,931
Total Nonoperating Revenues	<u>129,000</u>	<u>139,357</u>	<u>10,357</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u> </u>	<u>18,441</u>	<u>18,441</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources (Uses)	<u>(2,549,031)</u>	<u>1,123,282</u>	<u>3,672,313</u>
Other Financing Sources (Uses) :			
Transfers In	1,563,520	1,563,520	
Transfers Out	(786,000)	(786,000)	
Total Other Financing Sources (Uses)	<u>777,520</u>	<u>777,520</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses and Other Financing Uses	<u>(1,771,511)</u>	<u>1,900,802</u>	<u>3,672,313</u>
Appropriated Fund Balance	<u>1,771,511</u>	<u> </u>	<u>(1,771,511)</u>
Excess of Revenues and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 1,900,802</u>	<u>\$ 1,900,802</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 16,019,840
Total Expenses	<u>14,896,558</u>
Excess of Revenues Over Expenses Before Other Financing Sources (Uses)	1,123,282
Adjustment to Full Accrual Basis:	
Depreciation	(5,481,533)
Capital Outlay	5,099,096
Loss on Disposal of Capital Assets	<u>(933,073)</u>
Loss Before Transfers	<u>\$ (192,228)</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, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 2,403,265	\$ 2,522,234	\$ 118,969
Miscellaneous Operating Revenues	<u>1,113,295</u>	<u>281,020</u>	<u>(832,275)</u>
Total Operating Revenues	<u>3,516,560</u>	<u>2,803,254</u>	<u>(713,306)</u>
Operating Expenses:			
Personal Services	519,221	455,544	(63,677)
Fringe Benefits	150,172	128,527	(21,645)
Maintenance and Operations	2,929,204	1,567,424	(1,361,780)
Capital Outlay	<u>35,970</u>	<u>36,032</u>	<u>62</u>
Total Operating Expenses	<u>3,634,567</u>	<u>2,187,527</u>	<u>(1,447,040)</u>
Operating Income (Loss)	<u>(118,007)</u>	<u>615,727</u>	<u>733,734</u>
Nonoperating Revenues:			
Investment Income	<u>91,000</u>	<u>225,616</u>	<u>134,616</u>
Nonoperating Expenses:			
Principal Maturities	222,830	234,724	11,894
Interest Expense	279,390	221,790	(57,600)
Miscellaneous Nonoperating Expense	<u>5,150</u>	<u>2,953</u>	<u>(2,197)</u>
Total Nonoperating Expenses	<u>507,370</u>	<u>459,467</u>	<u>(47,903)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Uses	<u>(534,377)</u>	<u>381,876</u>	<u>916,253</u>
Other Financing Uses:			
Transfers Out	<u>(144,324)</u>	<u> </u>	<u>144,324</u>
Appropriated Fund Balance	<u>678,701</u>	<u> </u>	<u>(678,701)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$ 381,876</u>	<u>\$ 381,876</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 3,028,870
Total Expenses	<u>2,646,994</u>
Excess of Revenues Over Expenses Before Other Financing Uses	381,876
Adjustment to Full Accrual Basis:	
Depreciation	(513,567)
Principal Maturities	234,724
Capital Outlay	<u>36,032</u>
Income Before Transfers	<u>\$ 139,065</u>

City/County Telecommunications Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,164,000	\$ 1,074,267	\$ (89,733)
Miscellaneous Operating Revenues	1,800	64,305	62,505
Total Operating Revenues	<u>1,165,800</u>	<u>1,138,572</u>	<u>(27,228)</u>
Operating Expenses:			
Personal Services	198,656	199,986	1,330
Fringe Benefits	58,147	54,446	(3,701)
Maintenance and Operations	981,915	695,731	(286,184)
Total Operating Expenses	<u>1,238,718</u>	<u>950,163</u>	<u>(288,555)</u>
Operating Income (Loss)	<u>(72,918)</u>	<u>188,409</u>	<u>261,327</u>
Nonoperating Revenues:			
Investment Income	16,600	24,579	7,979
Miscellaneous Nonoperating Revenue	1,600	12,010	10,410
Total Nonoperating Revenues	<u>18,200</u>	<u>36,589</u>	<u>18,389</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	<u> </u>	<u>7,555</u>	<u>7,555</u>
Excess of Revenues Over (Under) Expenses	(54,718)	217,443	272,161
Appropriated Fund Balance	<u>54,718</u>	<u> </u>	<u>(54,718)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 217,443</u>	<u>\$ 217,443</u>

City/County Telecommunications Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,175,161
Total Expenses	<u>957,718</u>
Excess of Revenues Over Expenses	217,443
Adjustment to Full Accrual Basis:	
Depreciation	(276,122)
Loss on Disposal of Capital Assets	<u>(312,942)</u>
Loss Before Transfers	<u><u>\$ (371,621)</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, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 1,344,642	\$ 1,224,943	\$ (119,699)
Other Operating Revenues	115	2,063	1,948
Total Operating Revenues	<u>1,344,757</u>	<u>1,227,006</u>	<u>(117,751)</u>
Operating Expenses:			
Personal Services	460,983	432,543	(28,440)
Fringe Benefits	158,990	143,937	(15,053)
Maintenance and Operations	741,460	639,415	(102,045)
Total Operating Expenses	<u>1,361,433</u>	<u>1,215,895</u>	<u>(145,538)</u>
Operating Income (Loss)	<u>(16,676)</u>	<u>11,111</u>	<u>27,787</u>
Nonoperating Revenues:			
Investment Income	2,500		(2,500)
Miscellaneous Nonoperating Revenue	2,136	2,136	2,136
Total Nonoperating Revenues	<u>2,500</u>	<u>2,136</u>	<u>(364)</u>
Nonoperating Expenses:			
Miscellaneous Nonoperating Expense	1,567	1,567	1,567
Excess of Revenues Over (Under) Expenses	(14,176)	11,680	25,856
Appropriated Fund Balance	14,176		(14,176)
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 11,680</u>	<u>\$ 11,680</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,229,142
Total Expenses	<u>1,217,462</u>
Excess of Revenues Over Expenses	11,680
Adjustment to Full Accrual Basis:	
Depreciation	(1,679)
Loss on Disposal of Capital Assets	<u>(6,300)</u>
Income Before Transfers	<u><u>\$ 3,701</u></u>

Employee Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 21,447,805	\$ 21,996,813	\$ 549,008
Operating Expenses:			
Personal Services	216,191	223,669	7,478
Fringe Benefits	52,570	56,382	3,812
Maintenance and Operations	24,205,330	21,431,905	(2,773,425)
Total Operating Expenses	<u>24,474,091</u>	<u>21,711,956</u>	<u>(2,762,135)</u>
Operating Income (Loss)	<u>(3,026,286)</u>	<u>284,857</u>	<u>3,311,143</u>
Nonoperating Revenues:			
Investment Income	135,000	377,224	242,224
Miscellaneous Nonoperating Revenue	<u>15</u>	<u>15</u>	<u>15</u>
Total Nonoperating Revenues	<u>135,000</u>	<u>377,239</u>	<u>242,239</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(2,891,286)</u>	<u>662,096</u>	<u>3,553,382</u>
Other Financing Sources:			
Transfers In	<u>14,400</u>	<u>14,400</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(2,876,886)	676,496	3,553,382
Appropriated Fund Balance	<u>2,876,886</u>		<u>(2,876,886)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 676,496</u>	<u>\$ 676,496</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 22,374,052
Total Expenses	<u>21,711,956</u>
Excess of Revenues Over Expenses	662,096
Adjustment to Full Accrual Basis:	
Accounts Payable-Actuarial Claims Estimate	<u>(3,853,479)</u>
Loss Before Transfers	<u>\$ (3,191,383)</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, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Operating Revenues:			
Charges for Current Services	\$ 2,030,586	\$ 2,052,694	\$ 22,108
Operating Expenses:			
Maintenance and Operations	2,302,470	1,297,264	(1,005,206)
Operating Income (Loss)	<u>(271,884)</u>	<u>755,430</u>	<u>1,027,314</u>
Nonoperating Revenues:			
Investment Income	201,201	427,478	226,277
Insurance Refunds and Claims		9,700	9,700
Total Nonoperating Revenues	<u>201,201</u>	<u>437,178</u>	<u>235,977</u>
Excess of Revenues Over (Under) Expenses	(70,683)	1,192,608	1,263,291
Appropriated Fund Balance	<u>70,683</u>		<u>(70,683)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 1,192,608</u>	<u>\$ 1,192,608</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 2,489,872
Total Expenses	<u>1,297,264</u>
Income Before Transfers	<u>\$ 1,192,608</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, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Charges for Current Services	\$ 7,251,000	\$ 5,887,753	\$ (1,363,247)
Miscellaneous Operating Revenues	80,000	186,307	106,307
Total Operating Revenue	<u>7,331,000</u>	<u>6,074,060</u>	<u>(1,256,940)</u>
Operating Expenses:			
Maintenance and Operations	94,450	151,435	56,985
Capital Outlay	12,937,103	5,948,842	(6,988,261)
Total Operating Expenses	<u>13,031,553</u>	<u>6,100,277</u>	<u>(6,931,276)</u>
Operating Loss	<u>(5,700,553)</u>	<u>(26,217)</u>	<u>5,674,336</u>
Nonoperating Revenues:			
Investment Income	<u> </u>	<u>113,924</u>	<u>113,924</u>
Nonoperating Expenses:			
Principal Maturities	6,000,000	4,362,962	(1,637,038)
Interest Expense	950,000	247,451	(702,549)
Miscellaneous Nonoperating Expense	170,000	114,243	(55,757)
Total Nonoperating Expenses	<u>7,120,000</u>	<u>4,724,656</u>	<u>(2,395,344)</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(12,820,553)</u>	<u>(4,636,949)</u>	<u>8,183,604</u>
Other Financing Sources:			
Debt Issuances:			
Capitalized Leases	<u>8,500,000</u>	<u>5,933,857</u>	<u>(2,566,143)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	(4,320,553)	1,296,908	5,617,461
Appropriated Fund Balance	<u>4,320,553</u>	<u> </u>	<u>(4,320,553)</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$ 1,296,908</u>	<u>\$ 1,296,908</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, 2005

Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 6,187,984
Total Expenses	<u>10,824,933</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(4,636,949)
Adjustment to Full Accrual Basis:	
Depreciation	(3,557,564)
Principal Maturities	4,362,962
Capital Outlay	5,948,842
Trustee Debt Service Escrow Account	<u>(47,325)</u>
Income Before Transfers	<u>\$ 2,069,966</u>

Schedule of General Capital Assets

By Source

June 30, 2005

General Capital Assets:	
Land	\$ 52,096,326
Improvements Other Than Buildings	12,745,348
Buildings	120,421,526
Furniture, Fixtures, Machinery and Equipment	110,909,544
Infrastructure	191,045,444
Construction in Progress	32,755,651
Accumulated Depreciation	<u>(201,399,447)</u>
 Total General Capital Assets	 <u><u>\$ 318,574,392</u></u>

Investment in General Capital Assets by Source:	
General Fund	\$ 60,202,655
General Obligation Bonds	100,587,141
Grant Funds	15,016,640
Infrastructure	242,847,969
Internal Service Funds	101,319,434
Accumulated Depreciation	<u>(201,399,447)</u>
 Total Investment in General Capital Assets	 <u><u>\$ 318,574,392</u></u>

Schedule of General Capital Assets

By Function and Activity
June 30, 2005

	Land	Improvements Other Than Buildings	Buildings
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	6,796,931
Fire	1,367,579	47,093	25,868,523
Metro Communications			
Total Public Safety	<u>2,352,105</u>	<u>60,843</u>	<u>32,665,454</u>
Transportation	340,623	386,667	22,250
Infrastructure	28,994,660		
Total Transportation	<u>29,335,283</u>	<u>386,667</u>	<u>22,250</u>
Engineering and Inspections	<u>4,668,083</u>	<u>388,157</u>	<u>23,317,812</u>
Culture and Recreation:			
Parks and Recreation	11,919,046	11,018,524	34,649,853
Library	1,950,973	55,867	24,956,930
Total Culture and Recreation	<u>13,870,019</u>	<u>11,074,391</u>	<u>59,606,783</u>
Internal Service Funds	<u>1,660,541</u>	<u>834,538</u>	<u>1,518,545</u>
Accumulated Depreciation		<u>(8,171,665)</u>	<u>(36,518,257)</u>
Total General Capital Assets	<u>\$ 52,096,326</u>	<u>\$ 4,573,683</u>	<u>\$ 83,903,269</u>

Furniture, Fixtures, Machinery and Equipment	Infrastructure	Construction In Progress	Total
\$ 3,520,342	\$	\$ 79,826	\$ 7,101,897
58,875			58,875
<u>3,579,217</u>		<u>79,826</u>	<u>7,160,772</u>
3,193,999		781,505	11,770,711
2,108,445		1,132,373	30,524,013
<u>5,302,444</u>		<u>137,042</u>	<u>137,042</u>
		<u>2,050,920</u>	<u>42,431,766</u>
1,571,238		158,373	2,479,151
<u>1,571,238</u>	191,045,444	22,807,865	242,847,969
	<u>191,045,444</u>	<u>22,966,238</u>	<u>245,327,120</u>
1,566,530		2,384,423	32,325,005
2,990,328		2,358,489	62,936,240
1,036,330		473,402	28,473,502
<u>4,026,658</u>		<u>2,831,891</u>	<u>91,409,742</u>
94,863,457		2,442,353	101,319,434
<u>(71,694,552)</u>	<u>(85,014,973)</u>		<u>(201,399,447)</u>
<u>\$ 39,214,992</u>	<u>\$ 106,030,471</u>	<u>\$ 32,755,651</u>	<u>\$ 318,574,392</u>

Schedule of Changes in General Capital Assets

By Function and Activity

For the Fiscal Year Ended June 30, 2005

	General Capital Assets July 1, 2004	Additions
General Government:		
Administration	\$ 7,129,931	\$
Job Training Consortium	58,875	
Total General Government	<u>7,188,806</u>	
Public Safety:		
Police	8,628,327	2,422,261
Fire	25,506,262	3,885,379
Total Public Safety	<u>34,134,589</u>	<u>6,307,640</u>
Transportation	2,192,663	138,965
Infrastructure	217,629,132	2,410,972
Total Transportation	<u>219,821,795</u>	<u>2,549,937</u>
Engineering and Inspections	<u>31,540,258</u>	<u>418,428</u>
Environmental Services	<u>99,199,013</u>	
Culture and Recreation:		
Parks and Recreation	57,281,372	3,444,987
Library	22,963,063	5,452,169
Total Culture and Recreation	<u>80,244,435</u>	<u>8,897,156</u>
Internal Service Funds	<u>96,099,125</u>	<u>9,650,214</u>
Construction in Progress	<u>32,896,102</u>	<u>22,056,467</u>
Accumulated Depreciation	<u>(235,083,483)</u>	<u>(18,547,887)</u>
Total General Capital Assets	<u>\$ 366,040,640</u>	<u>\$ 31,331,955</u>

Transfers		Deductions/ Disposals	General Capital Assets June 30, 2005
In	Out		
\$	\$	\$ 107,860	\$ 7,022,071
			58,875
		<u>107,860</u>	<u>7,080,946</u>
		61,383	10,989,205
			29,391,641
		<u>61,383</u>	<u>40,380,846</u>
		10,850	2,320,778
			220,040,104
		<u>10,850</u>	<u>222,360,882</u>
		2,018,104	29,940,582
	99,199,013		
		148,608	60,577,751
		415,132	28,000,100
		<u>563,740</u>	<u>88,577,851</u>
		6,872,258	98,877,081
	1,857,584	20,339,334	32,755,651
	(44,893,187)	(7,338,736)	(201,399,447)
<u>\$</u>	<u>\$ 56,163,410</u>	<u>\$ 22,634,793</u>	<u>\$ 318,574,392</u>

Schedule of Changes in General Long-Term Debt

For the Fiscal Year Ended June 30, 2005

	Debt Outstanding July 1, 2004	Additions
Amount Available in Debt Service Fund for Retirement of Bonded Debt	\$ 13,649,034	\$
Amount to be Provided for Retirement of Bonded Debt	<u>152,456,746</u>	<u>45,152,711</u>
Total Amount to be Provided for Retirement of Bonded Debt	<u>166,105,780</u>	<u>45,152,711</u>
Amount Available in Special Revenue Fund for Retirement of Certificates of Participation	423,930	
Amount to be Provided for Retirement of Certificates of Participation	<u>35,824,430</u>	<u>7,000,000</u>
Total Amount to be Provided for Retirement of Certificates of Participation	<u>36,248,360</u>	<u>7,000,000</u>
Amount to be Provided for Retirement of Other Long-Term Debt:		
Lease-Purchase and Other Financing Agreements	5,763,705	520,216
Compensated Absences Payable	<u>8,701,503</u>	<u>6,622,552</u>
Total Amount to be Provided for Retirement of Other Long-Term Debt	<u>14,465,208</u>	<u>7,142,768</u>
Total Available and to be Provided	<u>\$ 216,819,348</u>	<u>\$ 59,295,479</u>
General Long-Term Debt Payable:		
General Obligation Bonds Payable	\$ 166,105,780	\$ 45,152,711
Lease-Purchase and Other Financing Agreements Payable	5,763,705	520,216
Certificates of Participation Payable	36,248,360	7,000,000
Compensated Absences Payable	<u>8,701,503</u>	<u>6,622,552</u>
Total General Long-Term Debt Payable	<u>\$ 216,819,348</u>	<u>\$ 59,295,479</u>

<u>Transfers</u>	<u>Retirements</u>	<u>Debt Outstanding June 30, 2005</u>
\$ (847,096)	\$	\$ 12,801,938
<u>847,096</u>	<u>44,708,494</u>	<u>153,748,059</u>
	<u>44,708,494</u>	<u>166,549,997</u>
(285,010)		138,920
<u>285,010</u>	<u>5,514,000</u>	<u>37,595,440</u>
	<u>5,514,000</u>	<u>37,734,360</u>
	1,505,684	4,778,237
<u>(231,562)</u>	<u>5,854,741</u>	<u>9,237,752</u>
<u>(231,562)</u>	<u>7,360,425</u>	<u>14,015,989</u>
<u>\$ (231,562)</u>	<u>\$ 57,582,919</u>	<u>\$ 218,300,346</u>
\$	\$ 44,708,494	\$ 166,549,997
	1,505,684	4,778,237
	5,514,000	37,734,360
<u>(231,562)</u>	<u>5,854,741</u>	<u>9,237,752</u>
<u>\$ (231,562)</u>	<u>\$ 57,582,919</u>	<u>\$ 218,300,346</u>

Statistical Section

The statistical section reflects financial trends, demographic and economic data and the fiscal capacity of the City.

General Governmental Expenditures by Function (a)

Fiscal Years Ended June 30, 1996-2005

<u>Fiscal Year Ended</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Transportation</u>	<u>Engineering & Inspections</u>	<u>Environmental Services</u>
1996	\$ 17,798,273	\$ 50,683,777	\$ 15,253,900	\$ 6,828,133	\$ 1,989,217
1997	18,032,730	52,787,732	16,677,743	8,306,073	2,000,721
1998	19,684,927	56,775,303	17,453,204	8,020,128	3,334,911
1999	19,188,780	60,379,463	18,128,536	7,575,725	3,127,775
2000	23,003,255	65,196,951	19,765,082	7,534,927	4,034,475
2001	27,767,738	69,590,703	17,706,040	8,220,175	5,295,458
2002	27,155,150	75,745,002	21,200,327	8,170,569	3,543,174
2003	29,401,783	77,082,617	22,537,089	8,742,605	2,454,233
2004	29,322,504	82,296,484	25,882,887	10,472,308	2,855,908
2005	21,952,495	88,894,417	21,771,748	16,905,640	655,149

(a) Includes General, Special Revenue and Debt Service Funds.

<u>Culture and Recreation</u>	<u>Community Development and Housing</u>	<u>Economic Opportunity</u>	<u>Intergovernmental</u>	<u>Debt Service</u>	<u>Total</u>
\$ 19,696,454	\$ 5,450,074	\$ 2,200,208	\$ 757,062	\$ 17,912,111	\$ 138,569,209
20,584,385	6,269,383	1,655,711	729,423	18,332,209	145,376,110
21,315,468	6,048,747	1,972,833	833,702	18,419,190	153,858,413
22,512,136	7,034,569	2,212,284	908,192	20,991,890	162,059,350
25,061,969	6,665,618	2,202,022	891,314	21,253,566	175,609,179
28,051,726	7,474,149	1,867,841	972,861	20,450,014	187,396,705
27,678,205	10,062,391	2,323,319	1,036,892	18,629,814	195,544,843
26,752,538	8,922,528	2,876,189	1,149,260	19,858,363	199,777,205
29,266,997	8,739,986	2,739,584	1,203,854	19,918,240	212,698,752
30,687,261	9,253,208	2,992,840	1,325,930	21,721,314	216,160,002

General Government Revenues By Source (a)

Fiscal Years Ended June 30, 1996-2005

<u>Fiscal Year Ended</u>	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Licenses and Permits</u>	<u>Fines and Forfeitures</u>
1996	\$ 96,487,129	\$ 28,979,298	\$ 6,220,581	\$ 481,024
1997	105,561,152	31,851,211	6,805,294	506,009
1998	111,693,978	34,128,412	7,630,527	663,428
1999	114,153,779	34,072,529	7,938,935	693,342
2000	119,319,081	35,874,133	8,085,184	691,472
2001	123,515,044	36,410,159	9,370,223	951,892
2002	125,253,973	27,624,342	9,436,921	849,289
2003	132,246,009	31,892,692	8,844,568	723,536
2004	137,152,517	39,184,108	8,481,016	823,071
2005	153,940,553	38,553,374	8,926,893	979,352

(a) Includes General, Special Revenue and Debt Service Funds.

<u>Charges for Current Services</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total</u>	
\$ 13,273,096	\$ 7,084,042	\$ 3,325,548	\$ 155,850,718	
14,440,553	6,463,961	2,818,232	168,446,412	-
14,807,346	6,944,999	3,172,316	179,041,006	
15,279,931	7,279,173	4,049,839	183,467,528	
20,372,456	8,245,016	2,707,229	195,294,571	
22,650,699	11,777,523	2,277,819	206,953,359	
25,431,823	7,718,648	3,503,049	199,818,045	
26,219,562	4,907,774	5,135,075	209,969,216	
28,324,184	1,518,483	3,199,026	218,682,405	
21,437,475	3,989,090	3,383,157	231,209,894	

General Governmental Tax Revenues By Source (a)

Fiscal Years Ended June 30, 1996-2005

<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>
1996	\$ 71,555,461	\$ 23,219,514	\$ 1,712,154	\$	\$ 96,487,129
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

(a) Includes General, Special Revenue and Debt Service Funds.

(b) First Year of Tax.

Assessed Value of All Taxable Property

Fiscal Years Ended June 30, 1996-2005

Fiscal Year Ended	Tax Year (b)	Real Property	Personal Property	Corporate Excess	Total Assessed Value (a)
1996	1995 (c)	\$ 8,172,871,380	\$ 2,255,556,582	\$ 454,615,825	\$ 10,883,043,787
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

- (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 \$556,299 for 2004.

Property Tax Levies and Collections

Fiscal Years Ended June 30, 1996-2005

<u>Fiscal Year Ended</u>	<u>Net Tax Levy</u>	<u>Current Year Tax Collections</u>	<u>Percent Collected</u>
1996	\$ 74,425,862	\$ 73,713,475	99.04 %
1997	82,689,999	81,777,207	98.90
1998	87,914,575	86,834,677	98.77
1,999	88,508,859	87,374,776	98.72
2000	92,905,836	91,647,025	98.65
2001	95,992,859	94,809,679	98.77
2002	98,928,643	97,679,465	98.74
2003	104,974,280	103,741,401	98.83
2004	106,015,920	104,456,282	98.53
2005	121,697,513	119,223,482	97.97

<u>Delinquent Tax Collections</u>	<u>Total Collections During Year</u>	<u>Percent of Total Collections to Net Levy</u>	<u>Outstanding Delinquent Taxes (a)</u>
\$ 1,047,191	\$ 74,760,666	100.45	\$ 1,048,874
911,245	82,688,452	100.00	1,135,412
804,332	87,639,009	99.69	1,638,846
700,723	88,075,499	99.51	2,265,952
826,179	92,473,204	99.53	2,611,856
1,043,390	95,853,069	99.85	2,667,612
972,243	98,651,708	99.72	2,769,386
862,914	104,604,315	99.65	3,299,514
908,278	105,364,560	99.39	3,660,297
1,126,836	120,350,318	98.89	4,180,132

(a) Outstanding delinquent taxes and levies are adjusted for rebates made during the current year. Historical amounts have not been adjusted for rebates. The City maintains 10 years of delinquent taxes receivable on its books and removes the oldest receivable each June 30.

(b) Amount includes \$250,226 outstanding for GTA and \$2,863 for Special Historic Tax Districts.

Current year outstanding taxes	\$ 2,474,031
Prior year outstanding taxes	1,706,101
	<u>\$ 4,180,132</u> (b)

Analysis of Current Tax Levy

For the Fiscal Year Ended June 30, 2005

	City - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 20,492,655,922	\$.5675	\$ 116,295,823	\$ 110,894,834	\$ 5,400,989
Property taxed at prior year's rate	705,811,747	.6175	4,358,388		4,358,388
Registered motor vehicles taxed at prior year's rates	473,083	Various	2,918		2,918
Penalties			33,721	33,721	
Vehicle Fee			1,808,020	1,808,020	
Special Tax Districts			538,875	538,533	342
Total	<u>21,198,940,752</u>		<u>123,037,745</u>	<u>113,275,108</u>	<u>9,762,637</u>
Discoveries:					
Current year taxes	96,006,254	.5675	544,835	544,835	
Prior year taxes	19,085,263	Various	116,722	116,722	
Penalties			52,552	52,552	
Total	<u>115,091,517</u>		<u>714,109</u>	<u>714,109</u>	
Abatements	<u>355,242,488</u>		<u>2,054,341</u>	<u>1,858,306</u>	<u>196,035</u>
Total property valuation	<u>\$ 20,958,789,781</u>				
Net levy			121,697,513	112,130,911	9,566,602
Uncollected taxes at June 30, 2005			<u>2,474,031</u>	<u>1,773,990</u>	<u>700,041</u>
Current year's taxes collected			<u>\$ 119,223,482</u>	<u>\$ 110,356,921</u>	<u>\$ 8,866,561</u>
Current levy collection percentage			<u>97.97%</u>	<u>98.42%</u>	<u>92.68%</u>

Property Tax Rates

Direct and Overlapping Governments
Fiscal Years Ended June 30, 1996-2005

Fiscal Year Ended	City of Greensboro		
	General Fund	Transit Fund	Total
	Tax Rate (Per \$100)		
1996	.6550	.0150	.6700
1997	.5845	.0130	.5975
1998	.5925	.0150	.6075
1999	.5675	.0150	.5825
2000	.5675	.0150	.5825
2001	.5625	.0200	.5825
2002	.5625	.0200	.5825
2003	.5975	.0200	.6175
2004	.5975	.0200	.6175
2005	.5500	.0175	.5675

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.

Due Date for Current Taxes: September 1

Date Taxes Become Delinquent: January 6

<u>Guilford County</u>		
<u>County-Wide</u>	<u>Total</u>	<u>Combined Tax Rate</u>
\$.7548	\$.7548	\$ 1.4248
.6572	.6572	1.255
.6572	.6572	1.265
.6372	.6372	1.22
.6372	.6372	1.22
.6372	.6372	1.2197
.6742	.6742	1.2567
.6742	.6742	1.2197
.7135	.7135	1.3310
.6184	.6184	1.1859
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.	

Principal Taxpayers

June 30, 2005

<u>Firm</u>	<u>Type of Business</u>	<u>Current Year's Tax</u>	<u>Assessed Value</u>	<u>Percentage of Total Assessed Value</u>
Koury Corporation	Real Estate Development	\$ 2,256,547	\$ 397,629,435	1.90%
Lorillard Tobacco Company	Cigarette Manufacturing	1,335,115	235,262,485	1.12%
Starmount Company	Real Estate Development	965,558	170,142,463	0.81%
Duke Energy Corporation	Electric Utility	911,316	160,584,349	0.77%
Highwoods/Forsyth Ltd.	Real Estate Development	896,175	157,916,300	0.75%
Proctor & Gamble Mfg. Co.	Chemicals	821,392	144,738,692	0.69%
RF Micro Devices, Inc.	Service Communications	821,081	144,683,870	0.69%
BellSouth	Service Communications	731,800	128,951,508	0.62%
Koury Ventures LTD	Real Estate Development	729,929	128,621,923	0.61%
TYCO Electronics (AMP, Inc.)	Electronics Manufacturing	568,729	100,216,573	0.48%
Jefferson-Pilot Life Ins Co.	Insurance	559,431	98,578,185	0.47%
Stockhausen, Inc.	Specialty Chemicals	491,325	86,577,063	0.41%
VF (Wrangler)	Textile Manufacturing	442,210	77,922,476	0.37%
BNP/Chrysson Phase I LLC	Real Estate Management	431,318	76,003,132	0.36%
URDT of North Carolina LLC	Real Estate Development	406,560	71,464,332	0.34%
Syngenta (Novartis, CIBA)	Research & Development - Industrial Chemicals	343,787	60,579,224	0.29%
Harris-Teeter	Food Distribution	321,035	56,570,088	0.27%
AP Knight LP (Koger Equity, Inc.)	Real Estate Development	302,712	53,341,307	0.25%
Volvo Truck North America	Truck Manufacturer	296,659	52,274,722	0.25%
Greensboro Auto Auction, Inc.	Automobile Auctioneer	285,998	50,396,197	0.24%
Colonial Pipeline Company	Petroleum Carrier	283,313	49,923,075	0.24%
American Express Travel	Credit Card Service Center	269,909	47,561,098	0.23%
E R Squibb & Sons Inc.	Medical Supplies	242,782	42,780,905	0.20%
Piedmont Natural Gas	Natural Gas Utility	241,230	42,507,491	0.20%
Wal-Mart Stores, Inc.	Retail Stores	240,343	42,351,150	0.20%
Heritage Property Investment	Real Estate Development	223,887	39,451,400	0.19%
Greensboro Lease Management	Property Management	222,490	39,205,300	0.19%
Weaver Investment Company	Real Estate Development	221,547	39,039,069	0.19%
AT&T Communications	Service Communications	219,334	38,649,241	0.18%
Shannon Enterprises of the SE LLC	Manufacturing	217,801	38,379,110	0.18%
Time Warner Ent/Advance/Newhouse	Cable Network	215,975	38,057,291	0.18%
Marconi Commerce Sys Inc.(Gilbarco)	Service Station Equipment	199,988	35,240,247	0.17%
CP Venture Two LLC	Real Estate Development	197,620	34,822,988	0.17%
Highwoods Realty LP	Real Estate Development	192,348	33,893,890	0.16%
Cone Mills Corporation	Textile Manufacturing	190,848	33,629,521	0.16%
Totals		<u>\$ 17,298,092</u>	<u>\$ 3,047,946,100</u>	<u>14.53%</u>

The Total Assessed Valuation for the City of Greensboro is \$20,958,789,781

Assessments Receivable and Collections

Fiscal Years Ended June 30, 1996-2005

<u>Fiscal Year Ended</u>	<u>Assessments Receivable July 1</u>	<u>Additional Assessments</u>	<u>Collections</u>	<u>Assessments Receivable June 30</u>
1996	\$ 1,145,980	\$ 259,358	\$ 568,683	\$ 836,655
1997	836,655	598,226	687,414	747,467
1998	747,467	773,233	661,455	859,245
1999	859,245	1,071,530	743,704	1,187,071
2000	1,187,071	1,338,315	1,087,810	1,437,576
2001	1,437,576	423,396	745,255	1,115,717
2002	1,115,717	157,245	509,718	763,244
2003	763,244	400,339	436,345	727,238
2004	727,238	238,601	498,365	467,474
2005	467,474	406,391	400,044	473,821

Note: Uncollected assessments receivable at June 30, 2005 are represented by:

	<u>Total Assessments Receivable</u>	<u>Less: Allowances for Uncollectibles</u>	<u>Net Assessments Receivable</u>
Water and Sewer Assessments Receivable	\$387,168	\$19,358	\$367,810
Other Assessments Receivable	106,011		106,011
Total	<u>\$493,179</u>	<u>\$19,358</u>	<u>\$473,821</u>

Computation of Legal Debt Margin

June 30, 2005

Appraised Valuation - June 30, 2005		<u>\$ 20,958,789,781</u>
Debt Limit - Eight (8) Percent of Appraised Valuation		\$ 1,676,703,182
Gross Debt:		
Outstanding Bonded Debt:		
General Government Bonds	\$ 166,549,997	
Water Bonds	944,568	
Sewer Bonds	<u>1,585,435</u>	
Total General Obligation Bonds		\$ 169,080,000
Combined Enterprise System Revenue Bonds		200,610,000
Bonds Authorized and Unissued:		
General Government Bonds		71,320,000
Outstanding Debt Not Evidenced by Bonds:		
Certificates of Participation	46,650,000	
Lease-Purchase and Other Financing Agreements	<u>9,978,870</u>	
Total Debt Not Evidenced by Bonds		<u>56,628,870</u>
Gross Debt		497,638,870
Statutory Deductions:		
Bonds Authorized and Unissued		71,320,000
Funds Available for Debt Retirement		12,940,858
Bonded Debt Incurred for Water/Sewer Utility		2,530,003
Revenue Bonds		<u>200,610,000</u>
Total Statutory Deductions		<u>287,400,861</u>
Net Debt - Total Amount Applicable to Debt Limit		<u>210,238,009</u>
Legal Debt Margin		<u>\$ 1,466,465,173</u>

Ratio of Annual Debt Service Expenditures

for General Obligation Bonded Debt to Total General Governmental Expenditures
Fiscal Years Ended June 30, 1996-2005

Fiscal Year Ended	Debt Service Requirements			Total General Governmental Expenditures (a)	Percent of Debt Service To General Governmental Expenditures
	Principal	Interest	Total		
1996	\$ 7,200,000	\$ 7,824,759	\$ 15,024,759	\$ 138,569,209	10.8 %
1997	8,400,000	7,043,743	15,443,743	145,376,110	10.6
1998	8,470,000	6,891,778	15,361,778	153,858,413	10.0
1999	9,493,855	8,374,881	17,868,736	162,059,350	11.0
2000	9,611,989	7,914,360	17,526,349	175,609,179	9.9
2001	9,674,919	7,512,428	17,187,347	187,396,705	9.2
2002	9,697,142	6,096,087	15,793,229	195,544,843	8.1
2003	11,511,905	4,738,747	16,250,652	199,777,205	8.1
2004	10,706,596	6,135,364	16,841,960	212,698,752	7.9
2005	12,758,770	5,605,100	18,363,870	216,160,002	8.5

(a) Includes General, Special Revenue and Debt Service Funds.

Ratio of Net General Obligation Bonded Debt

To Assessed Value and Net General Obligation Debt Per Capita

Fiscal Years Ended June 30, 1996-2005

<u>Fiscal Year Ended</u>	<u>Revised Assessed Valuation (a)</u>	<u>Gross Bonded Debt</u>	<u>Less Amount Available in Debt Service Fund</u>	<u>Less Debt Payable from Water Resources Revenues</u>
1996	\$ 10,883,043,787	\$ 154,285,000	\$ 2,422,371	\$ 11,440,000
1997	13,500,898,700	145,085,000	4,320,275	10,640,000
1998	14,174,257,394	187,775,000	9,369,770	9,800,000
1999	14,842,657,004	177,235,000	9,837,391	8,920,000
2000	15,618,162,283	166,410,000	10,213,218	7,900,000
2001	16,152,476,091	155,520,000	13,305,006	6,885,000
2002	16,658,812,399	154,565,000	16,572,271	5,835,000
2003	16,735,458,323	181,630,000	16,106,751	4,857,797
2004	16,864,544,817	169,785,000	13,649,034	3,679,220
2005	20,958,789,781	169,080,000	12,801,938	2,530,003

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

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

(c) North Carolina Office of State Planning.

<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Assessed Valuation</u>	<u>Population (b)</u>	<u>Net Bonded Debt Per Capita</u>
\$ 140,422,629	1.3 %	200,911 (c)	\$ 699
130,124,725	1.0	202,321	643
168,605,230	1.2	205,132	822
158,477,609	1.1	208,887	759
148,296,782	0.9	213,003	696
135,329,994	0.8	226,467	598
132,157,729	0.8	229,634	576
160,665,452	1.0	231,740	693
152,456,746	0.9	235,262	648
153,748,059	0.7	238,440	645

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds

Fiscal Year Ended June 30, 2005

	<u>Bonded Debt Outstanding</u>	<u>Percent Applicable To City (b)</u>	<u>City's Share of Debt</u>
Direct Debt - City of Greensboro (a)	\$ 166,549,997	100.00%	\$ 166,549,997
Overlapping Debt - Guilford County General Improvement Bonds	<u>438,880,000</u>	52.15%	<u>228,875,920</u>
Total Direct and Overlapping Debt	<u>\$ 605,429,997</u>		<u>\$ 395,425,917</u>

(a) This total does not include \$2,530,003 of Water and Sewer Bonds.

(b) Percentage of Direct and Overlapping Debt is based on 2004 Assessed Valuation of Guilford County as compared to the 2004 Assessed Valuation of the City of Greensboro.

Revenue and Special Obligation Bond Coverage

Fiscal Years Ended June 30, 1996 - 2005

Water Resources Enterprise Fund (a)

Fiscal Year Ended June 30	Gross Revenues (c)	Gross Expenses (d)	Net Revenue Available for Debt Service	Debt Service Expenses (e)			Coverage (f)
				Principal	Interest	Total	
1996	\$29,086,187	\$ 19,732,739	\$ 9,353,448	\$ -	\$ 2,480,111	\$ 2,480,111	3.77
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

Solid Waste Management Fund (b)

Fiscal Year Ended June 30	Sales Tax Revenues Pledged (h)	Debt Service Expenses			Coverage (g)
		Principal	Interest	Total	
1998	\$ 10,206,764	\$ -	\$ 791,758	\$ 791,758	12.89
1999	10,866,670	-	789,322	789,322	13.77
2000	11,434,016	830,000	789,564	1,619,564	7.06
2001	11,893,302	865,000	752,214	1,617,214	7.35
2002	11,876,499	905,000	712,424	1,617,424	7.34
2003	11,501,475	950,000	684,476	1,634,476	7.04
2004	10,701,029	995,000	626,144	1,621,144	6.60
2005	11,093,510	1,040,000	588,403	1,628,403	6.81

- (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.
- (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 1.60.
- (g) The required coverage is 2.00.
- (h) As defined in Articles 40 and 42 of the Sales Tax Act.

Demographic Statistics

1996-2005

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>School Enrollment</u>	<u>Percentage of Unemployment (d)</u>
1996	200,911 (e)	27,212 (b)	57,115 (c)	3.7
1997	202,321 (a)	27,416 (b)	58,404 (c)	3.3
1998	205,132 (a)	28,963 (b)	59,691 (g)	2.8
1999	208,887 (a)	29,268 (b)	59,615 (c)	2.5
2000	213,003 (a)	30,372 (b)	60,555 (c)	2.9
2001	226,467 (a)	30,932 (b)	62,570 (c)	4.9
2002	229,634 (a)	31,225 (b)	62,426 (c)	6.4
2003	231,740 (a)	31,786 (b)	64,500 (c)	6.3
2004	235,262 (a)	- (f)	67,099 (c)	5.7
2005	238,440 (a)	- (f)	67,099 (c)	5.1

- (a) Greensboro Planning Department estimates.
- (b) Bureau of Economic Analysis.
- (c) Greensboro City and Guilford County Consolidated School System.
- (d) North Carolina Employment Security Commission.
- (e) North Carolina Office of State Planning.
- (f) Information not available.
- (g) State Department of Public Education.

Miscellaneous Statistical Data

June 30, 2005

I. City Vitae:				
Date of Incorporation	(Town)	1829	(City)	1870
Date of Original Charter	(Town)	1808	(City)	1870
Form of Government				Council - Manager
Area of the City				121.5 Sq. Miles
Population				238,440
Miles of Streets:				
Paved				1,306
Unpaved				3
Miles of Water Mains				1,385
Miles of Sanitary Sewer				1,486
Gallons of Water Consumption				31,000,000
Water Meters				95,060
II. City Workforce:				
Municipal Employees:				
Permanent				2,770
Part-Time				149
Police Protection:				
Sworn Officers				556
Civilians				117
School Crossing Guards				25
Fire Protection:				
Fire Stations				19
Uniformed Employees				406
III. City Cultural and Recreational Facilities:				
Libraries:				
Main Building/Branches				7
Culture and Recreation:				
Parks, Open Spaces, Beautification Areas				350
Acres				5,749
Arboretum/Bicentennial Garden/Bog Garden/Arts Center/Historical Tannenbaum Park				5
Camp for Special Populations/Recreation Centers/Multicultural Center				15
Golf Courses				2
Tennis Courts				112
Swimming Pools				7
Ball Fields				56
Basketball Courts				44
War Memorial Coliseum (Arena, Auditorium, Special Events Center, Meeting Rooms):				
Arena Seating Capacity				23,500
Auditorium Seating Capacity				2,430
Special Events Center (with Mini-Arena) Capacity in Square Feet				167,000
Total Number of Events				748
Total Attendance				1,035,691

Construction, Bank Deposits and Property Values

Fiscal Years Ended June 30, 1996-2005

Fiscal Year Ended	<u>New Non-Residential Construction</u>		<u>New Residential Construction</u>		Total Value (a)
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>	
1996	1,158 (b)	\$ 170,941,830 (b)	2,338	\$ 117,247,627	\$ 288,189,457 (b)
1997	1,251	132,441,002	2,728	222,735,359	355,176,361
1998	1,390	292,080,846	2,944	134,257,506	426,338,352
1999	1,203	249,281,547	2,827	173,951,330	423,232,877
2000	1,186	227,822,335	2,730	156,369,375	384,191,710
2001	1,133	293,496,309	2,751	180,811,808	474,308,117
2002	1,194	256,985,784	3,000	194,924,079	451,909,863
2003	951	255,534,295	2,834	185,725,021	441,259,316
2004	1,067	170,338,710	3,220	235,495,488	405,834,198
2005	932	196,464,656	3,714	282,848,678	479,313,334

(a) Engineering and Inspections Department.

(b) Starting in 1993, new construction includes new buildings, additions, expansions and repairs. The "unit number" reflects all permits for new construction.

(c) Federal Deposit Insurance Corporation and National Credit Union Administration

(d) Approximate Values

(e) Not Available

(f) In 2005, reports modified to pull only City of Greensboro Non-Taxable property values.

Bank Deposits (c) (Thousands)	Property Value (d)		
	<u>Commercial</u>	<u>Residential</u>	<u>Nontaxable</u>
\$ 3,841,289	\$ 4,558,583,077	\$ 6,324,461,710	\$ 2,002,603,400
3,975,920	5,812,258,795	7,688,639,905	2,068,924,500
3,546,757	6,083,256,687	8,091,000,707	2,110,642,200
3,936,079	6,549,214,956	8,293,442,048	2,256,461,000
3,959,774	7,054,496,402	8,563,665,881	2,375,300,050
4,351,252	7,226,494,258	8,925,981,833	2,470,924,150
4,511,807	7,533,469,482	9,125,342,917	2,593,696,550
5,081,570	7,519,345,820	9,216,112,505	2,611,235,450
5,119,556	7,459,896,392	9,404,648,425	3,529,819,850
(e)	9,148,044,539	11,810,745,242	2,856,653,668 (f)

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.



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

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

We have audited the financial statements of the governmental activities, the business-type activities, the Greensboro Housing Development Partnership and 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, as of and for the year ended June 30, 2005, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 7, 2005. We did not audit the financial statements of the Greensboro ABC 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 Greensboro ABC 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 of Greensboro'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 of Greensboro'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 of Greensboro in a separate letter dated October 7, 2005.

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, Belknap & Holland, L.L.P.

Greensboro, North Carolina
October 7, 2005



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

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

Compliance

We have audited the compliance of the City of Greensboro, North Carolina, with the types of compliance requirements described in 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, 2005. The City of Greensboro'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 of Greensboro's management. Our responsibility is to express an opinion on the City of Greensboro'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 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 of Greensboro's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Greensboro's compliance with those requirements.

In our opinion, the City of Greensboro 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, 2005.

Internal Control Over Compliance

The management of the City of Greensboro 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 of Greensboro'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, Bekaert & Holland, L.L.P.

Greensboro, North Carolina
October 7, 2005



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

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

Compliance

We have audited the compliance of the City of Greensboro, North Carolina, 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, 2005. The City of Greensboro'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 of Greensboro's management. Our responsibility is to express an opinion on the City of Greensboro'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 of Greensboro'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 of Greensboro's compliance with those requirements.

In our opinion, the City of Greensboro 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, 2005.

Internal Control Over Compliance

The management of the City of Greensboro 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 of Greensboro'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, Bekaert & Holland, L.L.P.

Greensboro, North Carolina
October 7, 2005

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2005**

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>
20.205, 20.500, 20.505, 20.507	Federal Transit Cluster

**City of Greensboro, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2005**

Dollar threshold used to distinguish
Between Type A and Type B Programs

\$ 451,820

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

Division of Highways – Oka T. Hester Park Dam Construction

Division of Highways – Holden/Market Municipal Agreement

Governors Highway Safety Program – Traffic Enforcement Positions

Federal Transit Cluster

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, 2005

<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
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	
HOPWA	14.241	NC19H02-F003
Willow Oaks	14.218	
Camel Street Apartments - 2003-04	14.218	
Brownfield Economic Development - 2003	14.246	B-03-BD-37-0041
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
Emergency Shelter Grants Program - 1993	14.231	S-93-MC-37-0004
Emergency Shelter Grants Program - 2004	14.231	S-04-MC-37-0004
Total Other Community Development Programs		
Office of Fair Housing & Equal Opportunity:		
Fair Housing Assistance Program	14.401	FF-204K-00-4013
Fair Housing Assistance Program	14.401	FF-204K-02-4013
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 - 2002-05	14.900	NCLHB0186-01
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		
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	
Weed and Seed Project	16.595	

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 4,299,343	\$ 4,299,327	\$ 16	\$ 4,299,343
2,291,430	2,291,424	6	2,291,430
2,512,741	2,505,778	6,963	2,512,741
2,494,687	2,494,686	1	2,494,687
2,628,455	2,626,899	1,556	2,628,455
2,462,428	2,380,549	43,180	2,423,729
3,262,573	1,552,849	840,267	2,393,116
3,139,572		1,388,541	1,388,541
12,101,000	6,336,115	598,006	6,934,121
19,132	19,131		19,131
10,880	10,869		10,869
20,265	20,409	100	20,509
18,125	18,125		18,125
11,599	11,598		11,598
16,589	9,679	2,976	12,655
45,265	8,614	28,197	36,811
20,265		8,136	8,136
1,228,000	1,112,587	47,457	1,160,044
207,148	59,046	11,410	70,456
178,000	24,634	153,366	178,000
2,000,000		9,412	9,412
<u>38,967,497</u>	<u>25,782,319</u>	<u>3,139,590</u>	<u>28,921,909</u>
987,000	987,000		987,000
651,870	651,870		651,870
756,955	756,954	1	756,955
2,013,117	2,000,267		2,000,267
1,786,215	1,786,214	1	1,786,215
1,442,832	1,442,832		1,442,832
1,591,000	1,524,750	9,547	1,534,297
1,786,979	1,648,402	70,142	1,718,544
1,810,327	1,730,006	36,459	1,766,465
1,945,023	1,463,017	184,999	1,648,016
2,064,037	1,503,420	433,869	1,937,289
1,998,835	374,872	827,206	1,202,078
3,227,827		868,443	868,443
82,000	82,000		82,000
86,218		75,533	75,533
<u>22,230,235</u>	<u>15,951,604</u>	<u>2,506,200</u>	<u>18,457,804</u>
265,589	262,960	2,629	265,589
97,329	51,544	45,785	97,329
68,700	17,140	18,585	35,725
60,200		173	173
<u>491,818</u>	<u>331,644</u>	<u>67,172</u>	<u>398,816</u>
3,000,000	2,159,580	819,448	2,979,028
<u>3,000,000</u>		<u>308,961</u>	<u>308,961</u>
6,000,000	2,159,580	1,128,409	3,287,989
<u>67,689,550</u>	<u>44,225,147</u>	<u>6,841,371</u>	<u>51,066,518</u>
597,375	375,674	134,809	510,483
<u>597,375</u>	<u>375,674</u>	<u>134,809</u>	<u>510,483</u>
235,560	47,393	14,378	61,771
105,193		95,928	95,928
37,861	5,266	12,256	17,522
1,662,626	444,712	634,236	1,078,948
25,000			

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2005

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Joint Terrorism Task Force - 2003-04	16.614	
Joint Terrorism Task Force - 2004-05	16.614	
Bulletproof Vest Partnership Grant Total Office of Justice	16.607	
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
State Homeland Security Grant - 2004	97.004	2004-GE-T4-0014
Total Bureau of Alcohol, Tobacco and Firearms		
Total Department of Justice		
Department of Homeland Security:		
U.S. Secret Service:		
Financial Crimes Task Force - 2003-04	21.100	
Financial Crimes Task Force - 2004-05	21.100	
Total U.S. Secret Service		
Federal Emergency Management Agency:		
Assistance to Firefighters - 2002	97.044	EMW-2002-FG-18040
Assistance to Firefighters - 2004	97.044	EMW-2002-FP-02475
Metro Medical Response System - 2003	97.071	233-01-0040
Metro Medical Response System - 2004	97.071	EMW-2004-GR-0699
Domestic Preparedness Hazmat Grant - 2002-03	97.004	HS-TE-02-1111
Hazmat Equipment Grant - 2002-03	97.004	HS-TE-03-4109
Structural Collapse Training Grant	97.025	
Flood Mitigation - 2001-02	97.029	FMA-PL-01-01
Total Federal Emergency Management Agency		
Total Department of Homeland Security		
Department of Labor:		
JTPA Cluster:		
Welfare to Work 98-3751	17.253	8-3751-42
Welfare to Work 99-3751	17.253	9-3751-42
Total JTPA Cluster		
Employment and Training Administration:		
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 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
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 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 10% Statewide Activities 1999	17.255	1999 2050 42
WIA 10% Statewide Activities 2000	17.255	2000 2050 42
WIA 10% Statewide Activities 2001	17.255	2001 2050 42
WIA 10% Statewide Activities 2001	17.259	2001 2050 42
WIA 10% Statewide Activities 2002	17.258	2002 2050 42
WIA 10% Statewide Activities 2002	17.259	2002 2050 42
WIA 10% Statewide Activities 2002	17.260	2002 2050 42
WIA 10% Statewide Activities 2003	17.258	2003 2050 42
WIA 10% Statewide Activities 2003	17.259	2003 2050 42
WIA 10% Statewide Activities 2003	17.260	2003 2050 42
WIA 10% Statewide Activities 2004	17.258	2004 2050 42

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 11,705	\$ 7,458	\$ 3,392	\$ 10,850
14,670		9,014	9,014
14,916		14,916	14,916
<u>2,107,531</u>	<u>504,829</u>	<u>784,120</u>	<u>1,288,949</u>
130,000	31,278	18,873	50,151
308,000			
<u>438,000</u>	<u>31,278</u>	<u>18,873</u>	<u>50,151</u>
<u>3,142,906</u>	<u>911,781</u>	<u>937,802</u>	<u>1,849,583</u>
5,500	1,421	4,069	5,490
4,000		4,000	4,000
<u>9,500</u>	<u>1,421</u>	<u>8,069</u>	<u>9,490</u>
332,640	332,382		332,382
22,465		22,464	22,464
880,557	234,169	46,310	280,479
400,000		446	446
90,900	85,743	4,364	90,107
21,739	451	16,276	16,727
120,300	117,212		117,212
15,000			
<u>1,883,601</u>	<u>769,957</u>	<u>89,860</u>	<u>859,817</u>
<u>1,893,101</u>	<u>771,378</u>	<u>97,929</u>	<u>869,307</u>
964,293	964,292		964,292
449,396	449,396		449,396
<u>1,413,689</u>	<u>1,413,688</u>		<u>1,413,688</u>
320,712	320,713		320,713
380,475	380,474		380,474
403,907	403,908		403,908
607,997	607,997		607,997
1,183,134	711,694	364,524	1,076,218
1,032,448		504,120	504,120
185,611	185,611		185,611
387,050	387,049		387,049
402,950	402,950		402,950
808,507	808,507		808,507
1,064,053	215,310	848,743	1,064,053
1,448,730		64,222	64,222
39,861	39,861		39,861
425,298	425,297		425,297
487,609	487,609		487,609
614,276	591,327	22,949	614,276
773,627	342,016	431,611	773,627
1,031,566		357,694	357,694
50,974	50,974		50,974
55,733	55,733		55,733
73,596	73,596		73,596
41,140	41,140		41,140
55,414	31,123	24,291	55,414
52,652	29,572	23,080	52,652
73,688	41,386	32,303	73,689
48,070		38,419	38,419
34,947		27,931	27,931
49,746		39,759	39,759
65,928		17,740	17,740

Federal Programs

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2005

<u>Federal Grantor/Pass-Through Grant or/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
WIA 10% Statewide Activities 2004	17.259	2004 2050 42
WIA 10% Statewide Activities 2004	17.260	2004 2050 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		
Department of Transportation:		
Federal Transit Administration:		
Section 3 Capital - 1993-94	20.500	
Section 5307 Operating Assistance - 2002-03	20.507	NC-90-X338-01
Section 5303 Metro Planning - 2002-03	20.505	
Section 5303 Metro Planning - 2003-04	20.505	
Section 5303 Metro Planning - 2004-05	20.505	
Section 5307 Capital Assistance Grant - 2000	20.500	NC-90-X274
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	20.500	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 5309 Capital Assistance Grant - 1999	20.507	NC-03-0042
Section 5309 Capital Assistance Grant - 2000	20.507	NC-03-0047
Section 5309 Capital Assistance Grant - 2001	20.507	NC-03-0046
Total Federal Transit Administration		
Federal Highway Administration:		
FTA Capital - Surface Transportation	20.205	NC-90-X252
I 6th Street Bridge Replacement	20.205	B-3930
Ballinger Road Bridge Replacement	20.205	B-4695
Bicentennial Greenway Trail Project	20.219	P05106
Total Federal Highway Administration		
Total Department of Transportation		
Department of Agriculture:		
Forest Service:		
Environmental Design Crime Prevention	10.664	ATB-2004-07
Greening Greensboro Initiative	10.664	ATB-2005-05
Total Forest Service		
Office of Inspector General:		
USDA Investigation Participation		
Total Office of Inspector General		
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
\$ 77,874	\$	\$ 20,954	\$ 20,954
112,491		30,269	30,269
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>12,598,187</u>	<u>6,841,970</u>	<u>2,848,609</u>	<u>9,690,579</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>16,732,876</u>	<u>9,449,682</u>	<u>2,848,609</u>	<u>12,298,291</u>
960,000	921,169		921,169
2,002,966		1,890,858	1,890,858
41,080	41,080		41,080
55,368	24,256	31,112	55,368
58,496		58,496	58,496
351,327	321,880		321,880
333,837	267,451		267,451
200,000	136,831	16,151	152,982
2,634,360	542,232	2,049,768	2,592,000
2,080,000			
298,000		91,947	91,947
100,000		19,349	19,349
5,122,288	5,119,763	(2,481)	5,117,282
3,275,877	3,153,724	103,714	3,257,438
1,471,643	1,028,495		1,028,495
<u>18,985,242</u>	<u>11,556,881</u>	<u>4,258,914</u>	<u>15,815,795</u>
6,548,173	6,540,033	3,296	6,543,329
1,981,480	168,496	46,621	215,117
500,000	52,821		52,821
50,000			
<u>9,079,653</u>	<u>6,761,350</u>	<u>49,917</u>	<u>6,811,267</u>
<u>28,064,895</u>	<u>18,318,231</u>	<u>4,308,831</u>	<u>22,627,062</u>
10,000		9,008	9,008
15,000		4,946	4,946
<u>25,000</u>		<u>13,954</u>	<u>13,954</u>
<u>15,000</u>			
15,000			
<u>40,000</u>		<u>13,954</u>	<u>13,954</u>
<u>4,202,675</u>	<u>3,645,483</u>		<u>3,645,483</u>
<u>4,202,675</u>	<u>3,645,483</u>		<u>3,645,483</u>
<u>200,000</u>	<u>13,722</u>	<u>12,174</u>	<u>25,896</u>
<u>200,000</u>	<u>13,722</u>	<u>12,174</u>	<u>25,896</u>
<u>4,402,675</u>	<u>3,659,205</u>	<u>12,174</u>	<u>3,671,379</u>
<u>\$ 121,966,003</u>	<u>\$ 77,335,424</u>	<u>\$ 15,060,670</u>	<u>\$ 92,396,094</u>

State Programs

Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2005

<u>State Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Cultural Resources: LSTA Digitalization Starter - 2004-05 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
Emergency Management Agency: Flood Mitigation - 2001-02 Total Emergency Management Agency		FMA-PL-01-01
Department of Environmental Health and Natural Resources: Clean Water Management - 2001-02 Bioretention Areas Grant Community Waste Reduction and Recycling - 2004-05 Adopt a Trail - 2004-05 Northeast Walking Trail Carolyn Allen Community Park Total Department of Environmental Health and Natural Resources	66.460	02A-705 EW03036 H05014 P05023 2003-283 2001-190
Department of Crime Control and Public Safety: Violent Crimes Task Force Regional Hazardous Materials Response Team - 2003-04 Regional Hazardous Materials Response Team - 2004-05 Fire Capital Equipment Total Department of Crime Control and Public Safety	69.105	041-1-00-008-D-369 2001-TE-CX-0030
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 3 Capital - 1993-94 Section 5303 Metro Planning - 2002-03 Section 5303 Metro Planning - 2003-04 Section 5303 Metro Planning - 2004-05 Transportation Planning - 2002-03 Transportation Planning - 2003-04 Transportation Planning - 2004-05 Section 5307 Capital - 2000-01 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 5309 Capital Assistance - 1999-00 Section 5309 Capital Assistance - 2000-01 Section 5309 Capital Assistance - 2000-01 Total Federal Transit Administration	20.500 20.505 20.505 20.505 20.507 20.507 20.507 20.500 20.500 20.500 20.500 20.500 20.507 20.507 20.507 20.507 20.507 20.507 20.507 20.507	93-03-006 03-08-007 04-08-007 05-08-007 01-09-012 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 NC68/Triad Center Drive NCDOT US 29 Corridor 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 20.205 20.205	01-ST-001 9.8079835 FS-0207B WBS 34263.1.1 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 Traffic Enforcement Positions - 2004-07 Total Governor's Highway Safety Program		157(b)2-05-14D PT-05-04-05-08
Division of Highways: Holden/Market Municipal Agreement - 2004-05 Bentley Road Improvement - 2004-05 Homaday Road Improvement - 2005 Total Division of Highways		MA07202R WBS 39306 WBS 39389 U-4750 WBS 39581.1.1
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		
Total Department of Transportation		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$7,875	\$	\$7,650	\$7,650
305,985		305,985	305,985
313,860		313,635	313,635
		4,098	4,098
		4,098	4,098
15,000			
15,000			
570,000	255,758	299,755	555,513
90,000	17,072	67,545	84,617
12,960		2,477	2,477
4,000		3,410	3,410
200,000	200,000		200,000
250,000	250,000		250,000
1,126,960	722,830	373,187	1,096,017
170,270	156,932		156,932
52,000	32,865	11,334	44,199
57,000		41,998	41,998
280,000	278,044		278,044
559,270	467,841	53,332	521,173
7,000			
7,000			
2,120	629		629
2,120	629		629
120,000	115,146		115,146
5,135	5,135		5,135
6,921	3,032	3,889	6,921
7,312		7,312	7,312
485,090	337,908		337,908
641,238	389,031		389,031
562,785		250,806	250,806
43,915	40,235		40,235
41,730	33,431		33,431
25,000	17,104	2,019	19,123
329,295	67,779	256,221	324,000
260,000			
37,250		11,493	11,493
12,500		2,419	2,419
640,286	637,180	2,481	639,661
409,484	394,215	12,964	407,179
183,955	128,562		128,562
3,811,896	2,168,758	549,604	2,718,362
818,521	817,505	412	817,917
98,382	90,439	(11,929)	78,510
46,156	46,156		46,156
750,000	26,457	63,772	90,229
64,000			
52,800			
200,000		188,542	188,542
2,029,859	980,557	240,797	1,221,354
10,000			
782,010		253,957	253,957
792,010		253,957	253,957
300,000		300,000	300,000
92,000		92,000	92,000
3,750,000		107,035	107,035
4,142,000		499,035	499,035
5,000,000	1,284,157	1,889,600	3,173,757
320,000	320,000		320,000
1,068,000	479,586	293,107	772,693
1,336,979		1,322,806	1,322,806
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	5,863,846	1,331,628	7,195,474
6,826,430		6,826,430	6,826,430
6,259,575		5,784,998	5,784,998
6,590,139			
93,970,346	59,694,888	18,991,962	78,686,850
\$95,994,556	\$60,886,188	\$19,736,214	\$80,622,402

Job Training Partnership Act

Schedule of Expenditures by Program and Cost Category
For the Fiscal Year Ended June 30, 2005

Grant Award Number	Program or Award Amount	Training	Participants' Support	Administration	Basic Readjustment Service	Retraining Services	Total June 30, 2005
8-3751-09	\$ 964,293	\$	\$	\$	\$	\$	\$
9-3751-09	449,396						
	<u>\$ 1,413,689</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Notes to the Schedule of Expenditures of Federal and State Awards

For the Fiscal Year Ended June 30, 2005

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 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</u>	<u>Amount Provided to Subrecipients</u>
<u>Federal</u>		
Community Development Block Grant--HOPWA	14.241	\$193,367
Community Development Block Grant--HOPWA	14.241	\$47,457
Community Development Block Grant--Emergency Shelter Grant	14.231	\$75,533
Home Investment Partnerships Grant	14.239	\$12,500