



*City of  
Greensboro*

*Comprehensive  
Annual  
Financial  
Report  
June 30, 2004*





# COMPREHENSIVE ANNUAL FINANCIAL REPORT

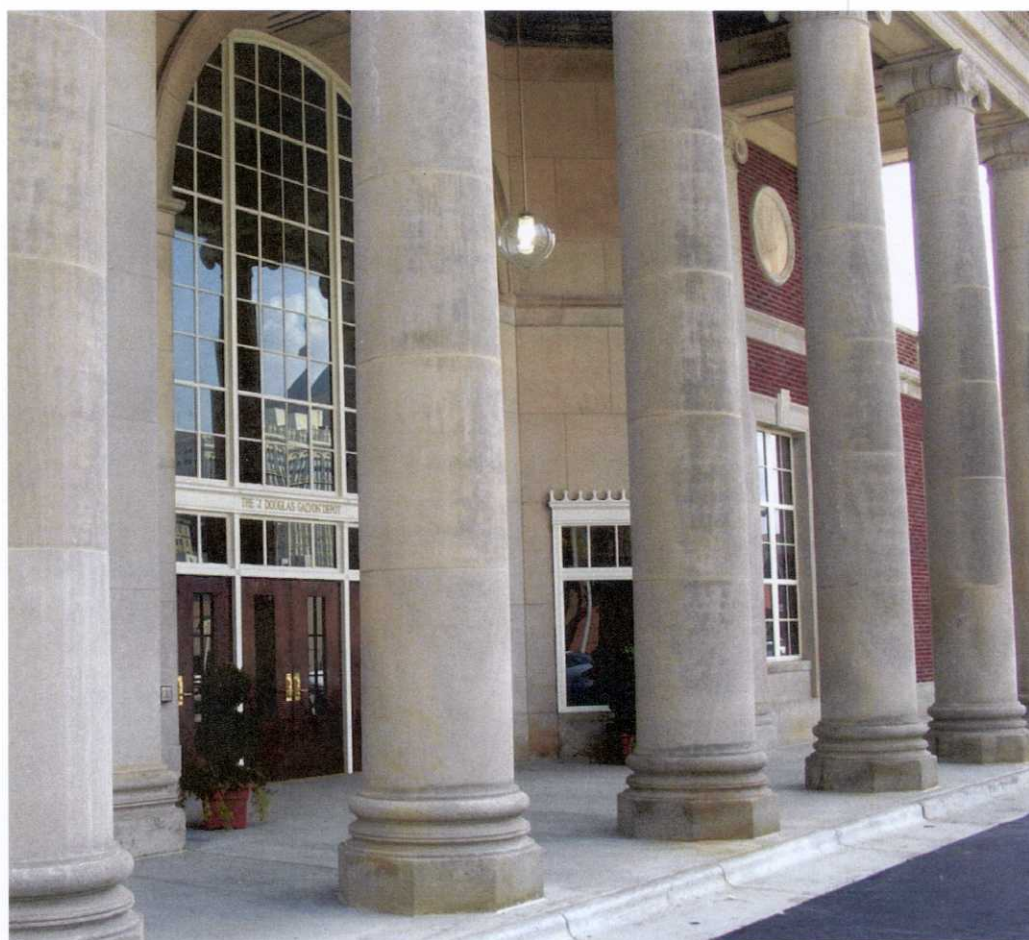
*For the Fiscal Year Ended June 30, 2004*

*Prepared by the  
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**CITY OF GREENSBORO**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2004**

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# City of Greensboro North Carolina

October 1, 2004

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, 2004, 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, 2004, 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, 2004. 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, 2003, 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 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 Greensboro Center City Corporation is reported as a blended unit 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 City was incorporated in 1808 and is the county seat of Guilford County. Greensboro has a population of 235,262 and presently covers a land area of approximately 119 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, Proprietary Funds and certain Trust 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 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, 2004.

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. For the General Fund and Housing Partnership Revolving

Fund (*Special Revenue Fund*) budgetary comparisons are presented on pages 10 and 11 as part of the Basic Financial Statements pertaining to the governmental funds. For other funds with annual and project-length budgets, detailed budget to actual comparisons 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 will be the primary focus for FY 2004-05 funding:

- Economic Development
- Public Safety
- Protecting Natural Resources and Managing Growth
- Maintaining 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 telecommunications industry. The 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 completion of the Eastern, Southern and Western Loops is after 2010, however portions of the Southern section opened for travel in February 2004.

Located in the vicinity of Piedmont Triad International Airport are various major industrial and business parks covering about 700 acres. Existing office and industrial facilities located within 2 ½ 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.



County-wide inventories of industrial and office space are conducted quarterly. During the fourth quarter of 2003, the office market vacancy rate decreased slightly to 19.77% versus the first quarter 2003 vacancy rate of 19.99%. Rentable square feet totaled 9.9 million with nearly 2 million square feet vacant. During the same period, the industrial market vacancy rate decreased slightly from 19.33% in the first quarter of 2003 to 19.66% during fourth quarter 2003. Rentable industrial space totaled 16.2 million square feet and vacant square feet totaled 3.2 million.

Recently, Greensboro was ranked as the 12<sup>th</sup> most fiscally fit cities in the United States relating to insurance issues, investments and quality of life according to State Farm Insurance Corporation. Area businesses have experienced moderate growth and development overall in the past year, and the economic slowdown in the Piedmont Triad region appears to be improving, as evidenced in the following statistics.

**% Greensboro Unemployment**

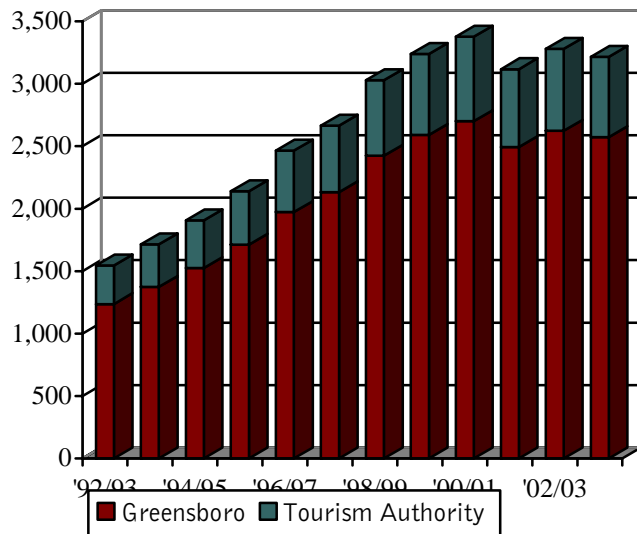
	1999	2000	2001	2002	2003	2004
Jan	2.5	2.9	3.7	6.3	6.2	5.8
Feb	2.6	3.2	3.9	6.4	6.0	5.8
Mar	2.3	2.7	3.7	6.5	5.9	4.9
Apr	2.0	2.2	3.9	6.3	6.0	4.9
May	2.3	2.7	4.2	6.7	6.1	5.2
Jun	2.5	3.0	4.8	7.2	7.0	6.3
July	2.6	3.1	5.0	7.4	7.0	6.2
Aug	2.9	2.9	5.2	6.9	6.6	5.4
Sept	2.4	3.0	5.1	6.4	6.1	-
Oct	2.6	2.9	5.2	6.4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

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

Source: North Carolina Employment Security Commission

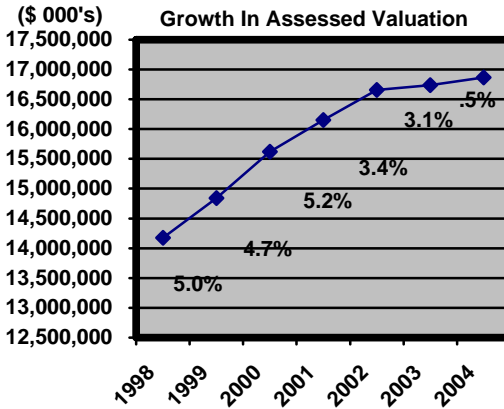


There are currently 8,628 hotel/motel rooms throughout the City. Receipts from the City's 3% occupancy tax totaled \$2,572,272 in FY 2003-04, decreasing by 2% over the prior year, with moderate growth expected next year. The Tourism Authority receives 20% of the City's 3% occupancy tax, while a portion 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
American Express, Inc.	Credit Card Services	3,200
Guilford County	Government	3,000
City of Greensboro	Government	2,935
Volvo Trucks North America	Truck Production	2,200
United Parcel Service	Shipping	2,100
Bank of America, N.A.	Banking Services	2,000
Lorillard Tobacco Company	Cigarettes	1,950
The University of North Carolina at Greensboro	Education	1,940
Aetna US Healthcare	Health Care Insurance	1,650
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	1,350
Tyco Electronics Corporation	Electronics	995
Procter & Gamble Corporation	Consumer Products	900

Source: Greensboro Chamber of Commerce, December 2004



### Population Characteristics

	Median Age	Median Household Income	% Households Earning $\geq$ \$20,000
Greensboro	33.0	\$35,307	77.7
Guilford County	35.7	37,889	79.8
North Carolina	36.2	35,537	76.4
United States	36.0	38,035	NA

Source: Sales and Marketing Management Magazine, 2003  
 Book of County Demographics, 2003  
 U.S.Census, 2000

### Business Investment FY2004 Summary

	New Jobs	Investment
Expanding Firms	759	\$ 144,719,072
New Firms	75	224,878,236
Total	834	\$ 369,597,308

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 (10 mos.)	4,945,084,164	2.7

Source: North Carolina Department of Revenue

Other economic development news in FY 2003-04 include the following highlights.

Piedmont Triad Airport Authority future construction projects include improvements to terminal security, expansion of the north concourse and renovations to airport ticket counters. These ongoing construction projects will be financed with future issuance of \$35 million in bonds. The biggest share of the bond issue, \$24 million, will pay for grading the site of the FedEx cargo-sorting hub, an estimated \$500 million mid-Atlantic facility adjacent to the airport, which is expected to be completed and operational in 2009.

A new \$20 million minor league downtown baseball stadium with a 6,000 seating capacity is currently under construction and will open in April, 2005. The six-acre tract surrounding the new stadium is planned to include new residential and commercial development.

The Moses Cone Health System expansion continues with the recent North Carolina Medical Care Commission announcement of the issuance of \$95 million in tax exempt bonds to Moses Cone to complete the construction of several projects including a Heart and Vascular Center, a nursing home, five story parking deck and several renovation projects for the Wesley Long Community Hospital acquired in the 1998 merger.

The Triad may be the future home of Dell, Inc., if the world's largest personal computer maker decides to expand in this area. The Triad's employment gains are estimated at 5,129 jobs for the region. Including those in the Triad, 6,139 jobs would be created statewide, throughout multiple industries during the first year, according to a study conducted by the N.C. Employment Security Commission. The study indicated the gross regional product, or total economic output for the Piedmont region would rise 1.0 percent to \$56.5 billion within the first year of the opening. Personal income would rise 0.04 percent in the region. This would not only be a major boost to the Triad's economy but could set a precedence for the Triad to change its textile and tobacco image to a hub for high-tech companies of all types.

## **B. Long-Term Financial Planning**

### **1) Environmental Issues**

The Piedmont Triad Regional Water Authority, jointly sponsored by six area local governments, including the City, is coordinating the construction of the \$140 million Randleman Dam, Water Plant and Lake project that was designed to meet anticipated 21<sup>st</sup> century water needs. The project is expected to serve Randolph County and five municipalities located in Guilford and Randolph Counties: Greensboro, High Point, Jamestown, Archdale and Randleman. The project was originally scheduled to begin in 1998 and be completed by the year 2000. However, due to delays in obtaining the required regulatory approvals and permits, the project is now underway. The dam was completed, but roads, bridges and other reservoir improvements must be made before the gates can be closed. A water treatment plant and transmission lines must also be designed and constructed. The City expects to receive water from the Randleman Dam Reservoir in 2007.



Other plans for supplementing the City's water supply include the continuation of a water line to the City of Burlington, scheduled for completion in fall 2004. The City is pursuing the construction of a \$5.5 million transfer station for municipal solid waste as an alternative to the White Street Landfill. In order to fund the additional costs for land, construction, operations, and haul and disposal associated with the transfer station, the FY 2005 budget includes increased user fees to accommodate these changes. Project cost to date is \$1.3 million, which includes land and right of way purchases in the western section of the City.

## 2) Economic Development

Based on discussions held with Council, Economic Development was added as a strategic priority for the City in the previous year. Revitalization of downtown is targeted with a variety of activities including new housing development, business location, business façade improvement programs, landscaping programs and public safety.

As a result of a new economic development initiative, the City has partnered with eight local banks to provide a source of funding for local business loans. City funds will be made available through the Federal Community Development Block Grant program. Branch Banking and Trust (BB&T) will provide administration and servicing of the loans. The City is responsible for loaning 40% of the agreed upon amount, to be repaid according to the terms of a note agreement. The Targeted Loan Pool Program, officially launched in November 2003, provides capital financing for small businesses that would typically be ineligible for a traditional loan. The \$1 million loan pool is available to businesses located or desiring to locate in Greensboro's State Development Zone. The purpose of the loan program is to create new permanent jobs that would be made available to low or moderate-income persons for at least one year. One job must be created or retained for each \$50,000 loaned. Loans can be made available to existing businesses for expansion or for start-up of new businesses. Eligible uses of funds are: buying property for a project which creates or retains jobs; purchasing, constructing and rehabilitating commercial buildings and structures; purchasing equipment and fixtures which are a part of the real estate; improving energy conservation. The maximum loan amount is \$200,000. The Loan Committee approved its first loan in June 2004.

## 3) Technology

The FY 2004-05 adopted budget includes \$1 million in the Technical Services Fund to begin a five year plan of upgrading the City/County 800 MHz radio system software of which Guilford County will pay 50% of the share of this cost.

The City is in progress of creating a state-of-the-art, enterprise-wide Contact Center for the provision of non-emergency municipal services. The initial project covers the areas of Solid Waste Collection and Street Maintenance and general City information. Once fully implemented, the Contact Center will provide a single point of contact for citizens to communicate requests for either City services or information. Integral to this project is the implementation of an enterprise-wide asset management and work order management system. This system will be used to track our success in fulfilling service requests and improve productivity of field operations. Initial operation of the Center is scheduled to begin in FY 2004-05, with pilot tests already in progress.

#### 4) Plans for Debt Issuances

The City currently has \$85,900,000 in authorized and unissued general obligation bonds to fund various governmental projects, with an anticipated phased issuance over the next several years. The City plans to issue \$25 million general obligation bonds and \$45 to \$50 million in revenue bonds to finance additional water and sewer system improvements in the first quarter of 2005. The City also plans to issue approximately \$32 million in general obligation bonds on November 16, 2004 to refund outstanding Series 1996 bonds to take advantage of favorable interest rate trends. Interest savings of more than \$1 million are anticipated. The City also plans to enter into an approximately \$10 million installment purchase contract for certain equipment purchases in the last quarter of 2004.

#### 5) Capital Improvements

Bond-financed and other major capital projects completed, or in progress at year-end included street and bridge projects, additional fire stations and public safety training facilities, water and sewer system upgrades, renovations to existing facilities and landfill expansion.

- The grand opening of Greensboro Police Department's Western Operations Center occurred in March 2004. The 77,000 square foot facility houses 192 police personnel comprised of the Western Division, Investigative Support Division and the Special Operations Division.
- Funding for Public Safety projects, which accounts for 8% of the total CIP, increased by \$7 million over the previous year. Public Safety additions include several new fire stations; Grandover Area Station, Horsepen Creek Fire Station and the Orchard Fire Station, due to both the replacement of aging current locations and the anticipation of service expansion. A third police substation in District #2 is planned to open in FY 2004-2005. The construction of the WROC 211 is nearing completion and should be ready in the winter of 2005. This facility will house the new Water Resources offices, the new Police District substation #2 and the new Fire Station #11.
- With an increase of \$38 million over the previous year, Cultural and Recreation projects account for approximately 17% of the planned capital program. The Parks and Recreation Master Plan is the primary focus driving implementation of the scheduled projects. Projects include replacement of the Barber Park Tennis Pavilion, a new Southwest Recreation Center, and connector trails between City Parks. Library projects include the construction of the McGirt-Horton Library and the expansion of the Benjamin Branch Library. Both projects are scheduled to begin in FY 2006-2007.
- Despite having \$5 million less than last year's budget for capital improvements, Transportation remains the second largest service area with \$105 million or 22% of the capital budget. Planning and design are in progress for 2000 bond referendum projects such as Creek Ridge Road, Lake Jeanette Road, East Market Street and Church Street Streetscape, Merritt Drive, Mackay Road, and Summit Avenue. Immediate transportation projects for FY 2004-2005 include Friendly Avenue, Elm-Eugene Street, Franklin Boulevard and Horse Pen Creek Road.

- As Greensboro prepares for the present and future challenges of water quality and availability and safe refuse disposal, Environmental Protection (EP) remains a principal focus of the City's long-term capital planning. Total estimated expenses for EP projects are \$222 million, or 47% of the total CIP. This is an increase of \$73 million over last year. Major projects include replacement of the Reedy Fork Lift Station; upgrades to the North Buffalo Sewer System, as well as the continued rehabilitation of other sanitary sewer lines; upgrades to the T. Z. Osborne and North Buffalo Wastewater Treatment Plants; and the Randleman Dam Feeder Main construction.
- The City is currently participating with the Greensboro Housing Authority in the HOPE VI housing project in order to revitalize the Willow Oaks neighborhood in southeast Greensboro. The total project cost is estimated to be \$97 million, including federal funds. Our commitment is \$12.4 million, primarily for site assembly and infrastructure work which is in progress as of June 30, 2004. The project is estimated to be complete in fall 2007. The South Elm Street brownfield revitalization project is estimated to cost \$6 million.

The proposed six-year Capital Improvement Plan (CIP) includes approximately \$474 million for projects that will be undertaken during FY 2004-2010 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 31% more than the capital plan adopted last year. Several projects were put on hold in the prior year due to budgetary constraints at the state-wide level and a slowing economy in the Piedmont Triad.

### 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, 2004 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 \$6,128,911 for the fiscal year ended June 30, 2004 as compared to \$8,831,012 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 \$249,809,948 during the year. The City's average yield on investments for the year was 2.5%. Interest earnings showed a decrease 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 3.6 cents on the tax rate for FY 2003-04.

#### **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, 2003, the date of the last actuarial valuation, amounted to \$16,260,001 of which 27.1% was funded. The valuation projects that an annual contribution of 5.49% of law enforcement payroll or \$1,343,829 is required in FY 2005 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 \$1,572,985 in FY 2003-04, which represents 143% 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 483 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 twenty-nine consecutive years, (1975 through 2003). 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.

The City of Greensboro was recently awarded the National Partner Award for Excellence in Advancing Biodiesel from the Department of Energy (DOE). Greensboro was one of only three cities honored for making a significant, long-term contribution to advance the use of alternative fuels in cars and trucks. As part of this honor, the City was inducted into the Clean Cities Hall of Fame in May 2004. The Clean Cities Program sponsored by the DOE, supports public-private partnerships that deploy alternative fuel vehicles and build supporting infrastructure.

Over the next two years, the City of Greensboro's Parks and Recreation Department (P&R) will be undertaking the process of becoming accredited by the National Recreation and Park Association and the American Academy for Park and Recreation Administration. This accreditation will help to highlight the exceptional level at which Greensboro P&R operates and also offer an opportunity for the department to find new and better ways to serve the community. In addition, our department will be recognized on a national level as one of the country's premier Parks and Recreation programs.

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 2004-05 is strong, with some 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,*

***J. Edward Kitchen***  
*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, 2003

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.



A handwritten signature in black ink, appearing to read "Edward Haney".

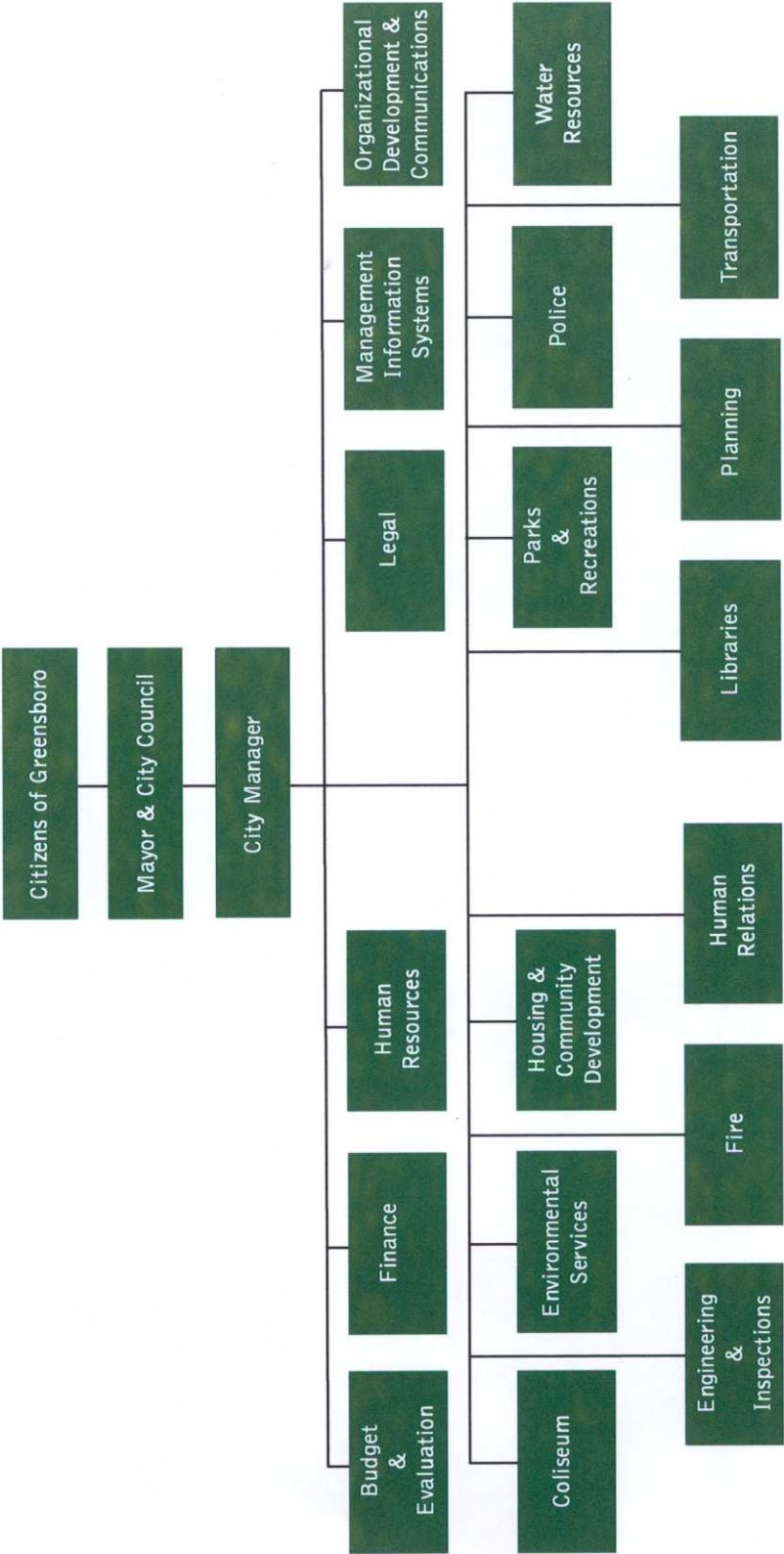
President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



City of Greensboro







*City Manager*  
*J. Edward Kitchen*



*Finance Director*  
*Richard L. Lusk*



***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*



## 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 aggregate 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, 2004, 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 City of 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 City of 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 basic 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Greensboro, North Carolina as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, 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 1, 2004 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 have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City 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 1, 2004

## 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, 2004. 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 \$715.2 million (*net assets*).

The City's net assets increased by \$9.5 million (1.3%) compared to FY 2003. The governmental net assets increased slightly by \$1.7 million (.5%) due to our continuing to provide basic services at higher costs with slowing revenue growth. The business-type net assets increased by \$7.8 million (2.3%) primarily due to changes in the City's rate structures and capital contributions to outside agencies.

- ❖ The governmental activities program revenue increased by \$2.5 million, up 4% from last year, and additional general revenues for sales and other taxes were offset by lower investment earnings which were the equivalent of 3.6 cents on the property tax rate compared to 5.3 cents last year. In the City's business-type activities, program revenues increased by \$8.4 million or 10.2% to \$90.9 million. The change in business-type activities is largely due to increased capital contributions from developers for donated water and sewer lines and higher water rates adopted January 1, 2004. City-wide, charges for services increased \$5.3 million or 4.4%.
- ❖ During the year, the City's governmental expenses were \$211.8 million, an increase of \$18.7 million or 9.7% from last year primarily for public safety and transportation purposes while expenses decreased 13% in the City's business-type activities due to changes in levels of contributions to outside agencies for water resource purposes.
- ❖ Of the City's various 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 2004. Stormwater management operations will be treated as an enterprise using full accrual accounting starting in FY 2005.
- ❖ The total cost of all City programs increased by \$4.8 million or 1.6% compared to FY 2003.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$136.5 million, a decrease of approximately \$18.9 million in comparison with the prior year largely due to spending related to capital projects. Approximately 59% of this total amount, or \$80.4 million is unreserved, less amounts appropriated for next year's budget.

- ❖ At the end of the current fiscal year, the total unreserved fund balance for the General Fund specifically was \$30.2 million, or 16.1% of total general fund expenditures for the fiscal year. Of this balance, \$10.1 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 "undesigned" to remain available for appropriation. This amounted to \$18.8 million as of June 30, 2004.
- ❖ Charges for services for the City's largest enterprise activity, the Water Resources Fund, comprising water and sewer operations increased 11% in FY 2004. The City purchased a water supply from three neighboring municipalities in the current year for approximately \$1.5 million and has entered into a water purchase contract arrangement with a fourth community and the necessary connection is nearing completion. Payments of \$4.5 million 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 \$42 million as of June 30, 2004.
- ❖ Deficits of \$187,147 and \$474,806 were reported in the Hope VI Program and the Library Facilities Series 2003 Bond Fund, respectively, as of the end of the fiscal year. These deficits will be funded with reimbursements from other governmental agencies and from the future sale of general obligation bonds in 2005.
- ❖ The General Fund budget for the fiscal year ended June 30, 2004 was adopted with a \$.5975 per \$100 assessed valuation property tax rate, the same rate as was adopted in the prior year. An additional levy of \$.02 per \$100 assessed valuation was used to improve and expand the public transit system.
- ❖ As of June 30, 2004, the City had collected approximately \$187 million or 101% of its amended budgeted General Fund revenues and had incurred \$187.1 million or 94% of its budgeted expenditures. The net effect on General Fund fund balance was a reduction of approximately \$104,000 this year.
- ❖ Overall General Fund budgeted expenditures were increased by approximately \$304,000 during FY 2004.

❖ Key Ratios

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ Bonded Debt Per Capita	\$631	\$691	\$581	\$598
% Debt Service to General Governmental Expenditures	7.9	8.1	8.1	9.2
% Property Tax Collections	98.53	98.83	98.74	98.77
% Increase in Assessed Property Valuation	.8	.5	3.1	3.4

- ❖ The City's total bonded debt decreased by \$15.5 million due to scheduled principal retirements. Interest rates on the City's variable rate debt were 1% and 1.05% respectively

- ❖ for tax-exempt and taxable general obligations at June 30, 2004. The City issued \$43.4million in Combined Enterprise System Revenue Bonds in July 2003.
- ❖ The City of Greensboro maintained its AAA, Aa1, and AAA general obligation (GO) credit rating from Standard & 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 & 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 Investor 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)

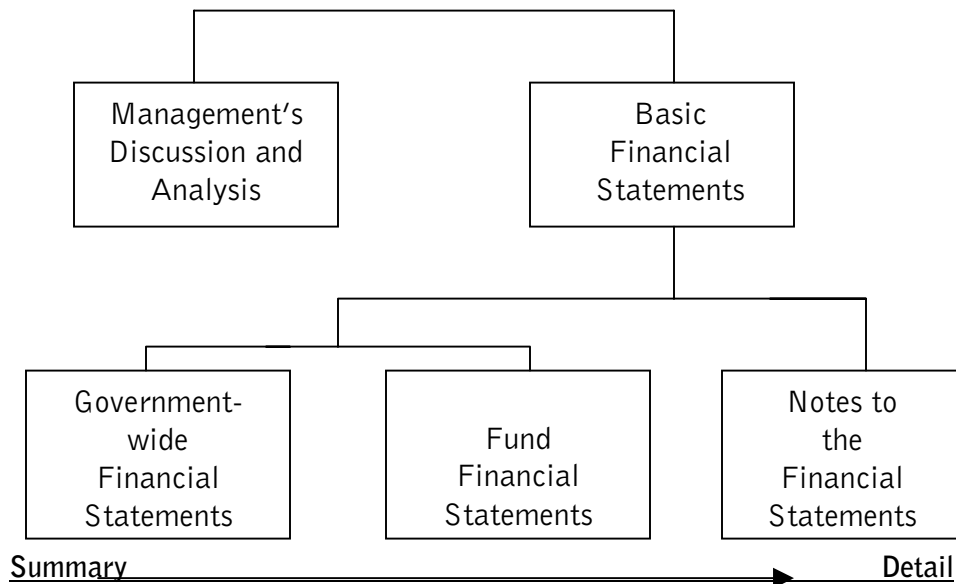
General Obligation Bonds	Currently AAA	Target AAA
Enterprise System Revenue Bonds	Currently AA +	Target AA+

***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**

Figure 1



## A. Government-Wide Financial Statements

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

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

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

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

*Component Units-* The City includes three other discretely presented component entities in its report—Greensboro Housing Development Partnership, Inc., the Alcoholic Beverage Control (ABC) Board 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, such as those required by state law and bond covenants, and spending for particular purposes. 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, 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 basic 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 basic 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, 2004 still represent a new look for the City of Greensboro. 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 are 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 the previous years, other units may not be 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.

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 \$715,210,951 at the close of June 30, 2004 compared to \$704,564,659 in the previous year. The net assets for the City as a whole increased 1.5% at June 30, 2004. This increase of \$10.6 million represents a combination of increased collections for sales and other taxes and enterprise user fees along with reduced water capital contributions, offset by lower investment earnings.

The largest portion of the City of Greensboro's net assets \$470,189,842 (66%) represents its investment in capital assets (e.g. land, building, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The resources needed to repay the debt must be provided from sources other than capital assets, since they cannot be used to liquidate the liabilities.

An additional portion of the City of Greensboro's net assets \$44,779,057 (6%), represents resources that are subject to external restrictions on how they may be used. Decreased "invested in capital assets, net of related debt" this year is largely a function of the City's debt repayment and depreciation expense. 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 \$126,137,908 at June 30, 2003 to \$200,242,052 (28%) 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		Percent Change 03-04
	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	
Current and Other Assets	\$ 254,033	\$ 234,114	\$ 112,742	\$ 134,213	\$ 366,775	\$ 368,327	0.42%
Capital Assets, Net	353,395	366,040	424,270	445,307	777,665	811,347	4.33%
<b>Total Assets</b>	<b>607,428</b>	<b>600,154</b>	<b>537,012</b>	<b>579,520</b>	<b>1,144,440</b>	<b>1,179,674</b>	<b>3.08%</b>
Long-Term Debt Outstanding	226,175	217,683	161,943	221,754	388,118	439,437	13.22%
Other Liabilities	28,089	21,709	23,669	3,317	51,758	25,026	-51.65%
<b>Total Liabilities</b>	<b>254,264</b>	<b>239,392</b>	<b>185,612</b>	<b>225,071</b>	<b>439,876</b>	<b>464,463</b>	<b>5.59%</b>
Net Assets Invested in Capital Assets,	353,164	360,762	351,400	354,449	704,564	715,211	1.51%
Net of Related Debt	252,821	193,892	275,318	276,298	528,139	470,190	-10.97%
Restricted	33,467	37,034	16,820	7,745	50,287	44,779	-10.95%
Unrestricted	66,876	129,836	59,262	70,406	126,138	200,242	58.75%
<b>Total Net Assets</b>	<b>\$ 353,164</b>	<b>\$ 360,762</b>	<b>\$ 351,400</b>	<b>\$ 354,449</b>	<b>\$ 704,564</b>	<b>\$ 715,211</b>	<b>1.51%</b>

\*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)

**Revenues:**

Program Revenues:

Charges for Services	\$40,776	\$41,055	\$78,446	\$ 83,430	\$ 119,222	\$ 124,485
Operating Grants and Contributions	18,137	18,290	150		18,287	18,290
Capital Grants and Contributions	3,000	5,049	3,899	7,458	6,899	12,507

General Revenues:

Property Taxes	99,839	100,305			99,839	100,305
Other Taxes	46,835	51,599			46,835	51,599
Investment Income	5,991	1,597	1,731	402	7,722	1,999
Other	2,611	3,253	1,577	2,406	4,188	5,659
<b>Total Revenues</b>	<b>217,189</b>	<b>221,148</b>	<b>85,803</b>	<b>93,696</b>	<b>302,992</b>	<b>314,844</b>

**Expenses:**

General Government	26,891	33,663			26,891	33,663
Public Safety	77,219	80,125			77,219	80,125
Transportation	23,844	26,158			23,844	26,158
Engineering and Inspections	13,571	15,609			13,571	15,609
Environmental Services	1,818	1,110			1,818	1,110
Culture and Recreation	27,736	30,831			27,736	30,831
Community Development and Housing	9,718	9,414			9,718	9,414
Economic Opportunity	3,061	2,733			3,061	2,733
Water Resources	1,995	2,306			1,995	2,306
Intergovernmental	1,149	1,204			1,149	1,204
Interest, Fees on Long Term Debt	5,709	8,665			5,709	8,665
Arbitrage Rebates	548				548	
Water Resources			65,612	52,062	65,612	52,062
War Memorial Coliseum			16,533	17,562	16,533	17,562
Solid Waste Management			21,083	21,699	21,083	21,699
Parking Facilities			1,830	2,192	1,830	2,192
Bryan Park			2,322		2,322	
<b>Total Expenses</b>	<b>193,259</b>	<b>211,818</b>	<b>107,380</b>	<b>93,515</b>	<b>300,639</b>	<b>305,333</b>

Net Increase (Decrease) in Assets Before Transfers

	23,930	9,330	(21,577)	181	2,353	9,511
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<u>(Continued)</u>	<u>Activities</u>		<u>Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Transfers	(9,982)	(7,635)	9,982	7,635	-	-
Increase						
Net	13,948	1,694	(11,595)	7,816	2,353	9,510
Beg.Net	339,216	359,068	362,995	346,633	702,211	705,701
Ending	<u>\$ 353,164</u>	<u>\$ 360,762</u>	<u>\$ 351,400</u>	<u>\$ 354,449</u>	<u>\$ 704,564</u>	<u>\$ 715,211</u>

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

	<u>FY2003</u>	<u>FY2004</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$5,991	1,597	(\$4,394)	-73.3%
Interest Expense	5,709	8,665	2,956	51.8%
Net	<u>\$282</u>	<u>(\$7,068)</u>	<u>(\$7,350)</u>	<u>-2606.4%</u>

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

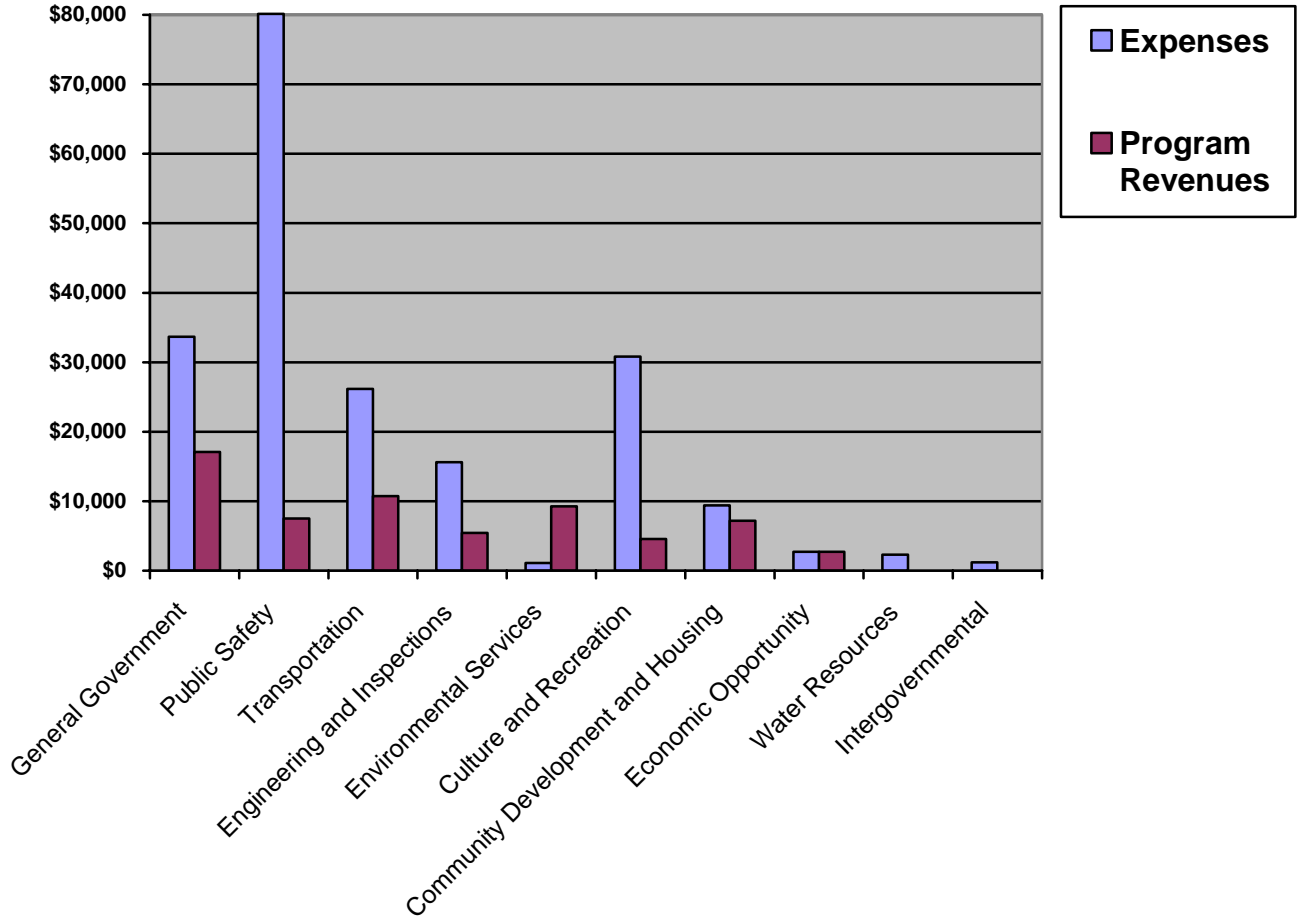
	<u>FY2003</u>	<u>FY2004</u>	<u>\$ Change</u>	<u>% Change</u>
Interest Revenue	\$1,731	\$402	(\$1,329)	-76.8%
Interest Expense	6,988	7,007	19	0.3%
Net	<u>(\$5,257)</u>	<u>(\$6,605)</u>	<u>(\$1,348)</u>	<u>25.6%</u>

**A. Governmental Activities**

Governmental activities increased the City's net assets by approximately \$1.7 million. Key elements of this increase are as follows:

Expenditure levels for significant service areas such as public safety, transportation and culture and recreation were increased without noting the substantial revenue growth typical of fiscal years prior to 2002, due to slowing economic trends.

**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>2003</u>	<u>2004</u>	<u>02-03</u>	<u>2003</u>	<u>2004</u>	<u>02-03</u>
General Government	\$26,891	\$33,663	25.2%	(\$10,383)	(\$16,596)	-59.8%
Public Safety	77,219	80,125	3.8%	(69,867)	(72,625)	-3.9%
Transportation	23,844	26,158	9.7%	(11,218)	(15,445)	-37.7%
Engineering and Inspections	13,571	15,609	15.0%	(9,741)	(10,195)	-4.7%
Environmental Services	1,818	1,110	-38.9%	5,472	8,140	48.8%
Culture and Recreation	27,736	30,831	11.2%	(22,780)	(26,277)	-15.4%
Community Development and Housing	9,718	9,414	-3.1%	(2,985)	(2,245)	24.8%
Economic Opportunity	3,061	2,733	-10.7%	(445)	(27)	93.9%
Water Resources	1,995	2,306	15.6%	(1,994)	(2,285)	-14.6%
Intergovernmental	1,149	1,204	4.8%	(1,149)	(1,204)	-4.8%
Total	<u>\$187,002</u>	<u>\$203,153</u>	8.6%	<u>(\$125,090)</u>	<u>(\$138,759)</u>	-10.9%

**B. Business-Type Activities**

Business-type activities increased the City of Greensboro's net assets by \$7.8 million, largely attributable to higher charges for services impacted by several user rate increases and decreased contributions to an outside authority for a water resource project that is nearing completion. In FY 2003-04, the City contributed more than \$16 million to the Piedmont Triad Regional Water Authority (PTRWA) for the Randleman Dam project and surrounding infrastructure and satisfied the City's original \$33.8 million commitment to the project. Current year contributions were \$4.5 million.

1) *Enterprise Funds*

There are four separate and distinct operations accounted for in the Enterprise Funds: the Water Resources Utility Operations, War Memorial Coliseum Complex, Parking Facilities and Solid Waste Management. Effective, July 1, 2003, the Bryan Park Golf Complex was considered part of the General Fund parks and recreation operations and is no longer treated as an Enterprise Fund. This decision coincides with privatization of the golf operations in early 2003.

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>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Water Resources	(\$2,797)	\$20,535	(\$12,106)	\$10,210
War Memorial Coliseum	840	(298)	(1,224)	(2,376)
Bryan Park **	42	-	(372)	-
Parking Facilities	1,518	1,478	1,077	948
Solid Waste Management	2,860	(679)	1,839	(1,491)
<b>Total</b>	<b>\$2,463</b>	<b>\$21,036</b>	<b>(\$10,786)</b>	<b>\$7,291</b>

\* 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 \$53,341,275 as compared to \$48,038,868 for the preceding year, an increase of 11%. Operating expenses totaled \$46,213,469 as compared to \$59,168,013 for the preceding year, a decrease of 22% due to a reduction in contributions made to the PTRWA for the Randleman Dam project, as the first phase of the work is nearing completion. An approximate 10% water rate increase was effective January 2004 to help offset debt service associated with a variety of capital improvements, the continuing costs of purchased water and meeting environmental regulations. The City has established a capital reserve account to provide for future water and sewer system needs. An account balance of \$8,247,689 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 \$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.

3) *War Memorial Coliseum Fund*

Charges for current services totaled \$11,833,848 as compared to \$12,897,136 for the preceding year, a decrease of 8.2%. The total number of events in FY 2003-04 decreased from 875 to 751 with attendance at approximately 1.3 million compared to about 1.4 million last year. Operating expenses totaled \$17,462,976 as compared to \$16,282,003 for the preceding year, an increase of 7.3%. The General Fund contributed \$1,755,000 toward Coliseum operating activities this year. Coliseum events have been largely impacted by the weakened economy in the Triad region during the past several years.

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.

4) *Parking Facilities Fund*

Charges for current services totaled \$1,931,440 as compared to \$1,945,922 for the preceding year, a decrease of .7%. Operating expenses totaled \$1,504,506 as compared to \$1,343,416 for the preceding year, an increase of 12%. This fund incurs interest payments on outstanding debt for parking facilities certificates of participation. General Fund support in FY 2003-04 totaled \$1,157,140.

5) *Solid Waste Management Fund*

Charges for current services totaled \$14,422,659 as compared to \$14,391,695 for the preceding year, an increase of .2%. Automated collection fees and bulk container service fees were increased during FY 2003-04 with additional fee increases for residential and commercial customers planned in 2005 to support mandated improvements. Operating expenses totaled \$20,942,578 as compared to \$19,980,021 for the preceding year, a increase of 4.8%. The General Fund contributed \$5 million to finance the cost of solid waste collection and disposal.

The City is pursuing the construction of a transfer station for municipal solid waste as an alternative to the White Street Landfill, at an estimated cost of \$5.5 million. In order to fund the additional costs for land, construction, operations, and haul & disposal associated with the transfer station, the FY 2004 budget included a Commercial User Fee increase from \$103.50 to \$116.50, effective October 1, 2003 and an increase to \$128.50, effective July 1, 2004.

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

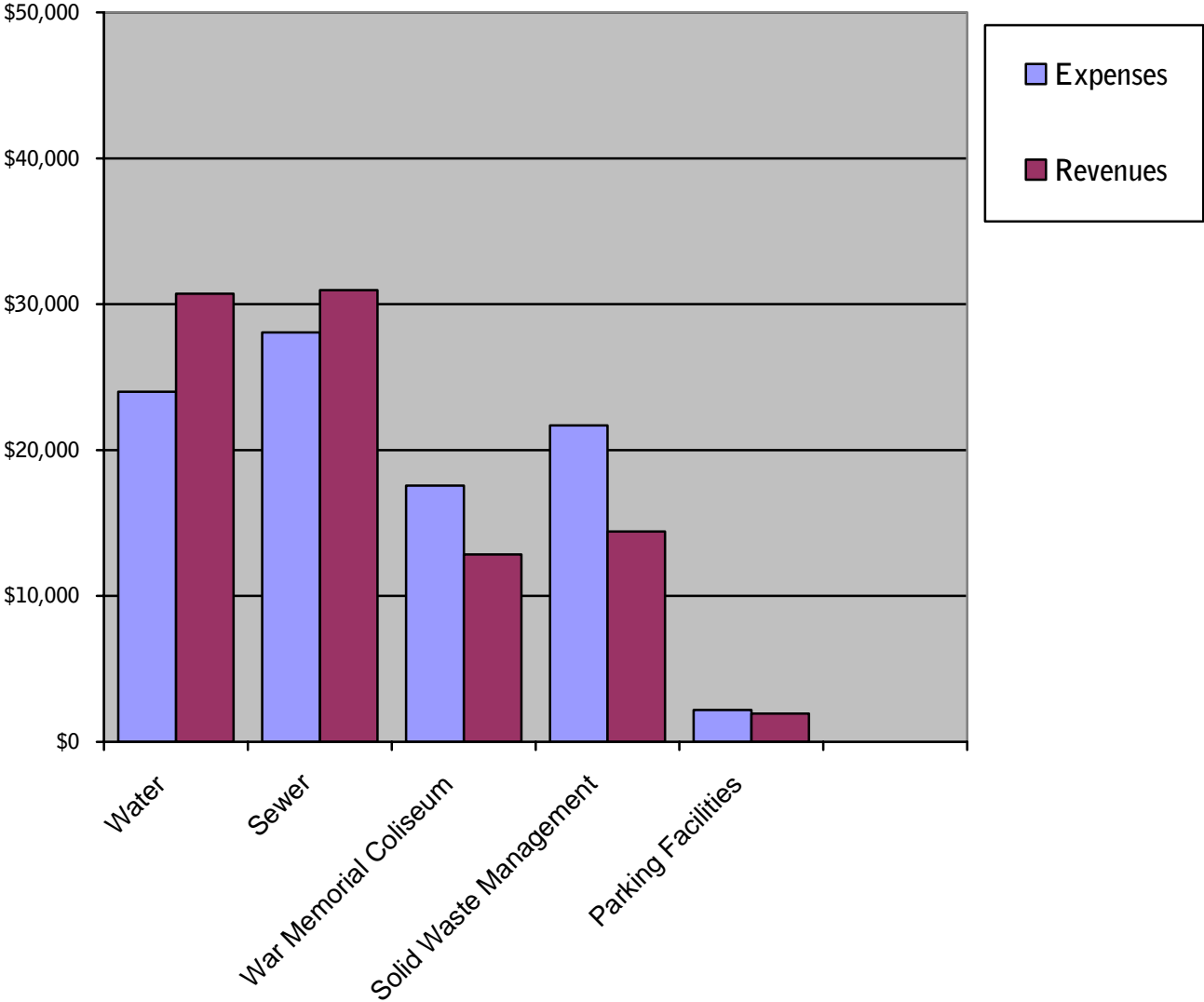
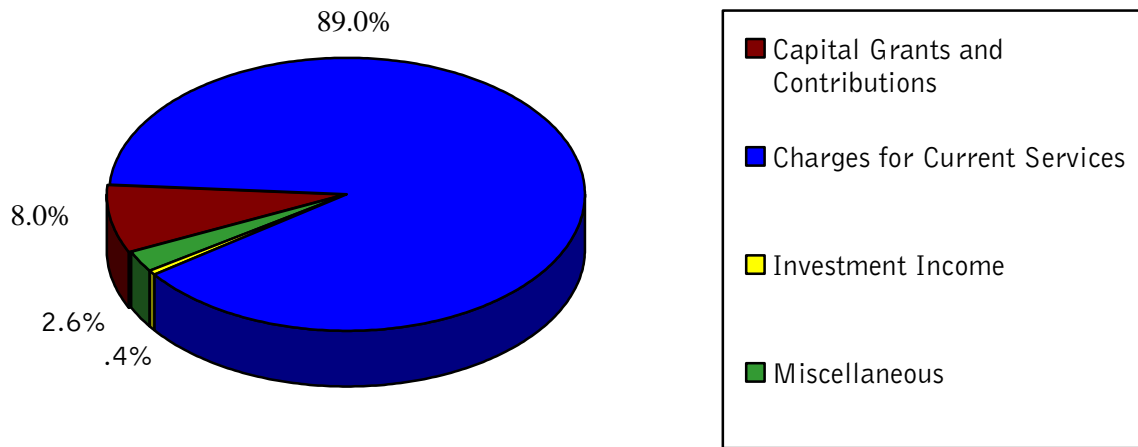


Figure 4  
 Revenues by Sources – Business-Type Activities



**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**A. Governmental Funds**

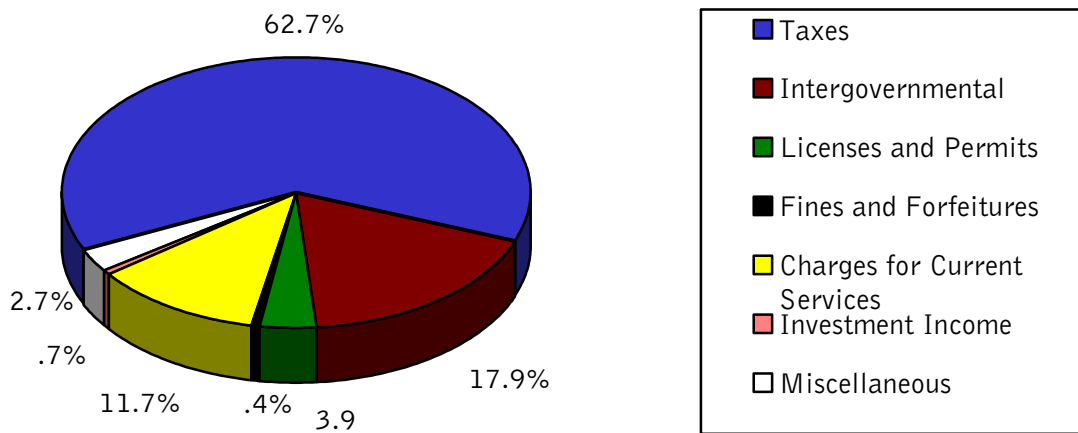
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2004, governmental funds reported a combined fund balance of \$136,455,898 a decrease of approximately \$19 million in comparison with June 2003, due to significant expenditures for bond-financed capital projects. \$39,327,162 or 28.8% 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, \$30,219,181, exemplifies 52% of the total General Fund fund balance. Of this amount, \$10,132,076 is designated for appropriation in next year's budget, \$1,298,267 is designated for hazardous waste material collection, and \$18,788,838 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 \$13,917,614 compared to \$16,231,564 in the prior year. All amounts are designated for debt service in FY 2005 (\$13,649,034) and succeeding years.

Revenues for general governmental functions (General, Special Revenue and Debt Service Funds) amounted to \$218,682,405 for the fiscal year ended June 30, 2004 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 \$105,364,560. The current year rate of collections decreased .3% as compared to the previous year, from 98.83% to 98.53%.

The property tax rate remained stable in FY 2003-04. Tax rates for the current and three preceding fiscal years were adopted, as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Fund	\$ .5975	\$ .5975	\$ .5625	\$ .5625
Transit Authority	<u>.0200</u>	<u>.0200</u>	<u>.0200</u>	<u>.0200</u>
Total Tax Rate	<u>\$ .6175</u>	<u>\$ .6175</u>	<u>\$ .5825</u>	<u>\$ .5825</u>

The *local option sales tax* collection amounted to \$34,121,791 as compared to the previous year's collection of \$30,023,807 an increase of \$4,097,984 or 13.6% 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 modest improvement over the weakened economic conditions noted in the Triad region during the past several years, with the largest positive impact caused by a full year of an additional ½ % local levy. However, the County also changed its method of sales tax distribution for all municipalities within the county in FY2003/04, and as a result, the City estimates that approximately \$1.4 million in sales tax revenues were forfeited due to this change. The distribution currently requires that 1% be distributed back to the point of sale while the remaining 1% is distributed within the county based upon an ad valorem formula. Local option sales taxes represent 15.6% of overall general government revenues in FY 04.

*Intergovernmental Revenues* amounted to \$39,184,108 as compared to previous year revenues of \$31,892,692 an increase of 22.9% from last year. State-shared and grant revenues are a major source of funding for municipal operations and services, with intergovernmental revenues comprising 18% of total general governmental revenues, as compared to 15% in the previous year. The increase is attributable to additional funding for state and federal grants

*Licenses and permits* amounted to \$8,481,016 compared to previous year revenues of \$8,844,568, a decrease of 4%.

*Fines and forfeitures* amounted to \$823,071 as compared to the previous year's collection of \$723,536 an increase of 13.8% over last year. The increase is primarily due to increased collections for parking violations.

*Charges for current services* amounted to \$25,655,612 as compared to the previous year's revenue of \$26,219,562 a decrease of 2.2% from last year. The decrease is primarily attributable to decreased reimbursements for disaster recovery due to property damage from several storms in previous years.

## **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 2003-04 was adopted at \$199,527,328 and represents an increase of 4.4% over the adopted FY 2002-03 budget. Significant variances from the original and final amended budget follow:

- \$350,000 in increases allocated to industrial economic incentives
- \$65,650 in increases allocated to the Police Department
- \$111,340 in decreases allocated to the Fire Department related to emergency management

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 2004, the City had collected approximately \$187 million or 101% of its budgeted General Fund revenues and had incurred \$ 187.1 million or 94% of its budgeted expenditures. Significant differences between actual results and the amended budget are highlighted below:

- \$478,000 in increases for intergovernmental revenues relating to state reimbursements and local grants
- \$1,006,000 in increases for disaster recovery revenues which are typically not budgeted
- \$4,007,000 in decreases for general government expenditures, primarily for Management Information Systems and Support Services activities
- \$2,500,000 in decreases for culture and recreation activities associated with Parks and Recreation (\$1.5 million) and Libraries (\$1 million)
- \$2,400,000 in decreased transfers to an enterprise fund for solid waste management activities



## 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, 2004, amounts to \$811,347,435 (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 \$33,683,312 or 4.3% over the prior year.

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Land	\$ 48,008	\$ 51,415	\$ 34,683	\$ 33,695	\$ 81,165	\$ 85,110
Construction in Progress	45,572	32,896	69,113	75,877	85,064	108,773
Buildings	52,568	74,044	128,933	137,876	178,400	211,920
Improvements Other Than Buildings	2,433	5,092	11,899	8,841	15,390	13,933
Furniture, Fixtures, and Equipment	40,307	40,747	8,681	7,430	49,727	48,177
Infrastructure	164,506	161,846	170,962	181,588	342,175	343,434
Total Capital Assets	<u>\$ 353,394</u>	<u>\$ 366,040</u>	<u>\$ 424,271</u>	<u>\$ 445,307</u>	<u>\$ 777,665</u>	<u>\$ 811,347</u>

This year's major capital asset additions included:

- Over \$23.8 million was spent on continued improvements and updates to the Mitchell and Townsend Water Treatment plants; the Osborne and North Buffalo Wastewater Treatment plants, and various water and sewer line rehabilitation projects
- Greensboro Police Department's Western Operations Center opened in March 2004
- GTA's Multi Modal Transportation Center in downtown Greensboro, with a total project budget of \$17.5 million, opened in the current year. The state-funded rail portion of the project, with upgrades to the rail lines, passenger platforms and tunnels is scheduled to begin in fall 2004
- Continued improvements and additions of streets, sidewalks, bridges and storm water lines increased infrastructure \$6.9 million

Construction in progress for governmental-type and business-type capital assets totaled \$32,896,102 and \$75,877,247, respectively as of June 30, 2004. No major demolitions were recorded this year.

The City adopted the FY 2004-2010 Capital Improvements Program (CIP) totaling \$473,927,771 or a 31% increase from the prior year plan amounts. Funding for major improvements is allocated as follows:

**Table C-2  
CIP Expenditures – 5 Year Plan**

<u>CIP Expenditure Category by Service Area</u>	<u>% of Total CIP</u>
Environmental Protection	47%
Transportation	22%
Culture and Recreation	17%
Public Safety	8%
Economic and Community Development	5%
General Government	<u>1%</u>
	100%

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

<u>CIP Funding Source</u>	<u>% of Total CIP</u>
Revenue Bonds	40%
Authorized Bonds	19%
Grants/Other	5%
Enterprise Funds	7%
Unauthorized Bonds	18%
Miscellaneous Sources	10%
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, 2004, the City had total bonded debt outstanding of \$345,710,000, with \$169,785,000 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>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
General Obligation Bonds	\$176,772	\$166,106	\$4,858	\$3,679	\$181,630	\$169,785
Special Obligation Bonds			12,450	11,455	12,450	11,455
Revenue Bonds			124,430	164,470	124,430	164,470
Total	<u>\$176,772</u>	<u>\$166,106</u>	<u>\$141,738</u>	<u>\$179,604</u>	<u>\$318,510</u>	<u>\$345,710</u>

The City's total debt increased by \$43.4 million during the current fiscal year from the issuance of new revenue bonds. The issuance of these bonds supports continued enhancements of the capital projects program, including improvements to the City's water and sewer system. To accommodate these and future projects, utility rates were increased by approximately 10% effective January 1, 2004 with future rate increases also anticipated.

The City of Greensboro has a general obligation bond rating of Aa1 from Moody's Investor Service and an AAA rating from Standard and Poor's Corporation and Fitch IBCA. 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 despite the State budget crisis. 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 \$1,049,908,911. The City has \$85,900,000 in bonds authorized but unissued at June 30, 2004.

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 6.3%, down from 7% in June 2003. The relatively high unemployment levels are largely due to the regional textile industry which has reported successive employment declines in recent years due to increased overseas manufacturing. The average City's unemployment rate is compared to a statewide rate and national rate of 6.3% and 6.0% respectively. Over the past twelve months, the number of goods-producing jobs in the Piedmont Triad has declined 2.9%, while goods-producing employment nationally has risen 1.1%. However, during the same period, the number of jobs in business, education, health and leisure services has grown locally 3.1%. This employment category accounts for 38.7% of all Triad jobs (Triad Business Index, August 2004).

Durable spending in construction dollars, according to residential and commercial building permit activity, increased by approximately \$50 million in FY 2004, while commercial new construction decreased by approximately \$85 million. Revenue generated from privilege licenses and construction permits within the City increased 4.8% during the year.

The property tax base increased by .8% to \$16.9 billion in the fiscal year ended June 30, 2004. Collection of sales tax receipts increased by 13.6% over the prior year, primarily due to an additional ½ cent local tax levied effective January 2003. The City also experienced a 2% decrease in hotel/motel occupancy tax receipts for the fiscal year ended June 30, 2004.

The 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. Assessed property was revalued in 2004 and as a result, the adopted 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, 2005 include support of recently annexed areas (\$3.2 million) and funding for public safety, water resource and environmental issues. The FY 2005 budget includes a total net increase of 86 full time equivalent positions, primarily for public safety.

Considering the above indicators when adopting the operating budget for the next fiscal year, the City's adopted FY 2004-05 budget increased 4.8% or \$15.8 million to \$342,871,805.

City management has reaffirmed its intention to continue to maintain the undesignated General Fund balance at 9% of the 2005 fiscal year budget.

### *Budget Highlights for the Fiscal Year Ending June 30, 2005*

#### Governmental Activities:

In order to continue emphasizing the City's strategic priorities in FY 2005, funding was also included for the opening of the WROC 211 (Fire, Police, Water Resources Operations Facility), two new regional branch libraries, Carolyn Allen Park and to resume maintenance responsibilities at the City's baseball stadium.

#### Business-Type Activities:

Solid Waste Management, with a budget increase of \$2.4 million, is preparing for the opening of a refuse transfer station in FY 2004-05, to remove municipal solid waste disposal from the White Street landfill. In addition, effective December 2003, management of the Coliseum concessions, catering and merchandising operations was privatized with a third party vendor which will help reduce future budgeted overhead charges and provide greater net revenues from these activities.

### *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, 2004

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and Cash Equivalents/Investments	\$ 116,156,128	\$ 31,088,183	\$ 147,244,311	\$ 2,206,919
Receivables, Net				
Taxes	3,465,600		3,465,600	194,697
Accounts, Notes and Mortgages	26,736,831	10,984,608	37,721,439	51,125
Assessments	72,946		72,946	
Intergovernmental	18,342,754	472,269	18,815,023	3,812,538
Interest	1,013,174	215,678	1,228,852	1,301,282
Real Estate Foreclosed	257,793		257,793	
Internal Balances	(838,671)	809,576	(29,095)	29,095
Due from Component Unit	547,718		547,718	
Inventories	1,129,116	1,092,272	2,221,388	1,790,805
Miscellaneous	439,184	1,413,921	1,853,105	49,226
Assets Held for Resale	95,180		95,180	
Insurance Deposits	11,808,421		11,808,421	
Deferred Charges	846,312		846,312	
Long-Term Note Receivable				14,617,801
Investment in Joint Venture		42,144,315	42,144,315	
Restricted Assets:				
Temporarily Restricted:				
Cash and Cash Equivalents/Investments	50,085,501	41,870,643	91,956,144	
Receivables, (Net):				
Accounts, Notes and Mortgages	114,880		114,880	
Assessments	10,936	383,592	394,528	
Intergovernmental	45,270	345,526	390,796	
Interest		90,006	90,006	
Miscellaneous		3,302,489	3,302,489	
Permanently Restricted:				
Cash and Cash Equivalents/Investments	1,950,132		1,950,132	
Net Pension Asset	1,833,802		1,833,802	
Capital Assets, Net				
Non-Depreciable:				
Land	51,415,258	33,694,791	85,110,049	1,439,752
Construction in Progress	32,896,102	75,877,247	108,773,349	755,526
Depreciable:				
Land Improvements	11,402,821	12,168,457	23,571,278	2,022
Accumulated Depreciation	(7,557,353)	(9,695,443)	(17,252,796)	(506)
Buildings	108,895,030	195,343,486	304,238,516	21,325,795
Accumulated Depreciation	(34,851,105)	(57,468,061)	(92,319,166)	(1,604,674)
Improvements Other than Buildings	1,283,377	9,056,328	10,339,705	200,579
Accumulated Depreciation	(36,429)	(2,687,993)	(2,724,422)	(175,349)
Furniture, Fixtures, Machinery and Equipment	107,415,570	34,704,752	142,120,322	9,763,506
Accumulated Depreciation	(66,668,363)	(27,275,011)	(93,943,374)	(4,141,659)
Infrastructure	287,815,965	290,642,258	578,458,223	
Accumulated Depreciation	(125,970,233)	(109,054,016)	(235,024,249)	
<b>Total Assets</b>	<b>600,153,647</b>	<b>579,519,873</b>	<b>1,179,673,520</b>	<b>51,618,480</b>

LIABILITIES	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Accounts Payable	\$ 7,837,842	\$ 2,501,423	\$ 10,339,265	\$ 1,630,627
Contracts/Retainage Payable	2,249,595	287,601	2,537,196	984,681
Intergovernmental Payable	1,488,477	28,410	1,516,887	
Customer Deposits Payable	15,000		15,000	
Accrued Interest Payable	1,788,904		1,788,904	
Due to Primary Government				547,718
Miscellaneous	851,756		851,756	59,766
Accrued Landfill Liability		500,000	500,000	
Unearned Revenues	4,577,897	1,017,800	5,595,697	2,985,967
Liabilities Payable from Restricted Assets:				
Accounts Payable	664		664	
Contracts/Retainage Payable	2,897,455		2,897,455	
Miscellaneous	957		957	
Noncurrent Liabilities:				
Due Within One Year:				
General Obligation Bonds	12,619,698	1,110,302	13,730,000	
Lease Purchase and Other Financing Agreements Payable	1,456,474	402,441	1,858,915	
Revenue Bonds Payable		4,720,000	4,720,000	
Special Obligation Bonds Payable		1,040,000	1,040,000	
Certificates of Participation Payable	5,514,000	2,031,000	7,545,000	
Premium (Discount) on Debt	86,371	140,114	226,485	
Federal Loan Obligation		254,403	254,403	
Interest Payable		678,131	678,131	
Customer Deposits Payable		1,795,979	1,795,979	
Note Payable				239,759
Compensated Absences	5,431,864	1,195,371	6,627,235	9,888
Miscellaneous		698	698	
Due in More Than One Year:				
Payable from Restricted Assets:				
Accounts Payable		407,176	407,176	
Contracts/Retainage Payable		6,981,132	6,981,132	
Intergovernmental Payable		3,791	3,791	
General Obligation Bonds	153,486,082	2,568,917	156,054,999	
Lease Purchase and Other Financing Agreements Payable	4,307,231	2,402,196	6,709,427	
Revenue Bonds Payable		159,750,000	159,750,000	
Special Obligation Bonds Payable		10,415,000	10,415,000	
Certificates of Participation Payable	30,734,360	8,915,640	39,650,000	
Premium (Discount) on Debt	777,343	1,317,131	2,094,474	
Federal Loan Obligation		2,827,343	2,827,343	
Note Payable				514,506
Compensated Absences	3,269,639	323,345	3,592,984	15,057
Accrued Landfill Liability		10,003,616	10,003,616	
Unearned Revenues		1,452,000	1,452,000	
Total Liabilities	239,391,609	225,070,960	464,462,569	6,987,969
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	193,892,058	276,297,784	470,189,842	27,073,593
Restricted for:				
Highway Improvements	7,513,498		7,513,498	
Transportation	1,412,485		1,412,485	
Culture and Recreation	643,712		643,712	
Capital Projects	10,474,345	7,745,393	18,219,738	
Community Development	539,627		539,627	44,005
Public Safety	490,708		490,708	
Environmental Services	33,707		33,707	
Engineering and Inspections	329,604		329,604	
Workforce Training	3,623		3,623	
Pension Benefits	1,833,802		1,833,802	
Insurance Deposits	11,808,421		11,808,421	
Perpetual Care:				
Nonexpendable	1,950,132		1,950,132	
Unrestricted	129,836,316	70,405,736	200,242,052	17,512,913
Total Net Assets	\$ 360,762,038	\$ 354,448,913	\$ 715,210,951	\$ 44,630,511



**City of Greensboro  
Statement of Activities  
For the Fiscal Year Ended June 30, 2004**

<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>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$ 33,663,093	\$ 16,687,000	\$ 380,350	\$ 1,413,268
Public Safety	80,125,252	4,417,610	1,669,351	630,339
Transportation	26,157,813	3,260,909	6,821,221	1,474,866
Engineering and Inspections	15,608,886	3,939,179		925,388
Environmental Services	1,110,412	8,258,369	66,731	200,000
Culture and Recreation	30,831,049	3,432,392	921,996	405,238
Community Development & Housing	9,414,260	1,034,223	5,729,713	
Economic Opportunity	2,733,096	4,766	2,701,015	
Water Resources	2,305,504	20,398		
Intergovernmental	1,203,854			
Interest, Fees on Long-Term Debt	8,665,041			
<b>Total Governmental Activities</b>	<u>211,818,260</u>	<u>41,054,846</u>	<u>18,290,377</u>	<u>5,049,099</u>
Business-Type Activities:				
Water Operations	23,993,587	27,493,144		3,228,719
Sewer Operations	28,068,664	27,735,090		3,228,719
War Memorial Coliseum	17,561,959	11,842,974		1,000,000
Solid Waste Management	21,699,057	14,425,828		
Parking Facilities	2,191,986	1,933,415		
<b>Total Business-Type Activities</b>	<u>93,515,253</u>	<u>83,430,451</u>		<u>7,457,438</u>
<b>Total Primary Government</b>	<u>\$ 305,333,513</u>	<u>\$ 124,485,297</u>	<u>\$ 18,290,377</u>	<u>\$ 12,506,537</u>
<b>Component Units:</b>				
Greensboro Housing Dev. Partnership	\$ 119,346	\$ 107,897	\$ 506	\$ 9,967,272
Greensboro Transit Authority	11,761,350	2,067,583		
Greensboro ABC Board	19,808,964	19,803,490		
<b>Total Component Units</b>	<u>\$ 31,689,660</u>	<u>\$ 21,978,970</u>	<u>\$ 506</u>	<u>\$ 9,967,272</u>

**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  
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 Revenue Recognition

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	
\$ (16,595,743)	\$	\$ (16,595,743)	\$
(72,625,023)		(72,625,023)	
(15,445,344)		(15,445,344)	
(10,194,841)		(10,194,841)	
8,140,076		8,140,076	
(26,276,661)		(26,276,661)	
(2,245,086)		(2,245,086)	
(27,315)		(27,315)	
(2,285,106)		(2,285,106)	
(1,203,854)		(1,203,854)	
(8,665,041)		(8,665,041)	
<u>(147,423,938)</u>		<u>(147,423,938)</u>	
	6,728,276	6,728,276	
	2,895,145	2,895,145	
	(4,718,985)	(4,718,985)	
	(7,273,229)	(7,273,229)	
	(258,571)	(258,571)	
	<u>(2,627,364)</u>	<u>(2,627,364)</u>	
<u>(147,423,938)</u>	<u>(2,627,364)</u>	<u>(150,051,302)</u>	
			(10,943)
			273,505
			(5,474)
			<u>257,088</u>
100,304,791		100,304,791	3,463,251
34,121,791		34,121,791	
335,546		335,546	
2,572,272		2,572,272	
6,610,820		6,610,820	
2,025,281		2,025,281	
3,367,138		3,367,138	
1,586,365		1,586,365	
980,199		980,199	
2,384,836		2,384,836	
230,675		230,675	
1,596,552	402,160	1,998,712	1,257,700
637,281	2,405,640	3,042,921	100,981
(7,635,140)	7,635,140		
<u>149,118,407</u>	<u>10,442,940</u>	<u>159,561,347</u>	<u>4,821,932</u>
<u>1,694,469</u>	<u>7,815,576</u>	<u>9,510,045</u>	<u>5,079,020</u>
353,164,376	351,400,283	704,564,659	39,551,491
1,136,247		1,136,247	
4,766,946	(4,766,946)		
<u>359,067,569</u>	<u>346,633,337</u>	<u>705,700,906</u>	<u>39,551,491</u>
<u>\$ 360,762,038</u>	<u>\$ 354,448,913</u>	<u>\$ 715,210,951</u>	<u>\$ 44,630,511</u>

## BALANCE SHEET

Governmental Funds  
June 30, 2004

ASSETS	(1)				
	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT. SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 50,136,284	\$ 833,482	\$ 13,657,455	\$ 13,842,099	\$ 78,469,320
Receivables:					
Taxes	3,462,679			2,921	3,465,600
Accounts, Notes and Mortgages	1,046,555	15,714,778		9,975,498	26,736,831
Assessments				72,946	72,946
Intergovernmental	14,706,604	25,623	266,080	2,803,740	17,802,047
Real Estate Foreclosed	257,793				257,793
Internal Receivables		826,400		1,760,600	2,587,000
Due from Component Unit	547,718				547,718
Inventories	602,520				602,520
Miscellaneous	222,589				222,589
Assets Held for Resale				95,180	95,180
Restricted Assets:					
Cash and Cash Equivalents/Investments				51,868,240	51,868,240
Receivables:					
Accounts, Notes and Mortgages				114,880	114,880
Assessments				10,936	10,936
Intergovernmental				45,270	45,270
<b>Total Assets</b>	<b>\$ 70,982,742</b>	<b>\$ 17,400,283</b>	<b>\$ 13,923,535</b>	<b>\$ 80,592,310</b>	<b>\$ 182,898,870</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 3,171,975	\$	\$ 5,921	\$ 173,297	\$ 3,351,193
Contracts/Retainage Payable	225,212	65,888		1,958,495	2,249,595
Intergovernmental Payable	1,321,857				1,321,857
Internal Payable				1,082,095	1,082,095
Miscellaneous	750,866	41,963		58,927	851,756
Deferred Revenues	7,401,413	15,714,453		11,571,534	34,687,400
Liabilities Payable From Restricted Assets:					
Accounts Payable				664	664
Contracts/Retainage Payable				2,897,455	2,897,455
Miscellaneous				957	957
<b>Total Liabilities</b>	<b>12,871,323</b>	<b>15,822,304</b>	<b>5,921</b>	<b>17,743,424</b>	<b>46,442,972</b>
Fund Balances:					
Reserved by State Statute	16,320,648	852,348	266,080	4,348,841	21,787,917
Reserved for Encumbrances	2,872,218	454,122	2,500	3,465,721	6,794,561
Reserved for Inventories	602,520				602,520
Reserved for 911 Wireless	978,430				978,430
Reserved for Assets Held for Resale				95,180	95,180
Reserved for Capital Projects	7,118,422				7,118,422
Reserved for Perpetual Care				1,950,132	1,950,132
<b>Total Reserved Fund Balance</b>	<b>27,892,238</b>	<b>1,306,470</b>	<b>268,580</b>	<b>9,859,874</b>	<b>39,327,162</b>
Unreserved, Reported In:					
Designated for Subsequent Year's Expenditures:					
General Fund	10,132,076				10,132,076
Special Revenue Funds		61,216		3,329,052	3,390,268
Debt Service Fund			3,254,300		3,254,300
<b>Total Unreserved-Subsequent Year's Expenditures</b>	<b>10,132,076</b>	<b>61,216</b>	<b>3,254,300</b>	<b>3,329,052</b>	<b>16,776,644</b>
Designated for Debt Service:					
Special Revenue Funds				237,830	237,830
Debt Service Fund			10,394,734		10,394,734
<b>Total Designated for Debt Service</b>			<b>10,394,734</b>	<b>237,830</b>	<b>10,632,564</b>
Designated for Specific Purposes:					
General Fund	1,298,267				1,298,267
Special Revenue Funds				802,088	802,088
Capital Projects Funds				42,591,219	42,591,219
<b>Total Unreserved-Specific Purposes</b>	<b>1,298,267</b>			<b>43,393,307</b>	<b>44,691,574</b>
Undesignated:					
General Fund	18,788,838				18,788,838
Special Revenue Funds		210,293		6,028,823	6,239,116
<b>Total Unreserved-Undesignated</b>	<b>18,788,838</b>	<b>210,293</b>		<b>6,028,823</b>	<b>25,027,954</b>
<b>Total Fund Balances</b>	<b>58,111,419</b>	<b>1,577,979</b>	<b>13,917,614</b>	<b>62,848,886</b>	<b>136,455,898</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 70,982,742</b>	<b>\$ 17,400,283</b>	<b>\$ 13,923,535</b>	<b>\$ 80,592,310</b>	<b>\$ 182,898,870</b>

(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, 2004

Total fund balances - governmental funds	\$ 136,455,898
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.	328,487,858
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	30,109,503
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.	63,839,556
Long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(200,796,125)
Miscellaneous adjustments to net assets include investment income receivable and pension assets not reported in the governmental funds.	<u>2,665,348</u>
Net assets of governmental activities	<u>\$ 360,762,038</u>

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

For the Fiscal Year Ended June 30, 2004

	GENERAL	HOUSING PARTNERSHIP REVOLVING	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>Revenues:</b>					
Taxes	\$ 134,540,081	\$	\$	\$ 2,612,436	\$ 137,152,517
Assessments				72,064	72,064
Intergovernmental	19,369,534		117,862	20,433,879	39,921,275
Licenses and Permits	8,481,016				8,481,016
Fines and Forfeitures	823,071				823,071
Charges for Current Services	15,497,664	573,662		9,584,286	25,655,612
Investment Income	3,419	97,104	1,005,067	416,312	1,521,902
Miscellaneous	4,639,092		243,726	1,408,669	6,291,487
Total Revenues	183,353,877	670,766	1,366,655	34,527,646	219,918,944
<b>Expenditures:</b>					
Current:					
General Government	29,075,310			247,194	29,322,504
Public Safety	80,256,473			6,357,444	86,613,917
Transportation	14,727,070			14,056,430	28,783,500
Engineering and Inspections	8,777,163			7,295,286	16,072,449
Environmental Services	550,404				550,404
Culture and Recreation	28,538,788			9,557,913	38,096,701
Community Development and Housing		2,051,810		7,360,670	9,412,480
Economic Opportunity	4,206			2,735,378	2,739,584
Water Resources				2,305,504	2,305,504
Intergovernmental	1,203,854				1,203,854
Debt Service:					
Principal Retirement			10,706,596	1,928,896	12,635,492
Interest, Fees on Long-Term Debt			6,357,159	1,223,699	7,580,858
Total Expenditures	163,133,268	2,051,810	17,063,755	53,068,414	235,317,247
Excess of Revenues Over (Under) Expenditures	20,220,609	(1,381,044)	(15,697,100)	(18,540,768)	(15,398,303)
<b>Other Financing Sources (Uses):</b>					
Transfers In	3,663,035	1,755,445	13,383,150	2,627,134	21,428,764
Transfers Out	(23,987,380)			(5,511,924)	(29,499,304)
Debt Issuances:					
Federal Loan Program				277,000	277,000
Total Other Financing Sources (Uses)	(20,324,345)	1,755,445	13,383,150	(2,607,790)	(7,793,540)
Net Change in Fund Balances	(103,736)	374,401	(2,313,950)	(21,148,558)	(23,191,843)
Fund Balances - July 1	53,770,419	1,203,578	16,231,564	83,997,444	155,203,005
Cumulative Effect of Change in Accounting Principle for Revenue Recognition	4,436,247				4,436,247
Cumulative Effect of Change in Accounting Principle for Fund Accounting	8,489				8,489
Fund Balances, restated - July 1	58,215,155	1,203,578	16,231,564	83,997,444	159,647,741
Fund Balances - June 30	\$ 58,111,419	\$ 1,577,979	\$ 13,917,614	\$ 62,848,886	\$ 136,455,898

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

**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, 2004**

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

Net change in fund balances----total governmental funds.	\$ (23,191,843)
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.	12,128,656
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,327,552
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.	11,423,148
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.	697,215
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.	497,553
Revenues earned in prior year that first became available in the current year in the government funds have been reclassified to beginning net assets in the statement of activities.	<u>(2,187,812)</u>
Change in net assets of governmental activities	<u><u>\$ 1,694,469</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, 2004

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 134,532,435	\$ 134,532,435	\$ 134,540,081	\$ 7,646
Intergovernmental	18,560,180	18,891,890	19,369,534	477,644
Licenses and Permits	8,484,390	8,484,390	8,481,016	(3,374)
Fines and Forfeitures	750,915	750,915	823,071	72,156
Charges for Current Services	17,160,260	17,160,260	18,166,236	1,005,976
Miscellaneous	1,492,015	1,492,015	1,973,939	481,924
Appropriated Fund Balance	15,019,895	14,569,107		(14,569,107)
Total Revenues	<u>196,000,090</u>	<u>195,881,012</u>	<u>183,353,877</u>	<u>(12,527,135)</u>
<b>Expenditures:</b>				
Current:				
General Government:	33,270,143	33,082,845	29,075,310	4,007,535
Public Safety	82,328,657	82,135,538	80,256,473	1,879,065
Transportation	14,925,169	14,897,769	14,727,070	170,699
Engineering and Inspections	9,740,657	9,677,057	8,777,163	899,894
Environmental Services	861,668	845,656	550,404	295,252
Culture and Recreation	30,895,105	31,118,731	28,538,788	2,579,943
Economic Opportunity	13,550	13,550	4,206	9,344
Intergovernmental	1,262,106	1,214,153	1,203,854	10,299
Total Expenditures	<u>173,297,055</u>	<u>172,985,299</u>	<u>163,133,268</u>	<u>9,852,031</u>
Excess of Revenues Over Expenditures	<u>22,703,035</u>	<u>22,895,713</u>	<u>20,220,609</u>	<u>(2,675,104)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	3,679,535	3,679,535	3,663,035	(16,500)
Transfers Out	(26,382,570)	(26,575,248)	(23,987,380)	2,587,868
Total Other Financing Sources (Uses)	<u>(22,703,035)</u>	<u>(22,895,713)</u>	<u>(20,324,345)</u>	<u>2,571,368</u>
Net Change in Fund Balances			<u>(103,736)</u>	<u>(103,736)</u>
Fund Balances - July 1			53,770,419	53,770,419
Cumulative Effect of Change in Accounting Principle for Revenue Recognition			4,436,247	4,436,247
Cumulative Effect of Change in Accounting Principle for Fund Accounting			<u>8,489</u>	<u>8,489</u>
Fund Balances - July 1, Restated			<u>58,215,155</u>	<u>58,215,155</u>
Fund Balances - June 30	<u>\$</u>	<u>\$</u>	<u>\$ 58,111,419</u>	<u>\$ 58,111,419</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, 2004**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		
<i>Revenues:</i>				
Charges for Current Services	\$ 350,000	\$ 350,000	\$ 573,662	\$ 223,662
Investment Income	50,000	50,000	97,104	47,104
Appropriated Fund Balance	688,761	740,761		(740,761)
Total Revenues	1,088,761	1,140,761	670,766	(469,995)
<i>Expenditures:</i>				
Current:				
Community Development and Housing	2,844,206	2,896,206	2,051,810	(844,396)
Excess of Revenues Under Expenditures	(1,755,445)	(1,755,445)	(1,381,044)	374,401
<i>Other Financing Sources:</i>				
Transfers In	1,755,445	1,755,445	1,755,445	
Net Change in Fund Balances			374,401	374,401
Fund Balances - July 1			1,203,578	1,203,578
Fund Balances - June 30	\$	\$	\$ 1,577,979	\$ 1,577,979

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



## Statement of Net Assets

Proprietary Funds

June 30, 2004

	Business-Type Activities - Enterprise Funds			
	Water Resources	War Memorial Coliseum	Solid Waste Management	Other Enterprise Fund
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents/Investments	\$ 22,202,516	\$ 1,126,603	\$ 7,088,876	\$ 670,188
Receivables (Net):				
Accounts, Notes and Mortgages	9,801,388	413,890	763,499	5,831
Intergovernmental	382,627		70,035	19,607
Interest	138,882	6,538	66,081	4,177
Inventories	976,045	30,941	85,286	
Miscellaneous	985,703	1,715		426,503
Total Current Assets	<u>34,487,161</u>	<u>1,579,687</u>	<u>8,073,777</u>	<u>1,126,306</u>
Noncurrent Assets:				
Restricted:				
Cash and Cash Equivalents/Investments	34,864,153	4,597	5,371,433	1,630,460
Receivables (Net):				
Assessments	383,592			
Intergovernmental	345,526			
Interest	51,368		38,638	
Miscellaneous	3,225,963		76,526	
Self-Funded Retention Deposits				
Investment in Joint Venture	42,144,315			
Capital Assets:				
Non-Depreciable:				
Land	23,598,330	1,416,153	4,706,920	3,973,388
Construction in Progress	69,344,370		5,690,381	842,496
Depreciable:				
Land Improvements	1,753,057	74,831	10,283,629	56,940
Buildings	110,312,844	64,032,303	1,763,363	19,234,976
Improvements Other than Buildings	8,579,464	275,756	35,887	165,221
Furniture, Fixtures, Machinery and Equipment	25,331,764	8,565,108	586,221	221,659
Infrastructure	290,642,258			
Less Accumulated Depreciation	(166,341,598)	(23,528,729)	(9,194,056)	(7,116,141)
Total Noncurrent Assets	<u>444,235,406</u>	<u>50,840,019</u>	<u>19,358,942</u>	<u>19,008,999</u>
Total Assets	<u>478,722,567</u>	<u>52,419,706</u>	<u>27,432,719</u>	<u>20,135,305</u>

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

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(1) <u>Totals</u>	<u>Internal Service Funds</u>
\$ 31,088,183	\$ 37,686,808
10,984,608	
472,269	540,707
215,678	181,628
1,092,272	526,596
<u>1,413,921</u>	<u>216,595</u>
<u>45,266,931</u>	<u>39,152,334</u>
41,870,643	167,393
383,592	
345,526	
90,006	
3,302,489	
	11,808,421
42,144,315	
33,694,791	1,660,541
75,877,247	378,148
12,168,457	823,430
195,343,486	1,518,544
9,056,328	11,108
34,704,752	92,085,502
290,642,258	
<u>(206,180,524)</u>	<u>(58,924,491)</u>
<u>533,443,366</u>	<u>49,528,596</u>
<u>578,710,297</u>	<u>88,680,930</u>

## Statement of Net Assets (continued)

Proprietary Funds

June 30, 2004

	Enterprise Funds			
	Water Resources	War Memorial Coliseum	Solid Waste Management	Other Enterprise Fund
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 1,796,336	\$ 688,583	\$ 9,893	\$ 6,611
Contracts/Retainage Payable	162,604		109,945	15,052
Intergovernmental Payable	1,545	26,865		
Internal Payables				1,534,000
General Obligation Bonds Payable	1,110,302			
Revenue Bonds Payable	4,720,000			
Premium-Revenue Bonds Payable	101,587			
Special Obligation Bonds Payable			1,040,000	
Discount-Special Obligation Bonds Payable			(13,682)	
Lease-Purchase and Other				
Financing Agreements Payable	402,441			
Certificates of Participation Payable		90,000		1,941,000
Premium (Discount)-Certificates of Participator		(671)		52,880
Federal Loan Obligation	254,403			
Accrued Landfill Liability			500,000	
Interest Payable	569,527	728	48,240	59,636
Customer Deposits Payable	1,671,321	83,468	1,500	39,690
Compensated Absences Payable	744,128	136,046	299,965	15,232
Unearned Revenues	726,000	291,800		
Miscellaneous	277	421		
Total Current Liabilities	<u>12,260,471</u>	<u>1,317,240</u>	<u>1,995,861</u>	<u>3,664,101</u>
Noncurrent Liabilities:				
Payable from Restricted Assets:				
Accounts Payable	407,176			
Contracts/Retainage Payable	6,981,132			
Intergovernmental Payable	3,791			
General Obligation Bonds Payable	2,568,917			
Revenue Bonds Payable	159,750,000			
Premium-Revenue Bonds Payable	1,309,489			
Special Obligation Bonds Payable			10,415,000	
Discount-Special Obligation Bonds Payable			(31,111)	
Lease-Purchase and Other				
Financing Agreements Payable	2,402,196			
Certificates of Participation Payable		650,000		8,265,640
Premium (Discount)-Certificates of Participator		(2,969)		41,722
Federal Loan Obligation	2,827,343			
Accrued Landfill Liability			10,003,616	
Compensated Absences Payable	148,950	118,030	41,538	14,827
Unearned Revenues	1,452,000			
Total Noncurrent Liabilities	<u>177,850,994</u>	<u>765,061</u>	<u>20,429,043</u>	<u>8,322,189</u>
Total Liabilities	<u>190,111,465</u>	<u>2,082,301</u>	<u>22,424,904</u>	<u>11,986,290</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	214,525,798	50,099,062	2,538,664	9,134,260
Restricted for Capital Projects	5,276,242		2,469,151	
Unrestricted	68,809,062	238,343		(985,245)
Total Net Assets	<u>\$ 288,611,102</u>	<u>\$ 50,337,405</u>	<u>\$ 5,007,815</u>	<u>\$ 8,149,015</u>

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(1)	Internal
<u>Totals</u>	<u>Service Funds</u>
\$ 2,501,423	\$ 4,486,649
287,601	
28,410	129,674
1,534,000	
1,110,302	234,724
4,720,000	
101,587	
1,040,000	
(13,682)	
402,441	1,193,474
2,031,000	3,500,000
52,209	
254,403	
500,000	
678,131	
1,795,979	15,000
1,195,371	203,911
1,017,800	
698	
<u>19,237,673</u>	<u>9,763,432</u>
407,176	
6,981,132	
3,791	
2,568,917	5,057,013
159,750,000	
1,309,489	
10,415,000	
(31,111)	
2,402,196	578,233
8,915,640	7,000,000
38,753	
2,827,343	
10,003,616	
323,345	99,120
1,452,000	
<u>207,367,287</u>	<u>12,734,366</u>
<u>226,604,960</u>	<u>22,497,798</u>
276,297,784	20,156,731
7,745,393	11,808,421
68,062,160	34,217,980
<u>\$ 352,105,337</u>	<u>\$ 66,183,132</u>

City of Greensboro  
Reconciliation of the Statement of Net Assets-Proprietary Funds  
To the Statement of Net Assets  
June 30, 2004

Net assets - proprietary funds	\$ 352,105,337
Amounts reported for business-type activities in the statement of net assets are different because:	
Internal service funds	<u>2,343,576</u>
Net assets of business-type activities	<u>\$ 354,448,913</u>

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

Proprietary Funds

For the Fiscal Year Ended June 30, 2004

	Business-Type Activities - Enterprise Funds			
	Water Resources	War Memorial Coliseum	Solid Waste Management	Other Enterprise Fund
<b>Revenues:</b>				
Charges for Current Services	\$ 53,341,275	\$ 11,833,848	\$ 14,422,659	\$ 1,931,440
Miscellaneous	1,313,827	1,541,516	892,798	9,527
Total Operating Revenues	<u>54,655,102</u>	<u>13,375,364</u>	<u>15,315,457</u>	<u>1,940,967</u>
<b>Operating Expenses:</b>				
Personal Services	10,737,792	4,532,328	5,110,490	347,047
Fringe Benefits	3,493,875	982,138	1,720,773	106,525
Maintenance and Operations	21,657,290	9,870,813	13,298,505	521,311
Insurance Claims and Expenses				
Depreciation	10,324,512	2,077,697	812,810	529,623
Total Operating Expenses	<u>46,213,469</u>	<u>17,462,976</u>	<u>20,942,578</u>	<u>1,504,506</u>
Operating Income (Loss)	<u>8,441,633</u>	<u>(4,087,612)</u>	<u>(5,627,121)</u>	<u>436,461</u>
<b>Nonoperating Revenues (Expenses):</b>				
Investment Income	179,155	5,950	166,238	50,817
Net Income from Joint Venture	1,625,206			
Miscellaneous Revenue	1,043,046	9,126	3,169	1,975
Interest Expense	(5,718,412)	(9,175)	(635,887)	(643,422)
Loss on Disposal of Capital Assets	(41,857)	(26,217)	(350,501)	(1,702)
Amortization of Underwriters' Expense	(154,064)		(23,374)	(21,657)
Miscellaneous Expense	(211,623)	(23,315)	(23,866)	(31,066)
Total Nonoperating Revenues (Expenses)	<u>(3,278,549)</u>	<u>(43,631)</u>	<u>(864,221)</u>	<u>(645,055)</u>
Income (Loss) Before Contributions and Transfers	5,163,084	(4,131,243)	(6,491,342)	(208,594)
Capital Contribution	5,324,116			
Transfers In		1,755,000	5,000,000	1,157,140
Transfers Out	(277,000)			
Change in Net Assets	<u>10,210,200</u>	<u>(2,376,243)</u>	<u>(1,491,342)</u>	<u>948,546</u>
Net Assets - July 1	<u>278,400,902</u>	<u>52,713,648</u>	<u>6,499,157</u>	<u>7,200,469</u>
Net Assets - June 30	<u>\$ 288,611,102</u>	<u>\$ 50,337,405</u>	<u>\$ 5,007,815</u>	<u>\$ 8,149,015</u>

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<u>Totals</u>	<u>Internal Service Funds</u>
\$ 81,529,222	\$ 46,183,997
3,757,668	1,413,428
<u>85,286,890</u>	<u>47,597,425</u>
20,727,657	3,397,616
6,303,311	993,746
45,347,919	10,662,629
	19,596,467
<u>13,744,642</u>	<u>9,636,290</u>
<u>86,123,529</u>	<u>44,286,748</u>
<u>(836,639)</u>	<u>3,310,677</u>
402,160	258,817
1,625,206	
1,057,316	97,698
(7,006,896)	(507,146)
(420,277)	(2,025,835)
(199,095)	(2,953)
<u>(289,870)</u>	<u>(345,028)</u>
<u>(4,831,456)</u>	<u>(2,524,447)</u>
(5,668,095)	786,230
5,324,116	
7,912,140	435,400
<u>(277,000)</u>	
<u>7,291,161</u>	<u>1,221,630</u>
<u>344,814,176</u>	<u>64,961,502</u>
<u>\$352,105,337</u>	<u>\$ 66,183,132</u>

City of Greensboro  
Reconciliation of the Statement of Revenues,  
Expenses, and Changes in Fund Net Assets-Proprietary Funds  
To the Statement of Activities  
For the Fiscal Year Ended June 30, 2004

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

Net change in fund balances----total proprietary funds.	\$ 7,291,161
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>524,415</u>
Change in net assets of business-type activities	<u><u>\$ 7,815,576</u></u>



**Statement of Cash Flows**

Proprietary Funds

For the Fiscal Year Ended June 30, 2004

**Business-Type Activities -  
Enterprise Funds**

	<u>Water Resources</u>	<u>War Memorial Coliseum</u>	<u>Solid Waste Management</u>	<u>Other Enterprise Fund</u>
<b>Cash Flows from Operating Activities:</b>				
Receipts from Customers	\$ 52,114,923	\$ 11,633,640	\$ 15,154,012	\$ 1,932,635
Payments to Suppliers	(26,883,004)	(9,688,388)	(12,689,903)	(533,942)
Payments to Employees	(14,103,058)	(5,720,585)	(6,910,181)	1,082,416
Other Receipts	<u>1,313,827</u>	<u>1,541,516</u>	<u>892,798</u>	<u>9,527</u>
Net Cash Provided by (Used for) Operating Activities	<u>12,442,688</u>	<u>(2,233,817)</u>	<u>(3,553,274)</u>	<u>2,490,636</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Subsidies and Transfers In		1,755,000	5,000,000	1,157,140
Subsidies and Transfers Out	<u>(277,000)</u>			
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(277,000)</u>	<u>1,755,000</u>	<u>5,000,000</u>	<u>1,157,140</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Capital Debt Issued	44,599,513			
Acquisition and Construction of Capital Assets	(26,153,651)	(95,869)	(3,652,180)	(1,667,839)
Insurance Proceeds	219,972	2,083		
Proceeds from Sale of Capital Assets				
Other Receipts	97,074	2,068	3,169	
Principal Paid on Capital Debt	(5,550,531)	(80,000)	(995,000)	(1,891,104)
Interest and Fiscal Charges Paid on Capital Debt	<u>(5,841,007)</u>	<u>(12,742)</u>	<u>(576,545)</u>	<u>(333,356)</u>
Net Cash Provided By (Used) for Capital and Related Financing Activities	<u>7,371,370</u>	<u>(184,460)</u>	<u>(5,220,556)</u>	<u>(3,892,299)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest	<u>223,967</u>	<u>1,657</u>	<u>154,106</u>	<u>52,760</u>
Net Increase (Decrease) in Cash and Cash Equivalents	19,761,025	(661,620)	(3,619,724)	(191,763)
Balances - July 1	<u>37,305,644</u>	<u>1,792,820</u>	<u>16,080,033</u>	<u>2,492,411</u>
Balances - June 30	<u>\$ 57,066,669</u>	<u>\$ 1,131,200</u>	<u>\$ 12,460,309</u>	<u>\$ 2,300,648</u>
<b>Reconciliation of Cash and Cash Equivalents/Investments:</b>				
Cash and Cash Equivalents/Investments - Current	\$ 22,202,516	\$ 1,126,603	\$ 7,088,876	\$ 670,188
Cash and Cash Equivalents/Investments - Restricted	<u>34,864,153</u>	<u>4,597</u>	<u>5,371,433</u>	<u>1,630,460</u>
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 57,066,669</u>	<u>\$ 1,131,200</u>	<u>\$ 12,460,309</u>	<u>\$ 2,300,648</u>

Totals	Internal Service Funds
\$ 80,835,210	\$ 48,622,624
(49,795,237)	(29,697,877)
(25,651,408)	(4,379,747)
<u>3,757,668</u>	<u>938,254</u>
<u>9,146,233</u>	<u>15,483,254</u>
7,912,140	435,400
<u>(277,000)</u>	
<u>7,635,140</u>	<u>435,400</u>
44,599,513	
(31,569,539)	(9,601,590)
222,055	
	462,774
102,311	11,175
(8,516,635)	(5,390,042)
<u>(6,763,650)</u>	<u>(573,838)</u>
<u>(1,925,945)</u>	<u>(15,091,521)</u>
<u>432,490</u>	<u>277,240</u>
15,287,918	1,104,373
<u>57,670,908</u>	<u>36,749,828</u>
<u>\$ 72,958,826</u>	<u>\$ 37,854,201</u>
\$ 31,088,183	\$ 37,686,808
<u>41,870,643</u>	<u>167,393</u>
<u>\$ 72,958,826</u>	<u>\$ 37,854,201</u>

## Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2004

	Business-Type Activities - Enterprise Funds			
	Water Resources	War Memorial Coliseum	Solid Waste Management	Other Enterprise Fund
(continued)				
<b>Reconciliation of Operating Income</b>				
(Loss) to Net Cash Provided by (Used for)				
<b>Operating Activities:</b>				
Operating Income (Loss)	\$ 8,441,633	\$ (4,087,612)	\$ (5,627,121)	\$ 436,461
Adjustments to Reconcile Operating				
Income (Loss) to Net Cash Provided by (Used for)				
<b>Operating Activities:</b>				
Depreciation	10,324,512	2,077,697	812,810	529,623
Change in Assets and Liabilities:				
(Increase) Decrease in Receivables	(1,226,352)	(560)	731,353	1,195
Increase (Decrease) in Inventories	27,747	170,239	(15,710)	
Increase (Decrease) in Intergovernmental Receivables	(68,000)	7,765	(10,157)	(7,743)
(Increase) Decrease in Miscellaneous Assets	(1,416,948)	(1,151)		(11,499)
Increase in Investment in Joint Venture	(4,455,000)			
Increase (Decrease) in Accounts Payable	686,487	5,572	(49,786)	6,611
Increase in Landfill Liability			684,255	
Increase (Decrease) in Compensated Absences Payable	7,912	11,288	15,690	1,638
Increase (Decrease) in Intergovernmental Payable	1,291	(217,407)	(94,608)	
Increase in Internal Payable				1,534,000
Increase (Decrease) in Customer Deposits Payable	119,406	(147,065)		
Decrease in Miscellaneous Payable		(52,583)		350
Total Adjustments	4,001,055	1,853,795	2,073,847	2,054,175
Net Cash Provided by (Used for) Operating Activities	\$ 12,442,688	\$ (2,233,817)	\$ (3,553,274)	\$ 2,490,636
<b>Noncash Investing, Capital and Financing Activities:</b>				
Lease-Purchase and Other Capital Financing Agreements	\$	\$	\$	\$
Donated Assets	5,324,116			
Equity Interest in Joint Venture	1,625,206			
Total Noncash Investing, Capital and Financing Activities	\$ 6,949,322	\$	\$	\$

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<u>Totals</u>	<u>Internal Service Funds</u>
<u>\$ (836,639)</u>	<u>\$ 3,310,677</u>
13,744,642	9,636,290
(494,364)	
182,276	(421,835)
(78,135)	2,421,220
(1,429,598)	122,456
(4,455,000)	428,663
648,884	
684,255	11,261
36,528	356
(310,724)	
1,534,000	
(27,659)	5,000
(52,233)	(30,834)
<u>9,982,872</u>	<u>12,172,577</u>
<u>\$ 9,146,233</u>	<u>\$15,483,254</u>
\$	\$ 370,712
5,324,116	
<u>1,625,206</u>	
<u>\$ 6,949,322</u>	<u>\$ 370,712</u>

## Police Special Separation Allowance Fund

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### 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, 2004

	<b>Pension Benefit Trust</b>
<b>ASSETS</b>	
Cash and Cash Equivalents/Investments, Restricted for:	
Pension Benefits-Police Special Separation Allowance	
Cash and Cash Equivalents	\$ 35,518
US Government Agencies	3,373,621
US Treasuries	641,432
Commercial Paper	219,319
Money Market Mutual Funds	152,232
Interest Receivable	<u>26,327</u>
Total Assets Held in Trust for Pension Benefits	<u>\$ 4,448,449</u>

**City of Greensboro**  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2004

	<b>Pension Benefit Trust</b>
<b>ADDITIONS</b>	
Employer Contribution	\$ 1,572,986
Investment Income	<u>32,510</u>
Total Additions	<u>1,605,496</u>
<b>DEDUCTIONS</b>	
Benefits Paid-Police Special Separation Allowance	1,575,323
Administrative Expenses	<u>1,575</u>
Total Deductions	<u>1,576,898</u>
Change in Net Assets	28,598
Net Assets - Beginning of the Year	<u>4,419,851</u>
Net Assets - End of the Year	<u><u>\$ 4,448,449</u></u>

## Statement of Net Assets

Component Units  
June 30, 2004

ASSETS	Greensboro Housing Dev. Partnership	Greensboro Transit Authority	Greensboro ABC Board	Total Component Units
Cash and Cash Equivalents/Investments	\$ 143,812	\$ 777,590	\$ 1,285,517	\$ 2,206,919
Receivables, Net				
Taxes		194,697		194,697
Accounts, Notes and Mortgages	40,000	3,102	8,023	51,125
Intergovernmental	140,528	3,672,010		3,812,538
Interest		1,301,282		1,301,282
Internal Receivables		29,095		29,095
Inventories		107,294	1,683,511	1,790,805
Miscellaneous			49,226	49,226
Long-Term Note Receivable		14,617,801		14,617,801
Capital Assets:				
Non-Depreciable:				
Land		1,099,897	339,855	1,439,752
Construction in Progress	439,975	315,551		755,526
Depreciable:				
Land Improvements		2,022		2,022
Accumulated Depreciation		(506)		(506)
Buildings	121,287	19,557,104	1,647,404	21,325,795
Accumulated Depreciation	(69,863)	(895,253)	(639,558)	(1,604,674)
Improvements Other than Buildings		3,807	196,772	200,579
Accumulated Depreciation		(571)	(174,778)	(175,349)
Furniture, Fixtures, Machinery and Equipment		8,716,373	1,047,133	9,763,506
Accumulated Depreciation		(3,412,237)	(729,422)	(4,141,659)
Total Assets	<u>\$ 815,739</u>	<u>\$ 46,089,058</u>	<u>\$ 4,713,683</u>	<u>\$ 51,618,480</u>
<b>LIABILITIES</b>				
Accounts Payable	\$	\$ 163,133	\$ 1,467,494	\$ 1,630,627
Contracts/Retainage Payable	2,500	982,181		984,681
Due to Primary Government			547,718	547,718
Miscellaneous	11,295		48,471	59,766
Unearned Revenues		2,985,967		2,985,967
Noncurrent Liabilities:				
Due Within One Year:				
Note Payable	239,759			239,759
Compenstated Absences		9,888		9,888
Due in More Than One Year:				
Note Payable	514,506			514,506
Compensated Absences		15,057		15,057
Total Liabilities	<u>768,060</u>	<u>4,156,226</u>	<u>2,063,683</u>	<u>6,987,969</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt		25,386,187	1,687,406	27,073,593
Restricted for:				
Community Development	44,005			44,005
Unrestricted	<u>3,674</u>	<u>16,546,645</u>	<u>962,594</u>	<u>17,512,913</u>
Total Net Assets	<u>\$ 47,679</u>	<u>\$ 41,932,832</u>	<u>\$ 2,650,000</u>	<u>\$ 44,630,511</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, 2004**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Greensboro Housing Dev. Partnership</b>				
Governmental Activities:				
Community Development & Housing	\$ 119,346	\$ 107,897	\$ 506	\$
Total Greensboro Housing Dev. Partnership	<u>119,346</u>	<u>107,897</u>	<u>506</u>	
<b>Greensboro Transit Authority</b>				
Business Type Activities:				
Transit Operations	<u>11,761,350</u>	<u>2,067,583</u>		<u>9,967,272</u>
Total Greensboro Transit Authority	<u>11,761,350</u>	<u>2,067,583</u>		<u>9,967,272</u>
<b>Greensboro ABC Board</b>				
Business Type Activities:				
ABC Board Operations	<u>19,808,964</u>	<u>19,803,490</u>		
Total Greensboro ABC Board	<u>19,808,964</u>	<u>19,803,490</u>		
Total	<u>\$ 31,689,660</u>	<u>\$ 21,978,970</u>	<u>\$ 506</u>	<u>\$ 9,967,272</u>

**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
\$ (10,943)	\$	\$	\$ (10,943)
(10,943)			(10,943)
	273,505		273,505
	273,505		273,505
		(5,474)	(5,474)
		(5,474)	(5,474)
(10,943)	273,505	(5,474)	257,088
	3,463,251		3,463,251
	1,252,226	5,474	1,257,700
	100,981		100,981
	4,816,458	5,474	4,821,932
(10,943)	5,089,963		5,079,020
58,622	36,842,869	2,650,000	39,551,491
\$ 47,679	\$ 41,932,832	\$ 2,650,000	\$ 44,630,511

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

**JUNE 30, 2004**

***I. Summary of Significant Accounting Policies***

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

**A. The Financial Reporting Entity**

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

**1. Blended Component Unit**

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

The Greensboro Center City Corporation (GCCC) assists the City in financing, acquiring and constructing public facilities and in purchasing equipment. The sole purpose of the GCCC is to provide a funding source for City assets, lease the assets to the City and to use the lease payments to repay the debt. The corporation has no other operations. The GCCC's twelve member governing board is appointed by the City Mayor. A financial burden exists, as the City is required to transfer funds to the GCCC in an amount sufficient to pay the scheduled debt service on GCCC certificates of participation. The GCCC's cash and debt is combined with assets and liabilities of the 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 Wilson  
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 2003 through February 2004 apply to the Fiscal Year ended June 30, 2004.

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 2004-2005 and are not shown as receivables at June 30, 2004. 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, 2004 because they will be used to fund City operations during the 2004-2005 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 to 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 one cent 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 Water Resources Fund* provides services to over 93,000 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 monies necessary for the operation of the complex responsible for bringing top artists in the entertainment, educational and sports fields 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 the City's governmental activities, financial statements of Internal

Service Funds are consolidated into the governmental column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity.

**Pension Trust Fund** – The Pension Trust Fund accounts for assets held by the City in a trustee capacity and accumulates funds to provide pension benefit payments to qualified law enforcement officers. This fund uses the accrual basis of accounting and has a capital maintenance measurement focus. It is accounted for in essentially the same manner as Proprietary Funds.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the rule are payments between the water resources function and the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities and Net Assets or Equity**

**1. Cash and Cash Equivalents/Investments**

The City maintains a cash and investment pool that is used by all funds except the following, which maintain separate deposits and investments: Water Resources Bond Fund and Solid Waste Landfill Expansion Project Fund. The City is directly responsible for managing cash and cash equivalents/ investments of all funds except for certain cash and cash equivalents/ investments of the Capital Leasing Fund managed by a third party trustee for the Greensboro Center City Corporation. Each fund type's equity 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 payables" (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 \$146,270. The net receivable of \$3,462,679 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 were acquired or received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical cost using deflated replacement cost.

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 to the value of 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; and 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, 2004 are composed of the following:



	Fund Financial Statements		
	General Fund	Housing Partnership Revolving Fund	Other Non-Major Special Revenue Funds
Deferred Revenue:			
Taxes Receivable	\$ 3,462,679	\$	\$
Prepaid Taxes Not Yet Earned	1,290,347		294
Prepaid Assessments Not Yet Earned	620		98,353
Prepaid Privilege Licenses Not Yet Earned	1,928,603		
Other Prepaid Deferred Revenues	258,553		1,906,734
Notes and Mortgages Receivable	158,475	15,714,453	9,397,261
Other Deferred Revenues	302,136		168,892
	<u>\$ 7,401,413</u>	<u>\$ 15,714,453</u>	<u>\$ 11,571,534</u>

	Basic Financial Statements	
	Governmental Activities	Business-Type Activities
Unearned Revenue:		
Prepaid Taxes Not Yet Earned	\$ 1,290,641	\$
Prepaid Assessments Not Yet Earned	98,973	
Prepaid Privilege Licenses Not Yet Earned	1,928,603	
Other Prepaid Deferred Revenues	1,259,680	2,469,800
	<u>\$ 4,577,897</u>	<u>\$ 2,469,800</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, 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, 2004 related to purchase orders and unperformed contracts.
- c. Reserved for Inventories - This represents that portion of fund balance segregated for inventories of supplies; these are current assets which do not represent available spendable resources.
- d. Reserved for Assets Held for Resale - This represents a portion of fund balance segregated for an inventory of properties that will be resold and does not represent spendable resources.
- e. Reserved for 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.
- f. Reserved for Perpetual Care - This represents a portion of fund balance segregated for maintenance of the city's cemeteries.
- g. Reserved for Specific Purpose - This represents a portion of fund balance which has been reserved by the city for use in future periods.
- h. Designated for Subsequent Year's Expenditures - This represents the amount of fund balance appropriated by the City Council to the budget for the year ending June 30, 2005.
- i. 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.
- j. Designated for Debt Service - This represents amounts held for the future payment of general long-term debt principal and interest.
- k. 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 the debt less the outstanding liquid assets and any associated unamortized cost.

*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, 2003, the City adopted GASB Statement No. 39, "*Determining whether Certain Organizations Are Component Units*". According to the amended criteria governing reporting units, the City evaluated its relationship with each of its blended and discrete component units and other legally separate entities. As a result, no changes to the City's reporting unit were made at this time. In addition, the beginning fund balance of the General Fund was restated by \$4,436,247 to reflect a change in the City's revenue recognition criteria in fiscal year 2004. Currently, the City considers sales taxes, state-shared revenues and reimbursements, and certain grant funds to be available and recognized as revenue if they are collected within 90 days after year end.

Previously, collections within 60 days were recognized. In addition, the City changed its method of accounting for Bryan Park operations from an enterprise fund to a governmental fund as of July 1, 2003. Accordingly, the General Fund beginning fund balance was increased by \$8,489 and all of the Bryan Park capital assets were transferred from the "Business-Type" activities to "Governmental" activities in the statement of Net Assets at the governmental-wide level of reporting.

**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 \$200,796,125 difference are as follows:

Bonds and Notes Payable (including Premium of \$863,714 and including Deferred Issuance Costs of \$846,312)	\$ 160,831,445
Intergovernmental Payable	36,946
Accrued Interest Payable	1,788,904
Certificate of Participation Payable	25,748,360
Compensated Absences	8,398,472
Lease Purchase & Other Financing Payable	3,991,998
Combined Adjustment	<u>\$ 200,796,125</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 \$12,128,656 difference are as follows:

Capital Outlay	\$ 23,671,881
Disposals	(1,558,966)
Depreciation Expense	(9,984,259)
Combined Adjustment	<u>\$ 12,128,656</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 \$11,423,148 difference are as follows:

Issuance of Debt	\$ (277,000)
Principal Expenditure	12,635,492
Interest Expenditure	(577,037)
Salary Expense	(55,793)
Miscellaneous Expense	(302,514)
Combined Adjustment	<u>\$ 11,423,148</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 included in the Special Revenue 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 \$304,310, primarily for economic incentives. No expenditures exceeded appropriations at the legal level of control during Fiscal Year 2003-2004.

#### **B. Deficit Fund Equity**

The Hope VI Program Fund and the Library Facilities Series 2003 Bond Fund reported deficit fund balances of \$(187,147), and \$(474,806) respectively as of June 30, 2004. 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**

##### **1. Deposits**

All deposits of the City are made in designated official depositories and are secured as required by North Carolina General Statute 159-31. The City may designate as an official depository any bank or savings and loan association whose principal office is located in North Carolina. The City may also establish time deposits in the form of money market accounts and certificates of deposit. At year end, the carrying amount of the

deposit portion of pooled cash and cash equivalents/ investments was \$550,532 and the bank balance was \$3,053,833. These amounts include deposits for the GTA, a discretely presented component unit, because the GTA owns a percentage of the City's pooled cash and cash equivalents/ investments funds.

State statute allows depositories to collateralize excess deposits above federal depository insurance coverage by selecting one of the following two options. Under the Dedicated Method, all deposits over the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's name. Under the Pooling Method, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in the City's name.

Sufficient collateral was maintained at June 30, 2004 by banks to secure the City's deposits. At June 30, 2004, the City had no deposits in financial institutions which collateralize deposits in excess of the allowable federal depository insurance coverage of \$100,000 by the Dedicated Method. At June 30, 2004, all City deposits were maintained with financial institutions which collateralize excess deposits by the Pooling Method. Of the deposits maintained under the Pooling Method at June 30, 2004, \$200,000 in interest-bearing deposits was covered by federal depository insurance, and \$2,853,833 in interest-bearing deposits was collateralized by each depository with the State Treasurer.

The Greensboro ABC Board, a discretely presented component unit, held deposits in Pooling Method banks only. At June 30, 2004, the carrying amount of deposits was \$1,260,017 and the bank balance was \$1,364,332. All of the bank balances were covered by federal depository insurance.

## 2. Investments

North Carolina General Statute 159-30 (c) authorizes the City to invest in obligations of the U. S. Treasury and obligations of certain federal agencies; prime quality commercial paper and bankers' acceptances bearing the highest rating of a nationally recognized rating service; 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. In accordance with state law, the City has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. It is the policy of the City to hold investments to maturity in order to realize full book value and interest earnings. As required for periods beginning after June 15, 1997 by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value determined annually by quoted market prices, using the specific identification method. The North Carolina Capital Management Trust (NCCMT) Cash Portfolio's securities are valued at fair value, which is the NCCMT's share price. Money market instruments that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Interest income earned in the Capital Projects Funds, amounting to \$1,046,057 was assigned to the Debt Service Fund.

In accordance with financial reporting requirements of the Governmental Accounting Standards Board, the City's investments at year end are categorized into one of three categories of credit risk. Category 1 includes investments that are insured, registered, or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter party or by its trust department or agent, but not in the City's name. At June 30, 2004, all of the City's investments are categorized under Category 1, as shown in the table below. Investments in the Money Market Mutual Funds are exempt because the City does not own any identifiable securities but is a shareholder of a percentage of the funds.

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>Category</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>Reported Value</u>	<u>Fair Value</u>
U.S. Government Securities	\$ 28,840,985	\$	\$	\$ 28,840,985	\$ 28,840,985
U.S. Government Agencies	152,160,687			152,160,687	152,160,687
Commercial Paper	9,944,003			9,944,003	9,944,003
Investment in Money Market					
Mutual Funds				54,854,092	54,854,092
Total Investments				\$ 245,799,767	\$ 245,799,767

The City invests in callable, step-up securities to hedge against a rise in interest rates. These securities pay interest at a level that increases in specified increments on stated dates. The issuer will be required to pay a call premium on the redemption based on the call date at which the issuer elects to redeem the securities.

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 two 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). The intention of the swaps was to effectively change the City's interest rate on the bonds to a synthetic fixed rate of 2.92% and 3.46% respectively.

*Swap Terms*

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).

*Fair Value*

Because interest rates were higher on June 30, 2004 than at the date of the execution of the swaps, the swaps had estimated fair values of \$85,687 (Swap 1) and \$65,041 (Swap 2) as of June 30, 2004. 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, 2004, 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, the swaps 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% and 3.46% and the synthetic rates as of June 30, 2004 of 3.04% (Swap 1) and 3.58% (Swap 2). As of June 30, 2004, the rate on the City's bonds was 1.04%, whereas 67% of 1 Month LIBOR was .917%.

#### *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 Schedule to the Master Agreement includes an "additional termination event." That is, the swaps may be terminated by the counterparty if the outstanding debt of the City, secured by its faith, credit and taxing power, ceases to be rated at least A3 by Moody's or any successor thereto, A- by S&P or any successor thereto, or A- by Fitch, or any successor thereto or shall fail to be rated by at least one of Moody's, S&P, and Fitch. The City or the counterparty may terminate the swaps if the other party fails to perform under the terms of the contract. If the 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 and therefore there is no market-access risk or rollover risk.

#### b. Swaption

##### *Objective of the Swaption*

The City entered into a swaption contract with Bank of America, N.A. that provided the City an up-front payment of \$2,904,000. As a synthetic refunding of its Series 1995A Combined Enterprise System Revenue Bonds, this payment represents the risk-adjusted, present-value savings of a refunding as of June 1, 2005, without issuing refunding bonds in June 2003. The swaption gave the counterparty the option to make the City enter into a pay-fixed, receive-variable interest rate swap. If the option is exercised, the City would then expect to issue variable-rate refunding bonds.

##### *Swaption Terms*

The swaption was entered into on June 11, 2003. The \$2.9 million payment was based on a notional amount of \$31,070,000. The counterparty has the option to exercise the agreement on any semi-annual date starting on June 1, 2005 (the City's 1995A bonds' first call date) and ending on June 1, 2007. The fixed swap rate of 4.99% payable by the City was set at a rate that, when added to an assumption for remarketing and liquidity costs, will approximate the average coupon of 5.33% on the "refunded" bonds. The swap's variable payment to the City would be 72% of the 1 Month London Interbank Offered Rate (LIBOR).

##### *Fair Value*

As of June 30, 2004, the swaption had a negative fair value of \$(1,581,421), established by market quotations from the counterparty representing estimates of the amount that would be paid for replacement transactions.

##### *Market-Access Risk*

If the option is exercised and the City is not able to issue variable-rate refunding bonds, the 1995A bonds would not be refunded and the City would make net swap payments as required by the terms of the contract, that is, making a fixed payment to the counterparty for the term of the swap at 4.99% and receiving a variable payment of 72% of 1 Month LIBOR. If the option is exercised and the variable-rate refunding bonds

are issued, the actual savings ultimately recognized by the transaction will be affected by the relationship between the interest rates on the variable-rate refunding bonds paid by the City versus the variable payments on the swap (72% of 1 Month LIBOR) to be received by the City.

<u>Swaption Notional Schedule</u>	<u>Amount</u>
6/1/2005	\$31,070,000
6/1/2006	29,600,000
6/1/2007	27,975,000
6/1/2008	26,225,000
6/1/2009	24,425,000
6/1/2010	22,405,000
6/1/2011	20,400,000
6/1/2012	18,290,000
6/1/2013	16,065,000
6/1/2014	13,720,000
6/1/2015	11,250,000
6/1/2016	8,650,000
6/1/2017	5,915,000
6/1/2018	3,035,000
6/1/2019	-

**B. Long-Term Note Receivable**

The GTA entered into an agreement with Duke Power Company, effective July 1, 1991, which authorizes 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, 2004 is \$14,617,801. Interest income of \$20,073,906 will be recognized by the effective yield method over the remaining 23-year term of the note, based on an imputed interest rate of 8.95%.



C. Capital Assets

Capital asset activity for the year ended June 30, 2004 was as follows:

Primary Government				
	Beginning			
	Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Non-depreciable:				
Land	\$ 50,270,350	\$ 1,144,908	\$	\$ 51,415,258
Construction in Progress	45,572,050	20,600,791	(33,276,739)	32,896,102
Total Capital Assets, Non-depreciable	95,842,400	21,745,699	(33,276,739)	84,311,360
Capital Assets, Depreciable:				
Buildings	84,703,779	24,242,580	(51,329)	108,895,030
Improvements Other Than Buildings	11,489,805	1,204,418	(8,025)	12,686,198
Furniture, Fixtures, Machinery and Equipment	103,018,873	14,401,614	(10,004,917)	107,415,570
Infrastructure	285,052,122	2,763,843		287,815,965
Total Capital Assets, Depreciable	484,264,579	42,612,455	(10,064,271)	516,812,763
Less Accumulated Depreciation for:				
Buildings	(32,126,916)	(2,731,011)	6,822	(34,851,105)
Improvements Other Than Buildings	(6,982,104)	(637,370)	25,692	(7,593,782)
Furniture, Fixtures, Machinery and Equipment	(62,284,772)	(10,828,037)	6,444,446	(66,668,363)
Infrastructure	(120,546,102)	(5,424,131)		(125,970,233)
Total Accumulated Depreciation	(221,939,894)	(19,620,549)	6,476,960	(235,083,483)
Total Capital Assets, Depreciable, Net				
Governmental Activities	262,324,685	22,991,906	(3,587,311)	281,729,280
Capital Assets, Net	\$ 358,167,085	\$ 44,737,605	\$ (36,864,050)	\$ 366,040,640

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-Type Activities:</b>				
Capital Assets, Non-depreciable:				
Land	\$ 32,420,584	\$ 1,274,207	\$	\$ 33,694,791
Construction in Progress	69,113,050	6,764,197		75,877,247
Total Capital Assets, Non-depreciable	101,533,634	8,038,404		109,572,038
Capital Assets, Depreciable:				
Buildings	181,464,431	13,920,669	(41,614)	195,343,486
Improvements Other Than Buildings	21,206,946	17,839		21,224,785
Furniture, Fixtures, Machinery and Equipment	37,859,811	670,789	(3,825,848)	34,704,752
Infrastructure	273,315,279	17,326,979		290,642,258
Total Capital Assets, Depreciable	513,846,467	31,936,276	(3,867,462)	541,915,281
Less Accumulated Depreciation for:				
Buildings	(52,540,434)	(4,967,538)	39,911	(57,468,061)
Improvements Other Than Buildings	(11,383,084)	(1,000,352)		(12,383,436)
Furniture, Fixtures, Machinery and Equipment	(29,605,956)	(1,076,327)	3,407,272	(27,275,011)
Infrastructure	(102,353,589)	(6,700,427)		(109,054,016)
Total Accumulated Depreciation	(195,883,063)	(13,744,644)	3,447,183	(206,180,524)
Total Capital Assets, Depreciable, Net Business Activities	317,963,404	18,191,632	(420,279)	335,734,757
Capital Assets, Net	\$419,497,038	\$ 26,230,036	\$ (420,279)	\$445,306,795
Depreciation expense was charged to functions/programs of the primary government as follows:				
Governmental Activities:				
General Government				\$ 1,192,317
Public Safety				1,094,893
Transportation, including depreciation of general infrastructure assets				3,934,444
Engineering and Inspections				46,410
Environmental Services				1,654,309
Culture and Recreation				2,061,885
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets				9,636,291
Total depreciation expense - Governmental Activities				\$ 19,620,549
Governmental Activities:				
Water Resources Fund, including depreciation of infrastructure assets				\$ 10,324,512
War Memorial Coliseum Fund				2,077,697
Parking Facilities Fund				529,623
Solid Waste Management Fund				812,810
Total depreciation expense - Business-Type Activities				\$ 13,744,642

## Construction Commitments

The City has construction contract commitments on capital projects at June 30, 2004 as follows:

Governmental Funds:		
Special Revenue	\$	254,380
Capital Projects		<u>20,926,523</u>
Total Governmental Funds	\$	<u>21,180,903</u>
Enterprise Funds:		
Water Resources	\$	12,635,899
Parking Facility		78,000
Solid Waste Management		<u>1,769,748</u>
Total Enterprise Funds	\$	<u>14,483,647</u>
	\$	<u><u>35,664,550</u></u>

## Discretely Presented Component Units:

Activity for GHDP for the year ended June 30, 2004, was as follows:

	Beginning			
	Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Construction in Progress	\$ 198,634	\$ 478,070	\$ (236,729)	\$ 439,975
Capital Assets, Depreciable:				
Buildings	121,287			121,287
Less Accumulated Depreciation for:				
Buildings	(62,444)	(7,419)		(69,863)
Total Capital Assets, Depreciable-Net	58,843	(7,419)		51,424
GHDP Capital Assets, Net	\$ 257,477	\$ 470,651	\$ (236,729)	\$ 491,399

Activity for GTA for the year ended June 30, 2004, was as follows:

	Beginning			
	Balance	Increases	Decreases	Ending Balance
Capital Assets, Non-depreciable:				
Land	\$ 235,000	\$ 864,897	\$	\$ 1,099,897
Construction in Progress	16,313,148	1,747,503	(17,745,100)	315,551
Total Capital Assets, Non-depreciable	16,548,148	2,612,400	(17,745,100)	1,415,448
Capital Assets, Depreciable:				
Buildings	2,861,638	16,695,466		19,557,104
Improvements Other Than Buildings	5,829			5,829
Furniture, Fixtures, Machinery and Equipment	5,878,770	3,371,368	(533,765)	8,716,373
Total Capital Assets, Depreciable	8,746,237	20,066,834	(533,765)	28,279,306
Less Accumulated Depreciation for:				
Buildings	(406,326)	(488,927)		(895,253)
Improvements Other Than Buildings	(881)	(196)		(1,077)
Furniture, Fixtures, Machinery and Equipment	(2,988,684)	(721,973)	298,420	(3,412,237)
Total Accumulated Depreciation	(3,395,891)	(1,211,096)	298,420	(4,308,567)
Total Capital Assets, Depreciable-Net	5,350,346	18,855,738	(235,345)	23,970,739
GTA Capital Assets, Net	\$ 21,898,494	\$ 21,468,138	\$ (17,980,445)	\$ 25,386,187

Activity for ABC Board for the year ended June 30, 2004, 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	179,834	16,938		196,772
Furniture, Fixtures, Machinery and Equipment	920,394	126,739		1,047,133
Total Capital Assets, Depreciable	2,747,632	143,677		2,891,309
Less Accumulated Depreciation for:				
Buildings	(602,554)	(37,004)		(639,558)
Improvements Other Than Buildings	(169,522)	(5,256)		(174,778)
Furniture, Fixtures, Machinery and Equipment	(684,867)	(44,555)		(729,422)
Total Accumulated Depreciation	(1,456,943)	(86,815)		(1,543,758)
Total Capital Assets, Depreciable-Net	1,290,689	56,862		1,347,551
ABC Board Capital Assets, Net	\$ 1,630,544	\$ 56,862	\$	\$ 1,687,406

**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 \$10,503,616 reported as landfill closure and post closure care liability at June 30, 2004 is based on the use 100% of the estimated capacity of Phase II and Phase III, Cell 1. Phase III, Cell 2 is estimated at 75.3% 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, 2004, the City had expended \$3,876,035 to complete closure for the White Street facility, Phase II. The balance of closure costs, estimated at \$6,156,000 for Phase III, Cells 1 and 2 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, 2004:

**1. Internal Receivables/Payables:**

		Receivable By:		
		Housing	Non-Major	
	Component	Partnership	Governmental	
	<u>Unit</u>	<u>Revolving Fund</u>	<u>Funds</u>	<u>Total</u>
Current				
Payable From:				
Non-Major Enterprise Fund	\$	\$	\$ 1,534,000	\$ 1,534,000
Non-Major Governmental Fund	29,095	826,400	226,600	1,082,095
<b>Total</b>	<b>\$ 29,095</b>	<b>\$ 826,400</b>	<b>\$ 1,760,600</b>	<b>\$ 2,616,095</b>

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

	Receivable By:
	<u>General Fund</u>
Payable From: Component Unit – ABC Board	<u>\$547,718</u>

Current internal balances represent grant expenditures which are on a reimbursement basis. These items should be paid back to the respective funds during the next year upon receipt of funding from grantor agencies.

3. Interfund Transfers:

	General	Non-major	Water	
	Fund	Governmental	Resources	
	Fund	Funds	Fund	Total
<b>Transfers From:</b>	<b><u>\$(23,987,380)</u></b>	<b><u>\$ (5,511,924)</u></b>	<b><u>\$ (277,000)</u></b>	<b><u>\$ (29,776,304)</u></b>
<b>Transfers To:</b>				
General Fund	\$	\$ 3,663,035	\$	\$ 3,663,035
Housing Partnership Revolving	1,755,445			1,755,445
Debt Service	13,383,150			13,383,150
Non-Major Governmental Funds	778,245	1,808,968		2,587,213
Enterprise Funds:				
War Memorial Coliseum	1,755,000			1,755,000
Solid Waste	5,000,000			5,000,000
Other Non-major Fund	1,157,140			1,157,140
Internal Service Funds	158,400		277,000	435,400
Fiduciary Funds		39,921		39,921
<b>Total</b>	<b><u>\$ 23,987,380</u></b>	<b><u>\$ 5,511,924</u></b>	<b><u>\$ 277,000</u></b>	<b><u>\$ 29,776,304</u></b>

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.

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, 2004 is \$1,049,908,911. 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 1.0% and 1.05%, respectively as of June 30, 2004. 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.

\$160,814,043

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.

5,291,737

### 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 2010. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

3,679,220  
\$169,785,000

### 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, 2004, \$57,345,000 of General Obligation Bonds outstanding are considered defeased.

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

Fiscal Year	Governmental Activities		Business-Type Activities		Total
	Annual Requirements		Annual Requirements		
	Principal	Interest	Principal	Interest	
2004-05	\$ 12,619,696	\$ 5,588,817	\$ 1,110,302	\$ 171,787	\$ 19,490,602
2005-06	12,625,191	5,158,845	1,089,809	133,540	19,007,385
2006-07	13,147,124	4,711,943	602,877	72,569	18,534,513
2007-08	13,168,768	4,245,474	591,232	46,843	18,052,317
2008-09	13,230,001	3,826,684	200,000	13,765	17,270,450
2009-14	45,949,258	11,895,148	85,000	4,165	57,933,571
2014-19	28,665,742	4,571,411			33,237,153
2019-23	26,700,000	635,740			27,335,740
	<u>\$166,105,780</u>	<u>\$ 40,634,062</u>	<u>\$ 3,679,220</u>	<u>\$ 442,669</u>	<u>\$210,861,731</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 4.75% 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, 2004 is 6.6. The City demonstrated compliance with bond covenants during Fiscal Year 2003-04.

**Special Obligation Bonds Debt Service Requirements to Maturity are:**

	Business-Type Activities		
	<u>Annual Requirements</u>		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004-05	\$ 1,040,000	\$ 578,881	\$ 1,618,881
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
2009-13	5,720,000	761,326	6,481,326
	<u>\$ 11,455,000</u>	<u>\$ 3,123,611</u>	<u>\$ 14,578,611</u>

**7. Combined Enterprise System Revenue Bonds**

On August 26, 2003, the City issued \$33,435,000 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 \$33,595,000 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 \$24,860,000 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 City has \$32,390,000 outstanding in tax-exempt 1995A Revenue Bonds bearing interest payable semi-annually at fixed rates from 5.0% to 6.5%. Principal is payable annually in varying amounts through 2019. 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 1.04% as of June 30, 2004.

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, 2004 is 1.75. The City was in compliance with all such covenants during Fiscal Year 2003-04.



Revenue Bonds Debt Service Requirements to maturity are:

	Business-Type Activities		
	<u>Annual Requirements</u>		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004-05	\$ 4,720,000	\$ 6,588,067	\$ 11,308,067
2005-06	5,025,000	6,340,267	11,365,267
2006-07	5,335,000	6,109,632	11,444,632
2007-08	5,595,000	5,889,020	11,484,020
2008-09	5,810,000	5,634,564	11,444,564
2009-14	28,030,250	23,622,485	51,652,735
2014-19	41,331,750	14,301,324	55,633,074
2019-24	44,816,750	4,622,093	49,438,843
2024-28	23,806,250	434,790	24,241,040
	<u>\$164,470,000</u>	<u>\$ 73,542,242</u>	<u>\$238,012,242</u>

**8. Certificates of Participation**

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 rates on tax-exempt issues from 6.25% to 6.375% and on taxable issues from 6.50% to 7.25%. The outstanding tax-exempt and taxable variable rate bonds are reported at 1.35% as of the end of June 30, 2004. Principal is payable annually in varying amounts through 2016. Pursuant to installment purchase agreements, the City will make installment payments sufficient to pay the scheduled debt service on all certificates. Principal and interest requirements will be provided by appropriation in the year in which they become due. These payments will be appropriated in the Parking Facilities Enterprise Fund for the debt service attributable to parking facilities; in the Hotel/Motel Occupancy Tax Special Revenue Fund and War Memorial Coliseum Enterprise Fund for the portion of the debt service attributable to the Coliseum expansion and improvements; and in the Capital Leasing Internal Service Fund for the debt service attributable to equipment purchases.

The City defeased Certificates of Participation by placing the proceeds of new certificates in an irrevocable trust to provide for all future debt service payments on the old certificates. Accordingly, the trust account assets and the liability for the defeased certificates are not included in the City's financial statements. At June 30, 2004, \$29,235,000 of outstanding certificates are considered defeased.

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

	Governmental Activities		Business-Type Activities		
	<u>Annual Requirements</u>		<u>Annual Requirements</u>		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004-05	\$ 5,514,000	\$ 903,944	\$ 2,031,000	\$ 285,994	\$ 8,734,938
2005-06	5,673,640	800,559	2,091,360	225,944	8,791,503
2006-07	5,849,672	650,797	2,160,328	164,133	8,824,930
2007-08	2,540,240	491,954	2,224,760	100,487	5,357,441
2008-09	2,705,808	360,964	2,289,192	35,073	5,391,037
2009-14	11,115,000	593,162	150,000	2,025	11,860,187
2014-16	2,850,000	52,380			2,902,380
	<u>\$ 36,248,360</u>	<u>\$ 3,853,760</u>	<u>\$ 10,946,640</u>	<u>\$ 813,656</u>	<u>\$ 51,862,416</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 6.7% and redevelopment projects that bear interest at an approximate rate of 1.5%. 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		Business-Type Activities		Total
	Annual Requirements		Annual Requirements		
	Principal	Interest	Principal	Interest	
2004-05	\$ 1,456,474	\$ 255,447	\$ 656,844	\$ 195,945	\$ 2,564,710
2005-06	879,737	185,022	673,120	174,832	1,912,711
2006-07	344,494	158,265	643,696	152,278	1,298,733
2007-08	248,000	149,330	652,694	130,549	1,180,573
2008-09	255,000	141,181	665,560	108,775	1,170,516
2009-14	990,000	570,767	2,056,754	261,963	3,879,484
2014-19	993,000	314,718	537,715	19,461	1,864,894
2019-22	597,000	52,854			649,854
	<u>\$ 5,763,705</u>	<u>\$ 1,827,584</u>	<u>\$ 5,886,383</u>	<u>\$ 1,043,803</u>	<u>\$ 14,521,475</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 \$3,081,746 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 \$3,570,000 in a HUD Section 108 note bearing interest at fixed rates ranging from 2.79% to 5.45%, maturing in 2022. The City received an additional \$422,000 maturing in 2010 at an interest rate of 3 Month LIBOR plus 20 basis points, which approximated 1.35% at June 30, 2004. Total commitment for HUD funding is \$7,461,000.

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

Long-term liability activity for the year ended June 30, 2004, was as follows:

	Beginning Balance	Additions	Transfers	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$176,772,202	\$	\$ 265,000	\$ (10,931,422)	\$166,105,780	\$12,619,698
Certificates of Participation	41,532,256			(5,283,896)	36,248,360	5,514,000
Section 108 HUD Loan	3,860,000	277,000		(145,000)	3,992,000	263,000
<i>Deferred Amounts:</i>						
For Issuance Premium	950,085			(86,371)	863,714	86,371
<b>Total Debt Payable</b>	<b>223,114,543</b>	<b>277,000</b>	<b>265,000</b>	<b>(16,446,689)</b>	<b>207,209,854</b>	<b>18,483,069</b>
<i>Other Liabilities</i>						
Capital Leases	3,066,211	370,712		(1,665,218)	1,771,705	1,193,474
Compensated Absences	8,620,450	8,000,898	13,996	(7,933,841)	8,701,503	5,431,864
Governmental Activity						
<b>Long-Term Liability</b>	<b>\$234,801,204</b>	<b>\$ 8,648,610</b>	<b>\$ 278,996</b>	<b>\$ (26,045,748)</b>	<b>\$217,683,062</b>	<b>\$25,108,407</b>

	Beginning				Ending	Due Within
	Balance	Additions	Transfers	Reductions	Balance	One Year
<b>Business-Type Activities:</b>						
<i>Bonds and Notes Payable:</i>						
General Obligation Bonds	\$ 4,857,798	\$	\$	\$(1,178,579)	\$ 3,679,219	\$ 1,110,302
Special Obligation Bonds	12,450,000			(995,000)	11,455,000	1,040,000
Revenue Bonds	124,430,000	43,435,000		(3,395,000)	164,470,000	4,720,000
Certificates of Participation	12,917,744			(1,971,104)	10,946,640	2,031,000
State Water Revolving Loan	3,642,319		(357,720)	(202,853)	3,081,746	254,403
Watershed	3,221,017			(416,380)	2,804,637	402,441
<i>Deferred Amounts:</i>						
For Issuance Discounts	(58,475)			13,682	(44,793)	13,682
For Issuance Premiums	501,817	1,164,513		(164,292)	1,502,038	153,796
Total Debt Payable	161,962,220	44,599,513	(357,720)	(8,309,526)	197,894,487	9,725,624
<i>Other Liabilities</i>						
Accrued Landfill Liability	9,819,361	684,255			10,503,616	500,000
Compensated Absences	1,496,184	1,402,598	(13,996)	(1,366,070)	1,518,716	1,195,371
Business-Type Activity						
Long-Term Liability	\$173,277,765	\$46,686,366	\$(371,716)	\$(9,675,596)	\$209,916,819	\$11,420,995

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 \$370,712 were recorded for Internal Service Fund capital leases.

	Ending
	Balance
<b>Internal Service Funds:</b>	
<i>Bonds and Notes Payable:</i>	
General Obligation Bonds	\$ 5,291,737
Certificate of Participation Payable	10,500,000
Total Debt Payable	15,791,737
<i>Other Liabilities:</i>	
Capital Leases	1,771,705
Compensated Absences	303,031
Internal Service Fund	
Long-Term Liability	\$ 17,866,473

#### Swap Payments and Associated Debt

Using rates as of June 30, 2004, 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.

<u>Variable Rate Bonds</u>		<u>Interest</u>	
<u>Principal</u>	<u>Interest<sup>(1)</sup></u>	<u>Rate Swaps,</u>	<u>Net<sup>(2)</sup></u>
			<u>Total</u>
\$	\$ 200,720	\$	\$ 416,780
	200,720		416,780
	200,720		416,780
1,400,000	200,720		416,780
1,450,000	186,160		388,780
1,550,000	171,080		359,780
1,650,000	154,960		328,780
1,750,000	137,800		295,780
1,850,000	119,600		260,780
1,950,000	100,360		223,780
2,000,000	80,080		184,780
	59,280		144,780
	59,280		144,780
	59,280		144,780
	59,280		144,780
2,740,000	59,280		144,780
2,960,000	30,784		75,184
<b>\$19,300,000</b>	<b>\$ 2,080,104</b>		<b>\$ 4,508,664</b>
			<b>\$ 25,888,768</b>

(1) Computed at 1.04% at June 30, 2004

(2) Computed at (2.92% less 67% of 1 Month LIBOR at June 30, 2004-Swap 1) and (3.46% less 67% of 1 Month LIBOR at June 30, 2004-Swap 2)

### 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, 2004 amounted to \$10,220,219 of which \$8,701,503 relates to Governmental Activities and \$1,518,716 relates to Business-Type Activities.

Changes in accumulated annual leave are as follows:

<u>Fund Type</u>	<u>Balance</u>	<u>Current Year</u>		<u>Balance</u>
	<u>7/1/03</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/04</u>
Governmental Activities	\$ 8,634,446	\$ 8,000,898	\$ (7,933,841)	\$ 8,701,503
Business-Type Activities	1,482,188	1,402,598	(1,366,070)	1,518,716
	<b>\$ 10,116,634</b>	<b>\$ 9,403,496</b>	<b>\$ (9,299,911)</b>	<b>\$ 10,220,219</b>

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, 2004. GTA leave liability is \$24,945.

City employees had accumulated sick leave benefits of \$37,659,562 at June 30, 2004, 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.

#### **1. Employee Insurance**

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

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

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 \$500,000 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. As of 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 \$7,953,594 as of June 30, 2004. Additional amounts of \$2,612,544 are recorded in the Excess Liability Fund – Tier I for payment of City claims. Accordingly, a total of \$10,566,138 is recorded in the City’s General Insurance Fund as insurance deposits. A portion of the Excess Liability Fund – Tier I, \$926,418, 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 \$972,283 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 (limited to an annual aggregate retention of \$300,000) 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, 2004, the City’s contributions to the Property Deductible Fund totaled \$585,750. At June 30, 2004, the total retained earnings of the Local Government Property Insurance Deductible Fund, Inc. is \$1,316,371.

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 2004 and 2003 are as follows:

	Employee Insurance	General Insurance	Total 2003-04	Total 2002-03
Balance - July 1	\$ 2,500,995	\$ 1,332,471	\$ 3,833,466	\$ 3,479,256
Incurred Claims (including IBNRs) and Changes in Estimates	17,135,371	623,201	17,758,572	17,095,717
Claims Payments	(16,775,985)	(728,934)	(17,504,919)	(16,741,507)
Balance - June 30	\$ 2,860,381	\$ 1,226,738	\$ 4,087,119	\$ 3,833,466

### B. Subsequent Events

The City intends to issue general obligation bonds on November 16, 2004 to refund all of Series 1996 bonds outstanding or approximately \$32 million, with anticipated interest savings in excess of \$1 million.

**C. Commitments and Contingencies**

**1. 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. The City recently 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 plaintiffs have appealed this decision. Our insurance fund has sufficient reserves to cover this judgment.

**2. Authorized capital projects at June 30, 2004 are comprised of the following:**

	<u>Project Authorization</u>	<u>Expended Through June 30, 2004</u>	<u>Unexpended Authorization</u>
<b>Governmental Funds:</b>			
Special Revenue	\$ 29,441,200	\$ 19,275,921	\$ 10,165,279
Capital Projects	331,130,529	197,609,752	133,520,777
	<u>\$ 360,571,729</u>	<u>\$ 216,885,673</u>	<u>143,686,056</u>
<b>Enterprise Funds:</b>			
Water Resources	\$ 224,955,987	\$ 145,942,629	\$ 79,013,358
Coliseum	1,000,000	999,929	71
Parking Facilities	1,550,000	1,546,650	3,350
Solid Waste Management	20,312,279	18,265,948	2,046,331
	<u>\$ 247,818,266</u>	<u>\$ 166,755,156</u>	<u>\$ 81,063,110</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, 2004, 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, 2004 totaled \$202,246. Future lease payments less payments under sublease agreement are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2004-05	\$ 211,716
2005-06	215,392
2006-07	191,810
2007-08	127,976
2008-09	65,062
	<u>\$ 811,956</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, 2004 totaled \$1,439,145. Future lease payments are as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2004-05	\$ 1,516,104
2005-06	1,041,076
2006-07	389,363
	<u>\$ 2,946,543</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 and 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. The guaranteed portion of the outstanding loan would be paid by GHDP with a pledge of 25% of the proceeds from the sale of each newly constructed home unit. During fiscal year 2004, all but \$11,604 of the \$215,000 loan guarantee was repaid by GHDP.

### 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 is 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, 2004.

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 2004-2005. The City contributed \$10,395,000 of an additional approximate \$14 million as of June 2004 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, 2004, the City's equity interest in the Authority was \$42,144,315. 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 2003-04, the City levied \$3,215,340 in room occupancy taxes, of which \$643,068 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 will be 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, 2004, 483 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 \$1,559,330 for the Fiscal Year ended June 30, 2004.

#### **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 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, 2004 was \$54,627,241.

In addition, the City is in the process of terminating a Deferred Money Purchase Pension Plan for City firefighters in accordance with Internal Revenue Code Sections 401 (a). The assets remaining in this plan as of June 30, 2004 were \$255,270. Participants are selecting the manner of disbursement of their individual accounts, which should be completed within the next Fiscal Year.

## **I. Pension Plan Obligations**

### **1. Local Governmental Employees' Retirement System**

#### **a. Plan Description**

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

The City's payroll for employees covered by the System for the Fiscal Year ended June 30, 2004 was \$113,651,838 and the City's total payroll was \$121,703,260.

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, 2004, 2003, and 2002 were \$4,351,154, \$4,226,384, and \$4,107,323, 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 4.78% 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 4.97%. The employer contributions to the System for the years ended June 30, 2004, 2003 and 2002 were \$333,114, \$313,413, and \$319,103, respectively. There is no unfunded accrued pension liability as of June 30, 2004. 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, 2004 was \$24,940,598. The City's total payroll was \$121,703,260.

All full-time City law enforcement officers are covered by the System. At December 31, 2003, the date of the latest actuarial valuation, the System's membership consisted of:

Retirees currently receiving benefits	115
Active plan members	499
Total	614

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

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

The qualified law enforcement officers are entitled to an annual retirement benefit of .85% of the annual equivalent of the base rate of compensation most recently applicable to the covered employee for each year of creditable service. The retirement benefits are paid monthly in equal installments. Payments to retired officers cease at their death or on the last day of the month in which the officer attains 62 years of age or upon the first day of reemployment by any State department, agency, or institution.

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

### b. Summary of Significant Accounting Policies

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

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

<u>Agency</u>	<u>% of Plan Net Assets</u>
Federal Home Loan Bank	35.10
Federal National Mortgage Association	25.86
United States Treasury Notes	15.11
Federal Home Loan Mortgage Corporation	15.10
Federal Farm Credit Bank	3.64

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 \$1,572,986 or 6.3% of annual covered payroll. Current contributions equaled 143% of the actuarially required amounts in Fiscal Year 2003-04. 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, 2002 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, 2002 was 28 years.

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2002	\$ 1,232,401	122.50%	\$ (1,062,262)
6/30/2003	1,257,899	121.70%	(1,336,248)
6/30/2004	1,075,432	143.10%	(1,833,802)

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

Annual Required Contribution	\$ 1,099,000
Interest on Net Pension Obligation	(96,878)
Adjustment to Annual Required Contribution	73,310
Annual Pension Cost	1,075,432
Contributions Made	(1,572,986)
Decrease in Net Pension Obligation	(497,554)
Net Pension Obligation-Beginning of Year	(1,336,248)
Net Pension Obligation-End of Year	\$ (1,833,802)

### 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, 2004 were calculated using a covered payroll (base salary) in the amount of \$21,943,689. The City's total payroll was \$121,703,260. Total contributions were \$2,192,420, which consisted of \$1,097,184 from the City and \$1,095,236 from the law enforcement officers. The City's required contributions and the officer's voluntary contributions represented 5.0% and 4.99% of the covered payroll amount, respectively.

## Schedule of Funding Progress

Law Enforcement Officers' Special Separation Allowance  
 Required Supplementary Information  
 Years Ended December 31, 1994 - 2003

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)	Actuarial Accrued Liability as a Percentage of Covered Payroll ((b - a) / c)
12/31/1994	\$ 2,327,183	\$ 6,671,788	34.9%	\$ 4,344,605	\$ 16,188,840	26.8%
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%

\* 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, 1995 - 2004

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Year Ended 6/30	Annual Required Contribution	Percentage Contributed
1995	\$ 516,043	94.3 %
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	1,258,964	121.7
2004	1,099,000	143.1

### 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	12/31/2003
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Closed
Remaining Amortization Period	27 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 SHEET**

Nonmajor Governmental Funds

June 30, 2004

ASSETS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash and Cash Equivalents/Investments	\$ 8,147,262	\$ 5,694,837	\$	\$ 13,842,099
Receivables:				
Taxes	2,921			2,921
Accounts, Notes and Mortgages	9,975,498			9,975,498
Assessments	72,946			72,946
Intergovernmental	2,803,740			2,803,740
Internal Receivables	1,760,600			1,760,600
Assets Held for Resale	95,180			95,180
Restricted Assets:				
Cash and Cash Equivalents/Investments	9,802,481	40,115,627	1,950,132	51,868,240
Receivables:				
Accounts, Notes and Mortgages	113,780	1,100		114,880
Assessments	10,936			10,936
Intergovernmental	45,270			45,270
Total Assets	<u>\$ 32,830,614</u>	<u>\$ 45,811,564</u>	<u>\$ 1,950,132</u>	<u>\$ 80,592,310</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 173,214	\$ 83	\$	\$ 173,297
Contracts/Retainage Payable	1,749,593	208,902		1,958,495
Internal Payable	1,053,000	29,095		1,082,095
Miscellaneous	58,927			58,927
Deferred Revenues	11,489,445	82,089		11,571,534
Liabilities Payable From Restricted Assets:				
Accounts Payable		664		664
Contracts/Retainage Payable		2,897,455		2,897,455
Miscellaneous		957		957
Total Liabilities	<u>14,524,179</u>	<u>3,219,245</u>		<u>17,743,424</u>
Fund Balances:				
Reserved by State Statute	4,347,741	1,100		4,348,841
Reserved for Encumbrances	3,465,721			3,465,721
Reserved for Assets Held for Resale	95,180			95,180
Reserved for Perpetual Care			1,950,132	1,950,132
Total Reserved Fund Balance	<u>7,908,642</u>	<u>1,100</u>	<u>1,950,132</u>	<u>9,859,874</u>
Unreserved, Reported In:				
Designated for Subsequent Year's Expenditures:				
Special Revenue Funds	<u>3,329,052</u>			<u>3,329,052</u>
Designated for Debt Service:				
Special Revenue Funds	<u>237,830</u>			<u>237,830</u>
Designated for Specific Purposes:				
Special Revenue Funds	802,088			802,088
Capital Projects Funds		42,591,219		42,591,219
Total Unreserved-Specific Purposes	<u>802,088</u>	<u>42,591,219</u>		<u>43,393,307</u>
Undesignated:				
Special Revenue Funds	6,028,823			6,028,823
Capital Projects Funds				
Total Unreserved-Undesignated	<u>6,028,823</u>			<u>6,028,823</u>
Total Fund Balances	<u>18,306,435</u>	<u>42,592,319</u>	<u>1,950,132</u>	<u>62,848,886</u>
Total Liabilities and Fund Balances	<u>\$ 32,830,614</u>	<u>\$ 45,811,564</u>	<u>\$ 1,950,132</u>	<u>\$ 80,592,310</u>



## COMBINING BALANCE SHEET

Nonmajor Special Revenue Funds  
June 30, 2004

ASSETS	STREET AND SIDEWALK REVOLVING	STATE HIGHWAY ALLOCATION	CEMETERY	HOTEL/MOTEL OCCUPANCY TAX	SPECIAL TAX DISTRICTS	STORMWATER QUALITY CONTROL
Cash and Cash Equivalents/Investments	\$ 3,147,986	\$	\$ 149,586	\$ 423,930	\$ 529,227	\$ 3,567,166
Receivables:						
Taxes					2,921	
Accounts, Notes and Mortgages			7,103			69,994
Assessments	72,946					
Intergovernmental	9,375		1,480	189,819	205	8,121
Internal Receivables	1,534,000					
Assets Held for Resale	95,180					
Restricted Assets:						
Cash and Cash Equivalents/Investments		8,024,495				
Receivables:						
Accounts, Notes and Mortgages						
Assessments		10,936				
Intergovernmental		45,270				
<b>Total Assets</b>	<b>\$ 4,859,487</b>	<b>\$ 8,080,701</b>	<b>\$ 158,169</b>	<b>\$ 613,749</b>	<b>\$ 532,353</b>	<b>\$ 3,645,281</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts Payable	\$	\$	\$	\$	\$	\$ 8,096
Contracts/Retainage Payable	137,658	886,971				
Internal Payable						
Miscellaneous	1,868					
Deferred Revenues	171,299	10,936	198		3,214	
<b>Total Liabilities</b>	<b>310,825</b>	<b>897,907</b>	<b>198</b>		<b>3,214</b>	<b>8,096</b>
Fund Balances:						
Reserved by State Statute	836,466	45,270	8,385	189,819	205	78,115
Reserved for Encumbrances	402,639	2,237,556	251			825,275
Reserved for Assets Held for Resale	95,180					
Unreserved Fund Balance:						
Designated for Subsequent Year's Expenditures	1,000,849	1,955,785	125,708	186,100	60,610	
Designated for Debt Service				237,830		
Designated for Specific Purposes	802,088					
Undesignated	1,411,440	2,944,183	23,627		468,324	2,733,795
<b>Total Fund Balances</b>	<b>4,548,662</b>	<b>7,182,794</b>	<b>157,971</b>	<b>613,749</b>	<b>529,139</b>	<b>3,637,185</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,859,487</b>	<b>\$ 8,080,701</b>	<b>\$ 158,169</b>	<b>\$ 613,749</b>	<b>\$ 532,353</b>	<b>\$ 3,645,281</b>

COMMUNITY DEVELOPMENT	HOME PROGRAM	HOPE VI	WORKFORCE INVESTMENT ACT	JOB TRAINING CONSORTIUM	SOUTH ELM STREET REDEVELOPMENT	STATE AND FEDERAL GRANTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ 4,024	\$ 9,251	\$ 1,838	\$ 31	\$ 6,193	\$ 278	\$ 307,752	\$ 8,147,262
							2,921
5,798,890	3,486,110					613,401	9,975,498
							72,946
625,465	504,182		248,258		13,722	1,203,113	2,803,740
				600		226,000	1,760,600
							95,180
						1,777,986	9,802,481
						113,780	113,780
							10,936
							45,270
<u>\$ 6,428,379</u>	<u>\$ 3,999,543</u>	<u>\$ 1,838</u>	<u>\$ 248,289</u>	<u>\$ 6,793</u>	<u>\$ 14,000</u>	<u>\$ 4,242,032</u>	<u>\$ 32,830,614</u>
\$	\$	\$	\$	\$	\$	\$	\$
37,354	54,270	40,689	21,449	3,170		45,540	173,214
402,400	273,000	11,296	240			676,074	1,749,593
55,354		137,000	226,600		14,000		1,053,000
5,797,174	3,486,110					1,705	58,927
						2,020,514	11,489,445
<u>6,292,282</u>	<u>3,813,380</u>	<u>188,985</u>	<u>248,289</u>	<u>3,170</u>	<u>14,000</u>	<u>2,743,833</u>	<u>14,524,179</u>
621,659	496,630		14,356	600	13,722	2,042,514	4,347,741
							3,465,721
							95,180
							3,329,052
							237,830
							802,088
(485,562)	(310,467)	(187,147)	(14,356)	3,023	(13,722)	(544,315)	6,028,823
136,097	186,163	(187,147)		3,623		1,498,199	18,306,435
<u>\$ 6,428,379</u>	<u>\$ 3,999,543</u>	<u>\$ 1,838</u>	<u>\$ 248,289</u>	<u>\$ 6,793</u>	<u>\$ 14,000</u>	<u>\$ 4,242,032</u>	<u>\$ 32,830,614</u>

## COMBINING BALANCE SHEET

Nonmajor Capital Projects Funds

June 30, 2004

ASSETS	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	STORMWATER CAPITAL IMPROVEMENTS	GENERAL CAPITAL IMPROVEMENTS
Cash and Cash Equivalents/Investments	\$ 2,534,282	\$	\$ 1,707,321	\$ 1,453,234
Restricted Assets:				
Cash and Cash Equivalents/Investments		13,402,516		
Receivables:				
Accounts, Notes and Mortgages				
<b>Total Assets</b>	<b>\$ 2,534,282</b>	<b>\$ 13,402,516</b>	<b>\$ 1,707,321</b>	<b>\$ 1,453,234</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$	\$	\$ 83	\$
Contracts/Retainage Payable	208,902			
Internal Payable				
Deferred Revenue	82,089			
Liabilities Payable From Restricted Assets:				
Accounts Payable				
Contracts/Retainage Payable		286,364		
Miscellaneous				
Total Liabilities Payable From Restricted Assets		286,364		
<b>Total Liabilities</b>	<b>290,991</b>	<b>286,364</b>	<b>83</b>	
Fund Balances:				
Reserved by State Statute				
Unreserved Fund Balance:				
Designated for Capital Projects	2,243,291	13,116,152	1,707,238	1,453,234
<b>Total Fund Balances</b>	<b>2,243,291</b>	<b>13,116,152</b>	<b>1,707,238</b>	<b>1,453,234</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,534,282</b>	<b>\$ 13,402,516</b>	<b>\$ 1,707,321</b>	<b>\$ 1,453,234</b>

<u>PUBLIC IMPROVEMENTS SERIES 1990, 1992 1994 and 1998</u>	<u>REDEVELOPMENT SERIES 1994</u>	<u>COLISEUM CAPITAL IMPROVEMENT</u>	<u>PUBLIC IMPROVEMENT SERIES 1998A</u>	<u>PUBLIC IMPROVEMENT SERIES 1998B</u>	<u>HOUSING/ REDEVELOPMENT SERIES 1998</u>
\$	\$	\$	\$	\$	\$
1,711,268	430,950		3,824,028	7,318	339,957
	1,100				
<u>\$ 1,711,268</u>	<u>\$ 432,050</u>	<u>\$</u>	<u>\$ 3,824,028</u>	<u>\$ 7,318</u>	<u>\$ 339,957</u>
\$	\$	\$	\$	\$	\$
			117,657		957
			117,657		957
			117,657		957
	1,100				
<u>1,711,268</u>	<u>430,950</u>	<u></u>	<u>3,706,371</u>	<u>7,318</u>	<u>339,000</u>
<u>1,711,268</u>	<u>432,050</u>	<u></u>	<u>3,706,371</u>	<u>7,318</u>	<u>339,000</u>
<u>\$ 1,711,268</u>	<u>\$ 432,050</u>	<u>\$</u>	<u>\$ 3,824,028</u>	<u>\$ 7,318</u>	<u>\$ 339,957</u>

## COMBINING BALANCE SHEET(continued)

Nonmajor Capital Projects Funds  
June 30, 2004

ASSETS	STREET IMPROVEMENT SERIES 2003	PARKS & RECREATION SERIES 2003	FIRE STATION SERIES 2003	PUBLIC TRANSPORTATION SERIES 2003
Cash and Cash Equivalents/Investments	\$	\$	\$	\$
Restricted Assets:				
Cash and Cash Equivalents/Investments	11,930,804	3,808,489	1,738,588	156,979
Receivables:				
Accounts, Notes and Mortgages				
Total Assets	<u>\$ 11,930,804</u>	<u>\$ 3,808,489</u>	<u>\$ 1,738,588</u>	<u>\$ 156,979</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$	\$	\$	\$
Contracts/Retainage Payable				
Internal Payable				29,095
Deferred Revenues				
Liabilities Payable From Restricted Assets:				
Accounts Payable			664	
Contracts/Retainage Payable	649,627	346,735	188,675	33,092
Miscellaneous				
Total Liabilities Payable From Restricted Assets	<u>649,627</u>	<u>346,735</u>	<u>189,339</u>	<u>33,092</u>
Total Liabilities	<u>649,627</u>	<u>346,735</u>	<u>189,339</u>	<u>62,187</u>
Fund Balances:				
Reserved by State Statute				
Unreserved Fund Balance:				
Designated for Capital Projects	<u>11,281,177</u>	<u>3,461,754</u>	<u>1,549,249</u>	<u>94,792</u>
Total Fund Balances	<u>11,281,177</u>	<u>3,461,754</u>	<u>1,549,249</u>	<u>94,792</u>
Total Liabilities and Fund Balances	<u>\$ 11,930,804</u>	<u>\$ 3,808,489</u>	<u>\$ 1,738,588</u>	<u>\$ 156,979</u>

NATURAL SCIENCE CENTER SERIES 2003	LAW ENFORCEMENT SERIES 2003	LIBRARY FACILITIES SERIES 2003	NEIGHBORHOOD REDEVELOPMENT SERIES 2003	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$	\$	\$	\$	\$ 5,694,837
	2,449,138	315,592		40,115,627
				1,100
<u>\$</u>	<u>\$ 2,449,138</u>	<u>\$ 315,592</u>	<u>\$</u>	<u>\$ 45,811,564</u>
\$	\$	\$	\$	\$ 83
				208,902
				29,095
				82,089
	484,907	790,398		664
				2,897,455
				957
	484,907	790,398		2,899,076
	484,907	790,398		3,219,245
				1,100
	1,964,231	(474,806)		42,591,219
	1,964,231	(474,806)		42,592,319
<u>\$</u>	<u>\$ 2,449,138</u>	<u>\$ 315,592</u>	<u>\$</u>	<u>\$ 45,811,564</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2004

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUND PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>Revenues:</b>				
Taxes	\$ 2,612,436	\$	\$	\$ 2,612,436
Assessments	72,064			72,064
Intergovernmental	19,696,712	737,167		20,433,879
Charges for Current Services	9,584,286			9,584,286
Investment Income	416,312			416,312
Miscellaneous	909,297	499,372		1,408,669
	<u>33,291,107</u>	<u>1,236,539</u>		<u>34,527,646</u>
<b>Expenditures:</b>				
Current:				
General Government	247,194			247,194
Public Safety	2,040,011	4,317,433		6,357,444
Transportation	11,155,817	2,900,613		14,056,430
Engineering and Inspections	1,695,145	5,600,141		7,295,286
Culture and Recreation	728,209	8,829,704		9,557,913
Community Development and Housing	6,390,066	970,604		7,360,670
Economic Opportunity	2,735,378			2,735,378
Water Resources	2,305,504			2,305,504
Debt Service:				
Principal Retirement	1,928,896			1,928,896
Interest	1,024,325			1,024,325
Fees and Other	199,374			199,374
	<u>30,449,919</u>	<u>22,618,495</u>		<u>53,068,414</u>
Excess of Revenues Over (Under)				
Expenditures	<u>2,841,188</u>	<u>(21,381,956)</u>		<u>(18,540,768)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	205,320	2,381,893	39,921	2,627,134
Transfers Out	(5,511,924)			(5,511,924)
Debt Issuances:				
Federal Loan Program	277,000			277,000
	<u>(5,029,604)</u>	<u>2,381,893</u>	<u>39,921</u>	<u>(2,607,790)</u>
Net Change in Fund Balances	(2,188,416)	(19,000,063)	39,921	(21,148,558)
Fund Balances - July 1	<u>20,494,851</u>	<u>61,592,382</u>	<u>1,910,211</u>	<u>83,997,444</u>
Fund Balances - June 30	<u>\$ 18,306,435</u>	<u>\$ 42,592,319</u>	<u>\$ 1,950,132</u>	<u>\$ 62,848,886</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2004

	<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>STORMWATER QUALITY CONTROL</u>
<b>Revenues:</b>						
Taxes	\$	\$	\$	\$ 2,572,272	\$ 40,164	\$
Assessments	32,568	39,062				434
Intergovernmental		6,259,575				
Charges for Current Services	1,351,909		390,395			7,542,489
Investment Income	52,418	197,041	15,587	2,314	3,997	42,607
Miscellaneous	70,760	42,446	177	250,000		
Total Revenues	<u>1,507,655</u>	<u>6,538,124</u>	<u>406,159</u>	<u>2,824,586</u>	<u>44,161</u>	<u>7,585,530</u>
<b>Expenditures:</b>						
Current:						
General Government						
Public Safety						
Transportation	1,329,148	4,555,275				3,590,443
Engineering and Inspections						
Culture and Recreation			634,502			
Community Development and Housing					3,200	
Economic Opportunity						
Water Resources						2,305,504
Debt Service:						
Principal Retirement				1,783,896		
Interest				871,215		
Fees and Other				199,374		
Total Expenditures	<u>1,329,148</u>	<u>4,555,275</u>	<u>634,502</u>	<u>2,854,485</u>	<u>3,200</u>	<u>5,895,947</u>
Excess of Revenues Over (Under)						
Expenditures	<u>178,507</u>	<u>1,982,849</u>	<u>(228,343)</u>	<u>(29,899)</u>	<u>40,961</u>	<u>1,689,583</u>
<b>Other Financing Sources (Uses):</b>						
Transfers In			127,665			
Transfers Out	(950,000)	(3,663,035)	(39,921)			(843,583)
Debt Issuances:						
Federal Loan Program						
Total Other Financing Sources (Uses)	<u>(950,000)</u>	<u>(3,663,035)</u>	<u>87,744</u>			<u>(843,583)</u>
Net Change in Fund Balances	(771,493)	(1,680,186)	(140,599)	(29,899)	40,961	846,000
Fund Balances - July 1	<u>5,320,155</u>	<u>8,862,980</u>	<u>298,570</u>	<u>643,648</u>	<u>488,178</u>	<u>2,791,185</u>
Fund Balances - June 30	<u>\$ 4,548,662</u>	<u>\$ 7,182,794</u>	<u>\$ 157,971</u>	<u>\$ 613,749</u>	<u>\$ 529,139</u>	<u>\$ 3,637,185</u>



COMMUNITY DEVELOPMENT	HOME PROGRAM	HOPE VI	WORKFORCE INVESTMENT ACT	JOB TRAINING CONSORTIUM	SOUTH ELM STREET REDEVELOPMENT	STATE AND FEDERAL GRANTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$	\$	\$	\$	\$	\$	\$	\$ 2,612,436
							72,064
2,455,995	1,458,166		2,701,015		13,722	6,808,239	19,696,712
299,493							9,584,286
81,904	16,268	6,377	3,920			(6,121)	416,312
	66,169		568	278		478,899	909,297
<u>2,837,392</u>	<u>1,540,603</u>	<u>6,377</u>	<u>2,705,503</u>	<u>278</u>	<u>13,722</u>	<u>7,281,017</u>	<u>33,291,107</u>
						247,194	247,194
						2,040,011	2,040,011
						1,680,951	11,155,817
						1,695,145	1,695,145
						93,707	728,209
2,565,237	1,558,404	384,379	2,721,656		13,722	1,878,846	6,390,066
							2,735,378
							2,305,504
145,000							1,928,896
153,110							1,024,325
<u>2,863,347</u>	<u>1,558,404</u>	<u>384,379</u>	<u>2,721,656</u>	<u>278</u>	<u>13,722</u>	<u>7,635,854</u>	<u>30,449,919</u>
(25,955)	(17,801)	(378,002)	(16,153)	278		(354,837)	2,841,188
15,385	(15,385)					62,270	205,320
							(5,511,924)
		277,000					277,000
15,385	(15,385)	277,000				62,270	(5,029,604)
(10,570)	(33,186)	(101,002)	(16,153)	278		(292,567)	(2,188,416)
146,667	219,349	(86,145)	16,153	3,345		1,790,766	20,494,851
<u>\$ 136,097</u>	<u>\$ 186,163</u>	<u>\$ (187,147)</u>	<u>\$</u>	<u>\$ 3,623</u>	<u>\$</u>	<u>\$ 1,498,199</u>	<u>\$ 18,306,435</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2004

	STREET AND SIDEWALK	STATE HIGHWAY ALLOCATION	STORMWATER CAPITAL IMPROVEMENTS	GENERAL CAPITAL IMPROVEMENTS
<b>Revenues:</b>				
Intergovernmental	\$ 387,167	\$	\$	\$
Miscellaneous				
Total Revenues	<u>387,167</u>			
<b>Expenditures:</b>				
Current:				
General Government				
Public Safety				
Transportation	1,052,604	1,610,753		
Engineering and Inspections	426,568		325,677	
Culture and Recreation				458,151
Community Development and Housing		94,996		
Total Expenditures	<u>1,479,172</u>	<u>1,705,749</u>	<u>325,677</u>	<u>458,151</u>
Excess of Revenues Under Expenditures	<u>(1,092,005)</u>	<u>(1,705,749)</u>	<u>(325,677)</u>	<u>(458,151)</u>
<b>Other Financing Sources:</b>				
Transfers In	<u>950,000</u>		<u>834,093</u>	<u>597,800</u>
Net Change in Fund Balances	(142,005)	(1,705,749)	508,416	139,649
Fund Balances - July 1	<u>2,385,296</u>	<u>14,821,901</u>	<u>1,198,822</u>	<u>1,313,585</u>
Fund Balances - June 30	<u>\$ 2,243,291</u>	<u>\$ 13,116,152</u>	<u>\$ 1,707,238</u>	<u>\$ 1,453,234</u>

<u>PUBLIC IMPROVEMENT SERIES 1990, 1992 1994 and 1998</u>	<u>REDEVELOPMENT SERIES 1994</u>	<u>COLISEUM CAPITAL IMPROVEMENT</u>	<u>PUBLIC IMPROVEMENT SERIES 1998A</u>	<u>PUBLIC IMPROVEMENT SERIES 1998B</u>	<u>HOUSING REDEVELOPMENT SERIES 1998</u>
\$ 150,000	\$ 94,134	\$	\$	\$	\$
<u>150,000</u>	<u>94,134</u>				
			1,341,529		
2,210,774	662,259			26,708	186,641
<u>2,210,774</u>	<u>662,259</u>		<u>1,341,529</u>	<u>26,708</u>	<u>186,641</u>
(2,060,774)	(568,125)		(1,341,529)	(26,708)	(186,641)
<u>(2,060,774)</u>	<u>(568,125)</u>		<u>(1,341,529)</u>	<u>(26,708)</u>	<u>(186,641)</u>
3,772,042	1,000,175		5,047,900	34,026	525,641
<u>\$ 1,711,268</u>	<u>\$ 432,050</u>	<u>\$</u>	<u>\$ 3,706,371</u>	<u>\$ 7,318</u>	<u>\$ 339,000</u>

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

Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2004

	STREET IMPROVEMENTS SERIES 2003	PARKS & RECREATION SERIES 2003	FIRE STATION SERIES 2003	PUBLIC TRANSPORTATION SERIES 2003
<b>Revenues:</b>				
Intergovernmental	\$	\$ 200,000	\$	\$
Miscellaneous				
Total Revenues		200,000		
<b>Expenditures:</b>				
Current:				
General Government				
Public Safety			1,602,995	
Transportation				237,256
Engineering and Inspections	2,637,122			
Culture and Recreation		5,193,507		
Community Development and Housing				
Total Expenditures	2,637,122	5,193,507	1,602,995	237,256
Excess of Revenues Under Expenditures	(2,637,122)	(4,993,507)	(1,602,995)	(237,256)
<b>Other Financing Sources:</b>				
Transfers In				
Net Change in Fund Balances	(2,637,122)	(4,993,507)	(1,602,995)	(237,256)
Fund Balances - July 1	13,918,299	8,455,261	3,152,244	332,048
Fund Balances - June 30	<u>\$ 11,281,177</u>	<u>\$ 3,461,754</u>	<u>\$ 1,549,249</u>	<u>\$ 94,792</u>

<u>NATURAL SCIENCE CENTER SERIES 2003</u>	<u>LAW ENFORCEMENT SERIES 2003</u>	<u>LIBRARY FACILITIES SERIES 2003</u>	<u>NEIGHBORHOOD REDEVELOPMENT SERIES 2003</u>	<u>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</u>
\$	\$	\$	\$	\$
		405,238		737,167 499,372
		405,238		1,236,539
	1,372,909			4,317,433 2,900,613 5,600,141 8,829,704 970,604
	1,372,909	3,178,046		22,618,495
	(1,372,909)	(2,772,808)		(21,381,956)
				2,381,893
	(1,372,909)	(2,772,808)		(19,000,063)
	3,337,140	2,298,002		61,592,382
<u>\$</u>	<u>\$ 1,964,231</u>	<u>\$ (474,806)</u>	<u>\$</u>	<u>\$ 42,592,319</u>

## Enterprise Funds

Schedule of Changes in Long-Term Debt  
For the Fiscal Year Ended June 30, 2004

	Debt Outstanding July 1, 2003	Additions	Retirements	Debt Outstanding June 30, 2004
<b>Water Resources:</b>				
General Obligation Bonds Payable	\$ 4,857,798	\$	\$ 1,178,579	\$ 3,679,219
Revenue Bonds Payable	124,430,000	43,435,000	3,395,000	164,470,000
Federal Loan Obligation	3,642,319		560,573	3,081,746
Other Financing Agreements	3,221,017		416,380	2,804,637
Compensated Absences Payable	885,166	862,896	854,984	893,078
	<u>137,036,300</u>	<u>44,297,896</u>	<u>6,405,516</u>	<u>174,928,680</u>
<b>War Memorial Coliseum:</b>				
Certificates of Participation	820,000		80,000	740,000
Compensated Absences Payable	242,788	189,312	178,024	254,076
	<u>1,062,788</u>	<u>189,312</u>	<u>258,024</u>	<u>994,076</u>
<b>Parking Facilities:</b>				
Certificates of Participation	12,097,744		1,891,104	10,206,640
Compensated Absences Payable	28,421	21,352	19,714	30,059
	<u>12,126,165</u>	<u>21,352</u>	<u>1,910,818</u>	<u>10,236,699</u>
<b>Solid Waste Management:</b>				
Special Obligation Bonds	12,450,000		995,000	11,455,000
Accrued Landfill Liability	9,819,361	684,255		10,503,616
Compensated Absences Payable	325,813	329,038	313,348	341,503
Due to Other Funds - Long Term	20,045		20,045	
	<u>22,615,219</u>	<u>1,013,293</u>	<u>1,328,393</u>	<u>22,300,119</u>
<b>Total Enterprise Funds</b>	<u>\$172,840,472</u>	<u>\$ 45,521,853</u>	<u>\$ 9,902,751</u>	<u>\$ 208,459,574</u>

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

Component Unit

For the Fiscal Year Ended June 30, 2004

	<b>GREENSBORO TRANSIT AUTHORITY</b>
<b>Revenues:</b>	
Charges for Current Services	\$ 2,067,583
Miscellaneous	46,675
Total Operating Revenues	<u>2,114,258</u>
<b>Operating Expenses:</b>	
Personal Services	396,966
Fringe Benefits	89,115
Maintenance and Operations	9,838,479
Depreciation	1,211,098
Total Operating Expenses	<u>11,535,658</u>
Operating Loss	<u>(9,421,400)</u>
<b>Nonoperating Revenues (Expenses):</b>	
Investment Income	1,252,226
Property Taxes	3,463,251
Grants	9,967,272
Miscellaneous Nonoperating Revenue	54,306
Loss on Disposal of Capital Assets	(220,342)
Miscellaneous Nonoperating Expense	(5,350)
Total Nonoperating Revenues (Expenses)	<u>14,511,363</u>
Change in Net Assets	5,089,963
Net Assets - July 1	<u>36,842,869</u>
Net Assets - June 30	<u>\$ 41,932,832</u>

## Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2004

### GREENSBORO TRANSIT AUTHORITY

#### Cash Flows from Operating Activities:

Receipts from Customers	\$ 5,634,995
Payments to Suppliers	(13,276,452)
Payments to Employees	(484,641)
Other Receipts	46,675
Net Cash Used for Operating Activities	<u>(8,079,423)</u>

#### Cash Flows from Noncapital Financing Activities:

Property Tax Collections	3,463,251
Grants Received	9,967,272
Other Receipts	54,306
Net Cash Provided by Noncapital Financing Activities	<u>13,484,829</u>

#### Cash Flows from Capital and Related Financing Activities:

Acquisition and Construction of Capital Assets	(7,345,051)
Proceeds from Sale of Capital Assets	15,002
Net Cash Used for Capital and Related Financing Activities	<u>(7,330,049)</u>

#### Cash Flows from Investing Activities:

Interest	<u>1,289,098</u>
Net Decrease in Cash and Cash Equivalents	(635,545)

Cash and Cash Equivalents/ Investments - July 1	<u>1,413,135</u>
Cash and Cash Equivalents/ Investments - June 30	<u>\$ 777,590</u>

#### Reconciliation of Cash and Cash Equivalents/ Investments

Cash and Cash Equivalents/ Investments - Current	\$ 777,590
Cash and Cash Equivalents/ Investments - Restricted	<u>0</u>
Total Cash and Cash Equivalents/Investments - June 30	<u>\$ 777,590</u>



## Statement of Cash Flows

Component Unit

For the Fiscal Year Ended June 30, 2004

(continued)

**GREENSBORO  
TRANSIT  
AUTHORITY**

**Reconciliation of Operating Loss to Net**

**Cash Used for Operating Activities:**

Operating Loss	<u>\$ (9,421,400)</u>
Adjustments to Reconcile Operating	
Loss to Net Cash Used for Operating Activities:	
Depreciation	1,211,098
Change in Assets and Liabilities:	
Decrease in Receivables	3,475,677
Decrease in Inventories	1,762
Increase in Intergovernmental Receivables	(3,567,990)
Increase in Miscellaneous Assets	(29,095)
Increase in Accounts Payable	157,350
Increase in Annual Leave Accrual	1,440
Increase in Miscellaneous Payable	<u>91,735</u>
Total Adjustments	<u>1,341,977</u>

Net Cash Used for Operating Activities

\$ (8,079,423)

**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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 2,390,365	\$ 2,067,583	\$ (322,782)
Other Operating Revenues	46,675	46,675	46,675
Total Operating Revenues	<u>2,390,365</u>	<u>2,114,258</u>	<u>(276,107)</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	282,783	396,966	114,183
Fringe Benefits	74,628	89,116	14,488
Maintenance and Operations	10,028,147	9,702,382	(325,765)
Capital Outlay	308,307	301,764	(6,543)
Total Operating Expenses	<u>10,693,865</u>	<u>10,490,228</u>	<u>(203,637)</u>
Operating Loss	<u>(8,303,500)</u>	<u>(8,375,970)</u>	<u>(72,470)</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	1,498,495	1,252,226	(246,269)
Property Tax Collections	3,338,305	3,463,251	124,946
State and Federal Grants	2,966,319	3,339,945	373,626
Mortgage Note Principal Payment	148,240	175,958	27,718
Miscellaneous Nonoperating Revenue	54,306	54,306	54,306
Total Nonoperating Revenues	<u>7,951,359</u>	<u>8,285,686</u>	<u>334,327</u>
<b><i>Nonoperating Expenses:</i></b>			
Loss on Disposal of Capital Assets		183,731	183,731
Miscellaneous Nonoperating Expense		5,351	5,351
Total Nonoperating Expenses		<u>189,082</u>	<u>189,082</u>
Excess of Revenues Under Expenses Before Other Financing Uses	<u>(352,141)</u>	<u>(279,366)</u>	<u>72,775</u>
<b><i>Other Financing Uses:</i></b>			
Transfers Out	<u>(447,820)</u>	<u>(447,817)</u>	<u>3</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>(799,961)</u>	<u>(727,183)</u>	<u>72,778</u>
Appropriated Fund Balance	<u>799,961</u>		<u>(799,961)</u>
Excess of Revenues Under Expenses and Other Financing Uses	<u>\$</u>	<u>\$ (727,183)</u>	<u>\$ (727,183)</u>

## Greensboro Transit Authority

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 10,399,944
Total Expenses	<u>10,679,310</u>
Excess of Revenues Under Expenses Before Other Financing Uses	(279,366)
Adjustment to Full Accrual Basis:	
Depreciation	(437,739)
Capital Outlay	301,764
Mortgage Note Principal Payment	(175,958)
Transit Grant Project Funds Revenues and Expenses	<u>5,681,262</u>
Income Before Transfers	<u>\$ 5,089,963</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, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<b>Revenues:</b>				
Federal Grants	\$ 7,011,167	\$ 1,594,049	\$ 2,684,009	\$ 4,278,058
State Grants	939,934	125,915	376,657	502,572
Total Revenues	<u>7,951,101</u>	<u>1,719,964</u>	<u>3,060,666</u>	<u>4,780,630</u>
<b>Expenses:</b>				
Capital Improvements:				
Section 5307 Capital Program	3,732,109	399,050	681,090	1,080,140
Section 5309 Capital Program	3,164,554	48,409	2,562,210	2,610,619
Multi Modal Transportation Center	1,200,000	1,200,000		1,200,000
Technology Assistance	70,600	9,100	33,373	42,473
Planning and Capital Assistance	667,296	378,350	127,003	505,353
Total Expenses	<u>8,834,559</u>	<u>2,034,909</u>	<u>3,403,676</u>	<u>5,438,585</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(883,458)</u>	<u>(314,945)</u>	<u>(343,010)</u>	<u>(657,955)</u>
<b>Other Financing Sources:</b>				
Transfers In	<u>883,458</u>	<u>542,814</u>	<u>329,295</u>	<u>872,109</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 227,869</u>	<u>\$ (13,715)</u>	<u>\$ 214,154</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Federal Grants	\$ 14,946,338	\$ 11,477,238	\$ 2,657,325	\$ 14,134,563
State Grants	1,868,291	99,404	909,336	1,008,740
Local Grants/ In Kind Services	1,449,998	1,299,998		1,299,998
Investment Income		(21,560)		(21,560)
Total Revenues	<u>18,264,627</u>	<u>12,855,080</u>	<u>3,566,661</u>	<u>16,421,741</u>
<b>Expenses:</b>				
Capital Improvements:				
Multi Modal Transportation Center	<u>18,682,922</u>	<u>17,103,572</u>	<u>1,413,328</u>	<u>18,516,900</u>
Total Capital Improvements	<u>18,682,922</u>	<u>17,103,572</u>	<u>1,413,328</u>	<u>18,516,900</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(418,295)</u>	<u>(4,248,492)</u>	<u>2,153,333</u>	<u>(2,095,159)</u>
<b>Other Financing Sources:</b>				
Transfers In	<u>418,295</u>	<u>449,773</u>	<u>118,522</u>	<u>568,295</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ (3,798,719)</u>	<u>\$ 2,271,855</u>	<u>\$ (1,526,864)</u>

## General Fund

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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, 2004 is presented below:

	<u>Amount</u>	<u>Percent of Total</u>
<b><u>Revenues and Other Financing Sources</u></b>		
Taxes	\$ 134,540,081	71.9%
Intergovernmental	19,369,534	10.4%
Licenses and Permits	8,481,016	4.5%
Fines and Forfeitures	823,071	0.4%
Charges for Current Services	18,166,236	9.7%
Miscellaneous	1,973,939	1.1%
Other Financing Sources	<u>3,663,035</u>	<u>2.0%</u>
Total Revenues and Other Financing Sources	<u>\$ 187,016,912</u>	<u>100.0%</u>
<b><u>Expenditures and Other Financing Uses</u></b>		
General Government	\$ 29,075,310	15.5%
Public Safety	80,256,473	42.8%
Transportation	14,727,070	7.9%
Engineering and Inspections	8,777,163	4.7%
Environmental Services	550,404	0.3%
Culture and Recreation	28,538,788	15.3%
Economic Opportunity	4,206	0.1%
Intergovernmental	1,203,854	0.6%
Other Financing Uses	<u>23,987,380</u>	<u>12.8%</u>
Total Expenditures and Other Financing Uses	<u>\$ 187,120,648</u>	<u>100.0%</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Taxes:			
Ad Valorem Taxes-Current Year	\$ 99,065,200	\$ 98,980,833	\$ (84,367)
Ad Valorem Taxes-Prior Year	808,200	750,626	(57,574)
Penalties and Interest	370,800	351,285	(19,515)
Local Option Sales Tax	33,938,235	34,121,791	183,556
Vehicle Gross Receipts Tax	350,000	335,546	(14,454)
Total Taxes	<u>134,532,435</u>	<u>134,540,081</u>	<u>7,646</u>
Intergovernmental:			
State Grants:			
Libraries	305,985	317,605	11,620
General Government	350,000	350,000	
State-Shared:			
Utility Taxes:			
Utility Franchise Tax	6,868,000	6,610,820	(257,180)
Piped Natural Gas Excise Tax	1,587,000	2,025,281	438,281
Telecommunications Sales Tax	3,677,000	3,367,138	(309,862)
Beer and Wine Tax	962,600	980,199	17,599
State Reimbursements/Other:			
Sales Tax Hold Harmless Payment	1,364,865	1,586,365	221,500
Court Fees	103,700	112,813	9,113
Payment In Lieu of Taxes	225,650	225,648	(2)
Local Grants:			
Parks and Recreation	5,150		(5,150)
Libraries	333,300	533,514	200,214
School Safety Programs	777,440	800,140	22,700
Environmental Programs	65,000	75,175	10,175
ABC Board Profit Distribution	2,266,200	2,384,836	118,636
Total Intergovernmental	<u>18,891,890</u>	<u>19,369,534</u>	<u>477,644</u>
Licenses and Permits:			
Privilege Licenses:			
Privilege Licenses-Current Year	3,150,000	2,927,372	(222,628)
Penalties on Privilege Licenses	40,000	54,025	14,025
Privilege Licenses-Prior Years	50,000	24,284	(25,716)
Penalties on Prior Years' Licenses	10,000	7,119	(2,881)
Motor Vehicle Licenses	890,000	850,128	(39,872)
Cable TV Access Licenses	2,168,000	2,225,618	57,618
Other Licenses and Permits	583,700	637,373	53,673
Construction Permits:			
Building Permits	756,245	783,549	27,304
Electrical Permits	370,415	399,394	28,979
Plumbing Permits	199,715	278,507	78,792
Heating Permits	266,315	293,647	27,332
Total Licenses and Permits	<u>8,484,390</u>	<u>8,481,016</u>	<u>(3,374)</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Fines and Forfeitures:			
Parking Violations	\$ 395,000	\$ 478,242	\$ 83,242
Library Fines	105,515	106,425	910
City Code Violations	25,000	20,700	(4,300)
False Burglar Alarm Fines	225,400	217,704	(7,696)
Total Fines and Forfeitures	<u>750,915</u>	<u>823,071</u>	<u>72,156</u>
Charges for Current Services:			
Planning:			
Preliminary Plan Reviews	105,000	81,706	(23,294)
Final Plats/Declarations	12,500	5,941	(6,559)
Rezoning Applications	49,000	51,025	2,025
Other Planning Fees	17,875	13,975	(3,900)
Police Department:			
Police Department Services	19,700	33,461	13,761
Tow-In Services	13,380	27,768	14,388
Off-Duty Employment	1,850,000	1,769,942	(80,058)
Contracted Services	621,640	513,531	(108,109)
Communications Reimbursement	55,000	70,143	15,143
911 Wireless Telephone	190,000	270,146	80,146
Fire Department:			
Hazardous Material Fees	20,000	18,239	(1,761)
Fire Department Plan Reviews	59,400	43,870	(15,530)
Fire Code Reinspections	20,800	24,338	3,538
Disaster Recovery		1,169,195	1,169,195
Miscellaneous Permits	32,400	38,585	6,185
Transportation:			
State Highway System:			
Signals, Signs and Lights	598,855	511,421	(87,434)
Maintenance to Highways	300,000	273,610	(26,390)
Ridesharing Revenue	90,000	97,759	7,759
Van Pool Revenue	5,000	5,028	28
Monthly Parking Fees	12,060	10,720	(1,340)
Metered Parking Fees		144	144
Engineering and Inspections:			
Plan Review/Water and Sewer/Roadways	175,000	206,138	31,138
Vacant Lot Cleaning Fees	87,130	96,290	9,160
Junked Auto Fees	135,000	151,075	16,075
Boarding Vacant Houses		194	194
Environmental Services:			
Hazardous Waste Disposal Fees	360,000	373,709	13,709
Parks and Recreation:			
Maintenance Service-Local Agencies	110,780	107,811	(2,969)
Admissions and Charges	2,037,410	1,743,395	(294,015)
Rental and Lease	736,180	846,239	110,059
Catering Services	51,500	34,272	(17,228)



## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
Charges for Current Services (Continued):			
Concessions	\$ 91,050	\$ 101,852	\$ 10,802
Concessions-Alcoholic Beverages	10,500	8,387	(2,113)
Bur-Mil Reimbursement	342,370	314,288	(28,082)
Mowing Services-State Highways	88,000	52,757	(35,243)
Fishing, Hunting and Boating Fees	36,755	32,974	(3,781)
Other Parks and Recreation Revenue	89,610	80,073	(9,537)
Library Fees	11,620	11,834	214
Interdepartmental Charges:			
Information Systems Services	4,150,000	4,417,414	267,414
Administrative Charges	2,767,500	2,762,327	(5,173)
Engineering Services	1,370,000	1,370,000	
Rents	437,245	424,660	(12,585)
Total Charges for Current Services	<u>17,160,260</u>	<u>18,166,236</u>	<u>1,005,976</u>
Miscellaneous:			
Sale of Assets	101,410	382,965	281,555
Miscellaneous Receivables Revenue	26,000	127,822	101,822
Donations and Private Contributions	102,000	43,315	(58,685)
Contracted Construction Projects	887,190	881,059	(6,131)
Service Charges	5,950	4,532	(1,418)
Other Revenue	369,465	534,246	164,781
Total Miscellaneous	<u>1,492,015</u>	<u>1,973,939</u>	<u>481,924</u>
Appropriated Fund Balance	<u>14,569,107</u>		<u>(14,569,107)</u>
Total Revenues	<u>195,881,012</u>	<u>183,353,877</u>	<u>(12,527,135)</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<i>Expenditures:</i>			
General Government:			
Legislative:			
Governing Body	\$ 167,124	\$ 166,897	\$ (227)
Clerk of Governing Body	305,090	298,136	(6,954)
Elections	162,000	161,583	(417)
Total Legislative	<u>634,214</u>	<u>626,616</u>	<u>(7,598)</u>
Executive:			
City Manager	1,012,214	960,964	(51,250)
Enterprise Resource Planning	227,428	201,557	(25,871)
Economic Development	564,710	290,377	(274,333)
Internal Audit	284,726	209,277	(75,449)
Minority and Women's Business Enterprises	274,574	271,994	(2,580)
Total Executive	<u>2,363,652</u>	<u>1,934,169</u>	<u>(429,483)</u>
Organizational Development and Communications	<u>2,710,929</u>	<u>1,974,411</u>	<u>(736,518)</u>
Human Relations	<u>545,852</u>	<u>539,011</u>	<u>(6,841)</u>
Human Resources:			
Administration	481,600	419,552	(62,048)
Compensation and Employment	624,705	484,367	(140,338)
HRIS and Benefits	449,887	435,568	(14,319)
Employee Safety and Health	486,024	423,130	(62,894)
Total Human Resources	<u>2,042,216</u>	<u>1,762,617</u>	<u>(279,599)</u>
Budget and Evaluation	<u>601,602</u>	<u>608,514</u>	<u>6,912</u>
Planning	<u>1,746,874</u>	<u>1,494,783</u>	<u>(252,091)</u>
Finance:			
Administration	757,007	694,609	(62,398)
Accounting	743,013	724,511	(18,502)
Purchasing and Supply	557,066	542,096	(14,970)
Collections	1,451,534	1,188,840	(262,694)
Total Finance	<u>3,508,620</u>	<u>3,150,056</u>	<u>(358,564)</u>
Legal	<u>928,955</u>	<u>892,196</u>	<u>(36,759)</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b>Management Information Systems:</b>			
Administration	\$ 383,827	\$ 381,977	\$ (1,850)
Desktop Services	3,919,435	3,551,819	(367,616)
Geographic Information Services	666,695	621,892	(44,803)
Application Services	<u>2,226,728</u>	<u>2,042,246</u>	<u>(184,482)</u>
Total Management Information Systems	<u>7,196,685</u>	<u>6,597,934</u>	<u>(598,751)</u>
<b>Support Services:</b>			
Administration	255,072	174,694	(80,378)
Central City Maintenance	3,828,889	3,322,341	(506,548)
Building Maintenance	3,427,207	2,984,830	(442,377)
Franchise Administration	92,563	23,019	(69,544)
Service Center	<u>644,512</u>	<u>522,693</u>	<u>(121,819)</u>
Total Support Services	<u>8,248,243</u>	<u>7,027,577</u>	<u>(1,220,666)</u>
<b>Other General Government:</b>			
Chamber of Commerce	200,000	200,000	
Piedmont Triad Partnership	37,200	37,200	
Greensboro Housing Coalition	4,682		(4,682)
Downtown Greensboro, Inc.	267,670	267,670	
East Market Street Development Corporation	40,000	40,000	
Architectural Salvage	22,000	22,000	
Downtown Development	18,316	18,315	(1)
NC Metropolitan Coalition	12,000	12,000	
Greensboro Neighborhood Congress	3,250	3,185	(65)
Productivity Improvement Program	8,000	199	(7,801)
FEMA Response	254,682	385,287	130,605
Nondepartmental	<u>1,687,203</u>	<u>1,481,570</u>	<u>(205,633)</u>
Total Other General Government	<u>2,555,003</u>	<u>2,467,426</u>	<u>(87,577)</u>
<b>Total General Government</b>	<u>33,082,845</u>	<u>29,075,310</u>	<u>(4,007,535)</u>
<b>Public Safety:</b>			
<b>Police:</b>			
Administration	1,881,700	1,908,079	26,379
Resource Management	6,169,615	6,129,324	(40,291)
Field Operations	24,598,211	22,531,010	(2,067,201)
Criminal Investigations	1,843,072	2,464,206	621,134
Special Operations	3,877,373	2,758,727	(1,118,646)
Investigative Support	78,458	1,941,917	1,863,459
Vice/Narcotics	1,574,876	1,507,734	(67,142)
Professional Standards	884,863	882,827	(2,036)
Organizational Development	1,617,133	2,178,386	561,253
Communications	4,077,524	3,852,814	(224,710)
911 Program	209,225	133,685	(75,540)
Information and Technology	<u>5,703,558</u>	<u>4,732,280</u>	<u>(971,278)</u>
Total Police	<u>52,515,608</u>	<u>51,020,989</u>	<u>(1,494,619)</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
Fire:			
Administration	\$ 2,084,214	\$ 1,928,218	\$ (155,996)
Training	869,024	815,742	(53,282)
Fire Prevention	1,203,395	1,243,601	40,206
Emergency Services	20,943,633	21,049,409	105,776
Regulatory/Fleet Repair Service	3,206,655	2,931,593	(275,062)
Stations and Buildings	1,313,009	1,266,921	(46,088)
Total Fire	<u>29,619,930</u>	<u>29,235,484</u>	<u>(384,446)</u>
Total Public Safety	<u>82,135,538</u>	<u>80,256,473</u>	<u>(1,879,065)</u>
Transportation:			
Administration	2,025,454	1,787,113	(238,341)
Street Cleaning	408,550	472,940	64,390
Traffic Operations	2,945,563	2,771,513	(174,050)
Storm Sewer Construction	1,618,725	1,699,696	80,971
Street Administration	4,689,293	4,748,031	58,738
Traffic Engineering	2,977,769	2,952,442	(25,327)
Transportation Planning	232,415	295,335	62,920
Total Transportation	<u>14,897,769</u>	<u>14,727,070</u>	<u>(170,699)</u>
Engineering and Inspections:			
Administration	272,202	297,770	25,568
Engineering	4,499,883	4,163,366	(336,517)
Facilities Engineering	781,442	701,716	(79,726)
Central City Maintenance		31,209	31,209
Building Maintenance		35	35
Building Inspections	2,840,655	2,611,539	(229,116)
Local Ordinance Enforcement	1,282,875	971,528	(311,347)
Total Engineering and Inspections	<u>9,677,057</u>	<u>8,777,163</u>	<u>(899,894)</u>
Environmental Services	<u>845,656</u>	<u>550,404</u>	<u>(295,252)</u>
Culture and Recreation:			
Parks and Recreation:			
Administration	1,774,719	1,602,594	(172,125)
Bryan Park at Guilford County	5,300		(5,300)
Bryan Park Administration	7,360	4,808	(2,552)
Bryan Park Operations	1,022,494	935,314	(87,180)
Gillespie Golf Course	545,516	532,161	(13,355)
Greensboro Sportsplex	810,833	740,792	(70,041)
City Arts	905,129	871,523	(33,606)
Program and Community Services	939,283	902,228	(37,055)
Neighborhood Playgrounds and Centers	2,319,934	2,108,056	(211,878)
Swimming Pools	449,191	488,841	39,650

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Culture and Recreation (Continued):			
Parks and Recreation (Continued):			
Memorial Stadium	\$ 219,085	\$ 174,687	\$ (44,398)
Hagan Stone Park	471,650	408,064	(63,586)
Hester Park	312,789	294,658	(18,131)
Country Park	344,872	348,990	4,118
Jaycee Park	78,535	66,249	(12,286)
Athletics	869,339	782,925	(86,414)
Regional Parks	19,160	18,749	(411)
Bur-Mil Club	809,092	705,010	(104,082)
Lake Wardens	831,490	737,673	(93,817)
Barber Park	419,674	386,562	(33,112)
Equipment Maintenance	261,741	249,712	(12,029)
Development and Maintenance	5,319,062	4,934,621	(384,441)
Landscape and Beautification	2,262,120	2,165,418	(96,702)
Tannenbaum Park	261,786	254,840	(6,946)
Carolyn Allen Park	10,000	12,817	2,817
Price Park	10,000		(10,000)
Total Parks and Recreation	<u>21,280,154</u>	<u>19,727,292</u>	<u>(1,552,862)</u>
Library:			
Administration	2,710,338	2,291,317	(419,021)
Main Library	1,589,337	1,554,729	(34,608)
Extension Services	79,162	86,880	7,718
Collection Inventory	834,580	626,862	(207,718)
Benjamin Branch Library	324,987	316,485	(8,502)
Northeast Branch Library	5,960	4,503	(1,457)
Vance H. Chavis Branch Library	343,914	335,785	(8,129)
Southwest Branch Library	469,601	429,251	(40,350)
Glenwood Branch Library	410,493	343,739	(66,754)
Guilford College Branch Library	615,505	474,427	(141,078)
Benchmark Square Branch Library	4,675	370	(4,305)
McGirt-Horton Branch Library	388,773	358,315	(30,458)
Historical Museum	783,002	713,083	(69,919)
Total Library	<u>8,560,327</u>	<u>7,535,746</u>	<u>(1,024,581)</u>
Other Culture and Recreation:			
Triad Stage	30,000	30,000	
Historic Preservation Commission	3,000	3,000	
Natural Science Center of Greensboro	1,085,000	1,085,000	
Greensboro Sports Commission	75,000	75,000	
Eastern Music Festival	10,000	10,000	
Fun Fourth - Grassroots	10,000	7,500	(2,500)
Downtown Banners/Grassroots	11,000	11,000	
Blandwood Mansion	10,000	10,000	
Greensboro Jaycees	20,000	20,000	
Festival of Lights	24,250	24,250	
Total Other Culture and Recreation	<u>1,278,250</u>	<u>1,275,750</u>	<u>(2,500)</u>
Total Culture and Recreation	<u>31,118,731</u>	<u>28,538,788</u>	<u>(2,579,943)</u>

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
Economic Opportunity:			
Human Service Agencies:			
Program Administration	\$ 4,550	\$ 4,206	\$ (344)
PCC Community Nursing	9,000	(9,000)	(9,000)
Total Economic Opportunity	<u>13,550</u>	<u>4,206</u>	<u>(9,344)</u>
Intergovernmental:			
Guilford County:			
Animal Shelter and Animal Control	807,453	804,792	(2,661)
Tax Collections	348,885	348,883	(2)
Environmental Health Control	7,500	(7,500)	(7,500)
National Guard Armory	3,000	2,864	(136)
Piedmont Council of Governments	47,315	47,315	
Total Intergovernmental	<u>1,214,153</u>	<u>1,203,854</u>	<u>(10,299)</u>
Total Expenditures	<u>172,985,299</u>	<u>163,133,268</u>	<u>(9,852,031)</u>
Excess of Revenues Over Expenditures	<u>22,895,713</u>	<u>20,220,609</u>	<u>(2,675,104)</u>
<i>Other Financing Sources (Uses):</i>			
Transfers In:			
State Highway Allocation Fund	3,663,035	3,663,035	
Technical Services Fund	16,500	(16,500)	(16,500)
Total Transfers In	<u>3,679,535</u>	<u>3,663,035</u>	<u>(16,500)</u>
Transfers Out:			
Cemetery Operating Fund	127,665	127,665	
Housing Partnership Revolving Fund	1,755,445	1,755,445	
State and Federal Grants Fund	131,208	52,780	(78,428)
General Capital Improvements Fund	629,000	597,800	(31,200)
Debt Service Fund	13,383,150	13,383,150	
War Memorial Coliseum Fund	1,755,000	1,755,000	
Parking Facilities Fund	1,262,335	1,157,140	(105,195)
Solid Waste Management Fund	7,373,045	5,000,000	(2,373,045)
Equipment Services Fund	144,000	144,000	
Employee Health Insurance Fund	14,400	14,400	
Total Transfers Out	<u>26,575,248</u>	<u>23,987,380</u>	<u>(2,587,868)</u>
Total Other Financing Sources (Uses)	<u>(22,895,713)</u>	<u>(20,324,345)</u>	<u>2,571,368</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$</u>	<u>(103,736)</u>	<u>(103,736)</u>
Fund Balance - July 1		53,770,419	53,770,419
Cumulative Effect of Change in Accounting Principle for Revenue Recognition		4,436,247	4,436,247
Cumulative Effect of Change in Accounting Principle for Fund Accounting		8,489	8,489
Fund Balance - July 1, Restated		<u>58,215,155</u>	<u>58,215,155</u>
Fund Balance - June 30		<u>\$ 58,111,419</u>	<u>\$ 58,111,419</u>

## Special Revenue Funds

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### 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.

### 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.

### 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.



## Street and Sidewalk Revolving Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Over (Under)
<b>Revenues:</b>			
Assessments	\$ 165,000	\$ 32,568	\$ (132,432)
Charges for Current Services:			
Red Light Camera Violations	1,133,000	1,350,559	217,559
Rents	6,000	1,350	(4,650)
Total Charges for Current Services	<u>1,139,000</u>	<u>1,351,909</u>	<u>212,909</u>
Investment Income	<u>300,000</u>	<u>52,418</u>	<u>(247,582)</u>
Miscellaneous:			
Construction Project Development			
Sales and Use Tax Refund	5,000	6,472	1,472
Other Revenue		<u>64,288</u>	<u>64,288</u>
Total Miscellaneous	<u>5,000</u>	<u>70,760</u>	<u>65,760</u>
Appropriated Fund Balance	<u>1,380,624</u>		<u>(1,380,624)</u>
Total Revenues	<u>2,989,624</u>	<u>1,507,655</u>	<u>(1,481,969)</u>
<b>Expenditures:</b>			
Transportation:			
Street Construction	2,014,624	1,329,148	(685,476)
Bridge Construction and Maintenance	<u>25,000</u>		<u>(25,000)</u>
Total Expenditures	<u>2,039,624</u>	<u>1,329,148</u>	<u>(710,476)</u>
Excess of Revenues Over Expenditures	950,000	178,507	(771,493)
<b>Other Financing Uses:</b>			
Transfers Out	<u>(950,000)</u>	<u>(950,000)</u>	
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	(771,493)	(771,493)
Fund Balance - July 1		<u>5,320,155</u>	<u>5,320,155</u>
Fund Balance - June 30		<u>\$4,548,662</u>	<u>\$4,548,662</u>

## State Highway Allocation Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
<b>Revenues:</b>			
Intergovernmental:			
State Powell Bill	<u>\$7,358,510</u>	<u>\$6,259,575</u>	<u>\$ (1,098,935)</u>
Assessments	<u>74,000</u>	<u>39,062</u>	<u>(34,938)</u>
Investment Income	<u>900,000</u>	<u>197,041</u>	<u>(702,959)</u>
Miscellaneous:			
Sales and Use Tax Refund	<u>16,200</u>	<u>42,446</u>	<u>26,246</u>
Appropriated Fund Balance	<u>4,101,347</u>	<u></u>	<u>(4,101,347)</u>
Total Revenues	<u>12,450,057</u>	<u>6,538,124</u>	<u>(5,911,933)</u>
<b>Expenditures:</b>			
Transportation:			
Transportation Improvements	7,500		(7,500)
Streets and Structures	<u>6,929,522</u>	<u>4,555,275</u>	<u>(2,374,247)</u>
Total Expenditures	<u>6,937,022</u>	<u>4,555,275</u>	<u>(2,381,747)</u>
Excess of Revenues Over Expenditures	5,513,035	1,982,849	(3,530,186)
<b>Other Financing Uses:</b>			
Transfers Out	<u>(5,513,035)</u>	<u>(3,663,035)</u>	<u>1,850,000</u>
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	(1,680,186)	(1,680,186)
Fund Balance - July 1		<u>8,862,980</u>	<u>8,862,980</u>
Fund Balance - June 30		<u>\$7,182,794</u>	<u>\$ 7,182,794</u>

## Cemetery Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Over (Under)
<b>Revenues:</b>			
Charges for Current Services:			
Forest Lawn Cemetery	\$ 328,775	\$ 313,193	\$ (15,582)
Maplewood Cemetery	52,600	35,467	(17,133)
Greenhill Cemetery	47,300	41,735	(5,565)
Total Charges for Current Services	<u>428,675</u>	<u>390,395</u>	<u>(38,280)</u>
Investment Income	<u>93,165</u>	<u>15,587</u>	<u>(77,578)</u>
Miscellaneous:			
Sale of Materials		62	62
Donations and Contributions	100	115	15
	<u>100</u>	<u>177</u>	<u>77</u>
Appropriated Fund Balance	<u>115,661</u>		<u>(115,661)</u>
Total Revenues	<u>637,601</u>	<u>406,159</u>	<u>(231,442)</u>
<b>Expenditures:</b>			
Culture and Recreation:			
Cemeteries:			
Administration	259,385	267,056	7,671
Forest Lawn Cemetery	172,455	155,382	(17,073)
Maplewood Cemetery	103,685	88,395	(15,290)
Greenhill Cemetery	187,141	123,669	(63,472)
Total Expenditures	<u>722,666</u>	<u>634,502</u>	<u>(88,164)</u>
Excess of Revenues Under Expenditures	<u>(85,065)</u>	<u>(228,343)</u>	<u>(143,278)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	127,665	127,665	
Transfers Out	(42,600)	(39,921)	2,679
Total Other Financing Sources (Uses)	<u>85,065</u>	<u>87,744</u>	<u>2,679</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$</u>	(140,599)	(140,599)
Fund Balance - July 1		<u>298,570</u>	<u>298,570</u>
Fund Balance - June 30		<u>\$ 157,971</u>	<u>\$ 157,971</u>

## Hotel/Motel Occupancy Tax Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Over (Under)
<b>Revenues:</b>			
Taxes:			
Room Occupancy Tax	\$ 2,633,700	\$ 2,572,272	\$ (61,428)
Investment Income	21,000	2,314	(18,686)
Miscellaneous:			
Donations and Contributions	250,000	250,000	
Appropriated Fund Balance	6,000		(6,000)
Total Revenues	<u>2,910,700</u>	<u>2,824,586</u>	<u>(86,114)</u>
<b>Expenditures:</b>			
Culture and Recreation	25,000		(25,000)
Debt Service:			
Principal Retirement	1,784,000	1,783,896	(104)
Interest	1,500,000	871,215	(628,785)
Fees and Other	51,700	199,374	147,674
Total Expenditures	<u>3,360,700</u>	<u>2,854,485</u>	<u>(506,215)</u>
Excess of Revenues Under Expenditures	(450,000)	(29,899)	420,101
<b>Other Financing Sources:</b>			
Transfers In	450,000		(450,000)
Excess of Revenues and Other Financing Sources Under Expenditures	<u>\$</u>	(29,899)	(29,899)
Fund Balance - July 1		643,648	643,648
Fund Balance - June 30		<u>\$ 613,749</u>	<u>\$ 613,749</u>

## Special Tax Districts Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

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	Final Budget	Actual	Over (Under)
<b>Revenues:</b>			
Taxes:			
Ad Valorem Taxes	<u>\$ 37,000</u>	<u>\$ 40,164</u>	<u>\$ 3,164</u>
Investment Income	<u>                    </u>	<u>3,997</u>	<u>3,997</u>
Appropriated Fund Balance	<u>41,464</u>	<u>                    </u>	<u>(41,464)</u>
Total Revenues	<u>78,464</u>	<u>44,161</u>	<u>(34,303)</u>
<b>Expenditures:</b>			
Community Development:			
Aycock Historic District	54,000	3,200	(50,800)
College Hill Historic District	<u>24,464</u>	<u>                    </u>	<u>(24,464)</u>
Total Expenditures	<u>78,464</u>	<u>3,200</u>	<u>(75,264)</u>
Excess of Revenues Over Expenditures	<u><u>\$</u></u>	40,961	40,961
Fund Balance - July 1		<u>488,178</u>	<u>488,178</u>
Fund Balance - June 30		<u><u>\$ 529,139</u></u>	<u><u>\$ 529,139</u></u>

## Stormwater Quality Control Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Over (Under)
<b>Revenues:</b>			
Assessments	\$ 3,000	\$ 434	\$ (2,566)
Charges for Current Services:			
Stormwater Fees	7,227,055	7,519,792	292,737
City Code Violations		1,950	1,950
Rent		9,155	9,155
Maintenance Service		4,200	4,200
Waste/Trash Collections	1,000	1,685	685
Other Revenue		5,000	5,000
Sale of Materials		93	93
Service Charges	2,000	614	(1,386)
Total Charges for Current Services	<u>7,230,055</u>	<u>7,542,489</u>	<u>312,434</u>
Investment Income	200,000	42,607	(157,393)
Miscellaneous:			
Sales and Use Tax Refund	5,500		(5,500)
Appropriated Fund Balance	967,253		(967,253)
Total Revenues	<u>8,405,808</u>	<u>7,585,530</u>	<u>(820,278)</u>
<b>Expenditures:</b>			
Transportation:			
Street Cleaning	1,605,208	1,506,893	(98,315)
Storm Sewer Construction	2,130,294	2,083,550	(46,744)
Water Resources:			
Stormwater Services	3,826,723	2,305,504	(1,521,219)
Total Expenditures	<u>7,562,225</u>	<u>5,895,947</u>	<u>(1,666,278)</u>
Excess of Revenues Over Expenditures	843,583	1,689,583	846,000
<b>Other Financing Uses:</b>			
Transfers Out	(843,583)	(843,583)	
Excess of Revenues Under Expenditures and Other Financing Uses	<u>\$</u>	846,000	846,000
Fund Balance - July 1		2,791,185	2,791,185
Fund Balance - June 30		<u>\$3,637,185</u>	<u>\$3,637,185</u>

## Housing Partnership Revolving Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
<b>Revenues:</b>			
Investment Income	\$ 50,000	\$ 97,104	\$ 47,104
Charges for Current Services:			
Mortgage Collections	350,000	568,203	218,203
Rents		3,481	3,481
Sale of Materials		68	68
Other Revenue		1,910	1,910
Total Charges for Current Services	<u>350,000</u>	<u>573,662</u>	<u>223,662</u>
Appropriated Fund Balance	<u>740,761</u>		<u>(740,761)</u>
Total Revenues	<u>1,140,761</u>	<u>670,766</u>	<u>(469,995)</u>
<b>Expenditures:</b>			
Housing:			
Administration	1,137,547	948,585	(188,962)
Housing Programs	<u>1,758,659</u>	<u>1,103,225</u>	<u>(655,434)</u>
Total Expenditures	<u>2,896,206</u>	<u>2,051,810</u>	<u>(844,396)</u>
Excess of Revenues Under Expenditures	(1,755,445)	(1,381,044)	(374,401)
<b>Other Financing Sources:</b>			
Transfers In	<u>1,755,445</u>	<u>1,755,445</u>	
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$</u>	374,401	374,401
Fund Balance - July 1		<u>1,203,578</u>	<u>1,203,578</u>
Fund Balance - June 30		<u>\$1,577,979</u>	<u>\$1,577,979</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, 2004

	Project Authorization	Prior Years	Actual	
			Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
Federal Grants	\$ 27,680,594	\$ 22,423,110	\$ 2,455,995	\$24,879,105
Local Grants	85,637	85,637		85,637
Total Intergovernmental	<u>27,766,231</u>	<u>22,508,747</u>	<u>2,455,995</u>	<u>24,964,742</u>
Investment Income	<u>971,275</u>	<u>998,484</u>	<u>81,904</u>	<u>1,080,388</u>
Charges for Current Services:				
Program Income	209,239			
Rent	180,735	155,955	22,263	178,218
Mortgage Collections	3,562,345	3,739,462	285,123	4,024,585
Sale of Real Estate	112,460	182,832		182,832
Other Revenue	12,040	42,520	(7,893)	34,627
Total Charges for Current Services	<u>4,076,819</u>	<u>4,120,769</u>	<u>299,493</u>	<u>4,420,262</u>
Total Revenues	<u>32,814,325</u>	<u>27,628,000</u>	<u>2,837,392</u>	<u>30,465,392</u>
<b>Expenditures:</b>				
Community Development:				
Block Grant:				
Administration	2,422,680	1,820,133	448,578	2,268,711
Community Planning	551,660	612,810	47,420	660,230
Fair Housing	139,000	116,972	18,501	135,473
Rental Rehabilitation	935,000	121,139	432,938	554,077
Citywide Housing Repair	3,230,280	3,116,117	64,858	3,180,975
Target Area Personnel	569,778	467,775		467,775
Targeted Loan Pool Program	500,000		7,200	7,200
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 CDV'D Partners	130,000	130,000		130,000
Greensboro Women's Club	62,000	62,000		62,000
Asheboro	2,192,639	1,633,784	133,700	1,767,484
Asheboro Resource Center	50,000	27,893	22,107	50,000
Arlington Park	948,376	683,395	179,058	862,453
Rosewood	962,775	641,303	92,125	733,428
Section 108 Loan Principal Retirement	2,285,905	1,985,904	145,000	2,130,904
Section 108 Loan Interest			153,110	153,110
Eastside Park	1,802,077	1,267,028	334,351	1,601,379
Best Street	330,051	328,502	92	328,594
Gorrell Street	35,039	22,588	10,342	32,930
Gideon's Army	12,500	12,500		12,500
Willow Oaks	444,417	271,694	164,478	436,172
Housing Coalition	42,500	42,500		42,500
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	22,539	7,481	30,020
Magnolia House Motel	110,601	45,828	32,413	78,241
Project Deadbolt	4,999	4,194		4,194
Project Homestead Construction Training	20,000	20,000		20,000
Episcopal Servant Center	33,630	33,630		33,630
Youth Focus	8,310	8,310		8,310
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, 2004

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
<i>Expenditures (Continued):</i>				
Lot Acquisition	\$ 232,846	\$ 232,845	\$	\$ 232,845
Family and Children's Services	35,100	34,712		34,712
Salvation Army	153,000	153,000		153,000
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	317,855	126,812	444,667
Habitat - Holt's Chapel	65		65	65
M/F Rental Housing Technical Assistance	12,000	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	25,012	988	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
Public Service Funding	63,750	63,750		63,750
Greensboro Urban Ministry	119,600	119,600		119,600
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	141,855	89,023	9,402	98,425
Camel Street Apartments 04	178,000		24,634	24,634
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		756,954
Home Grants 95	2,013,117	1,989,310	10,957	2,000,267
Home Grants 96	1,814,611	1,814,610		1,814,610
Home Grants 97	1,470,598	1,467,297	3,301	1,470,598
Home Grants 98	1,620,475	1,517,536	36,689	1,554,225
HOPWA	1,228,000	755,840	356,747	1,112,587
Federal Emergency Shelter Grant	82,000	82,000		82,000
Total Expenditures	<u>32,829,710</u>	<u>27,481,333</u>	<u>2,863,347</u>	<u>30,344,680</u>
Excess of Revenues Over (Under) Expenditures	(15,385)	146,667	(25,955)	120,712
<i>Other Financing Sources:</i>				
Transfers In	<u>15,385</u>		<u>15,385</u>	<u>15,385</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	146,667	(10,570)	136,097
Fund Balance - July 1			<u>146,667</u>	
Fund Balance - June 30		<u>\$ 146,667</u>	<u>\$ 136,097</u>	<u>\$ 136,097</u>

## HOME Program Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Project Inception and For the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
Federal Grants:				
Greensboro Home Program	\$6,150,353	\$ 3,480,264	\$ 1,070,233	\$4,549,337
Guilford County Home Program	615,434	9,600		9,600
High Point Home Program	1,868,539	863,474	7,552	871,026
Burlington Home Program	896,968	608,501	286,200	933,874
Alamance County Home Program	402,342	250,394	94,181	306,562
Local Grants	38,595			
Total Intergovernmental	<u>9,972,231</u>	<u>5,212,233</u>	<u>1,458,166</u>	<u>6,670,399</u>
Investment Income	<u>20,444</u>	<u>30,375</u>	<u>16,268</u>	<u>46,643</u>
Miscellaneous:				
Mortgage Collections	123,087	127,214	66,169	193,383
Other	10,839	10,840		10,840
Total Miscellaneous	<u>133,926</u>	<u>138,054</u>	<u>66,169</u>	<u>204,223</u>
Total Revenues	<u>10,126,601</u>	<u>5,380,662</u>	<u>1,540,603</u>	<u>6,921,265</u>
<b>Expenditures:</b>				
Greensboro Home Program	5,640,838	2,981,445	1,105,778	4,087,223
Guilford County Home Program	658,979	173,453	5,500	178,953
High Point Home Program	2,229,209	1,126,419	25,704	1,152,123
Burlington Home Program	1,091,448	647,831	313,832	961,663
Alamance County Home Program	490,742	232,165	107,590	339,755
Total Expenditures	<u>10,111,216</u>	<u>5,161,313</u>	<u>1,558,404</u>	<u>6,719,717</u>
Excess of Revenues Over (Under) Expenditures	15,385	219,349	(17,801)	201,548
<b>Other Financing Uses:</b>				
Transfers Out	<u>(15,385)</u>		<u>(15,385)</u>	<u>(15,385)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	219,349	(33,186)	186,163
Fund Balance - July 1			<u>219,349</u>	
Fund Balance - June 30		<u>\$ 219,349</u>	<u>\$ 186,163</u>	<u>\$ 186,163</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Investment Income	67,757	39,834	6,377	46,211
Miscellaneous:				
Mortgage Collections	139,391	8,435		8,435
Other		3,370		3,370
Total Miscellaneous	139,391	11,805		11,805
Total Revenues	207,148	51,639	6,377	58,016
<b>Expenditures:</b>				
Section 108 Loans	7,461,000	4,319,228	376,889	4,696,117
Willow Oaks	207,148	51,556	7,490	59,046
Total Expenditures	7,668,148	4,370,784	384,379	4,755,163
Excess of Revenues Under Expenditures	(7,461,000)	(4,319,145)	(378,002)	(4,697,147)
<b>Other Financing Sources:</b>				
Debt Issuances:				
Federal Loan Program	7,461,000	4,233,000	277,000	4,510,000
Excess of Revenues and Other Financing Sources Under Expenditures	\$	(86,145)	(101,002)	(187,147)
Fund Balance - July 1			(86,145)	
Fund Balance - June 30		\$ (86,145)	\$ (187,147)	\$ (187,147)

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
Federal Grants:				
WIA Adult	2,525,511	1,424,240	964,449	2,388,689
WIA Dislocated Worker	3,063,957	1,249,083	772,698	2,021,781
WIA Youth	2,199,771	1,088,568	705,699	1,794,267
WIA 10% Statewide Activities	841,310	299,655	121,675	421,330
H-1B Technical Skills Training	2,721,000	1,057,530	136,494	1,194,024
Total Federal Grants	<u>11,351,549</u>	<u>5,119,076</u>	<u>2,701,015</u>	<u>7,820,091</u>
State Grants:				
NCETGP Grant	208,123	208,123		208,123
Total Intergovernmental	<u>11,559,672</u>	<u>5,327,199</u>	<u>2,701,015</u>	<u>8,028,214</u>
Investment Income		(314)	3,920	3,606
Miscellaneous:				
Sale of Materials		1,241	568	1,809
Sale of Equipment		93		93
Other		2,272		2,272
Total Miscellaneous		<u>3,606</u>	<u>568</u>	<u>4,174</u>
Total Revenues	<u>11,559,672</u>	<u>5,330,491</u>	<u>2,705,503</u>	<u>8,035,994</u>
<b>Expenditures:</b>				
WIA Adult	2,530,511	1,408,489	1,010,334	2,418,823
WIA Dislocated Worker	3,058,957	1,199,344	800,083	1,999,427
WIA Youth	2,199,771	1,114,361	679,906	1,794,267
WIA 10% Statewide Activities	841,710	299,655	121,675	421,330
NCETGP Grant	208,123	208,123		208,123
H-1B Technical Skills Training	2,720,600	1,084,366	109,658	1,194,024
Total Expenditures	<u>11,559,672</u>	<u>5,314,338</u>	<u>2,721,656</u>	<u>8,035,994</u>
Excess of Revenues Over (Under) Expenditures	<u>\$</u>	16,153	(16,153)	
Fund Balance - July 1			16,153	
Fund Balance - June 30		<u>\$</u>	<u>\$</u>	<u>\$</u>

## Job Training Consortium Fund

Schedule of Revenues and Expenditures - Budget and Actual  
From Project Inception and For the Fiscal Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
Federal Grants:				
Welfare to Work 98-3751	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		3,345	278	3,623
Total Revenues	<u>1,413,689</u>	<u>1,417,033</u>	<u>278</u>	<u>1,417,311</u>
<b>Expenditures:</b>				
Economic Opportunity:				
Federal Grants:				
Welfare to Work 98-3751	964,293	964,292		964,292
Welfare to Work 99-3751	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>	3,345	278	3,623
Fund Balance - July 1			3,345	
Fund Balance - June 30		<u>3,345</u>	<u>3,623</u>	<u>3,623</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, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Revenues:</i>				
Intergovernmental:				
EPA Brownsfield Assessment	\$ 200,000	\$	\$ 13,722	\$ 13,722
<i>Expenditures:</i>				
EPA Brownsfield Assessment	200,000		13,722	13,722
Excess of Revenues Over (Under) Expenditures	\$			
Fund Balance - July 1				
Fund Balance - June 30		\$	\$	\$

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
Federal Grants	\$ 10,023,042	\$ 2,166,503	\$ 3,341,411	\$ 5,507,914
State Grants	10,954,467	1,696,392	3,084,972	4,781,364
Local Grants	923,747	405,973	381,856	787,829
Total Intergovernmental	<u>21,901,256</u>	<u>4,268,868</u>	<u>6,808,239</u>	<u>11,077,107</u>
Investment Income	7,588	11,508	(6,121)	5,387
Miscellaneous:				
In-Kind and Matching Revenues	1,518,327	821,966	478,899	1,300,865
Total Revenues	<u>23,427,171</u>	<u>5,102,342</u>	<u>7,281,017</u>	<u>12,383,359</u>
<b>Expenditures:</b>				
General Government:				
Scattered Site Rehab 2001-02	396,500	149,726	229,117	378,843
GIS Data Clearinghouse	2,120	629		629
Public Access Channel	607,100	425,831	18,077	443,908
Total General Government	<u>1,005,720</u>	<u>576,186</u>	<u>247,194</u>	<u>823,380</u>
Public Safety:				
Local Law Enforcement Block Grant 2001-02	395,110	109,969	200,044	310,013
Local Law Enforcement Block Grant 2002-03	333,700	275,306	53,410	328,716
Local Law Enforcement Block Grant 2003-04	261,733		52,659	52,659
Weed and Seed Operation 2000-01	50,000	36,190	15	36,205
Forfeiture Funds - 2001-02	100,000			
Forfeiture Funds - 2002-03	710,000	50,534	392,589	443,123
Forfeiture Funds - 2003-04	597,500		133,889	133,889
Violent Crime Task Force	227,027	190,573	18,669	209,242
Violent Crime Task Force - 2001-02	130,000	12,470	18,808	31,278
Financial Crimes Task Force - 2001-02	5,000	1,486		1,486
Financial Crimes Task Force - 2002-03	5,000		5,000	5,000
Financial Crimes Task Force - 2003-04	4,000		1,421	1,421
State Drug Excise Tax	191,124	52,194	138,930	191,124
Joint Terrorism Task Force	10,570	2,437	2,676	5,113
NC Joint Terrorism Task Force - 2004	10,720		7,458	7,458
St. James Homes Police Services	21,221		19,921	19,921
PNRC Grant - 2004	12,000		11,423	11,423
COPS More - 2001	796,500	247,291	253,608	500,899
Triad Regional Info Sharing System	50,550	50,550		50,550
Fire Capital Equipment	280,000	272,379	5,665	278,044
Metro Medical Response System	600,557	135,956	98,213	234,169
Structural Collapse Training	120,300	103,560	13,652	117,212
Regional Hazmat Response Team - 2002-03	52,000	47,548	4,452	52,000
Regional Hazmat Response Team - 2003-04	52,000		32,865	32,865
Assistance to Firefighters Grant - 2002-03	475,200		474,832	474,832
Local Response Grant	90,900		85,743	85,743
Hazmat Equipment Grant - 2003-04	21,739		451	451
Hazardous Device Equipment - 2001	18,880	1,600	13,618	15,218
Total Public Safety	<u>5,623,331</u>	<u>1,590,043</u>	<u>2,040,011</u>	<u>3,630,054</u>
Transportation:				
Transportation Planning - 2001-02	\$ 397,768	\$ 132,409	\$	\$ 132,409
Transportation Planning - 2002-03	606,363	422,380	5	422,385
Transportation Planning - 2003-04	801,548		486,289	486,289
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	26,457
Section 5303 Metro Planning - 2001-02	46,780	46,780		46,780
Section 5303 Metro Planning - 2002-03	51,350	50,666	684	51,350
Section 5303 Metro Planning - 2003-04	69,210		30,320	30,320
McKnight Mill Road Sidewalk	64,000			
NC 68/Triad Center Drive	263,368	242,106		242,106
NC SE Trail Connector - 2002-03	66,000			
NCDOT Highway 421 Landscape Improvement	50,000		50,000	50,000
Lee Street Enhancement Grant - 2003-04	200,000			
Oka T. Hester Park Dam Construction	5,000,000	264,022	1,020,135	1,284,157
Total Transportation	<u>8,434,543</u>	<u>1,158,363</u>	<u>1,680,951</u>	<u>2,839,314</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, 2004

	Project Authorization	Prior Years	Actual	
			Current Year	Total To Date
<i>Expenditures: (Continued)</i>				
Engineering and Inspections:				
16th Street Bridge Replacement	2,476,850	89,352	121,268	210,620
Ballinger Road Bridge Replacement	625,000		66,026	66,026
Clean Water Management	960,000	136,643	821,441	958,084
Clean Water Management	1,020,000		456,711	456,711
Flood Mitigation Grant - 2001-02	20,000			
North Buffalo Water Quality Investigation	87,896		64,802	64,802
Piedmont Triad Water Quality	59,865		58,138	58,138
EPA Vulnerability Assessment	115,000	104,490	10,510	115,000
Bioretention Areas Grant	150,000	13,303	15,151	28,454
Fecal Coliform TMDL Grant	81,100		81,098	81,098
Total Engineering and Inspections	<u>5,595,711</u>	<u>343,788</u>	<u>1,695,145</u>	<u>2,038,933</u>
Culture and Recreation:				
LSCA Enrichment Grant - 1997-98	59,535	48,713	5,047	53,760
Glenwood Resource Center	131,100	56,584	40,333	96,917
TYGR Paws Project - 2000-01	7,950	7,273	677	7,950
TYGR Paws Project - 2003-04	5,500		61	61
Tannenbaum-Sternberger - 2001-02	30,000	2,500	14,135	16,635
Urban Forestry Projects - 2002-03	7,900	2,100	2,973	5,073
Environmental Design Crime Prevention	20,000			
Youth Football Program - 2002-03	5,500	5,500		5,500
Youth Football Program - 2003-04	2,000		1,054	1,054
Musep Concert Series Program - 2002-03	20,000	1,900	18,100	20,000
Musep Concert Series Program - 2003-04	20,000		1,050	1,050
Senior Games Project - 2003-04	2,235		2,218	2,218
Senior Center Project - 2003-04	7,765		6,559	6,559
GYC Artistry Awards Grant - 2003-04	1,500		1,500	1,500
Total Culture and Recreation	<u>320,985</u>	<u>124,570</u>	<u>93,707</u>	<u>218,277</u>
Community Development and Housing:				
Fair Housing Assistance - 2000-04	431,618	214,321	117,323	331,644
NCHFA/Duke Power Energy Grant	150,000	92,739	35,532	128,271
Lead Paint Grant	3,000,000	433,589	1,725,991	2,159,580
NCHFA/Duke Power Energy Grant	150,000			
Total Community Development and Housing	<u>3,731,618</u>	<u>740,649</u>	<u>1,878,846</u>	<u>2,619,495</u>
Total Expenditures	<u>24,711,908</u>	<u>4,533,599</u>	<u>7,635,854</u>	<u>12,169,453</u>
Excess of Revenues Over (Under) Expenditures	(1,284,737)	568,743	(354,837)	213,906
<i>Other Financing Sources (Uses):</i>				
Transfers In	1,422,919	1,360,205	62,270	1,422,475
Transfers Out	<u>(138,182)</u>	<u>(138,182)</u>		<u>(138,182)</u>
Total Other Financing Sources (Uses)	<u>1,284,737</u>	<u>1,222,023</u>	<u>62,270</u>	<u>1,284,293</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$</u>	<u>1,790,766</u>	<u>(292,567)</u>	<u>1,498,199</u>
Fund Balance - July 1			1,790,766	
Fund Balance - June 30		<u>\$1,790,766</u>	<u>\$ 1,498,199</u>	<u>\$1,498,199</u>



## Debt Service Fund

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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

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental:			
Local Reimbursements:			
Payment In Lieu of Taxes	\$ 125,000	\$ 117,862	\$ (7,138)
Investment Income	2,210,000	1,005,067	(1,204,933)
Miscellaneous:			
Sales and Use Tax Refund	50,000	243,726	193,726
Appropriated Fund Balance	4,010,015		(4,010,015)
Total Revenues	<u>6,395,015</u>	<u>1,366,655</u>	<u>(5,028,360)</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	10,965,165	10,706,596	(258,569)
Interest	7,875,000	6,135,364	(1,739,636)
Fees and Other	488,000	221,795	(266,205)
Total Expenditures	<u>19,328,165</u>	<u>17,063,755</u>	<u>(2,264,410)</u>
Excess of Revenues Under Expenditures	<u>(12,933,150)</u>	<u>(15,697,100)</u>	<u>(2,763,950)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	13,383,150	13,383,150	
Transfers Out	(450,000)		450,000
Total Other Financing Sources (Uses)	<u>12,933,150</u>	<u>13,383,150</u>	<u>450,000</u>
Excess of Revenues and Other Financing Sources (Uses) Under Expenditures	<u>\$</u>	(2,313,950)	(2,313,950)
Fund Balance - July 1		<u>16,231,564</u>	<u>16,231,564</u>
Fund Balance - June 30		<u>\$ 13,917,614</u>	<u>\$ 13,917,614</u>

## Capital Projects Fund

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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, 2004

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
State Grant	\$ 1,388,000	\$ 308,382	\$ 256,855	\$ 565,237
State Reimbursements - Transportation Projects			130,312	130,312
Total Intergovernmental	<u>1,388,000</u>	<u>308,382</u>	<u>387,167</u>	<u>695,549</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>388,382</u>	<u>387,167</u>	<u>775,549</u>
<b>Expenditures:</b>				
Capital Improvements:				
Transportation:				
Transportation Improvements	4,482,537		1,052,604	1,052,604
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	644,303	(1,642)	642,661
City State Road Projects	1,335,000	51,377	428,210	479,587
Culture and Recreation:				
Bur-Mil Park Trail Improvements	<u>167,600</u>	<u>167,595</u>		<u>167,595</u>
Total Expenditures	<u>11,592,600</u>	<u>5,814,275</u>	<u>1,479,172</u>	<u>7,293,447</u>
Excess of Revenues Under Expenditures	<u>(9,527,600)</u>	<u>(5,425,893)</u>	<u>(1,092,005)</u>	<u>(6,517,898)</u>
<b>Other Financing Sources:</b>				
Debt Issuances:				
Capitalized Leases		183,589		183,589
Transfers In	<u>9,527,600</u>	<u>7,627,600</u>	<u>950,000</u>	<u>8,577,600</u>
Total Other Financing Sources	<u>9,527,600</u>	<u>7,811,189</u>	<u>950,000</u>	<u>8,761,189</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	2,385,296	(142,005)	2,243,291
Fund Balance - July 1			<u>2,385,296</u>	
Fund Balance - June 30		<u>\$2,385,296</u>	<u>\$ 2,243,291</u>	<u>\$ 2,243,291</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenditures:</i>				
Capital Improvements:				
Housing & Community Development:				
Streets and Structures	\$ 700,000	\$	\$ 94,996	\$ 94,996
Sidewalk and Crosswalk Construction	700,000			
Transportation:				
Transportation Improvements	23,841,117	6,942,946	1,610,753	8,553,699
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
<b>Total Expenditures</b>	<b>33,704,225</b>	<b>15,145,506</b>	<b>1,705,749</b>	<b>16,851,255</b>
<i>Other Financing Sources (Uses):</i>				
Transfers In	34,451,145	30,839,327		30,839,327
Transfers (Out)	(746,920)	(871,920)		(871,920)
<b>Total Other Financing Sources (Uses)</b>	<b>33,704,225</b>	<b>29,967,407</b>		<b>29,967,407</b>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	14,821,901	(1,705,749)	13,116,152
Fund Balance - July 1			14,821,901	
Fund Balance - June 30		<u>\$ 14,821,901</u>	<u>\$ 13,116,152</u>	<u>\$ 13,116,152</u>

## Stormwater Capital Improvements

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Project Inception and For the Fiscal Year Ended June 30, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Expenditures:</i>				
Capital Improvements:				
Engineering and Inspections:				
Stormwater Improvements	\$ 4,539,793	\$ 2,506,878	\$ 325,677	\$ 2,832,555
<i>Other Financing Sources:</i>				
Transfers In	4,839,793	4,005,700	834,093	4,839,793
Transfers Out	(300,000)	(300,000)		(300,000)
Total Other Financing Sources (Uses)	4,539,793	3,705,700	834,093	4,539,793
Excess of Other Financing Sources Over Expenditures	\$	1,198,822	508,416	1,707,238
Fund Balance - July 1			1,198,822	
Fund Balance - June 30		\$ 1,198,822	\$ 1,707,238	\$ 1,707,238

## 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, 2004

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
<b>Revenues:</b>				
Miscellaneous:				
Rent	\$	\$ 25,000	\$	\$ 25,000
Sale of Real Estate		4,600		4,600
Donations and Private Contributions	380,977	380,977		380,977
Total Revenues	380,977	410,577		410,577
<b>Expenditures:</b>				
Capital Improvements:				
Planning	98,237			
General Government	807,979	737,754		737,754
Public Safety	1,582,051	1,582,051		1,582,051
Culture and Recreation	6,981,255	5,202,540	458,151	5,660,691
Total Expenditures	9,469,522	7,522,345	458,151	7,980,496
Excess of Revenues Under Expenditures	(9,088,545)	(7,111,768)	(458,151)	(7,569,919)
<b>Other Financing Sources:</b>				
Transfers In	9,088,545	8,425,353	597,800	9,023,153
Excess of Revenues and Other Financing Sources Over Expenditures	\$	1,313,585	139,649	1,453,234
Fund Balance - July 1			1,313,585	
Fund Balance - June 30		\$1,313,585	\$ 1,453,234	\$ 1,453,234

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
State Grant	\$ 562,445	\$ 412,442	\$ 150,000	\$ 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>1,908,186</u>	<u>150,000</u>	<u>2,058,186</u>
<b>Expenditures:</b>				
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	67,653,608	2,210,774	69,864,382
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>88,942,261</u>	<u>2,210,774</u>	<u>91,153,035</u>
Excess of Revenues Under Expenditures	<u>(90,779,670)</u>	<u>(87,034,075)</u>	<u>(2,060,774)</u>	<u>(89,094,849)</u>
<b>Other Financing Sources (Uses):</b>				
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>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and and Other Financing (Uses)	<u>\$</u>	3,772,042	(2,060,774)	1,711,268
Fund Balance - July 1			<u>3,772,042</u>	
Fund Balance - June 30		<u>\$ 3,772,042</u>	<u>\$ 1,711,268</u>	<u>\$ 1,711,268</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Miscellaneous:				
Mortgage Collections - Rehabilitation	\$	\$ 38,597	\$ 86,797	\$ 125,394
Interest Collected - Rehabilitation Mortgages		877	1,837	2,714
Rent	3,293	3,293	1,100	4,393
Sale of Real Estate	555,183	555,183		555,183
Donations & Private Contributions	20,000	20,000		20,000
All Other Revenue	1,060	22,403	4,400	26,803
	<u>579,536</u>	<u>640,353</u>	<u>94,134</u>	<u>734,487</u>
Total Revenues				
<b>Expenditures:</b>				
Capital Improvements:				
Community Development and Housing:				
Neighborhood Renewal	7,864,536	6,925,178	662,259	7,587,437
Excess of Revenues Under Expenditures	(7,285,000)	(6,284,825)	(568,125)	(6,852,950)
<b>Other Financing Sources:</b>				
Debt Issuances:				
General Obligation Bonds Issued	7,285,000	7,285,000		7,285,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	1,000,175	(568,125)	432,050
Fund Balance - July 1			1,000,175	
Fund Balance - June 30		<u>\$ 1,000,175</u>	<u>\$ 432,050</u>	<u>\$ 432,050</u>

## Coliseum 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, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Revenues:</i>				
Miscellaneous:				
Donations & Private Contributions	<u>\$ 950,000</u>	<u>\$ 950,000</u>	_____	<u>\$ 950,000</u>
<i>Expenditures:</i>				
Capital Improvements:				
Culture and Recreation:				
Coliseum Improvements	<u>950,000</u>	<u>950,000</u>	_____	<u>950,000</u>
Excess of Revenues Over Expenditures	<u>\$ _____</u>			
Fund Balance - July 1		_____	_____	_____
Fund Balance - June 30		<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</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, 2004

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
<i>Expenditures:</i>				
Capital Improvements:				
Public Safety:				
Personnel Training Facilities	\$ 14,500,000	\$ 12,936,275	\$ 672,456	\$ 13,608,731
Fire Station	1,500,000	1,494,162	3,528	1,497,690
Police Department	498,435	149,585	261,397	410,982
Technology and Facilities:				
Municipal Buildings	5,227,065	2,372,078	257,948	2,630,026
Medford Center Improvements	274,500		146,201	146,201
Total Expenditures	<u>22,000,000</u>	<u>16,952,100</u>	<u>1,341,530</u>	<u>18,293,630</u>
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	<u>22,000,000</u>	<u>22,000,000</u>		<u>22,000,000</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	5,047,900	(1,341,530)	3,706,370
Fund Balance - July 1			5,047,900	
Fund Balance - June 30		<u>\$ 5,047,900</u>	<u>\$ 3,706,370</u>	<u>\$ 3,706,370</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenditures:</i>				
Capital Improvements:				
Community Development and Housing:				
Single Family Housing Programs	\$ 2,156,966	\$ 2,122,941	\$ 26,708	\$ 2,149,649
Greensboro Housing Authority Projects	1,500,000	1,500,000		1,500,000
Total Expenditures	<u>3,656,966</u>	<u>3,622,941</u>	<u>26,708</u>	<u>3,649,649</u>
<i>Other Financing Sources (Uses):</i>				
Debt Issuances:				
General Obligation Bonds Issued	3,700,000	3,700,000		3,700,000
Transfers Out	(43,034)	(43,033)		(43,033)
Total Other Financing Sources (Uses)	<u>3,656,966</u>	<u>3,656,967</u>		<u>3,656,967</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	34,026	(26,708)	7,318
Fund Balance - July 1			34,026	
Fund Balance - June 30		<u>\$ 34,026</u>	<u>\$ 7,318</u>	<u>\$ 7,318</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenditures:</i>				
Capital Improvements:				
Community Development and Housing:				
Single Family Housing Program	\$ 3,025,000	\$ 2,841,210	\$ 50,430	\$ 2,891,640
Multi-family Housing Program	2,275,000	2,283,695	288	2,283,983
Neighborhood Renewal	1,000,000	649,454	135,923	785,377
Total Expenditures	<u>6,300,000</u>	<u>5,774,359</u>	<u>186,641</u>	<u>5,961,000</u>
Excess of Revenues Under Expenditures	<u>(6,300,000)</u>	<u>(5,774,359)</u>	<u>(186,641)</u>	<u>(5,961,000)</u>
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	<u>6,300,000</u>	<u>6,300,000</u>		<u>6,300,000</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	525,641	(186,641)	339,000
Fund Balance - July 1			<u>525,641</u>	
Fund Balance - June 30		<u>\$ 525,641</u>	<u>\$ 339,000</u>	<u>\$ 339,000</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, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Expenditures:</i>				
Capital Improvements:				
Engineering and Inspections:				
Issuance Costs	\$ 392,975	\$ 32,940	\$ 165,681	\$ 198,621
Resurfacing and Signal Replacement	5,950,000	200,595	(74,711)	125,884
Roadway Improvements	46,107,025	886,278	740,158	1,626,436
Sidewalk and Bikeways Projects	5,300,000	260,005	37,274	297,279
Streetscape Projects	14,000,000	2,097,797	1,768,720	3,866,517
Total Expenditures	<u>71,750,000</u>	<u>3,477,615</u>	<u>2,637,122</u>	<u>6,114,737</u>
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	71,750,000	17,330,000		17,330,000
Premium (Discount) on Debt		65,914		65,914
Total Other Financing Sources	<u>71,750,000</u>	<u>17,395,914</u>		<u>17,395,914</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	13,918,299	(2,637,122)	11,281,177
Fund Balance - July 1			<u>13,918,299</u>	
Fund Balance - June 30		<u>\$ 13,918,299</u>	<u>\$11,281,177</u>	<u>\$11,281,177</u>

## Parks and Recreation 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Intergovernmental:				
State Grant	\$ 450,000	\$ 250,000	\$ 200,000	\$ 450,000
<b>Expenditures:</b>				
Capital Improvements:				
Culture and Recreation:				
ADA Compliance for Park Restrooms	1,462,400	2,161	2,181	4,342
Barber Park Recreation Center	2,749,720	71,410	(71,410)	
Barber Park Tennis Pavilion Roof	2,925,000	649,536	2,083,921	2,733,457
Carolyn Allen Community Park	3,177,670	792,402	2,352,360	3,144,762
Facility Floors and Bleacher Replacement	1,593,000	2,367	(2,367)	
HVAC Installation in Recreation Centers	1,690,930	588,394	116,483	704,877
Keeley Park	6,345,348	9,828	(9,828)	
Lake Facility Improvements	163,000	8,487	6,013	14,500
Playground Equipment and Bleachers	1,573,000	256,963	164,854	421,817
Southwest Greensboro Recreation Center	4,790,940	7,152	(7,152)	
Northwest Walking Trail	400,000	618	384,011	384,629
Northeast Sports Center	6,059,340	6,059,335	(9,308)	6,050,027
Barber Park Master Plan	65,000		65,000	65,000
Gateway Garden Project	1,654,652		118,749	118,749
Total Expenditures	34,650,000	8,448,653	5,193,507	13,642,160
Excess of Revenues Under Expenditures	(34,200,000)	(8,198,653)	(4,993,507)	(13,192,160)
<b>Other Financing Sources:</b>				
Debt Issuances:				
General Obligation Bonds Issued	34,200,000	16,600,000		16,600,000
Premium (Discount) on Debt		53,914		53,914
Total Other Financing Sources	34,200,000	16,653,914		16,653,914
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$	8,455,261	(4,993,507)	3,461,754
Fund Balance - July 1			8,455,261	
Fund Balance - June 30		\$8,455,261	\$ 3,461,754	\$ 3,461,754

## Fire Station 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Miscellaneous:				
Insurance Refunds and Claims	\$ 121,731	\$ 121,731	\$	\$ 121,731
<b>Expenditures:</b>				
Capital Improvements:				
Public Safety:				
Fire Station #11 Replacement	\$ 2,250,000	\$ 688,990	\$ 582,373	\$ 1,271,363
Grandover Fire Station	2,350,000	25,248	(25,060)	188
Horsepen Creek Fire Station	2,300,000	3,954	(762)	3,192
Lake Jeanette Fire Station	2,621,731	1,447,716	1,046,444	2,494,160
Orchard Fire Station	150,000			
Total Expenditures	<u>9,671,731</u>	<u>2,165,908</u>	<u>1,602,995</u>	<u>3,768,903</u>
Excess of Revenues Under Expenditures	<u>(9,550,000)</u>	<u>(2,044,177)</u>	<u>(1,602,995)</u>	<u>(3,647,172)</u>
<b>Other Financing Sources:</b>				
Debt Issuances:				
General Obligation Bonds Issued	9,550,000	5,170,000		5,170,000
Premium (Discount) on Debt		26,421		26,421
Total Other Financing Sources	<u>9,550,000</u>	<u>5,196,421</u>		<u>5,196,421</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$</u>	3,152,244	(1,602,995)	1,549,249
Fund Balance - July 1			<u>3,152,244</u>	
Fund Balance - June 30		<u>\$ 3,152,244</u>	<u>\$ 1,549,249</u>	<u>\$ 1,549,249</u>



## Public Transportation 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, 2004

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	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenditures:</i>				
Capital Improvements:				
Transportation	\$ 2,000,000	\$ 169,576	\$ 237,256	\$ 406,832
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	2,000,000	500,000		500,000
Premium (Discount) on Debt		1,624		1,624
Total Other Financing Sources	2,000,000	501,624		501,624
Excess of Other Financing Sources Under Expenditures	\$	332,048	(237,256)	94,792
Fund Balance - July 1			332,048	
Fund Balance - June 30		\$ 332,048	\$ 94,792	\$ 94,792

## Natural Science Center 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, 2004

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	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Expenditures:</i>				
Capital Improvements:				
Culture and Recreation	\$ 3,500,000	\$	\$	\$
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	3,500,000			
Excess of Other Financing Sources Under Expenditures	\$			
Fund Balance - July 1				
Fund Balance - June 30		\$	\$	\$

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenditures:</i>				
Capital Improvements:				
Public Safety:				
Police Building - Southeast District	\$ 3,398,045	\$ 280,496	\$ 1,249,785	\$ 1,530,281
Police Building - Western District	<u>3,681,955</u>	<u>3,494,989</u>	<u>123,124</u>	<u>3,618,113</u>
Total Expenditures	<u>7,080,000</u>	<u>3,775,485</u>	<u>1,372,909</u>	<u>5,148,394</u>
<i>Other Financing Sources:</i>				
Debt Issuances:				
General Obligation Bonds Issued	7,080,000	7,080,000		7,080,000
Premium (Discount) 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>7,112,625</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	3,337,140	(1,372,909)	1,964,231
Fund Balance - July 1			<u>3,337,140</u>	
Fund Balance - June 30		<u>\$3,337,140</u>	<u>\$ 1,964,231</u>	<u>\$ 1,964,231</u>

## Library Facilities 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Miscellaneous:				
Donations and Private Contributions	\$ 596,353	\$	\$ 405,238	\$ 405,238
<b>Expenditures:</b>				
Capital Improvements:				
Culture and Recreation:				
Hemphill Square Branch	2,751,858	592,794	1,514,073	2,106,867
Edwards Family Branch	2,789,725	368,429	1,663,973	2,032,402
Lake Jeanette Branch	74,770	74,768		74,768
Total Expenditures	<u>5,616,353</u>	<u>1,035,991</u>	<u>3,178,046</u>	<u>4,214,037</u>
Excess of Revenues Under Expenditures	<u>(5,020,000)</u>	<u>(1,035,991)</u>	<u>(2,772,808)</u>	<u>(3,808,799)</u>
<b>Other Financing Sources:</b>				
Debt Issuances:				
General Obligation Bonds Issued	5,020,000	3,320,000		3,320,000
Premium (Discount) on Debt		13,993		13,993
Total Other Financing Sources	<u>5,020,000</u>	<u>3,333,993</u>		<u>3,333,993</u>
Excess of Other Financing Sources Over (Under) Expenditures	<u>\$</u>	2,298,002	(2,772,808)	(474,806)
Fund Balance - July 1			2,298,002	
Fund Balance - June 30		<u>\$2,298,002</u>	<u>\$ (474,806)</u>	<u>\$ (474,806)</u>

## 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, 2004

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

## Perpetual Care Fund

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### 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

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### Water Resources Fund

The Water Resources Fund provides services to over 85,000 customers and is designed to be self-supporting. Revenues are sufficient to meet the operating expenditures 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.

### 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, Expenses 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, 2004

	Final Budget	Actual	Variance Over (Under)
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 53,831,000	\$ 53,341,275	\$ (489,725)
Other Operating Revenues	626,300	1,237,803	611,503
Total Operating Revenues	<u>54,457,300</u>	<u>54,579,078</u>	<u>121,778</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	11,098,709	10,737,792	(360,917)
Fringe Benefits	3,624,487	3,493,875	(130,612)
Maintenance and Operations	25,393,919	20,815,180	(4,578,739)
Capital Outlay	1,772,247	370,898	(1,401,349)
Total Operating Expenses	<u>41,889,362</u>	<u>35,417,745</u>	<u>(6,471,617)</u>
Operating Income	<u>12,567,938</u>	<u>19,161,333</u>	<u>6,593,395</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	540,500	179,155	(361,345)
Net Income from Joint Venture		1,625,206	1,625,206
Miscellaneous Nonoperating Revenue	175,000	317,260	142,260
Total Nonoperating Revenues	<u>715,500</u>	<u>2,121,621</u>	<u>1,406,121</u>
<b><i>Nonoperating Expenses:</i></b>			
Principal Maturities	5,196,525	5,192,811	(3,714)
Interest Expense	7,797,550	5,718,412	(2,079,138)
Loss on Disposal of Capital Assets		41,857	41,857
Amortization of Underwriters' Expense		81,449	81,449
Miscellaneous Nonoperating Expense	160,000	211,623	51,623
Total Nonoperating Expenses	<u>13,154,075</u>	<u>11,246,152</u>	<u>(1,907,923)</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	<u>129,363</u>	<u>10,036,802</u>	<u>9,907,439</u>
<b><i>Capital Contributions</i></b>		5,324,116	5,324,116
<b><i>Other Financing Sources (Uses):</i></b>			
Transfers In		7,748,817	7,748,817
Transfers Out	(7,127,000)	(7,127,000)	
Total Other Financing Sources (Uses)	<u>(7,127,000)</u>	<u>621,817</u>	<u>7,748,817</u>
Excess of Revenues, Contributions and Other Financing Sources Over (Under) Expenses and Other Financing Uses	(6,997,637)	15,982,735	22,980,372
Appropriated Fund Balance	<u>6,997,637</u>		<u>(6,997,637)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 15,982,735</u>	<u>\$ 15,982,735</u>

## Water Resources Fund

Schedule of Revenues and Expenses Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 56,700,699
Total Expenses	<u>46,663,897</u>
Excess of Revenues Over Expenses Before Contributions and Other Financing Sources (Uses)	10,036,802
Adjustment to Full Accrual Basis:	
Depreciation	(10,324,512)
Principal Maturities	5,192,811
Capital Outlay	370,898
Capital Project Expenses	(914,725)
Capital Project Cost Sharing and Other Reimbursements	<u>801,810</u>
Income Before Contributions and Transfers	<u>\$ 5,163,084</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, 2004

	Project Authorization	Prior Years	Actual	
			Current Year	Total To Date
<i>Expenses:</i>				
Capital Improvements:				
Steveco Building	\$ 1,672,300	\$ 1,445,763	\$ 138,536	\$ 1,584,299
Lake Daniel Reservoir	3,224,340	3,224,704		3,224,704
Osborne Treatment Plant	20,167,118	19,882,510	345,760	20,228,270
North Buffalo Plant	1,250,995	1,236,488		1,236,488
South Buffalo Extension	2,142,941	2,142,677		2,142,677
Reedy Fork Pumping and Lift Station	1,041,523	1,012,622	20,891	1,033,513
Bledsoe Drive Pumping Station	905,579	905,578		905,578
Peach Orchard Pumping Station	895,000	435,468	418,230	853,698
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	314,114	974,861	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	370,000	11,290	381,290
Mitchell Filter Rehabilitation	1,735,128	1,704,852	20,754	1,725,606
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	1,749,022	27,705	1,776,727
Total Capital Improvements	43,252,524	40,923,720	1,958,027	42,881,747
<i>Nonoperating Expenses:</i>				
Interest Expense	2,100,000	2,376,054	(57,480)	2,318,574
Bond Issue Expense	800,000	566,698		566,698
Miscellaneous Bond Expenses	50,000	126,260	64,578	190,838
Total Expenses	46,202,524	43,992,732	1,965,125	45,957,857
<i>Nonoperating Revenues:</i>				
Investment Income	462,524	898,825	114,384	1,013,209
Cost Sharing Reimbursements		20,342	15,158	35,500
Total Nonoperating Revenues	462,524	919,167	129,542	1,048,709
Excess of Revenues Under Expenses Before Other Financing Sources	(45,740,000)	(43,073,565)	(1,835,583)	(44,909,148)
<i>Other Financing Sources:</i>				
Debt Issuances:				
Revenue Bonds Issued	45,740,000	45,740,000		45,740,000
Excess of Revenues and Other Financing Sources Over (Under) Expenses	\$	\$ 2,666,435	\$ (1,835,583)	\$ 830,852

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Expenses:</b>				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 344,665	\$ 39,054	\$ 305,596	\$ 344,650
Water Resources Operations Center	6,747,000		3,902,291	3,902,291
Water Mains and Tanks	6,542,220	10,898	4,234,396	4,245,294
Water Treatment Plants	1,136,399	46,160	231,782	277,942
Sewer Pumping Stations	14,289,710		9,462,528	9,462,528
North Buffalo Pilot Facility	38,601		38,600	38,600
Osborne Treatment Plant	1,348,115		1,127,576	1,127,576
Haw River Project	7,875,974		7,798,023	7,798,023
Sewer Mains	6,277,316	281,925	3,886,425	4,168,350
Total Capital Improvements	44,600,000	378,037	30,987,217	31,365,254
<b>Nonoperating Expenses:</b>				
Interest Expense	2,300,000		1,155,086	1,155,086
Bond Issue Expense	700,000	38,596	551,292	589,888
Miscellaneous Bond Expenses	400,000			
Total Expenses	48,000,000	416,633	32,693,595	33,110,228
<b>Nonoperating Revenues:</b>				
Investment Income	1,000,000		249,867	249,867
Miscellaneous Nonoperating Revenue		2,904,000		2,904,000
Total Revenues	1,000,000	2,904,000	249,867	3,153,867
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	(47,000,000)	2,487,367	(32,443,728)	(29,956,361)
<b>Other Financing Sources:</b>				
Debt Issuances:				
Revenue Bonds Issued	47,000,000		43,435,000	43,435,000
Excess of Revenues and Other Financing Sources Over Expenses	\$	\$ 2,487,367	\$ 10,991,272	\$ 13,478,639

## Water Resources Bond Fund - Series 2004

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
From Project Inception and For the Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Expenses:</b>				
Capital Improvements:				
Mapping Project of Water & Sewer System	\$ 2,200,000	\$	\$ 448,254	\$ 448,254
Water Mains and Tanks	8,991,000		58,122	58,122
Water Treatment Plants	2,275,000			
Sewer Pumping Stations	9,784,000			
North Buffalo Improvements	240,000			
Osborne Treatment Plant	4,000,000			
Sewer Mains	22,510,000			
Total Capital Improvements	50,000,000		506,376	506,376
<b>Nonoperating Expenses:</b>				
Interest Expense	2,300,000			
Bond Issue Expense	700,000			
Total Expenses	53,000,000		506,376	506,376
<b>Nonoperating Revenues:</b>				
Investment Income	1,000,000			
Excess of Revenues Under Expenses Before Other Financing Sources	(52,000,000)		(506,376)	(506,376)
<b>Other Financing Sources:</b>				
Debt Issuances:				
Revenue Bonds Issued	52,000,000			
Excess of Revenues and Other Financing Sources Under Expenses	\$	\$	\$ (506,376)	\$ (506,376)

## 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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Revenues:</i>				
Guilford County Construction:				
Reimbursements	\$ 2,625,925	\$ 457,734	\$ 60,652	\$ 518,386
<i>Expenses:</i>				
Capital Improvements:				
Sumner Elementary School	414,517	395,182	17,207	412,389
Bishop Road Sewer Outfall	530,248	34,137	10,010	44,147
Waldenbrook Water Line	130,000	30,614	40,621	71,235
Twillia Acres Water and Sewer Project	890,040		6,552	6,552
Sedgefield Water Line	411,120			
Northeast High School Sewer Project	250,000			
Total Expenditures	<u>2,625,925</u>	<u>459,933</u>	<u>74,390</u>	<u>534,323</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (2,199)</u>	<u>\$ (13,738)</u>	<u>\$ (15,937)</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, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenses:</i>				
Capital Improvements:				
Winston-Salem Water Line Project	\$ 264,307	\$ 264,307	\$	\$ 264,307
Water Line and Tank Construction	5,940,150	2,608,752	469,123	3,077,875
Randleman Dam Project	39,112,761	34,657,761	4,455,000	39,112,761
Osborne Improvements	4,202,675	3,645,483		3,645,483
Sewer Line Construction	11,607,645	7,388,439	2,935,532	10,323,971
Haw River Project	11,000,000	7,506,313	257,939	7,764,252
Billing Software Upgrade	3,000,000		1,645,196	1,645,196
Total Capital Improvements	<u>75,127,538</u>	<u>56,071,055</u>	<u>9,762,790</u>	<u>65,833,845</u>
<i>Other Operating Revenues:</i>				
Cost Sharing Reimbursements		18,756	12,820	31,576
Sales Tax Refund		2,043,774		2,043,774
Total Other Operating Revenues		<u>2,062,530</u>	<u>12,820</u>	<u>2,075,350</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(75,127,538)</u>	<u>(54,008,525)</u>	<u>(9,749,970)</u>	<u>(63,758,495)</u>
<i>Other Financing Sources:</i>				
Transfers from Water Resources:				
Capital Reserve Fund	48,919,863	43,419,863	3,000,000	46,419,863
Water Resources Operating Fund	17,550,000	15,200,000	3,850,000	19,050,000
Debt Issuances:				
Federal Loan Program	4,202,675	4,202,675	(357,720)	3,844,955
Total Other Financing Sources	<u>70,672,538</u>	<u>62,822,538</u>	<u>6,492,280</u>	<u>69,314,818</u>
Appropriated Fund Balance	<u>4,455,000</u>			
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 8,814,013</u>	<u>\$ (3,257,690)</u>	<u>\$ 5,556,323</u>

## War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June, 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 12,452,640	\$ 11,833,848	\$ (618,792)
Other Operating Revenues	190,000	541,516	351,516
Total Operating Revenues	<u>12,642,640</u>	<u>12,375,364</u>	<u>(267,276)</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	4,546,544	4,521,041	(25,503)
Fringe Benefits	999,687	982,138	(17,549)
Maintenance and Operations	9,100,533	9,628,822	528,289
Capital Outlay	612,280		(612,280)
Total Operating Expenses	<u>15,259,044</u>	<u>15,132,001</u>	<u>(127,043)</u>
Operating Loss	<u>(2,616,404)</u>	<u>(2,756,637)</u>	<u>(140,233)</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	75,000		(75,000)
Miscellaneous Nonoperating Revenue		4,151	4,151
Total Nonoperating Revenues	<u>75,000</u>	<u>4,151</u>	<u>(70,849)</u>
<b><i>Nonoperating Expenses:</i></b>			
Principal Maturities	60,000	80,000	20,000
Interest Expense	53,000	8,557	(44,443)
Miscellaneous Nonoperating Expense	2,800	7,055	4,255
Total Nonoperating Expenses	<u>115,800</u>	<u>95,612</u>	<u>(20,188)</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(2,657,204)</u>	<u>(2,848,098)</u>	<u>(190,894)</u>
<b><i>Other Financing Sources:</i></b>			
Transfers In	<u>2,418,000</u>	<u>2,418,000</u>	
Excess of Revenues and Other Financing Sources Under Expenses	(239,204)	(430,098)	(190,894)
Appropriated Fund Balance	<u>239,204</u>		<u>(239,204)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (430,098)</u>	<u>\$ (430,098)</u>



## War Memorial Coliseum Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 12,379,515
Total Expenses	<u>15,227,613</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(2,848,098)
Adjustment to Full Accrual Basis:	
Depreciation	(2,077,697)
Principal Maturities	80,000
Loss on Disposal of Capital Assets	(26,217)
Inventory Gain	4,975
Compensated Absences	(11,287)
Amortization of Bond Discount	(671)
Interest Accruals	(16,207)
Net Capital Project Revenues	<u>763,959</u>
Loss Before Transfers	\$ <u>(4,131,243)</u>

## War Memorial Coliseum Improvements Fund

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

From Project Inception and For the Year Ended June 30, 2004

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
<i>Revenues:</i>				
Donations and Contributions	\$ 1,000,000	\$	\$1,000,000	\$1,000,000
Investment Income			5,950	5,950
Total Revenues	<u>1,000,000</u>		<u>1,005,950</u>	<u>1,005,950</u>
<i>Expenses:</i>				
Capital Improvements:				
Coliseum Complex Improvements	<u>337,000</u>		<u>336,929</u>	<u>336,929</u>
Excess of Revenues Over Expenses Before Other Financing Sources	<u>663,000</u>		<u>669,021</u>	<u>669,021</u>
<i>Other Financing Uses:</i>				
Transfers Out:				
Coliseum Operating Fund	<u>(663,000)</u>		<u>(663,000)</u>	<u>(663,000)</u>
Excess of Revenues Over Expenses and Other Financing Uses	<u>\$</u>	<u>\$</u>	<u>\$ 6,021</u>	<u>\$ 6,021</u>

## Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$1,892,685	\$1,931,440	\$ 38,755
Other Operating Revenues	3,800	9,527	5,727
Total Operating Revenues	<u>1,896,485</u>	<u>1,940,967</u>	<u>44,482</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	318,512	347,047	28,535
Fringe Benefits	94,588	106,525	11,937
Maintenance and Operations	722,151	521,311	(200,840)
Capital Outlay	452,133	168,861	(283,272)
Total Operating Expenses	<u>1,587,384</u>	<u>1,143,744</u>	<u>(443,640)</u>
Operating Income	<u>309,101</u>	<u>797,223</u>	<u>488,122</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	55,400	35,961	(19,439)
Miscellaneous Nonoperating Revenue	-	1,975	1,975
Total Nonoperating Revenues	<u>55,400</u>	<u>37,936</u>	<u>(17,464)</u>
<b><i>Nonoperating Expenses:</i></b>			
Principal Maturities	1,651,115	1,890,462	239,347
Interest Expense	295,570	362,391	66,821
Loss on Disposal of Capital Assets	-	1,702	1,702
Amortization of Underwriters' Expense	-	21,657	21,657
Miscellaneous Nonoperating Expense	279,000	2,776	(276,224)
Total Nonoperating Expenses	<u>2,225,685</u>	<u>2,278,988</u>	<u>53,303</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(1,861,184)</u>	<u>(1,443,829)</u>	<u>417,355</u>
<b><i>Other Financing Sources (Uses):</i></b>			
Transfers In	1,420,925	1,315,730	(105,195)
Transfers Out	(158,590)	(158,590)	-
Total Other Financing Sources (Uses)	<u>1,262,335</u>	<u>1,157,140</u>	<u>(105,195)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	(598,849)	(286,689)	312,160
Appropriated Fund Balance	<u>598,849</u>	<u>-</u>	<u>(598,849)</u>
Excess of Revenues and Other Financing Sources Under Expenses and Other Financing Uses	<u>\$ -</u>	<u>\$ (286,689)</u>	<u>\$ (286,689)</u>

## Parking Facilities Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,978,903
Total Expenses	<u>3,422,732</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	(1,443,829)
Adjustment to Full Accrual Basis:	
Depreciation	(529,623)
Principal Maturities	1,890,462
Capital Outlay	168,861
Trustee Debt Service Escrow Account	<u>(294,465)</u>
Income Before Transfers	\$ <u>(208,594)</u>

## Parking Facilities Capital Project Fund

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

From Project Inception and For the Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenses:</i>				
Capital Improvements:				
Parking Facility Renovations	\$1,522,000	\$ 32,000	\$ 1,490,000	\$1,522,000
<i>Nonoperating Expenses:</i>				
Miscellaneous Bond Expenses	28,000	13,152	11,498	24,650
Total Expenses	1,550,000	45,152	1,501,498	1,546,650
<i>Nonoperating Revenues:</i>				
Investment Income		(1,975)	21,106	19,131
Excess of Revenues Under Expenses Before Other Financing Sources	(1,550,000)	(47,127)	(1,480,392)	(1,527,519)
<i>Other Financing Sources:</i>				
Debt Issuances:				
Certificates of Participation Issued	1,550,000	1,505,000		1,505,000
Premium (Discount) on Debt		22,519		22,519
Total Other Financing Sources	1,550,000	1,527,519		1,527,519
Excess of Revenues and Other Financing Sources Over (Under) Expenses	\$	\$1,480,392	\$(1,480,392)	\$

## Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual	Variance Over (Under)
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 14,845,545	\$ 14,422,659	\$ (422,886)
Other Operating Revenues	431,000	892,798	461,798
Total Operating Revenues	<u>15,276,545</u>	<u>15,315,457</u>	<u>38,912</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	5,383,299	5,110,490	(272,809)
Fringe Benefits	1,810,358	1,720,773	(89,585)
Maintenance and Operations	16,687,233	13,298,505	(3,388,728)
Capital Outlay	400,796	132,232	(268,564)
Total Operating Expenses	<u>24,281,686</u>	<u>20,262,000</u>	<u>(4,019,686)</u>
Operating Loss	<u>(9,005,141)</u>	<u>(4,946,543)</u>	<u>4,058,598</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	300,000	147,035	(152,965)
Miscellaneous Nonoperating Revenue	<u>300,000</u>	<u>3,169</u>	<u>3,169</u>
Total Nonoperating Revenues	<u>300,000</u>	<u>150,204</u>	<u>(149,796)</u>
<b><i>Nonoperating Expenses:</i></b>			
Interest Expense	626,145	635,887	9,742
Principal Maturities	995,000	995,000	
Loss on Disposal of Capital Assets		350,501	350,501
Miscellaneous Nonoperating Expense	<u>3,500</u>	<u>23,866</u>	<u>20,366</u>
Total Nonoperating Expenses	<u>1,624,645</u>	<u>2,005,254</u>	<u>380,609</u>
Excess of Revenues Under Expenses Before Other Financing Sources (Uses)	<u>(10,329,786)</u>	<u>(6,801,593)</u>	<u>3,528,193</u>
<b><i>Other Financing Sources (Uses):</i></b>			
Transfers In	7,373,045	5,000,000	(2,373,045)
Transfers Out	<u>(2,418,825)</u>	<u>(2,418,825)</u>	
Total Other Financing Sources (Uses)	<u>4,954,220</u>	<u>2,581,175</u>	<u>(2,373,045)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>(5,375,566)</u>	<u>(4,220,418)</u>	<u>1,155,148</u>
Appropriated Fund Balance	<u>5,375,566</u>		<u>(5,375,566)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (4,220,418)</u>	<u>\$ (4,220,418)</u>

## Solid Waste Management Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 15,465,661
Total Expenses	<u>22,267,254</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(6,801,593)
Adjustment to Full Accrual Basis:	
Depreciation	(812,810)
Capital Outlay	132,232
Principal Maturities	995,000
Net Nonoperating Expenses - Landfill Expansion Project Fund	<u>(4,171)</u>
Loss Before Transfers	\$ <u>(6,491,342)</u>

## Solid Waste Capital Improvement Project Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
From Project Inception and For the Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Expenses:</b>				
Capital Improvements:				
Miscellaneous Capital Projects	\$2,193,780	\$	\$	\$
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>1,372,494</u>
<b>Nonoperating Revenues:</b>				
Investment Income		10,632	30,339	40,971
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(3,418,825)</u>	<u>10,632</u>	<u>(1,342,155)</u>	<u>(1,331,523)</u>
<b>Other Financing Sources:</b>				
Transfers In	<u>3,418,825</u>	<u>1,000,000</u>	<u>2,418,825</u>	<u>3,418,825</u>
Excess of Revenues and Other Financing Sources Over Expenses	<u>\$</u>	<u>\$1,010,632</u>	<u>\$1,076,670</u>	<u>\$2,087,302</u>



## Solid Waste Landfill Expansion Project Fund

Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP)  
From Project Inception and For the Year Ended June 30, 2004

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<i>Expenses:</i>				
Capital Improvements:				
Landfill Expansion-Cell 1	\$ 7,435,540	\$ 7,435,540	\$	\$ 7,435,540
Landfill Expansion-Cells 2 and 3	5,613,604	4,628,785	984,827	5,613,612
Land Acquisition	2,668,615	2,668,611		2,668,611
<i>Nonoperating Expenses:</i>				
Interest Expense	800,000	791,757		791,757
Bond Issue Expense	375,695	383,934		383,934
Total Expenses	<u>16,893,454</u>	<u>15,908,627</u>	<u>984,827</u>	<u>16,893,454</u>
<i>Nonoperating Revenues:</i>				
Investment Income	<u>893,454</u>	<u>902,948</u>	<u>(9,494)</u>	<u>893,454</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(16,000,000)</u>	<u>(15,005,679)</u>	<u>(994,321)</u>	<u>(16,000,000)</u>
<i>Other Financing Sources:</i>				
Debt Issuances:				
Special Obligation Bonds Issued	<u>16,000,000</u>	<u>16,000,000</u>		<u>16,000,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>\$</u>	<u>\$ 994,321</u>	<u>\$ (994,321)</u>	<u>\$</u>

## **Internal Service Funds**

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### **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, 2004

ASSETS	Equipment Services	Technical Services	City/County Telecommunications	Graphic Services	Employee Insurance
Current Assets:					
Cash and Cash Equivalents/Investments	\$ 4,812,370	\$ 3,900,355	\$ 1,041,912	\$ 31,803	\$ 14,839,018
Receivables (Net):					
Interest	22,171	20,194	4,694		57,692
Intergovernmental	264,625	20,789	56,918	43,509	1,061
Inventories	458,389		30,365	37,842	
Miscellaneous	40,256	77,676			
Total Current Assets	<u>5,597,811</u>	<u>4,019,014</u>	<u>1,133,889</u>	<u>113,154</u>	<u>14,897,771</u>
Noncurrent Assets:					
Restricted:					
Cash and Cash Equivalents/Investments					
Internal Receivables-LongTerm					
Self-Funded Retention Deposits					1,122,283
Capital Assets:					
Non-Depreciable:					
Land					
Construction in Progress					
Depreciable:					
Land Improvements	73,528				
Buildings	252,294	173,862			
Improvements Other than Buildings		11,108			
Furniture, Fixtures, Machinery and Equipment	54,338,909	7,620,543	3,703,633	44,078	
Less Accumulated Depreciation	<u>(37,396,265)</u>	<u>(3,693,337)</u>	<u>(2,556,385)</u>	<u>(13,269)</u>	
Total Noncurrent Assets	<u>17,268,466</u>	<u>4,112,176</u>	<u>1,147,248</u>	<u>30,809</u>	<u>1,122,283</u>
Total Assets	<u>22,866,277</u>	<u>8,131,190</u>	<u>2,281,137</u>	<u>143,963</u>	<u>16,020,054</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	\$ 91,382	\$ 53,032	\$ 156,348	\$ 356	\$ 2,860,381
Intergovernmental Payable		129,674			
Customer Deposits Payable					
General Obligation Bonds Payable		234,724			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Compensated Absences	130,644	36,370	9,268	27,629	
Total Current Liabilities	<u>222,026</u>	<u>453,800</u>	<u>165,616</u>	<u>27,985</u>	<u>2,860,381</u>
Noncurrent Liabilities:					
General Obligation Bonds Payable		5,057,013			
Lease-Purchase and Other					
Financing Agreements Payable					
Certificates of Participation Payable					
Compensated Absences	30,686	52,453	13,636	2,345	
Total Noncurrent Liabilities	<u>30,686</u>	<u>5,109,466</u>	<u>13,636</u>	<u>2,345</u>	
Total Liabilities	<u>252,712</u>	<u>5,563,266</u>	<u>179,252</u>	<u>30,330</u>	<u>2,860,381</u>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	17,268,466	(1,179,561)	1,147,248	30,809	
Restricted					1,122,283
Unrestricted	5,345,099	3,747,485	954,637	82,824	12,037,390
Total Net Assets	<u>\$ 22,613,565</u>	<u>\$ 2,567,924</u>	<u>\$ 2,101,885</u>	<u>\$ 113,633</u>	<u>\$ 13,159,673</u>

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General Insurance	Capital Leasing	Totals
\$ 6,901,814	\$ 6,159,536	\$ 37,686,808
41,266	35,611	181,628
	153,805	540,707
		526,596
	98,663	216,595
<u>6,943,080</u>	<u>6,447,615</u>	<u>39,152,334</u>
	167,393	167,393
10,686,138		11,808,421
	1,660,541	1,660,541
	378,148	378,148
	749,902	823,430
	1,092,388	1,518,544
		11,108
	26,378,339	92,085,502
	(15,265,235)	(58,924,491)
<u>10,686,138</u>	<u>15,161,476</u>	<u>49,528,596</u>
<u>17,629,218</u>	<u>21,609,091</u>	<u>88,680,930</u>
\$ 1,226,738	\$ 98,412	\$ 4,486,649
15,000		129,674
		15,000
		234,724
	1,193,474	1,193,474
	3,500,000	3,500,000
		203,911
<u>1,241,738</u>	<u>4,791,886</u>	<u>9,763,432</u>
		5,057,013
	578,233	578,233
	7,000,000	7,000,000
		99,120
	<u>7,578,233</u>	<u>12,734,366</u>
<u>1,241,738</u>	<u>12,370,119</u>	<u>22,497,798</u>
	2,889,769	20,156,731
10,686,138		11,808,421
5,701,342	6,349,203	34,217,980
<u>\$ 16,387,480</u>	<u>\$ 9,238,972</u>	<u>\$ 66,183,132</u>

## Internal Service Funds

Combining Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
For the Fiscal Year Ended June 30, 2004

	<u>Equipment Services</u>	<u>Technical Services</u>	<u>City/County Telecommunications</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services-Internal	\$14,348,267	\$ 1,821,273	\$ 1,183,202
Charges for Current Services-External		601,529	845
Total Charges for Current Services	<u>14,348,267</u>	<u>2,422,802</u>	<u>1,184,047</u>
Miscellaneous	660,840	559,498	13,653
Total Operating Revenues	<u>15,009,107</u>	<u>2,982,300</u>	<u>1,197,700</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	2,024,456	527,820	192,800
Fringe Benefits	620,575	140,734	48,733
Maintenance and Operations	4,832,241	1,148,916	907,060
Insurance Claims and Expenses	595,111	2,420	3,160
Depreciation	5,757,545	508,230	362,410
Total Operating Expenses	<u>13,829,928</u>	<u>2,328,120</u>	<u>1,514,163</u>
Operating Income (Loss)	<u>1,179,179</u>	<u>654,180</u>	<u>(316,463)</u>
<b><i>Nonoperating Revenues(Expenses):</i></b>			
Investment Income	18,779	26,971	90
Miscellaneous Nonoperating Revenue	81,336		7,400
Interest Expense		(225,134)	
Loss on Disposal of Capital Assets	(389,819)	(15,185)	
Amortization of Underwriters' Expense		(2,953)	
Miscellaneous Nonoperating Expense	(28,647)		(169,292)
Total Nonoperating Revenues(Expenses)	<u>(318,351)</u>	<u>(216,301)</u>	<u>(161,802)</u>
Income(Loss) Before Transfers	<u>860,828</u>	<u>437,879</u>	<u>(478,265)</u>
Transfers In	421,000		
Change in Net Assets	<u>1,281,828</u>	<u>437,879</u>	<u>(478,265)</u>
Net Assets - July 1	<u>21,331,737</u>	<u>2,130,045</u>	<u>2,580,150</u>
Net Assets -June 30	<u>\$22,613,565</u>	<u>\$ 2,567,924</u>	<u>\$ 2,101,885</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 914,913	\$20,304,052	\$ 1,938,461	\$ 4,841,735	\$ 45,351,903
<u>229,720</u>				<u>832,094</u>
#####	<u>20,304,052</u>	<u>1,938,461</u>	<u>4,841,735</u>	<u>46,183,997</u>
<u>12,093</u>	<u>938</u>		<u>166,406</u>	<u>1,413,428</u>
<u>1,156,726</u>	<u>20,304,990</u>	<u>1,938,461</u>	<u>5,008,141</u>	<u>47,597,425</u>
441,502	211,038			3,397,616
133,379	50,325			993,746
604,659	1,817,203	194,591	1,157,959	10,662,629
	17,929,965	1,065,811		19,596,467
<u>2,379</u>			<u>3,005,726</u>	<u>9,636,290</u>
<u>1,181,919</u>	<u>20,008,531</u>	<u>1,260,402</u>	<u>4,163,685</u>	<u>44,286,748</u>
<u>(25,193)</u>	<u>296,459</u>	<u>678,059</u>	<u>844,456</u>	<u>3,310,677</u>
	51,077	65,190	96,710	258,817
5,121		3,841		97,698
			(282,012)	(507,146)
(36,342)			(1,584,489)	(2,025,835)
				(2,953)
<u>(3,879)</u>			<u>(143,210)</u>	<u>(345,028)</u>
<u>(35,100)</u>	<u>51,077</u>	<u>69,031</u>	<u>(1,913,001)</u>	<u>(2,524,447)</u>
<u>(60,293)</u>	<u>347,536</u>	<u>747,090</u>	<u>(1,068,545)</u>	<u>786,230</u>
	14,400			435,400
<u>(60,293)</u>	<u>361,936</u>	<u>747,090</u>	<u>(1,068,545)</u>	<u>1,221,630</u>
<u>173,926</u>	<u>12,797,737</u>	<u>15,640,390</u>	<u>10,307,517</u>	<u>64,961,502</u>
<u>\$ 113,633</u>	<u>\$13,159,673</u>	<u>\$16,387,480</u>	<u>\$ 9,238,972</u>	<u>\$ 66,183,132</u>

## Internal Service Funds

Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2004

### Increase (Decrease) in Cash and Cash Equivalents/ Investments

	Equipment Services	Technical Services	City/County Telecommunications
<b>Cash Flows from Operating Activities:</b>			
Receipts from Customers	\$ 14,348,267	\$ 2,422,802	\$ 1,184,047
Payments to Suppliers	(5,473,888)	(1,213,943)	(623,373)
Payments to Employees	(2,645,983)	(665,924)	(239,233)
Other Receipts	185,666	559,498	13,653
Net Cash Provided By (Used for) Operating Activities	<u>6,414,062</u>	<u>1,102,433</u>	<u>335,094</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Subsidies and Transfers In	<u>421,000</u>		
Net Cash Provided By Noncapital Financing Activities	<u>421,000</u>		
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and Construction of Capital Assets	(6,425,338)	(19,853)	
Proceeds from Sale of Capital Assets	462,774		
Other Receipts	7,334		
Principal Paid on Capital Debt		(224,826)	
Interest and Fiscal Charges Paid on Capital Debt		(228,087)	
Net Cash Provided By (Used for) Capital and Related Financing Activities	<u>(5,955,230)</u>	<u>(472,766)</u>	
<b>Cash Flows from Investing Activities:</b>			
Interest	<u>22,919</u>	<u>26,118</u>	<u>3,221</u>
Net Increase (Decrease) in Cash and Cash Equivalents/Investments	902,751	655,785	338,315
Balances - July 1	<u>3,909,619</u>	<u>3,244,570</u>	<u>703,597</u>
Balances - June 30	<u>\$ 4,812,370</u>	<u>\$ 3,900,355</u>	<u>\$ 1,041,912</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:</b>			
Operating Income (Loss)	<u>\$ 1,179,179</u>	<u>\$ 654,180</u>	<u>\$ (316,463)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Depreciation	5,757,545	508,230	362,410
Changes in Assets and Liabilities:			
(Increase) Decrease in Inventories	(414,601)	(15,185)	15,288
(Increase) Decrease in Intergovernmental Receivables	(65,689)	(47,979)	169,454
Increase (Decrease) in Miscellaneous Assets		2,955	
Increase (Decrease) in Accounts Payable	(10,586)	(2,398)	102,105
Increase (Decrease) in Compensated Absences Payable	(952)	2,630	2,300
Increase in Intergovernmental Payables			
Increase in Customer Deposits Payable			
Decrease in Miscellaneous Payable	(30,834)		
Total Adjustments	<u>5,234,883</u>	<u>448,253</u>	<u>651,557</u>
Net Cash Provided By (Used for) Operating Activities	<u>\$ 6,414,062</u>	<u>\$ 1,102,433</u>	<u>\$ 335,094</u>
<b>Noncash Investing, Capital and Financing Activities:</b>			
Lease-Purchase and Other Capital Financing Agreements	<u>\$</u>	<u>\$</u>	<u>\$</u>

<u>Graphic Services</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Capital Leasing</u>	<u>Totals</u>
\$ 1,144,633	\$ 20,304,052	\$ 1,938,461	\$ 7,280,362	\$ 48,622,624
(625,952)	(19,391,726)	(1,364,849)	(1,004,146)	(29,697,877)
(567,243)	(261,364)			(4,379,747)
12,093	938		166,406	938,254
<u>(36,469)</u>	<u>651,900</u>	<u>573,612</u>	<u>6,442,622</u>	<u>15,483,254</u>
	14,400			435,400
	<u>14,400</u>			<u>435,400</u>
3,797			(3,160,196)	(9,601,590)
		3,841		462,774
			(5,165,216)	11,175
			<u>(345,751)</u>	<u>(5,390,042)</u>
<u>3,797</u>		<u>3,841</u>	<u>(8,671,163)</u>	<u>(15,091,521)</u>
	81,938	63,647	79,397	277,240
(32,672)	748,238	641,100	(2,149,144)	1,104,373
<u>64,475</u>	<u>14,090,780</u>	<u>6,260,714</u>	<u>8,476,073</u>	<u>36,749,828</u>
<u>\$ 31,803</u>	<u>\$ 14,839,018</u>	<u>\$ 6,901,814</u>	<u>\$ 6,326,929</u>	<u>\$ 37,854,201</u>
\$ (25,193)	\$ 296,459	\$ 678,059	\$ 844,456	\$ 3,310,677
2,379			3,005,726	9,636,290
(7,337)	(850)			(421,835)
(13,957)	(3,096)	(3,714)	2,380,241	2,421,220
	359,387	(105,733)	126,311	122,456
7,283			85,888	428,663
356				11,261
		5,000		356
				5,000
				(30,834)
<u>(11,276)</u>	<u>355,441</u>	<u>(104,447)</u>	<u>5,598,166</u>	<u>12,172,577</u>
<u>\$ (36,469)</u>	<u>\$ 651,900</u>	<u>\$ 573,612</u>	<u>\$ 6,442,622</u>	<u>\$ 15,483,254</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 370,712</u>	<u>\$ 370,712</u>



## Internal Service Funds

Schedule of Changes in Long-Term Debt  
For the Fiscal Year Ended June 30, 2004

	Debt Outstanding July 1, 2003	Additions	Retirements	Debt Outstanding June 30, 2004
<b>Equipment Services:</b>				
Compensated Absences Payable	\$ 162,281	\$ 148,162	\$ 149,113	\$ 161,330
Due To Other Funds-Long Term	<u>2,470,346</u>		<u>2,470,346</u>	
Total Equipment Services	<u>2,632,627</u>	<u>148,162</u>	<u>2,619,459</u>	<u>161,330</u>
<b>Technical Services:</b>				
General Obligation Bonds Payable	5,516,563		224,826	5,291,737
Compensated Absences Payable	<u>86,192</u>	<u>43,762</u>	<u>41,131</u>	<u>88,823</u>
Total Technical Services	<u>5,602,755</u>	<u>43,762</u>	<u>265,957</u>	<u>5,380,560</u>
<b>City/County Telecommunications:</b>				
Compensated Absences Payable	<u>20,604</u>	<u>11,450</u>	<u>9,150</u>	<u>22,904</u>
<b>Graphic Services:</b>				
Compensated Absences Payable	<u>22,690</u>	<u>47,498</u>	<u>40,213</u>	<u>29,975</u>
<b>Capital Leasing:</b>				
Lease-Purchase Agreements	3,066,211	370,712	1,665,216	1,771,707
Certificates of Participation	<u>14,000,000</u>		<u>3,500,000</u>	<u>10,500,000</u>
Total Capital Leasing	<u>17,066,211</u>	<u>370,712</u>	<u>5,165,216</u>	<u>12,271,707</u>
Total Internal Service Funds	<u>\$25,344,887</u>	<u>\$ 621,584</u>	<u>\$8,099,995</u>	<u>\$ 17,866,476</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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$13,450,000	\$14,348,267	\$ 898,267
Miscellaneous Operating Revenues	669,200	660,840	(8,360)
Total Operating Revenues	<u>14,119,200</u>	<u>15,009,107</u>	<u>889,907</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	2,066,941	2,024,456	(42,485)
Fringe Benefits	649,558	620,575	(28,983)
Maintenance and Operations	7,689,614	7,897,698	208,084
Capital Outlay	4,678,584	3,869,488	(809,096)
Total Operating Expenses	<u>15,084,697</u>	<u>14,412,217</u>	<u>(672,480)</u>
Operating Income (Loss)	<u>(965,497)</u>	<u>596,890</u>	<u>1,562,387</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	40,000	18,779	(21,221)
Miscellaneous Nonoperating Revenue	4,000	81,336	77,336
Total Nonoperating Revenues	<u>44,000</u>	<u>100,115</u>	<u>56,115</u>
<b><i>Nonoperating Expenses:</i></b>			
Loss on Disposal of Capital Assets		389,819	389,819
Miscellaneous Nonoperating Expense		28,647	28,647
Total Nonoperating Expenses		<u>418,466</u>	<u>418,466</u>
Excess of Revenues Over (Under) Expenses	<u>(921,497)</u>	<u>278,539</u>	<u>1,200,036</u>
<b><i>Other Financing Sources :</i></b>			
Transfers In	421,000	421,000	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>(500,497)</u>	<u>699,539</u>	<u>1,200,036</u>
Appropriated Fund Balance	<u>500,497</u>		<u>(500,497)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 699,539</u>	<u>\$ 699,539</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, 2004

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Reconciliation of Modified Accrual Basis  
to Full Accrual Basis:

Total Revenues	\$15,109,222
Total Expenses	<u>14,830,683</u>

Excess of Revenues Over Expenses 278,539

Adjustment to Full Accrual Basis:

Depreciation	(5,757,545)
Capital Outlay	3,869,488
Capital Lease Charges	<u>2,470,346</u>

Income Before Transfers \$ 860,828

## Technical Services Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 2,376,095	\$2,422,802	\$ 46,707
Miscellaneous Operating Revenues	669,270	559,498	(109,772)
Total Operating Revenues	<u>3,045,365</u>	<u>2,982,300</u>	<u>(63,065)</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	592,045	527,820	(64,225)
Fringe Benefits	166,848	140,734	(26,114)
Maintenance and Operations	2,092,774	1,151,336	(941,438)
Capital Outlay	359,358	35,038	(324,320)
Total Operating Expenses	<u>3,211,025</u>	<u>1,854,928</u>	<u>(1,356,097)</u>
Operating Income (Loss)	<u>(165,660)</u>	<u>1,127,372</u>	<u>1,293,032</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	<u>30,000</u>	<u>26,971</u>	<u>(3,029)</u>
<b><i>Nonoperating Expenses:</i></b>			
Principal Maturities	222,830	224,826	1,996
Interest Expense	279,390	224,860	(54,530)
Loss on Disposal of Capital Assets		15,185	15,185
Miscellaneous Nonoperating Expense	5,150	3,227	(1,923)
Total Nonoperating Expenses	<u>507,370</u>	<u>468,098</u>	<u>(39,272)</u>
Excess of Revenues Over (Under) Expenses	<u>(643,030)</u>	<u>686,245</u>	<u>1,329,275</u>
<b><i>Other Financing Sources :</i></b>			
Transfers Out	<u>(16,500)</u>		<u>16,500</u>
Appropriated Fund Balance	<u>659,530</u>		<u>(659,530)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 686,245</u>	<u>\$ 686,245</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, 2004

---

Reconciliation of Modified Accrual Basis  
to Full Accrual Basis:

Total Revenues	\$3,009,271
Total Expenses	<u>2,323,026</u>

Excess of Revenues Over Expenses 686,245

Adjustment to Full Accrual Basis:

Depreciation	(508,230)
Principal Maturities	224,826
Capital Outlay	<u>35,038</u>

Income Before Transfers \$ 437,879

## 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, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 1,228,940	\$ 1,184,047	\$ (44,893)
Miscellaneous Operating Revenues		13,653	13,653
Total Operating Revenues	<u>1,228,940</u>	<u>1,197,700</u>	<u>(31,240)</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	190,031	192,800	2,769
Fringe Benefits	52,528	48,733	(3,795)
Maintenance and Operations	1,057,002	910,221	(146,781)
Capital Outlay	77,560		(77,560)
Total Operating Expenses	<u>1,377,121</u>	<u>1,151,754</u>	<u>(225,367)</u>
Operating Income (Loss)	<u>(148,181)</u>	<u>45,946</u>	<u>194,127</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	30,000	90	(29,910)
Miscellaneous Nonoperating Revenue	2,250	7,400	5,150
Total Nonoperating Revenues	<u>32,250</u>	<u>7,490</u>	<u>(24,760)</u>
<b><i>Nonoperating Expenses:</i></b>			
Miscellaneous Nonoperating Expense		<u>169,291</u>	<u>169,291</u>
Excess of Revenues Under Expenses	<u>(115,931)</u>	<u>(115,855)</u>	<u>76</u>
Appropriated Fund Balance	<u>115,931</u>		<u>(115,931)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (115,855)</u>	<u>\$ (115,855)</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, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 1,205,190
Total Expenses	<u>1,321,045</u>
Excess of Revenues Under Expenses	(115,855)
Adjustment to Full Accrual Basis:	
Depreciation	<u>(362,410)</u>
Loss Before Transfers	<u><u>\$ (478,265)</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, 2004

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	\$ 1,243,285	\$ 1,144,633	\$ (98,652)
Other Operating Revenues	115	12,093	11,978
Total Operating Revenues	<u>1,243,400</u>	<u>1,156,726</u>	<u>(86,674)</u>
<i>Operating Expenses:</i>			
Personal Services	453,263	441,502	(11,761)
Fringe Benefits	148,706	133,379	(15,327)
Maintenance and Operations	655,805	604,659	(51,146)
Total Operating Expenses	<u>1,257,774</u>	<u>1,179,540</u>	<u>(78,234)</u>
Operating Loss	<u>(14,374)</u>	<u>(22,814)</u>	<u>(8,440)</u>
<i>Nonoperating Revenues:</i>			
Investment Income	2,500		(2,500)
Miscellaneous Nonoperating Revenue		5,121	5,121
Total Nonoperating Revenues	<u>2,500</u>	<u>5,121</u>	<u>2,621</u>
<i>Nonoperating Expenses:</i>			
Loss on Disposal of Capital Assets		36,342	36,342
Miscellaneous Nonoperating Expense		3,879	3,879
Total Nonoperating Expenses		<u>40,221</u>	<u>40,221</u>
Excess of Revenues Under Expenses	<u>(11,874)</u>	<u>(57,914)</u>	<u>(46,040)</u>
Appropriated Fund Balance	<u>11,874</u>		<u>(11,874)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (57,914)</u>	<u>\$ (57,914)</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, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$1,161,847
Total Expenses	<u>1,219,761</u>
Excess of Revenues Under Expenses	(57,914)
Adjustment to Full Accrual Basis:	
Depreciation	<u>(2,379)</u>
Loss Before Transfers	<u><u>\$ (60,293)</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, 2004

---

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$18,711,010	\$20,304,052	\$ 1,593,042
Miscellaneous Operating Revenues		938	938
Total Operating Revenues	<u>18,711,010</u>	<u>20,304,990</u>	<u>1,593,980</u>
<b><i>Operating Expenses:</i></b>			
Personal Services	193,093	211,038	17,945
Fringe Benefits	46,477	50,325	3,848
Maintenance and Operations	20,809,074	19,747,168	(1,061,906)
Total Operating Expenses	<u>21,048,644</u>	<u>20,008,531</u>	<u>(1,040,113)</u>
Operating Income (Loss)	<u>(2,337,634)</u>	<u>296,459</u>	<u>2,634,093</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	<u>450,000</u>	<u>51,077</u>	<u>(398,923)</u>
Excess of Revenues Over (Under) Expenses Before Other Financing Sources	<u>(1,887,634)</u>	<u>347,536</u>	<u>2,235,170</u>
<b><i>Other Financing Sources:</i></b>			
Transfers In	<u>14,400</u>	<u>14,400</u>	
Excess of Revenues and Other Financing Sources Over (Under) Expenses	<u>(1,873,234)</u>	<u>361,936</u>	<u>2,235,170</u>
Appropriated Fund Balance	<u>1,873,234</u>		<u>(1,873,234)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 361,936</u>	<u>\$ 361,936</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, 2004

---

Reconciliation of Modified Accrual Basis  
to Full Accrual Basis:

Total Revenues	\$20,356,067
Total Expenses	<u>20,008,531</u>

Income Before Transfers	<u>\$ 347,536</u>
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## General Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<i>Operating Revenues:</i>			
Charges for Current Services	<u>\$1,479,145</u>	<u>\$1,938,461</u>	<u>\$ 459,316</u>
<i>Operating Expenses:</i>			
Maintenance and Operations	<u>1,915,465</u>	<u>1,260,402</u>	<u>(655,063)</u>
Operating Income (Loss)	<u>(436,320)</u>	<u>678,059</u>	<u>1,114,379</u>
<i>Nonoperating Revenues:</i>			
Investment Income	436,320	65,190	(371,130)
Insurance Refunds and Claims	<u>436,320</u>	<u>3,841</u>	<u>3,841</u>
Total Nonoperating Revenues	<u>436,320</u>	<u>69,031</u>	<u>(367,289)</u>
Excess of Revenues Over Expenses	<u>\$</u>	<u>\$ 747,090</u>	<u>\$ 747,090</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, 2004

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Reconciliation of Modified Accrual Basis  
to Full Accrual Basis:

Total Revenues	\$2,007,492
Total Expenses	<u>1,260,402</u>

Income Before Transfers	<u>\$ 747,090</u>
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## Capital Leasing Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP)  
For the Fiscal Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b><i>Operating Revenues:</i></b>			
Charges for Current Services	\$ 9,625,000	\$ 4,841,735	\$ (4,783,265)
Miscellaneous Operating Revenue	75,000	166,406	91,406
Total Operating Revenue	<u>9,700,000</u>	<u>5,008,141</u>	<u>(4,691,859)</u>
<b><i>Operating Expenses:</i></b>			
Maintenance and Operations	32,845	1,157,959	1,125,114
Capital Outlay	<u>12,733,431</u>	<u>3,575,319</u>	<u>(9,158,112)</u>
Total Operating Expenses	<u>12,766,276</u>	<u>4,733,278</u>	<u>(8,032,998)</u>
Operating Income (Loss)	<u>(3,066,276)</u>	<u>274,863</u>	<u>3,341,139</u>
<b><i>Nonoperating Revenues:</i></b>			
Investment Income	<u>                    </u>	<u>76,725</u>	<u>76,725</u>
<b><i>Nonoperating Expenses:</i></b>			
Principal Maturities	7,850,000	4,884,383	(2,965,617)
Interest Expense	1,170,000	294,788	(875,212)
Loss on Disposal of Capital Assets		1,584,489	1,584,489
Miscellaneous Nonoperating Expense	<u>255,000</u>	<u>102,727</u>	<u>(152,273)</u>
Total Nonoperating Expenses	<u>9,275,000</u>	<u>6,866,387</u>	<u>(2,408,613)</u>
Excess of Revenues Under Expenses Before Other Financing Sources	<u>(12,341,276)</u>	<u>(6,514,799)</u>	<u>5,826,477</u>
<b><i>Other Financing Sources:</i></b>			
Debt Issuances:			
Capitalized Leases	<u>9,600,000</u>	<u>3,557,380</u>	<u>(6,042,620)</u>
Excess of Revenues and Other Financing Sources Under Expenses	<u>(2,741,276)</u>	<u>(2,957,419)</u>	<u>(216,143)</u>
Appropriated Fund Balance	<u>2,741,276</u>	<u>                    </u>	<u>(2,741,276)</u>
Excess of Revenues Under Expenses	<u>\$</u>	<u>\$ (2,957,419)</u>	<u>\$ (2,957,419)</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, 2004

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Reconciliation of Modified Accrual Basis to Full Accrual Basis:	
Total Revenues	\$ 5,084,866
Total Expenses	<u>11,599,665</u>
Excess of Revenues Under Expenses Before Other Financing Sources	(6,514,799)
Adjustment to Full Accrual Basis:	
Depreciation	(3,005,726)
Principal Maturities	4,884,383
Capital Outlay	3,575,319
Trustee Debt Service Escrow Account	<u>(7,722)</u>
Loss Before Transfers	<u><u>\$ (1,068,545)</u></u>



## Schedule of General Capital Assets

By Source

June 30, 2004

### General Capital Assets:

Land	\$ 51,415,258
Improvements Other Than Buildings	12,686,198
Buildings	108,895,030
Furniture, Fixtures, Machinery and Equipment	107,415,570
Infrastructure	287,815,965
Construction in Progress	32,896,102
Accumulated Depreciation	<u>(235,083,483)</u>
 Total General Capital Assets	 <u><u>\$ 366,040,640</u></u>

### Investment in General Capital Assets by Source:

General Fund	\$ 67,434,190
General Obligation Bonds	92,638,820
Grant Funds	14,593,876
Infrastructure	329,979,963
Internal Service Funds	96,477,274
Accumulated Depreciation	<u>(235,083,483)</u>
 Total Investment in General Capital Assets	 <u><u>\$ 366,040,640</u></u>

## Schedule of General Capital Assets

By Function and Activity

June 30, 2004

	Land	Improvements Other Than Buildings	Buildings
General Government:			
Administration	\$ 210,295	\$ 752	\$ 3,292,586
Facilities	3,900,475	341,557	23,924,417
Job Training Consortium			
Total General Government	<u>4,110,770</u>	<u>342,309</u>	<u>27,217,003</u>
Public Safety:			
Police	761,474	13,750	4,942,633
Fire	843,211	47,093	22,529,990
Emergency Management			
Total Public Safety	<u>1,604,685</u>	<u>60,843</u>	<u>27,472,623</u>
Transportation	340,623	386,667	22,250
Infrastructure	28,751,569		
Total Transportation	<u>29,092,192</u>	<u>386,667</u>	<u>22,250</u>
Engineering and Inspections	1,461,207	46,600	362,465
Environmental Services		3,080	1,734
Infrastructure			
Total Environmental Services	<u></u>	<u>3,080</u>	<u>1,734</u>
Culture and Recreation:			
Parks and Recreation	11,919,046	10,956,294	31,454,968
Library	1,566,817	55,867	20,845,443
Total Culture and Recreation	<u>13,485,863</u>	<u>11,012,161</u>	<u>52,300,411</u>
Internal Service Funds	1,660,541	834,538	1,518,544
Accumulated Depreciation	<u></u>	<u>(7,593,782)</u>	<u>(34,851,105)</u>
Total General Capital Assets	<u>\$ 51,415,258</u>	<u>\$ 5,092,416</u>	<u>\$ 74,043,925</u>

Furniture, Fixtures, Machinery and Equipment	Infrastructure	Construction In Progress	Total
\$ 3,626,298	\$	\$	\$ 7,129,931
1,058,781		1,713,379	30,938,609
58,875			58,875
<u>4,743,954</u>		<u>1,713,379</u>	<u>38,127,415</u>
2,910,469		1,887,695	10,516,021
2,085,968		3,493,393	28,999,655
<u>4,996,437</u>		<u>5,381,088</u>	<u>39,515,676</u>
1,443,123		373,786	2,566,449
	188,877,563	11,554,845	229,183,977
<u>1,443,123</u>	<u>188,877,563</u>	<u>11,928,631</u>	<u>231,750,426</u>
444,756		666,246	2,981,274
255,797			260,611
	98,938,402	1,857,584	100,795,986
<u>255,797</u>	<u>98,938,402</u>	<u>1,857,584</u>	<u>101,056,597</u>
2,951,065		6,398,154	63,679,527
494,936		4,572,872	27,535,935
<u>3,446,001</u>		<u>10,971,026</u>	<u>91,215,462</u>
92,085,502		378,148	96,477,273
(66,668,363)	(125,970,233)		(235,083,483)
<u>\$ 40,747,207</u>	<u>\$ 161,845,732</u>	<u>\$ 32,896,102</u>	<u>\$ 366,040,640</u>

## Schedule of Changes in General Capital Assets

By Function and Activity

For the Fiscal Year Ended June 30, 2004

	General Capital Assets July 1, 2003	Additions
General Government:		
Administration	\$ 5,385,674	\$ 2,392,385
Facilities	27,764,855	1,624,607
Job Training Consortium	58,875	
Total General Government	<u>33,209,404</u>	<u>4,016,992</u>
Public Safety:		
Police	4,238,216	4,739,474
Fire	8,415,682	17,110,429
Emergency Management	6,308	
Total Public Safety	<u>12,660,206</u>	<u>21,849,903</u>
Transportation	1,790,065	642,840
Infrastructure	214,869,226	2,759,906
Total Transportation	<u>216,659,291</u>	<u>3,402,746</u>
Engineering and Inspections	<u>2,575,921</u>	<u>5,899</u>
Environmental Services	260,611	
Infrastructure	98,889,350	49,052
Total Environmental Services	<u>99,149,961</u>	<u>49,052</u>
Culture and Recreation:		
Parks and Recreation	54,219,457	3,274,860
Library	23,346,032	130,217
Total Culture and Recreation	<u>77,565,489</u>	<u>3,405,077</u>
Internal Service Funds	<u>92,714,657</u>	<u>11,027,695</u>
Construction in Progress	<u>45,572,050</u>	<u>20,600,791</u>
Accumulated Depreciation	<u>(221,939,894)</u>	<u>(19,620,548)</u>
Total General Capital Assets	<u>\$ 358,167,085</u>	<u>\$ 44,737,607</u>

Transfers		Deductions/ Disposals	General Capital Assets June 30, 2004
In	Out		
\$ 6,659	\$	\$ 654,787 164,232	\$ 7,129,931 29,225,230 58,875
<u>6,659</u>	<u></u>	<u>819,019</u>	<u>36,414,036</u>
	6,659	342,704	8,628,327
6,308		26,157	25,506,262
	6,308		
<u>6,308</u>	<u>12,967</u>	<u>368,861</u>	<u>34,134,589</u>
		240,242	2,192,663
			217,629,132
		<u>240,242</u>	<u>219,821,795</u>
		<u>266,792</u>	<u>2,315,028</u>
			260,611
			98,938,402
			<u>99,199,013</u>
		212,945	57,281,372
		513,186	22,963,063
		<u>726,131</u>	<u>80,244,435</u>
		<u>7,643,227</u>	<u>96,099,125</u>
		<u>33,276,739</u>	<u>32,896,102</u>
		<u>(6,476,959)</u>	<u>(235,083,483)</u>
<u>\$ 12,967</u>	<u>\$ 12,967</u>	<u>\$ 36,864,052</u>	<u>\$ 366,040,640</u>

## Schedule of Changes in General Long-Term Debt

For the Fiscal Year Ended June 30, 2004

	Debt Outstanding July 1, 2003	Additions
Amount Available in Debt Service Fund for Retirement of Bonded Debt	\$ 16,106,752	\$
Amount to be Provided for Retirement of Bonded Debt	<u>160,665,450</u>	<u>                    </u>
Total Amount to be Provided for Retirement of Bonded Debt	<u>176,772,202</u>	<u>                    </u>
Amount Available in Special Revenue Fund for Retirement of Certificates of Participation	423,467	
Amount to be Provided for Retirement of Certificates of Participation	<u>41,108,789</u>	<u>                    </u>
Total Amount to be Provided for Retirement of Certificates of Participation	<u>41,532,256</u>	<u>                    </u>
Amount to be Provided for Retirement of Other Long-Term Debt:		
Lease-Purchase and Other Financing Agreements	6,922,226	647,712
Compensated Absences Payable	<u>8,634,446</u>	<u>8,014,894</u>
Total Amount to be Provided for Retirement of Other Long-Term Debt	<u>15,556,672</u>	<u>8,662,606</u>
Total Available and to be Provided	<u>\$ 233,861,130</u>	<u>\$ 8,662,606</u>
General Long-Term Debt Payable:		
General Obligation Bonds Payable	\$ 176,772,202	\$
Lease-Purchase and Other Financing Agreements Payable	6,922,226	647,712
Certificates of Participation Payable	41,532,256	
Compensated Absences Payable	<u>8,634,446</u>	<u>8,014,894</u>
Total General Long-Term Debt Payable	<u>\$ 233,861,130</u>	<u>\$ 8,662,606</u>

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<u>Transfers</u>	<u>Retirements</u>	<u>Debt Outstanding June 30, 2004</u>
\$ 489,964	\$ 2,947,682	\$ 13,649,034
<u>(224,964)</u>	<u>7,983,740</u>	<u>152,456,746</u>
<u>265,000</u>	<u>10,931,422</u>	<u>166,105,780</u>
463		423,930
<u>(463)</u>	<u>5,283,896</u>	<u>35,824,430</u>
	<u>5,283,896</u>	<u>36,248,360</u>
3,985	1,810,218	5,763,705
	<u>7,947,837</u>	<u>8,701,503</u>
<u>3,985</u>	<u>9,758,055</u>	<u>14,465,208</u>
<u>\$ 268,985</u>	<u>\$ 25,973,373</u>	<u>\$ 216,819,348</u>
\$ 265,000	\$ 10,931,422	\$ 166,105,780
3,985	1,810,218	5,763,705
	5,283,896	36,248,360
	<u>7,947,837</u>	<u>8,701,503</u>
<u>\$ 268,985</u>	<u>\$ 25,973,373</u>	<u>\$ 216,819,348</u>

## Statistical Section

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



## General Governmental Expenditures by Function (a)

Fiscal Year Ended June 30, 1995-2004

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<u>Fiscal Year Ended</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Transportation</u>	<u>Engineering &amp; Inspections</u>	<u>Environmental Services</u>
1995	\$16,547,529	\$47,636,308	\$16,357,252	\$6,130,391	\$1,601,868
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

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

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<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>
\$ 20,724,896	\$ 5,828,825	\$ 2,702,498	\$ 601,611	\$ 18,062,208	\$ 136,193,386
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

## General Government Revenues By Source (a)

Fiscal Years Ended June 30, 1995-2004

<u>Fiscal Year Ended</u>	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Licenses and Permits</u>	<u>Fines and Forfeitures</u>
1995	\$ 93,455,842	\$ 29,809,876	\$5,558,138	\$ 469,563
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

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

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<u>Charges for Current Services</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total</u>
\$13,514,461	\$6,473,160	\$3,408,458	\$152,689,498
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
25,655,612	1,521,902	5,864,179	218,682,405

## General Governmental Tax Revenues By Source <sup>(a)</sup>

Fiscal Years Ended June 30, 1995-2004

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<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>
1995	\$70,689,481	\$21,241,316	\$1,525,045	\$	\$ 93,455,842
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

(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, 1995-2004

Fiscal Year Ended	Tax Year (b)	Real Property	Personal Property	Corporate Excess	Total Assessed Value (a)
1995	1994 (c)	\$ 8,041,486,030	\$ 2,183,570,245	\$ 485,030,941	\$ 10,710,087,216
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

- (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 \$483,443 for 2003.

## Property Tax Levies and Collections

Fiscal Years Ended June 30, 1995-2004

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<u>Fiscal Year Ended</u>	<u>Net Tax Levy</u>	<u>Current Year Tax Collections</u>	<u>Percent Collected</u>
1995	\$73,375,053	\$72,723,838	99.11 %
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
1999	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

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Delinquent Tax Collections	Total Collections During Year	Percent of Total Collections to Net Levy	Outstanding Delinquent Taxes (a)
\$ 517,920	\$73,241,758	99.82	\$1,464,964
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

(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.

Current year outstanding taxes	\$ 1,559,638
Prior year outstanding taxes	2,100,659
	<u>\$ 3,660,297</u> (b)

(b) Amount includes \$194,697 outstanding for GTA.



## Analysis of Current Tax Levy

For the Fiscal Year Ended June 30, 2004

	City - Wide		Total Levy	Total Levy	
	Property Valuation	Rate		Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 16,222,308,612	\$.6175	\$ 100,172,756	\$93,478,911	\$ 6,693,845
Property taxed at prior year's rate	589,175,438	.6175	3,638,158	29,802	3,608,356
Registered motor vehicles taxed at prior year's rates	706,654	Various	4,116		4,116
Penalties			19,567	19,567	
Vehicle Fee			1,773,840	1,773,840	
Special Tax Districts			40,864	36,197	4,667
Total	<u>16,812,190,704</u>		<u>105,649,301</u>	<u>95,338,317</u>	<u>10,310,984</u>
Discoveries:					
Current year taxes	114,133,785	.6175	704,776	704,776	
Prior year taxes	21,344,964	Various	129,534	129,534	
Penalties			77,575	77,575	
Total	<u>135,478,749</u>		<u>911,885</u>	<u>911,885</u>	
Abatements	<u>83,124,636</u>		<u>545,266</u>	<u>335,894</u>	<u>209,372</u>
Total property valuation	<u>\$ 16,864,544,817</u>				
Net levy			106,015,920	95,914,308	10,101,612
Uncollected taxes at June 30, 2004			<u>1,559,638</u>	<u>803,919</u>	<u>755,719</u>
Current year's taxes collected			<u>\$ 104,456,282</u>	<u>\$95,110,389</u>	<u>\$ 9,345,893</u>
Current levy collection percentage			<u>98.53%</u>	<u>99.16%</u>	<u>92.52%</u>

## Property Tax Rates

Direct and Overlapping Governments

Fiscal Years Ended June 30, 1995-2004

Fiscal Year Ended	City of Greensboro		
	General Fund	Transit Fund	Total
	Tax Rate (Per \$100)		
1995	\$ .6550	\$ .0150	\$ .6700
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

**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

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<u>Guilford County</u>			
<u>Greensboro School District</u>	<u>County-Wide</u>	<u>Total</u>	<u>Combined Tax Rate</u>
\$ -	\$ .7899	\$ .7899	\$ 1.4599
-	.7548	.7548	1.4248
-	.6572	.6572	1.2547
-	.6572	.6572	1.2647
-	.6372	.6372	1.2197
-	.6372	.6372	1.2197
-	.6372	.6372	1.2197
-	.6742	.6742	1.2567
-	.6742	.6742	1.2197
-	.7135	.7135	1.3310

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, 2004

<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	\$ 1,926,553	\$ 311,992,419	1.85%
Lorillard Tobacco Company	Cigarette Manufacturing	1,333,561	215,975,899	1.28%
RF Micro Devices, Inc.	Service Communications	1,009,500	163,481,712	0.97%
Duke Energy Corporation	Electric Utility	654,448	138,372,139	0.82%
Highwoods/Forsyth Ltd.	Real Estate Development	764,908	123,871,700	0.73%
Starmount Company	Real Estate Development	756,484	122,507,457	0.73%
BellSouth	Service Communications	730,783	118,345,362	0.70%
TYCO Electronics (AMP, Inc.)	Electronics Manufacturing	663,501	107,449,480	0.64%
Koury Ventures LTD	Real Estate Development	575,546	93,191,292	0.55%
Stockhausen, Inc.	Specialty Chemicals	531,263	86,034,568	0.51%
Jefferson-Pilot Life Ins Co.	Insurance	530,721	85,946,780	0.51%
VF (Wrangler)	Textile Manufacturing	462,173	74,845,785	0.44%
BNP/Chrysson Phase I LLC	Real Estate Management	408,239	66,111,636	0.39%
Syngenta (Novartis, CIBA)	Research & Development - Industrial Chemicals	370,367	59,978,381	0.36%
URDT of North Carolina LLC	Real Estate Development	333,802	54,056,945	0.32%
AP Knight LP (Koger Equity, Inc.)	Real Estate Development	319,001	51,660,000	0.31%
Harris-Teeter	Food Distribution	315,568	51,104,137	0.30%
ML North Carolina Apts LP	Limited Partnership	303,236	49,107,000	0.29%
Volvo Truck North America	Truck Manufacturer	285,882	46,296,681	0.27%
American Express Travel	Credit Card Service Center	262,687	42,540,420	0.25%
Cone Mills Corporation	Textile Manufacturing	251,335	40,702,081	0.24%
Piedmont Natural Gas	Natural Gas Utility	250,722	40,602,792	0.24%
E R Squibb & Sons Inc.	Medical Supplies	244,241	39,553,195	0.23%
Colonial Pipeline Company	Petroleum Carrier	233,711	37,874,868	0.22%
Proctor & Gamble Mfg. Co.	Chemicals	218,700	35,416,995	0.21%
CP Venture Two LLC	Real Estate Development	212,047	34,339,555	0.20%
Greensboro Auto Auction, Inc.	Automobile Auctioneer	207,290	33,569,263	0.20%
Time Warner Ent/Advance/Newhouse	Cable Network	205,477	33,275,615	0.20%
Irving Partners LTD	Real Estate Development	198,534	32,151,279	0.19%
Burlington Industries	Textile Manufacturing	196,669	31,849,235	0.19%
Weaver Investment Company	Real Estate Development	194,204	31,450,092	0.19%
Wal-Mart Stores, Inc.	Retail Stores	186,401	30,186,370	0.18%
Marconi Commerce Sys Inc.(Gilbarco)	Service Station Equipment	179,634	29,090,588	0.17%
Totals		<u>\$15,317,188</u>	<u>\$ 2,512,931,721</u>	<u>14.88%</u>

The Total Assessed Valuation for the City of Greensboro is \$16,864,544,817.

## Assessments Receivable and Collections

Fiscal Years Ended June 30, 1995-2004

<u>Fiscal Year Ended</u>	<u>Assessments Receivable July 1</u>	<u>Additional Assessments</u>	<u>Collections</u>	<u>Assessments Receivable June 30</u>
1995	\$1,589,627	\$ 363,691	\$ 807,338	\$1,145,980
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

Note: Uncollected assessments receivable at June 30, 2004 are represented by:

	<u>Total Assessments Receivable</u>	<u>Less: Allowances for Uncollectibles</u>	<u>Net Assessments Receivable</u>
Water and Sewer Assessments Receivable	\$403,652	\$20,060	\$383,592
Other Assessments Receivable	83,882	-	83,882
Total	<u>\$487,534</u>	<u>\$20,060</u>	<u>\$467,474</u>

## Computation of Legal Debt Margin

June 30, 2004

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Appraised Valuation - June 30, 2004		<u>\$ 16,864,544,817</u>
Debt Limit - Eight (8) Percent of Appraised Valuation		\$ 1,349,163,585
Gross Debt:		
Outstanding Bonded Debt:		
General Government Bonds	\$166,105,780	
Water Bonds	1,173,543	
Sewer Bonds	<u>2,505,677</u>	
Total General Obligation Bonds		\$169,785,000
Bonds Authorized and Unissued:		
General Government Bonds		85,900,000
Outstanding Debt Not Evidenced by Bonds:		
Certificates of Participation	47,195,000	
Lease-Purchase and Other Financing Agreements	<u>11,621,181</u>	
Total Debt Not Evidenced by Bonds		<u>58,816,181</u>
Gross Debt		314,501,181
Statutory Deductions:		
Funds Available for Debt Retirement		14,072,964
Bonded Debt Incurred for Water Utility		<u>1,173,543</u>
Total Statutory Deductions		<u>15,246,507</u>
Net Debt - Total Amount Applicable to Debt Limit		<u>299,254,674</u>
Legal Debt Margin		<u>\$ 1,049,908,911</u>

## Ratio of Annual Debt Service Expenditures

for General Obligation Bonded Debt to Total General Governmental Expenditures

Fiscal Year Ended June 30, 1995-2004

Fiscal Year Ended	Debt Service Requirements			Total General Governmental Expenditures (a)	Percent of Debt Service To General Governmental Expenditures
	Principal	Interest	Total		
1995	\$7,170,000	\$7,261,830	\$14,431,830	\$ 138,569,209	10.6 %
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

(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, 1995-2004

<u>Fiscal Year Ended</u>	<u>Revised Assessed Valuation (a)</u>	<u>Gross Bonded Debt</u>	<u>Less Amount Available for Debt Service</u>	<u>Less Debt Payable from Water Resources Revenues</u>
1995	\$10,710,087,216	\$157,910,000	\$3,474,902	\$12,808,000
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	15,372,271	5,835,000
2003	16,735,458,323	181,630,000	16,536,218	4,857,797
2004	16,864,544,817	166,105,780	14,072,964	3,679,220

- (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.



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<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>
\$141,627,098	1.3 %	192,330	\$ 736
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
133,357,729	0.8	229,634	581
160,235,985	0.9	231,740	691
148,353,596	0.9	235,262	631

## Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds

Fiscal Year Ended June 30, 2004

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	<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)	\$166,105,780	100.00%	\$166,105,780
Overlapping Debt - Guilford County General Improvement Bonds	<u>269,910,000</u>	52.44%	<u>141,540,804</u>
Total Direct and Overlapping Debt	<u>\$436,015,780</u>		<u>\$307,646,584</u>

(a) This total does not include \$3,679,220 of Water and Sewer Bonds.

(b) Percentage of Direct and Overlapping Debt is based on 2003 Assessed Valuation of Guilford County as compared to the 2003 Assessed Valuation of the City of Greensboro.

## Revenue and Special Obligation Bond Coverage

Fiscal Years Ended June 30, 1996 - 2004

### Water Resources Enterprise Fund (a)

Fiscal Year Ended June 30	Gross Revenues (c)	Gross Expenses (d)	Net Revenue Available for Debt Service	Debt Service Expenditures (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	54,742,286	39,701,060	15,041,226	3,395,000	5,201,640	8,596,640	1.75

### Solid Waste Management Fund (b)

Fiscal Year Ended June 30	Sales Tax Revenues Pledged (h)	Debt Service Expenditures			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

(a) The City issued water and sewer revenue bonds in the amount of \$50,000,000 dated June 1995, \$40,000,000 dated June 1998, \$55,930,000 dated June 2001 and \$43,435,000 dated July 2003.

(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

1995-2004

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<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>School Enrollment</u>	<u>Percentage of Unemployment (d)</u>
1995	192,330 (a)	25,916 (b)	54,814 (c)	3.8
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)	2.0
2000	213,003 (a)	30,372 (b)	60,555 (c)	2.5
2001	226,467 (a)	30,932 (b)	62,570 (c)	2.9
2002	229,634 (a)	31,225 (b)	62,426 (c)	4.9
2003	231,740 (a)	- (f)	64,500 (c)	6.2
2004	235,262 (a)	- (f)	67,099 (c)	6.2

- (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, 2004

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### 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				119.5 Sq. Miles
Population				235,262
Miles of Streets:				
Paved				1,152
Unpaved				3
Miles of Water Mains				1,557
Miles of Sanitary Sewer				1,363
Gallons of Water Consumption				30,600,000
Water Meters				94,220

### II. City Workforce:

Municipal Employees:				
Permanent				2,684
Part-Time				148
Police Protection:				
Sworn Officers				505
Civilians				170
School Crossing Guards				33
Fire Protection:				
Fire Stations				18
Uniformed Employees				391

### III. City Cultural and Recreational Facilities:

Libraries:				
Main Building/Branches				6
Culture and Recreation:				
Parks, Open Spaces, Beautification Areas				312
Acres				4,043
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				2,376
Special Events Center (with Mini-Arena) Capacity in Square Feet				167,000
Total Number of Events				751
Total Attendance				1,307,185

## Construction, Bank Deposits and Property Values

Fiscal Years Ended June 30, 1995-2004

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>	
1995	1,096 (b)	\$162,033,437	2,089	\$ 90,224,080	\$252,257,517 (b)
1996	1,158	170,941,830	2,338	117,247,627	288,189,457
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

(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

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Bank Deposits (c) (Thousands)	Property Value (d)		
	Commercial	Residential	Nontaxable
\$ 3,525,625	\$ 4,474,894,393	\$ 6,235,192,823	\$ 1,960,987,140
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	9,216,112,503	2,611,235,450
(e)	7,459,896,392	9,404,648,425	3,529,819,850

## Single Audit Section

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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 aggregate 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, 2004, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 1, 2004. We did not audit the financial statements of the City of 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 City of 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. 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 1, 2004.

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*.

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 1, 2004





**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, 2004. 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, 2004.

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 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, Belknap & Holland, L.L.P.*

Greensboro, North Carolina  
October 1, 2004





**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, 2004. 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, 2004.

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 1, 2004

**City of Greensboro, North Carolina  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2004**

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

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

Federal Awards

Internal control over major federal programs:

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

Type of auditor’s report issued on compliance for major federal program: Unqualified

Any audit findings disclosed that are required to be  
Reported in accordance with Section 510(a) of  
Circular A-133                    \_\_\_yes                    X no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
14.239	HOME Program
14.900	Lead Based Paint Grant
16.005, 16.592, 16.614, 16.710	Local Law Enforcement Block Grant



**City of Greensboro, North Carolina  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2004**

Dollar threshold used to distinguish  
Between Type A and Type B Programs      \$ 483,958

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
- State Aid to Public Libraries
  - State Economic Incentive Grant
  - NC Clean Water Management Grant
  - Powell Bill

**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, 2004

Federal Grantor/Pass-Through Grant or/Program Title	CFDA Number	Grant Award Number
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
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	
HOPWA	14.241	NC19H02-F003
Willow Oaks	14.218	
Camel Street Apartments - 2003-04	14.218	
Total CDBG Entitlement Cluster		
Homes - 1992	14.239	M-92-DC-37-0206
Homes - 1993	14.239	M-93-DC-37-0206
Homes - 1994	14.239	M-94-DC-37-0206
Homes - 1995	14.239	M-95-DC-37-0206
Homes - 1996	14.239	M-96-DC-37-0206
Homes - 1997	14.239	M-97-DC-37-0206
Homes - 1998	14.239	M-98-DC-37-0206
Homes - 1999	14.239	M-99-DC-37-0206
Homes - 2000	14.239	M-00-DC-37-0206
Homes - 2001	14.239	M-01-DC-37-0206
Homes - 2002	14.239	M-02-DC-37-0206
Homes - 2003	14.239	M-03-DC-37-0206
Emergency Shelter Grants Program	14.231	S-93-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
Total Office of Fair Housing & Equal Opportunity		
Office of Healthy Homes & Lead Hazard Control:		
Lead Based Paint Grant	14.900	NCLHB0186-01
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 - 2001-02	16.592	01-LB-BX-3608
Local Law Enforcement Block Grant - 2002-03	16.592	02-LB-BX-2084
Local Law Enforcement Block Grant - 2003-04	16.592	03-LB-BX-1947
Federal Asset Forfeiture Funds	16.592	
Federal Asset Forfeiture Funds	16.005	
Weed and Seed Project - 2000-01	16.595	
Joint Terrorism Task Force - 2002-03	16.614	
Joint Terrorism Task Force - 2003-04	16.614	
Total Office of Justice		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 4,417,246	\$ 4,289,330	\$ 9,997	\$ 4,299,327
2,313,618	2,291,218	206	2,291,424
2,516,151	2,481,342	24,436	2,505,778
2,525,685	2,443,694	50,992	2,494,686
2,672,702	2,309,754	317,145	2,626,899
2,496,000	1,914,557	465,992	2,380,549
3,303,827		1,552,849	1,552,849
9,101,000	5,959,226	376,889	6,336,115
19,132	19,131		19,131
10,880	10,869		10,869
20,265	20,344	65	20,409
18,125	17,663	462	18,125
11,599	11,598		11,598
16,589	9,418	261	9,679
45,265		8,614	8,614
1,228,000	755,840	356,747	1,112,587
207,148	51,556	7,490	59,046
178,000		24,634	24,634
<u>31,101,232</u>	<u>22,585,540</u>	<u>3,196,779</u>	<u>25,782,319</u>
987,000	987,000		987,000
651,870	651,870		651,870
756,955	756,954		756,954
2,013,117	1,989,310	10,957	2,000,267
1,786,215	1,786,782	(568)	1,786,214
1,442,832	1,440,086	2,746	1,442,832
1,591,000	1,488,651	36,099	1,524,750
1,786,979	1,621,274	27,128	1,648,402
1,810,327	1,705,437	24,569	1,730,006
1,945,023	1,033,734	429,283	1,463,017
2,064,037	800,868	702,552	1,503,420
2,466,255		374,872	374,872
82,000	82,000		82,000
<u>19,383,610</u>	<u>14,343,966</u>	<u>1,607,638</u>	<u>15,951,604</u>
265,589	214,321	48,639	262,960
97,329		51,544	51,544
68,700		17,140	17,140
<u>431,618</u>	<u>214,321</u>	<u>117,323</u>	<u>331,644</u>
<u>3,000,000</u>	<u>433,589</u>	<u>1,725,991</u>	<u>2,159,580</u>
3,000,000	433,589	1,725,991	2,159,580
<u>53,916,460</u>	<u>37,577,416</u>	<u>6,647,731</u>	<u>44,225,147</u>
<u>597,375</u>	<u>185,468</u>	<u>190,206</u>	<u>375,674</u>
597,375	185,468	190,206	375,674
351,154	98,972	180,040	279,012
298,293	247,775	48,069	295,844
235,560		47,393	47,393
97,948	38,528	30,611	69,139
1,732,812	212,150	608,165	820,315
50,000	36,190	15	36,205
10,570	2,437	2,676	5,113
10,720		7,458	7,458
<u>2,787,057</u>	<u>636,052</u>	<u>924,427</u>	<u>1,560,479</u>

# Federal Programs

Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2004

Federal Grantor/Pass-Through Grant or/Program Title	CFDA Number	Grant Award Number
Passed through NC Department of Crime Control and Public Safety Bureau of Alcohol, Tobacco and Firearms: Violent Crimes Task Force 2001-02	21.052	
Total Bureau of Alcohol, Tobacco and Firearms		
Total Department of Justice		
Department of Homeland Security: U.S. Secret Service:		
Financial Crimes Task Force - 2001-02	97.015	
Financial Crimes Task Force - 2002-03	97.015	
Financial Crimes Task Force - 2003-04	97.015	
Total U.S. Secret Service		
Federal Emergency Management Agency:		
Assistance to Firefighters	97.044	EMW-2002-FG-18040
Structural Collapse Training Grant	97.025	
Emergency Management Assistance	97.036	EM-PA00-107-039
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	9-2020-42
WIA Adult 2000	17.255	0-2020-42
WIA Adult 2001	17.255	1-2020-42
WIA Adult 2002	17.258	2-2020-42
WIA Adult 2003	17.258	3-2020-42
WIA Dislocated Worker 1999	17.255	9-2030-42
WIA Dislocated Worker 2000	17.255	0-2030-42
WIA Dislocated Worker 2001	17.255	1-2030-42
WIA Dislocated Worker 2002	17.260	2-2030-42
WIA Dislocated Worker 2003	17.260	3-2030-42
WIA Youth 1999	17.255	9-2040-42
WIA Youth 2000	17.255	0-2040-42
WIA Youth 2001	17.259	1-2040-42
WIA Youth 2002	17.259	2-2040-42
WIA Youth 2003	17.259	3-2040-42
WIA 10% Statewide Activities 1999	17.255	9-2050-42
WIA 10% Statewide Activities 2000	17.255	0-2050-42
WIA 10% Statewide Activities 2001	17.255	1-2050-42
WIA 10% Statewide Activities 2001	17.259	1-2050-42
WIA 10% Statewide Activities 2002	17.258	2-2050-42
WIA 10% Statewide Activities 2002	17.259	2-2050-42
WIA 10% Statewide Activities 2002	17.260	2-2050-42
WIA 10% Statewide Activities 2003	17.258	3-2050-42
WIA 10% Statewide Activities 2003	17.259	3-2050-42
WIA 10% Statewide Activities 2003	17.260	3-2050-42
NCETGP 99-3590	17.258	9-3590-42
NCETGP 00-3590	17.258	0-3590-42
NCETGP 01-3590	17.258	1-3590-42
NCETGP 02-3590	17.258	2-3590-42
Total Employment and Training Administration		
Other Department of Labor Programs:		
H-1B Technical Skills	17.249	AH-11077-01-60
Total Other Department of Labor Programs		
Total Department of Labor		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 130,000	\$ 12,470	\$ 18,808	\$ 31,278
130,000	12,470	18,808	31,278
<u>3,514,432</u>	<u>833,990</u>	<u>1,133,441</u>	<u>1,967,431</u>
5,000	1,486		1,486
5,000		5,000	5,000
4,000		1,421	1,421
<u>14,000</u>	<u>1,486</u>	<u>6,421</u>	<u>7,907</u>
332,640		332,382	332,382
120,300	103,560	13,652	117,212
<u>15,000</u>			
467,940	103,560	346,034	449,594
<u>481,940</u>	<u>105,046</u>	<u>352,455</u>	<u>457,501</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	320,931	(218)	320,713
385,475	380,786	(312)	380,474
403,907	403,908		403,908
607,997	302,864	305,133	607,997
812,420		705,731	705,731
185,611	185,611		185,611
382,050	387,049		387,049
402,950	402,950		402,950
808,507	223,734	584,773	808,507
1,279,839		215,310	215,310
39,861	40,173	(312)	39,861
383,666	383,665		383,665
451,029	451,029		451,029
577,696	239,494	338,202	577,696
747,519		342,016	342,016
50,974	50,974		50,974
97,765	97,365		97,365
97,060	97,060		97,060
54,256	54,256		54,256
66,566		35,279	35,279
63,249		33,520	33,520
88,519		46,913	46,913
92,498		1,706	1,706
85,108		1,570	1,570
145,715		2,687	2,687
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>8,839,072</u>	<u>4,229,972</u>	<u>2,611,998</u>	<u>6,841,970</u>
<u>2,720,600</u>	<u>1,084,366</u>	<u>109,658</u>	<u>1,194,024</u>
2,720,600	1,084,366	109,658	1,194,024
<u>12,973,361</u>	<u>6,728,026</u>	<u>2,721,656</u>	<u>9,449,682</u>

## Federal Programs

Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2004

Federal Grantor/Pass-Through Grant or/Program Title	CFDA Number	Grant Award Number
Department of Transportation:		
Section 3 Capital - 1993-94	20.500	
Section 5307 Operating Assistance - 2002-03	20.507	NC-90-X338-01
Section 5303 Metro Planning - 2001-02	20.505	
Section 5303 Metro Planning - 2002-03	20.505	
Section 5303 Metro Planning - 2003-04	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 5309 Capital Assistance Grant - 1999	20.507	NC-03-0044
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
FTA Capital - Surface Transportation	20.205	NC-90-X252
16th Street Bridge Replacement	20.205	B-3930
Ballinger Road Bridge Replacement	20.205	B-4695
Total Department of Transportation		
Department of Agriculture:		
Passed through NC Department Environment & Natural Resources		
Urban Forestry Projects - 2002-03	10.664	ATB-2003-11
Environmental Design Crime Prevention	10.664	ATB-2004-07
Total Department of Agriculture		
Environmental Protection Agency:		
Office of Water:		
Water Revolving Loan	66.458	
Vulnerability and Threat Mitigation Grant	66.476	HS-82991801-0
Total Office of Water		
Office of Solid Waste and Emergency Response:		
Brownsfield Assessment & Cleanup	66.818	
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
\$ 960,000	\$ 960,000	\$ (38,831)	\$ 921,169
1,629,340		1,558,093	1,558,093
37,424	37,424		37,424
41,080	40,533	547	41,080
55,368		24,256	24,256
351,327	319,240	2,640	321,880
333,837	267,451		267,451
200,000	35,229	101,602	136,831
2,634,360		542,232	542,232
1,060,000	38,727	1,021,273	1,060,000
5,122,288	5,119,763		5,119,763
3,275,877	3,211,306	(57,582)	3,153,724
1,471,643		1,028,495	1,028,495
6,548,173	5,351,789	1,188,244	6,540,033
1,981,480	71,482	97,014	168,496
500,000		52,821	52,821
<u>26,202,197</u>	<u>15,452,944</u>	<u>5,520,804</u>	<u>20,973,748</u>
3,950	1,050	1,487	2,537
10,000			
<u>13,950</u>	<u>1,050</u>	<u>1,487</u>	<u>2,537</u>
4,202,675	3,915,372	(269,889)	3,645,483
115,000	104,490	10,510	115,000
<u>4,317,675</u>	<u>4,019,862</u>	<u>(259,379)</u>	<u>3,760,483</u>
200,000		13,722	13,722
200,000		13,722	13,722
<u>4,517,675</u>	<u>4,019,862</u>	<u>(245,657)</u>	<u>3,774,205</u>
<u>101,620,015</u>	<u>64,718,334</u>	<u>16,131,917</u>	<u>80,850,251</u>

## State Programs

Schedule of Expenditures of State Awards  
For the Fiscal Year Ended June 30, 2004

<u>State Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Award Number</u>
Department of Cultural Resources:		
LSCA Grant - 1997-98		
State Aid to Public Libraries		
Total Department of Cultural Resources		
Department of Environmental Health and Natural Resources:		
Clean Water Management - 1998-99		97B-904
Clean Water Management - 2001-02		02A-705
Bioretention Areas Grant	66.460	EW03036
Fecal Coliform TMDL Grant		EW03048
Northeast Walking Trail		2003-283
Carolyn Allen Community Park		2001-190
Total Department of Environmental Health and Natural Resources		
Department of Health and Human Services:		
Metro Medical Response System		233-01-0040
Total Department of Health and Human Services		
Department of Crime Control and Public Safety:		
Violent Crimes Task Force		041-1-00-008-D-369
Regional Hazardous Materials Response Team - 2002-03		
Regional Hazardous Materials Response Team - 2003-04		
Fire Capital Equipment	69.105	2001-TE-CX-0030
Domestic Preparedness HazMat Grant - 2002-03		
HazMat Equipment Grant Program - 2002-03		HS-TE-03-4109
Total Department of Crime Control and Public Safety		
Department of Commerce:		
State Economic Incentive Grant		
Total Department of Commerce		
Office of State Planning:		
GIS Data Clearinghouse		
Total Office of State Planning		
Department of Transportation:		
Federal Transit Administration:		
Section 3 Capital - 1993-94	20.500	93-03-006
Advanced Technology - 2001-02		02-AT-004
Section 5303 Metro Planning - 2001-02	20.505	02-08-007
Section 5303 Metro Planning - 2002-03	20.505	03-08-007
Section 5303 Metro Planning - 2003-04	20.505	04-08-007
Transportation Planning - 2001-02	20.507	
Transportation Planning - 2002-03	20.507	
Transportation Planning - 2003-04	20.507	
Section 5307 Capital - 2000	20.500	01-09-012
Section 5307 Capital - 2002	20.500	03-09-298
Section 5307 Planning - 2002	20.500	03-09-298
Section 5307 Capital - 2003	20.500	
Section 5309 Capital Assistance - 1999	20.507	00-03-006
Section 5309 Capital Assistance - 2000	20.507	01-03-019
Section 5309 Capital Assistance - 2001	20.507	00-03-020
Section 5309 Capital Assistance - 1999	20.500	99-03-006
Total Federal Transit Administration		
Federal Highway Administration:		
Section 5309 Capital Assistance - 1999	20.205	01-ST-001
NC68/Triad Center Drive		9.8079835
NCDOT US 29 Corridor		FS-0207B WBS 34263.1.1
Eckerson/US 29 Environmental Study		R-4707 WBS 36599
McKnight Mill Sidewalk Enhancement	20.205	E-4776 WBS 36468.1
NCDOT SE Trail Connector - 2002-03	20.205	E-4777
NCDOT Hwy 421 Landscape Improvement		E-2973 G WBS 33914.3.14
Lee Street Enhancement Grant - 2003-04		E-2973 G WBS 33914.3.14
Total Federal Highway Administration		
Oka T. Hester Park Dam Construction		6.498016T
Bridge Construction & Maintenance		
Norwalk Street Extension Project		STP-000S
State Maintenance Assistance Program Funds		
Interchange I-40 & High Point Road		
New Garden at Bryan Boulevard		
Powell Bill:		
1995 Allocation		
1996 Allocation		
1997 Allocation		
1998 Allocation		
1999 Allocation		
2000 Allocation		
2001 Allocation		
2002 Allocation		
2003 Allocation		
2004 Allocation		
Total Department of Transportation		
Total State Financial Assistance		

Program or Award Amount	Expenditures		
	Prior Years	Current Year	Total to Date
\$ 49,450	\$ 40,461	\$ 4,192	\$ 44,653
<u>311,875</u>	<u>40,461</u>	<u>317,605</u>	<u>317,605</u>
<u>361,325</u>	<u>40,461</u>	<u>321,797</u>	<u>362,258</u>
800,000	113,824	681,386	795,210
571,200		255,758	255,758
90,000	7,982	9,090	17,072
60,825		60,824	60,824
200,000		200,000	200,000
<u>250,000</u>	<u>250,000</u>	<u>200,000</u>	<u>250,000</u>
<u>1,972,025</u>	<u>371,806</u>	<u>1,207,058</u>	<u>1,578,864</u>
600,557	135,956	98,213	234,169
<u>600,557</u>	<u>135,956</u>	<u>98,213</u>	<u>234,169</u>
170,270	142,930	14,002	156,932
52,000	47,548	4,452	52,000
52,000		32,865	32,865
280,000	272,379	5,665	278,044
90,900		85,743	85,743
<u>21,739</u>	<u>462,857</u>	<u>451</u>	<u>451</u>
<u>666,909</u>	<u>462,857</u>	<u>143,178</u>	<u>606,035</u>
350,000		350,000	350,000
<u>350,000</u>		<u>350,000</u>	<u>350,000</u>
2,120	629		629
<u>2,120</u>	<u>629</u>		<u>629</u>
120,000	120,000	(4,854)	115,146
63,540	8,190	30,036	38,226
4,678	4,678		4,678
5,135	5,067	68	5,135
6,921		3,032	3,032
318,214	105,927		105,927
485,090	337,904	4	337,908
641,238		389,031	389,031
43,915	39,905	330	40,235
41,730	33,431		33,431
25,000	4,404	12,700	17,104
329,295		67,779	67,779
640,286	637,180		637,180
409,484	401,413	(7,198)	394,215
183,955		128,562	128,562
<u>132,500</u>	<u>4,841</u>	<u>127,659</u>	<u>132,500</u>
<u>3,450,981</u>	<u>1,702,940</u>	<u>747,149</u>	<u>2,450,089</u>
818,521	668,974	148,531	817,505
98,382	90,439		90,439
46,156		46,156	46,156
750,000		26,457	26,457
64,000			
52,800			
50,000		50,000	50,000
<u>200,000</u>	<u>759,413</u>	<u>271,144</u>	<u>1,030,557</u>
2,079,859			
5,000,000	264,022	1,020,135	1,284,157
320,000	320,000		320,000
1,068,000	51,377	428,209	479,586
1,336,979		1,336,979	1,336,979
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	2,820,805	4,060,214	6,881,019
7,195,474		5,863,846	5,863,846
6,826,430			
<u>6,259,575</u>			
<u>82,135,282</u>	<u>47,635,522</u>	<u>13,727,676</u>	<u>61,363,198</u>
<u>\$86,088,218</u>	<u>\$48,647,231</u>	<u>\$ 15,847,922</u>	<u>\$64,495,153</u>



# Job Training Partnership Act

Schedule of Expenditures by Program and Cost Category  
For the Fiscal Year Ended June 30, 2004

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Grant Award Number	Program or Award Amount	Training	Participants' Support	Administration	Basic Readjustment Service	Retraining Services	Total June 30, 2004
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, 2004

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## 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--Entitlement Grants	14.218	\$62,707
Community Development Block Grant--HOPWA	14.241	\$356,688
<u>State</u>		
Violent Crimes Task Force		\$11,869