



**Greenville
Utilities**

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

YEAR ENDED JUNE 30, 2020

GREENVILLE UTILITIES
IS AN ENTERPRISE FUND OF THE CITY OF
GREENVILLE, NORTH CAROLINA



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020.

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Table of Contents

	INTRODUCTORY SECTION	PAGES
	Letter of Transmittal	1-20
	Organizational Chart	21
	Appointed Officials/Executive Management - October 2020	22
	GFOA Certificate of Achievement	23
	FINANCIAL SECTION	
	Independent Auditor's Report	25-26
	Management's Discussion & Analysis	27-32
	Basic Financial Statements:	
	Government-wide Financial Statements:	
EXHIBITS	1 Statement of Net Position	33
	2 Statement of Revenues, Expenses and Changes in Fund Net Position	34
	3 Statement of Cash Flows	35
	Fund Financial Statements:	
	4 Statement of Fiduciary Net Position	36
	5 Statement of Changes in Fiduciary Net Position	37
	Notes to the Financial Statements	39-75
	Required Supplementary Information:	
SCHEDULES	1 Local Governmental Employees' Retirement System - Greenville Utilities Commission's Proportionate Share of Net Pension Liability (Asset)	77
	2 Local Governmental Employees' Retirement System - Greenville Utilities Commission's Contributions	78
	3 Other Post Employment Benefits - Schedule of Changes in the Net OPEB Liability and Related Ratios	79
	4 Other Post Employment Benefits - Greenville Utilities Commission's Contributions	80
	5 Other Post Employment Benefits - Schedule of Investment Returns	81
	Individual Fund Balances and Statements:	
	6 Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) All Operating Funds	82-83
	7 Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Electric Operating Fund	84
	8 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Electric Rate Stabilization Fund	85
	9 Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Electric Capital Projects Fund	86
	10 Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Water Operating Fund	87
	11 Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Water Capital Projects Fund	88
	12 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Water Capital Reserve Fund	89

SCHEDULES	13	Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Sewer Operating Fund	90
	14	Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Sewer Capital Projects Fund	91
	15	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Sewer Capital Reserve Fund	92
	16	Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Gas Operating Fund	93
	17	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Gas Rate Stabilization Fund	94
	18	Schedule of Revenues and Expenditures, Budget and Actual (Non-GAAP) Gas Capital Projects Fund	95
	19	Combining Statement of Fiduciary Net Position - Agency Funds	96
	20	Combining Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds	97
		Other Schedules:	
	21	Schedule of 2020-21 Projected Transfer to the City of Greenville General Fund	98
	22	Schedule of Indebtedness	99
	23	Schedule of Expenditures of Federal and State Awards	100
		STATISTICAL SECTION with Introduction	
TABLES	1	Net Position by Component	101
	2	Changes in Net Position	102
	3	Operating Revenues by Major Source	103
	4	Revenues Base by Customer Class - Electric Kilowatt Hours Sold	104
	5	Revenues Base by Customer Class - Water Kgallons Sold	105
	6	Revenues Base by Customer Class - Wastewater Kgallons Collected	106
	7	Revenues Base by Customer Class - Natural Gas CCFs Sold	107
	8	Direct Electric Rates	108-109
	9	Direct Water Rates	110
	10	Direct Wastewater Rates	111
	11	Direct Natural Gas Rates	112
	12	Ten Largest Customers	113-114
	13	Ratios of Outstanding Debt by Type	115
	14	Pledged Revenue Coverage	116
	15	Demographic and Economic Statistics	117
	16	Principal Employers	118
	17	Employees by Function	119
	18	Operating Indicators	120
	19	Capital Indicators	121
		COMPLIANCE SECTION	
		Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on Audit of Financial Statements Performed In Accordance with Government Auditing Standards	123-124

Greenville Introductory Section
Utilities

14 OCTOBER
2020

**To the Board of Commissioners and the
Customers of the Greenville Utilities
Commission of the City of Greenville, NC:**

The management and staff of the Greenville Utilities Commission (Utilities Commission) of the City of Greenville are pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Cherry Bekaert LLP, Certified Public Accountants, has issued an unmodified report of independent auditor (“clean” opinion) on the Utilities Commission’s financial statements for the year ended June 30, 2020. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE

GREENVILLE UTILITIES COMMISSION

In 1903, Greenville was a town of just 2,565 governed by a Board of Aldermen. With an eye toward progress, on April 7, 1903, a \$65,000 bond referendum was passed to fund the creation of the water, sewer, and electric systems. Two years later, on March 20, 1905, Greenville's new Water & Light Commission was established with about 72 electric and 30 water customers. The natural gas system was added in 1925.

The Utilities Commission is owned by the citizens of Greenville and is governed by an eight-member Board of Commissioners responsible for approving rates, development plans, the annual budget, and for setting policy that is carried out by our General Manager/CEO. The City Manager of the City of Greenville serves as a full-voting member of the Board, five other Board members are nominated by the City Council and two are nominated by the Pitt County Board of Commissioners. All members are approved by the City Council. Board members serve three-year terms, with a maximum of two terms. Utilities Commission meetings are held the third Thursday of each month.

The Utilities Commission operates under a charter issued by the North Carolina General Assembly (the Utilities Commission Charter). In accordance with the provisions of the Utilities Commission Charter, the Utilities Commission annually transfers to the City of Greenville an amount equal to six percent of the difference between the electric and natural gas systems' net fixed assets and total bonded indebtedness, plus an amount equal to fifty percent of the Utilities Commission's retail cost of service for the City of Greenville's public lighting. The annual transfer amount represents approximately eight percent of the City's total annual General Fund budget and provides a secondary benefit to the citizens of Greenville in addition to the direct benefit of utility services.



THE **ELECTRIC** SYSTEM

The Utilities Commission operates an electric distribution system serving the City and approximately seventy-five percent of the rural portion of the County with 70,073 connections. The Utilities Commission's electric system, measured by number of customers served, is the second largest municipal electric system in the State and the forty-third largest in the nation.

The electric system consists of 72 miles of high voltage transmission lines at 115,000 and 34,500 volts, as well as 1,210 miles of overhead distribution lines, 1,757 miles of underground distribution lines at 12,470 volts and 101 miles of fiber optic lines. In addition, the electric system consists of 19 distribution substations with a combined base rating capacity of 560 megavolt amps (MVA), two sub-transmission substations with a combined base rating capacity of 50 MVA and three 115 kilovolts (kV) transmission substations with a combined base rating capacity of 720 MVA.

The Utilities Commission is a leader in the State of North Carolina in residential load management and has device controls for over 44,000 appliances including customer heat pumps, air conditioners, water heaters and electric furnaces. Approximately twenty-seven percent of the Utilities Commission's residential customers currently participate in this program.



The Utilities Commission and thirty-one other North Carolina municipalities are members of the North Carolina Eastern Municipal Power Agency (Power Agency), a joint agency of the State of North Carolina. On July 31, 2015, the Power Agency completed the sale of its electric generating assets to Duke Energy Progress for approximately \$1.25 billion. The proceeds from the sale were used to reduce outstanding debt on those assets. The Utilities Commission's share of the Power Agency's outstanding debt was reduced from approximately \$277.8 million to \$85 million. Duke Energy Progress has entered into a 30-year agreement to provide wholesale power to the Power Agency. The Utilities Commission, along with the other member entities, entered into a 30 year take and pay all requirements contract for the delivery of wholesale electric power. The reduced debt service costs and the lower costs of wholesale power have allowed the Utilities Commission to reduce electric retail rates by approximately 15% since July 2015.

THE WATER RESOURCES SYSTEM

Water Treatment and Distribution System

The Utilities Commission operates a water treatment and distribution system that serves the City and a portion of the County. The distribution system currently consists of approximately 634 miles of lines with 37,195 connections. Raw water is supplied by the Tar River and eight deep wells. River modeling indicates the Utilities Commission may be able to realize an average day withdrawal of 128 million gallons per day (MGD) from the Tar River, as compared to the current average day withdrawal of 13.923 MGD. Treatment is accomplished through a modern water treatment plant placed in operation in 1983 and expanded in 2002 with a present capacity of 22.5 million gallons per day (MGD). With the 2.0 MGD peaking capacity of the supplemental supply from the eight deep wells, the total peak day capacity of the water system is 24.5 MGD.



Water Treatment Plant

Average daily water use in the fiscal year ended June 30, 2020 was approximately 13.642 MGD, with a maximum daily usage of approximately 18.605 MGD. Approximately 86% of the water system's 37,195 connections are located within the City limits.

The North Carolina Department of Environmental Quality (NCDEQ) regulates the quality of water sold by the Utilities Commission to its customers, and the water treatment plant operates in compliance with NCDEQ regulations. The water system meets the current standards of the Federal Safe Drinking Water Act.

NCDEQ has implemented rules restricting water use from certain aquifers in areas of eastern North Carolina. Although the Utilities Commission's primary water supply, which is the Tar River, is not affected by these restrictions, several neighboring communities are mandated to reduce their aquifer withdrawals and are seeking supplemental water supplies. Foresight and long-range planning in the areas of water treatment have positioned the Utilities Commission to form partnerships with these neighboring communities to provide water service to areas outside the traditional service area. The Utilities Commission has entered into contracts to deliver water to the neighboring communities of Bethel, Farmville, Stokes, Winterville and Greene County.



Wastewater Collection and Treatment System

The Utilities Commission operates a wastewater collection and treatment system that serves the City as well as some adjacent areas. In addition, the municipalities of Bethel and Grimesland, who have their own collection systems, have contracted with the Utilities Commission to treat the wastewater they collect. Mandatory connection is required by Utilities Commission rules and regulations which are incorporated into the City Code by reference.

The collection system consists of approximately 483 miles of lines with 30,828 connections. The wastewater treatment plant was placed online in 1985 and expanded in 1995. It is rated to biologically treat a 30-day average of 17.5 million gallons per day (MGD). The annual average daily biological flow during fiscal year ended June 30, 2020 was 9.948 million gallons of wastewater with a single day hydraulic maximum of 18.210 MGD.

The wastewater treatment plant is regulated by the NCDEQ Division of Water Resources which enforces federal standards through the National Pollutant Discharge Elimination System as defined in the Clean Water Act. The Utilities Commission operates an Industrial Pretreatment program, which currently has six participants: Hyster-Yale Group (formerly NAACO Materials Handling Group), Patheon (formerly DSM Pharmaceuticals, Inc.), DSM Dyneema, Inc., The Hammock Source, Fuji Silysia, and Metrics Contract Services (a subsidiary of Mayne Pharma Group Limited).



CLEAN
FUTURE
COMPRESSED NATURAL GAS

THE NATURAL GAS SYSTEM

The Utilities Commission operates a natural gas distribution system that serves the City as well as some adjacent areas. The natural gas system consists of 729 miles of pipeline and 478 miles of service lines with 23,784 connections. During the current fiscal year 3,367,315 dekatherms of natural gas were moved through the Utilities Commission's distribution system.

The Utilities Commission entered a 10-year gas services agreement effective January 5, 2010, with Piedmont Natural Gas (PNG) that provides Firm Transportation, Excess Redelivery and Bundled Sales Peaking Services. At the end of the original contract term, the agreement automatically renews for additional terms of one year each unless terminated by either party. The Utilities Commission secures its natural gas supplies through various marketers and transports the natural gas daily through Transcontinental Gas Pipeline Corporation's transmission pipeline to PNG's gas system. The Utilities Commission routinely uses marketing firms to buy and sell natural gas contracts on its behalf. A Natural Gas Risk Management Policy, which includes a Hedging Plan and Credit Risk Policy, was developed and adopted by the Utilities Commission to mitigate the risks associated with purchasing natural gas on the New York Mercantile Exchange (NYMEX).



The Utilities Commission entered into a Supplemental Service and Construction Agreement with PNG effective November 1, 2014 for a period of 5 years. Under the terms of the contract the Utilities Commission will pay additional demand charges to cover the costs of upgrades to the Utilities Commission's system completed by PNG. The initial amount of the contractual payment was \$470,000 per year. Effective June 2015 the amount was increased to \$593,093 per year to reflect the actual costs of the upgrades. These additional demand charges were payable through October 2019.

The Utilities Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20 percent of the Utilities Commission's firm volumes (2,000 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be between \$0.42 and \$0.47 per dekatherm and pays a fee of \$0.015 per dekatherm to PEG to cover the administrative costs of the agreement.

The Utilities Commission entered a 30-year agreement with The Black Belt Energy Gas District (Black Belt Energy), effective March 1, 2018 to purchase 40 percent of Utilities Commission's firm volumes (1,600 dekatherms per day during the summer period, April to October, and 2,500 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be \$0.40 per dekatherm during the initial reset period from November 1, 2018 to

October 31, 2023 and pays a fee of \$0.03 per dekatherm to Black Belt Energy to cover the administrative costs of the agreement. The Utilities Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.25 per dekatherm, excluding any period for which the Utilities Commission delivered a remarking election.

The Utilities Commission entered into two 30-year agreements with Public Energy Authority of Kentucky (PEAK), effective December 4, 2018, and February 14, 2019, respectively, to purchase approximately 12 percent of Utilities Commission's total volumes (500 dekatherms per day through January 2022, then 500 dekatherms per day during the summer period, April to October, and 2,000 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be \$0.3875 per dekatherm during the initial reset period from July 1, 2019 to April 30, 2025 and pays a fee of \$0.03 per dekatherm to Public Energy Authority of Kentucky to cover the administrative costs of the agreement. The Utilities Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.23 per dekatherm, excluding any period for which the Utilities Commission delivered a remarking election. In addition, the Utilities Commission may elect to remarket the commodity in the event of a loss of load on its system.

The Utilities Commission utilizes liquefied natural gas (LNG) as a supply source for peak day natural gas requirements. The utilization of LNG as a natural gas supply for peak day requirements is part of a long-range plan to enhance the natural gas system's reliability, control natural gas costs and offer additional services to the Utilities Commission's customers. The Utilities Commission completed a permanent facility that stores and vaporizes LNG into gas in December 1997. An expansion of that facility, which doubled storage capacity, was substantially completed in the fall of 2001 and enhancements to the security features at the site were completed in 2004. A second expansion, completed in December 2006, doubled the send-out capacity and added redundancy and reliability to the operations of the facility. During fiscal year 2015 two additional storage tanks were installed at the facility bringing the total storage capacity to 330,000 gallons. The volume of LNG stored at the facility would supply our customers for more than a week should our gas supply be cut off due to an emergency.



ADDITIONAL INFORMATION

Local Economy

The City of Greenville is a commercial, educational, cultural, and medical hub for Eastern North Carolina. As a university community with a strong business and manufacturing base, the area is characterized by a multi-skilled labor force, a diversified economic base, and a large regional health-care complex. The local economy is well positioned with government, wholesale, retail trade and manufacturing sectors contributing to total employment. Agriculture is also a strong contributor to the area with tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry, and vegetables as the primary local agricultural products.

Locally there are thirteen manufacturing operations that employ 100 or more workers, four that employ 500 or more and several manufacturers that maintain corporate or divisional headquarters in the Utilities Commission's service area. Three non-manufacturing operations located in the area each employ more than 3,500 workers. Major employers include Vidant Medical Center (formerly Pitt County Memorial Hospital), East Carolina University, Pitt County Schools, Patheon Manufacturing Services LLC (formerly DSM Pharmaceuticals), Hyster-Yale Group (formerly NACCO Materials Handling Group), the City of Greenville, Pitt Community College, Pitt County Government, DENSO Manufacturing (formerly ASMO), and Mayne Pharma, Inc. Unemployment reached a historical high of 12.9% in April due to shutdowns in response to the pandemic, but improved by June to a rate of 7.6%.

The health care community in Greenville is one of the largest in the state of North Carolina. Vidant Medical Center is one of four academic medical centers in North Carolina and serves as the teaching hospital for The Brody School of Medicine. The 900 plus bed hospital serves as a regional heart center and is the only level one trauma center in the 29 counties of Eastern North Carolina and serves over 1.4 million residents of the region.

East Carolina University (ECU), the third largest university in the State, has a student enrollment of nearly 29,000 students and employs more than 5,600 workers. ECU is a member of the 17-campus University of North Carolina system and is accredited by the Southern Association of Colleges and Schools. It offers professional schools of medicine, dentistry, nursing, allied health sciences, health and human performance, business, education, industry and technology, human environmental sciences, social work, music, art and a College of Arts and Sciences.

Long-term Financial Planning

The Utilities Commission is dedicated to enhancing the quality of life for those we serve by safely providing reliable utility solutions at the lowest reasonable cost, with exceptional customer service in an environmentally responsible manner. The Utilities Commission's strategic plan, branded "Blueprint", has added an emphasis on the Commission's foundational role in helping promote the growth of our region. It also places an emphasis on environmental stewardship.

Blueprint The Blueprint renews our foundational commitment to both safety and customers. The Blueprint pares down objectives to ensure appropriate focus and to make goals more manageable. Future initiatives and projects will be measured against the Blueprint to ensure alignment with the Commission's mission and our customers' expectations.

The Utilities Commission's strategic plan includes a multi-year financial plan to build reserves, fund our capital projects and continue to meet the needs of our customers, while maintaining competitive and stable rates. We are focusing on long-term financial sustainability, establishing key financial reserves to mitigate risk, and meeting customer requests and reliability standards.

Our approach to financial planning supports our long-term strategic goals. The Utilities Commission annually prepares, as part of the budgeting process, a five-year capital and financial plan that outlines major projects and identifies needs for long and short-term financing. This planning process focuses on key financial metrics including operating income, high debt service coverage and reasonable levels of fund balance. Rate modeling is used to assess cash flows and to identify the amount and plan the timing of revenue increases.

Relevant Financial Policies

A comprehensive set of financial policies is necessary to ensure that the Utilities Commission's assets are effectively managed and to provide benchmarks to measure performance. The Utilities Commission's investment policy objectives are to properly manage investments while providing reasonable rates of return and achieving the primary goals of safety and liquidity. Our financial reserves policy is designed to identify prudent cash reserve levels while promoting long-term financial stability. Our capital investment policy provides guidelines for prudent utility capital investment planning to ensure the timely renewal and replacement of the operating system's assets.

Major Initiatives

The Utilities Commission's current Operations Center, located in the 100-year flood plain, suffered extensive flooding damage during Hurricane Floyd in 1999 and from Hurricane Matthew in October of 2016. During both of those events the Operations Center was flooded, and the facility was evacuated. The current Operation Center, located on approximately 27 acres, cannot accommodate any further expansion. To remediate damage to facilities from flooding occurring in the future and better serve its customers, the Utilities Commission has purchased an 82-acre parcel of land outside of the flood plain, centrally located in the Utilities Commission's service area, for the construction of a new Operations Center. The location selected will allow access to major transportation routes and will provide for future expansion. The construction of the facilities is expected to cost approximately \$53 million and will be operational in the fall of 2020.

The new Operations Center building plan did not include a facility to house the repair and maintenance of the Utilities Commission's vehicles and equipment. A new capital project has been established to construct a new fleet facility. Construction will begin during fiscal year 2021 at a projected cost of \$7 million and is expected to be completed by March of 2022.

The Utilities Commission is committed to a peak shaving program to reduce the electric load during times of heavy use by customers. One aspect of this program is to install peak shaving generators at local manufacturing facilities to manage load when needed. Many of the generators are near the end of their useful lives and a project costing \$6 million has been created to replace the aging units.

A major project to extend the 115 kv electrical transmission lines from a substation to a major industrial complex has been created to provide redundancy and load balancing. This project, costing an estimated \$9 million, will be completed in 2023.

The Gas Department has adopted a capital project budget in the amount of \$1.2 million to improve distribution lines in the western portion of the service area to provide redundancy, boost pressures and ensure quality service to customers in that area.



Greenville Utilities
Engineering & Operations

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the Utilities Commission for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the eleventh consecutive year the Utilities Commission has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Utilities Commission with the **Award for Outstanding Achievement in Popular Annual Financial Reporting** for its Popular Annual Financial Report (PAFR) for FY 2019. The PAFR is a document designed to make an organization's CAFR easier to understand by those who do not have a financial or accounting background. The Utilities Commission's PAFR was evaluated by four independent judges in five categories: reader appeal, understandability, distribution methods, creativity and notable achievements, and overall quality. This is the fifth consecutive year the Utilities Commission has won this award.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the **Distinguished Budget Presentation Award** to the Utilities Commission for the FY 2019-20 budget. To win the award, the budget document had to go through the scrutiny of three independent reviewers. It had to substantially conform to 90 points of challenging criteria which incorporate guidelines from the National Advisory Council on State and Local Budgeting. This document is an in-depth reporting of the Utilities Commission's budget and is designed for those who understand the complexities of running four separate utility services. This is the third consecutive year the Utilities Commission has won this award.

For the ninth consecutive year the Purchasing Section of the Utilities Commission's Finance Department received the **Sustained Professional Purchasing Award** from the Carolinas Association of Governmental Purchasing. The Utilities Commission is one of 15 member agencies in North and South Carolina to receive the award.

The Utilities Commission Gas Department was awarded the **2019 American Gas Association (AGA) Safety Achievement Award** for excellence in employee safety. AGA Safety Achievement Award recipients are determined based on the lowest incident rate for the number of restricted or transferred days away from work. Companies are placed into different categories based on their size and type. GUC was recognized as one of the best in the Small Local Distribution Company category.

The Utilities Commission's Water Treatment Plant received the prestigious **North Carolina Area Wide Optimization Award**. The NC Division of Water Resources has included Greenville Utilities among the 57 out of 149 water treatment plants in the state honored for surpassing federal and state drinking water standards in 2019. The award recognition is a state effort to enhance the performance of existing surface water treatment facilities. This is the fifth consecutive year the Utilities Commission has won this award.

The Utilities Commission's Public Information Office received two, **2019 Excellence in Public Power Communications awards** from the American Public Power Association (APPA). The awards were in the Video and Social Media categories. The Utilities Commission was one of 43 utilities that took home an award from that year's APPA Customer Connections Conference. Awards were given to those who showed ingenuity and creativity in telling their stories through outstanding copy, design, graphics, social media engagement, and video editing. This is the fourth time the Utilities Commission has won an award for social media efforts, and the second award for video.

ElectriCities, a member organization that includes electric power communities in North Carolina, South Carolina and Virginia and provides management services to the Utilities Commission's power provider annually presents Public Power Awards of Excellence to its members. During the 2020 fiscal year the Utilities Commission received a **Safety Award for Excellence**.

The American Public Power Association (APPA) awards the Reliable Public Power Provider (RP3) designation to recognize outstanding achievements in providing customers with the highest degree of reliable and safe electric service. Out of more than two thousand community-owned electric utilities fewer than ten percent attain this recognition. The designation is awarded every three years and the Utilities Commission has held this designation continuously since May 2007. Since fiscal year 2018 the Utilities Commission has held **RP3: Diamond Level** designation, the highest level of designation in the RP3 award program.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Utilities Commission's finances.

Respectfully submitted,

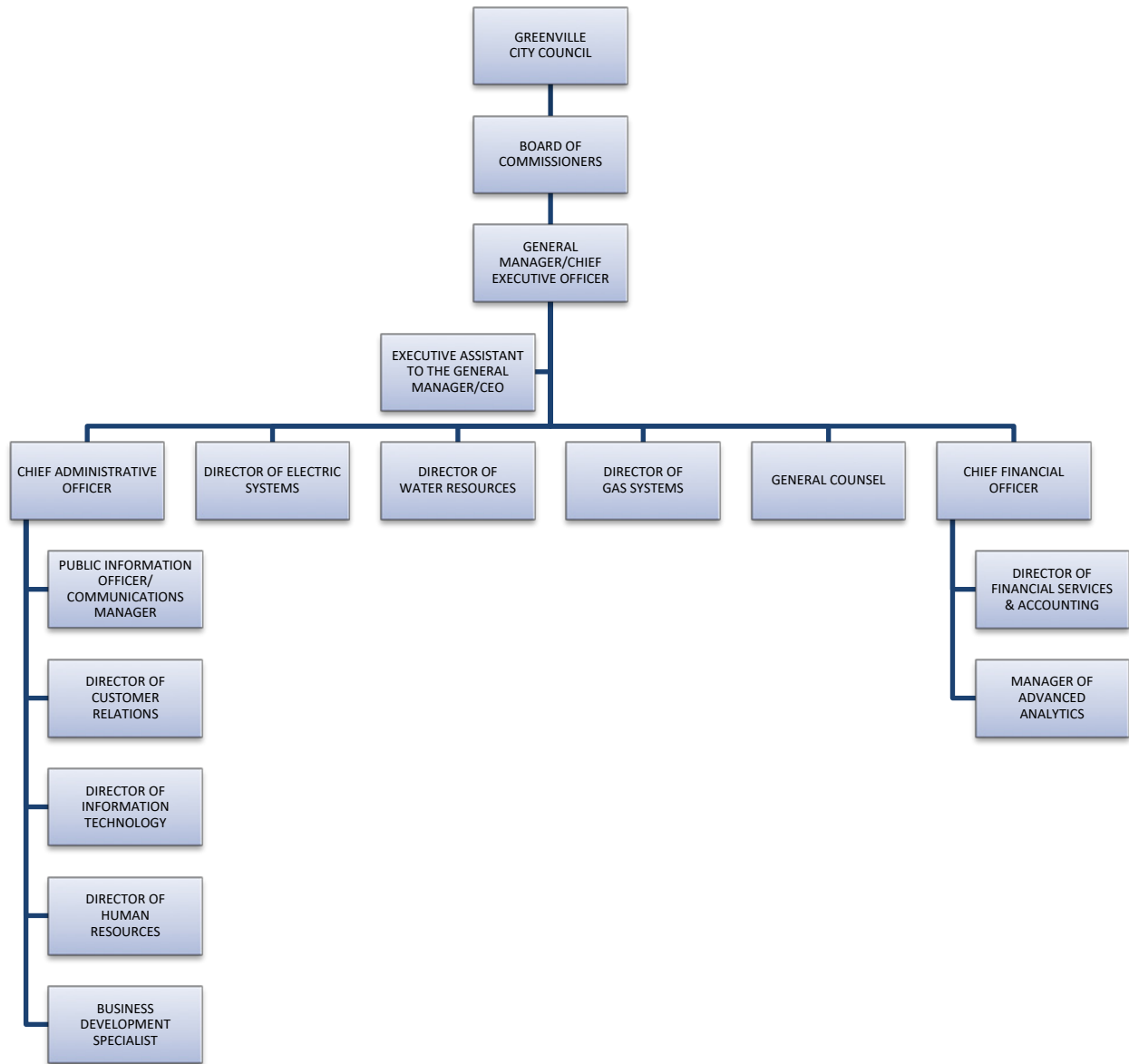


Anthony C. Cannon
General Manager/CEO



Jeff McCauley
Chief Financial Officer

ORGANIZATIONAL CHART



APPOINTED OFFICIALS



Lindsey Griffin, City Manager Ann Wall, Kristin Braswell, Chair Parker Overton, Chair-Elect Tommy Stoughton, Kelly L. Darden, Jr., Secretary Minnie Johnson Anderson, and Peter Geiger.

Executive Management



Anthony C. Cannon
General Manager/CEO



Chris Padgett
Chief Administrative Officer



Jeff McCauley
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Greenville Utilities Commission
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

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Greenville Independent Auditor's Report
Utilities



Report of Independent Auditor

To the Board of Commissioners
Greenville Utilities Commission of the City of Greenville
Greenville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund, and the aggregate remaining fund information of Greenville Utilities Commission (the "Commission"), an enterprise fund of the City of Greenville, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the Commission as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

cbh.com

OTHER MATTERS

Nature of Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the Commission and are not intended to present fairly the financial position of the City of Greenville, North Carolina, and the changes in financial position and cash flows in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information ("RSI") as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, individual fund balances and statements, other schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund balances and statements and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2020, on our consideration of the Commission's internal control over financial reporting and on 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 Commission's internal control over financial reporting and compliance.

Cheryl Bekaert LLP

Raleigh, North Carolina
October 14, 2020

Greenville Management's Discussion & Analysis
Utilities

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Greenville Utilities Commission (Utilities Commission), we offer readers of the Utilities Commission's financial statements this narrative overview and analysis of the financial activities of the Utilities Commission for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information in this report.

Financial Highlights

- The assets and deferred outflows of resources of the Utilities Commission exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$408,931,213 (net position). Of this amount, \$115,425,003 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors.
- Operating revenues decreased by \$10,908,139 or 4.2% primarily due to lower volumes delivered to customers in the electric and gas funds.
- Total revenues and contributions decreased by \$6,738,352 or 2.5%.
- Interest revenues increased by \$457,433 due to higher cash balances available for investments.
- The Utilities Commission's total net position increased by \$14,475,147 primarily due to positive operating income.
- The Utilities Commission's total debt decreased by \$7,459,408 (4.4%) during the current fiscal year. The key factor in this increase was the retirement of \$6,853,648 of existing debt, and the net decrease in discounts and premiums totaling \$605,760.
- The Utilities Commission maintains a bond rating of AA- with a stable outlook from Fitch Ratings and a bond rating of Aa1 with a stable outlook from Moody's Investors Services.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Utilities Commission's basic financial statements. The Utilities Commission's basic financial statements are comprised of two components: (1) individual fund financial statements, and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position presents the difference between the Utilities Commission's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial condition of the Utilities Commission is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Fund Net Position presents information showing how the Utilities Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected billings and earned but unused vacation leave).

All the activities of the Utilities Commission are of a business-type (as compared to governmental activities). The Utilities Commission has no component units to report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Utilities Commission, like other local governments and special districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Utilities Commission can be divided into two categories: proprietary funds and fiduciary funds.

Proprietary Funds: The Utilities Commission maintains only one type of proprietary fund – the enterprise fund type. The Utilities Commission uses enterprise funds to account for its electric, water, sewer and natural gas business operations, all of which are considered major funds.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the Utilities Commission. Fiduciary funds are not reflected in the proprietary fund financial statements because the resources of those funds are not available to support the Utilities Commission's own activities. The accounting used for fiduciary funds is much like that used for proprietary funds. The Utilities Commission has two fiduciary funds, one of which is an OPEB trust fund and one of which is an agency fund.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Utilities Commission's progress in funding its obligation to provide post-employment benefits to its employees.

Commission-Wide Financial Analysis

Greenville Utilities Commission Net Position

	2020	2019
Current and other assets	\$ 205,785,397	\$ 235,645,533
Capital assets	442,606,469	401,418,328
Total assets	648,391,866	637,063,861
Deferred outflows of resources	23,774,397	20,745,197
Current liabilities	35,308,144	34,941,728
Non-current liabilities	223,290,589	222,739,874
Total liabilities	258,598,733	257,681,602
Deferred inflows of resources	4,636,317	5,671,390
Net position:		
Net investment in capital assets	293,506,210	282,967,790
Unrestricted	115,425,003	111,488,276
Total net position	\$ 408,931,213	\$ 394,456,066

As noted earlier, net position may serve over time as a useful indicator of an enterprise's financial condition. The assets and deferred outflows of resources of the Utilities Commission exceeded the liabilities and deferred inflows of resources by \$408,931,213 as of June 30, 2020. The Utilities Commission's net position increased by \$14,475,147 during the fiscal year ended June 30, 2020.

The largest portion of the Utilities Commission's net position (71.8%) reflects its net investment in capital assets (e.g. plants, distribution systems, equipment, land, machinery). The Utilities Commission uses these capital assets to provide electric, water, sewer, and gas services to customers, consequently these assets are not available for future spending. Although the Utilities Commission's net investment in its capital assets is reported net of outstanding related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot practically be used to liquidate these liabilities.

The remaining balance of unrestricted net position (\$115,425,003) may be used to meet the Utilities Commission's ongoing obligations to citizens and creditors. This balance increased \$3,936,727 primarily due to increases in current assets and investments.

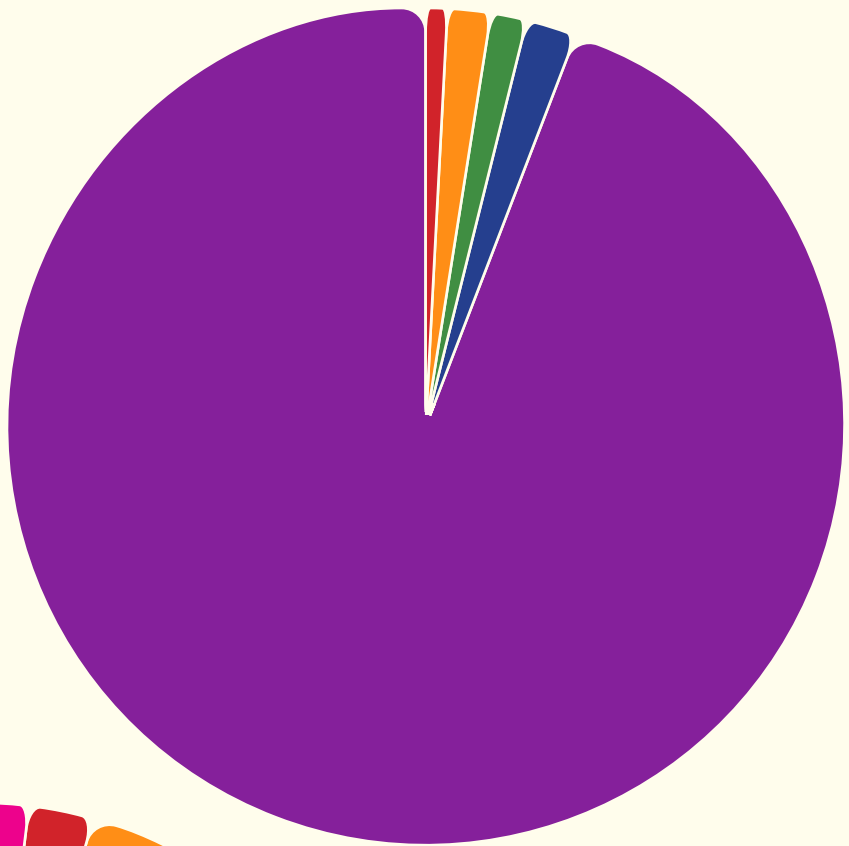
The \$14,475,147 increase in net position is primarily due to strong operating revenues and capital contributions combined with decreases in operating expenses. Operating expenses decreased primarily due to lower purchased commodities costs.

Greenville Utilities Commission Changes in Net Position

	2020	2019
Revenues:		
Operating revenues:		
Charges for services	\$ 248,349,547	\$ 259,044,556
Other operating revenues	823,531	1,036,661
Non-operating revenues:		
Interest income	4,016,192	3,558,759
Other non-operating revenues	2,752,511	2,740,912
Total revenues	255,941,781	266,380,888
Expenses:		
Operating expenses	235,068,322	236,998,436
Non-operating expenses	5,271,862	5,132,121
Total expenses	240,340,184	242,130,557
Increase in net position before contributions and transfers	15,601,597	24,250,331
Contributions	5,528,276	1,827,521
Transfers	(6,654,726)	(6,717,814)
Increase in net position	14,475,147	19,360,038
Net position, July 1	394,456,066	375,096,028
Net position, June 30	\$ 408,931,213	\$ 394,456,066

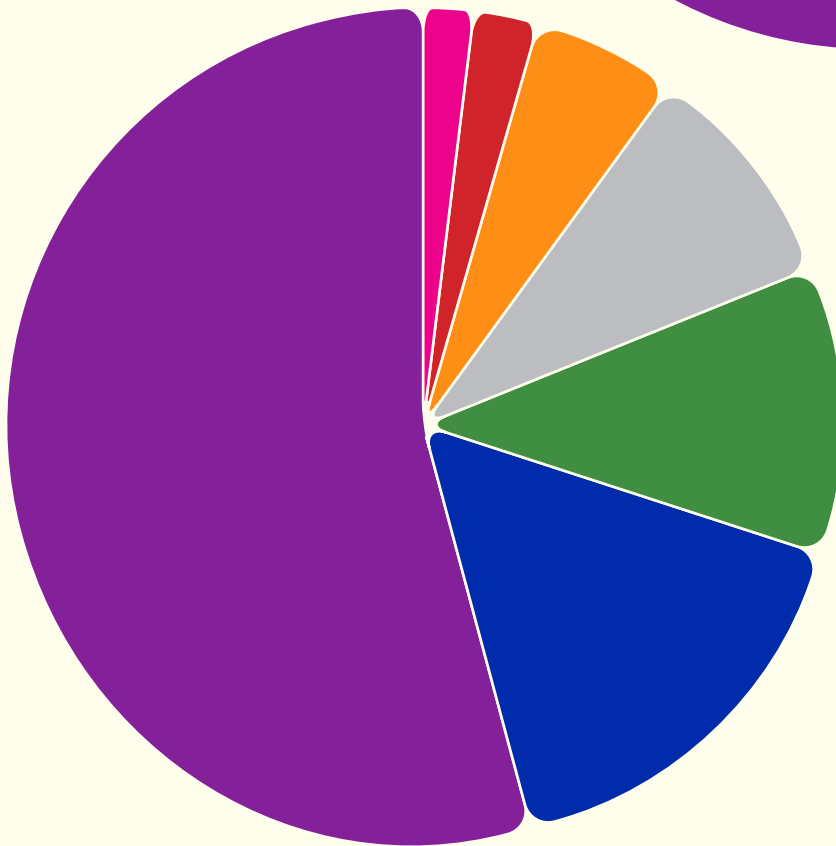
SOURCES OF REVENUES

- Fees and Charges: 1.1%**
- Other: 1.4%**
- Interest: 1.5%**
- Capital Contributions: 2.1%**
- Rates and Charges: 93.9%**



USES OF REVENUES

- Interest: 2.0%**
- Transfers to the City: 2.5%**
- Reinvested in Net Position: 5.5%**
- Depreciation: 8.8%**
- Administration and General: 11.2%**
- Operations and Maintenance: 15.8%**
- Purchased Power and Gas: 54.0%**



Charges for services decreased by \$10,695,009 or 4.1%, primarily due to lower volumes delivered to customers in the electric and gas funds. Transfers from the Utilities Commission Electric and Gas operations to the City of Greenville are authorized and defined by the charter, as amended, which established the Utilities Commission in 1905. There are no transfers from the Water or Sewer operations to the City.

Financial Analysis of the Utilities Commission's Funds

As noted earlier, the Utilities Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Proprietary Funds: The Utilities Commission has a separate fund for the Electric, Water, Sewer and Gas operations. The total increase in net position for all funds was \$14,475,147. Net position at the end of the fiscal year for the Electric Fund was \$154,556,684, \$81,608,026 for the Water Fund, \$120,578,595 for the Sewer Fund, and \$52,187,908 for the Gas Fund.

Capital Assets and Debt Administration

Capital assets: The Utilities Commission's investment in capital assets as of June 30, 2020 totals \$442,606,469 (net of accumulated depreciation). This investment in capital assets includes plants, distribution and collection systems, land, buildings, improvements, machinery, and equipment. The total change in the Utilities Commission's investment in capital assets for the current fiscal year was a 10.3% increase. Additional information on the Utilities Commission's capital assets can be found in note 2.A of this report.

Major capital asset events during the current fiscal year include the following additions (there were no significant demolitions)

- Investment in a new operations center totaling \$13,105,248
- Upgrades to the downtown office totaling \$2,102,046
- Electric transmission lines extensions and improvements totaling \$1,593,929
- Electric transmission substation improvements totaling \$129,902
- Electric overhead distribution lines extensions and improvements totaling \$1,219,257
- Electric underground distribution lines extensions and improvements totaling \$5,739,140
- Electric street and area light installations and replacements totaling \$1,142,541
- Water treatment plant improvements totaling \$4,262,032
- Water mains and services improvements and extensions totaling \$412,101
- Wastewater treatment plant improvements totaling \$408,257
- Sewer pumping stations improvements totaling \$1,588,244
- Sewer main extensions and improvements totaling \$473,081
- Natural gas main improvements and extensions totaling \$615,339
- Natural gas distribution services improvements totaling \$291,381

Greenville Utilities Commission Capital Assets (net of depreciation)

	2020	2019
Land	\$ 8,546,447	\$ 8,375,720
Easements	584,662	584,662
Land improvements	1,874,575	2,029,673
General plant	5,501,259	5,750,976
Utility plant	98,936,819	96,361,660
Computer software	17,456,461	18,967,825
Vehicles and equipment	4,095,371	3,905,429
Distribution systems	225,163,727	221,195,959
Transmission system	20,304,846	17,720,603
Computer hardware	803,344	363,285
Fiber optics	851,317	916,432
Construction in progress	58,487,641	25,246,104
Total capital assets	\$ 442,606,469	\$ 401,418,328

Long-term debt: At the end of the current fiscal year, the Utilities Commission had total debt outstanding of \$163,918,109. Additional information on the Utilities Commission's long-term debt can be found in note 2.B of this report.

Greenville Utilities Commission Outstanding Debt

	2020	2019
Direct placement revenue bonds	\$ 6,185,000	\$ 8,643,000
Public sales revenue bonds	107,760,001	109,310,000
Loans	34,785,641	37,631,290
Unamortized bond discount/premium	15,187,467	15,793,227
Total outstanding debt	\$ 163,918,109	\$ 171,377,517

Of the total debt, \$8,029,362 is the current portion.

Economic Factors and Next Year's Budgets and Rates

The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and a 974 licensed bed teaching hospital that serves more than 1.4 million people in 29 counties of Eastern North Carolina. The Utilities Commission provides services in the Greenville metropolitan statistical area, including Greenville, the 11th largest city in North Carolina. The Utilities Commission serves approximately 75% of the county and the service area continues to expand. New customer accounts added during the year were more than forty percent higher than new accounts added the previous year reflecting new construction and growth in the local economy. The Utilities Commission's budget for fiscal year 2021 was developed anticipating continuing customer growth, a vibrant local economy, and a mix of residential, commercial, and industrial customers. Capital outlay investments are increasing compared to the previous year's budget reflecting the Utilities Commission's vision to provide safe, innovative, and sustainable utility solutions that serve as the foundation of growth for the Greenville region.

The pandemic has been and continues to be a major economic impact for the Utilities Commission. The hospitality industry has been particularly hard hit by COVID-19 and many restaurants and various service providers have curtailed or ceased operations. Revenues however have remained steady due to the diversity and strength of the customer base. Collections of accounts receivable have been higher than anticipated. Approximately 10% of customers have delayed payments due to restrictions on service curtailments and some aging of accounts has occurred. The Utilities Commission expects to collect most of the receivables in the upcoming year. The Utilities Commission has continued capital improvement and expansion plans and expect that economic conditions will improve with some growth in the new fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Utilities Commission's finances for all those with an interest in the Utilities Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, Greenville Utilities Commission, P.O. Box 1847, Greenville, NC 27835.

Greenville **Basic Financial Statements**
Utilities

Exhibit 1. Statement of Net Position | June 30, 2020

	Major Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Assets					
Current assets:					
Cash and cash equivalents	\$ 49,595,880	\$ 6,350,048	\$ 12,126,204	\$ 17,472,791	\$ 85,544,923
Accounts receivable, net	18,260,042	2,478,284	2,566,183	1,853,543	25,158,052
Due from other governments	1,336,408	327,532	349,864	213,236	2,227,040
Inventories	6,436,428	913,812	221,447	718,315	8,290,002
Prepaid expenses and deposits	178,290	14,071	13,961	24,219	230,541
Restricted cash and cash equivalents	3,329,363	775,280	1,469	457,402	4,563,514
Total current assets	79,136,411	10,859,027	15,279,128	20,739,506	126,014,072
Non-current assets:					
Restricted assets:					
Restricted cash and cash equivalents:					
Bond proceeds	4,479,653	4,419,038	3,091,990	1,389,107	13,379,788
Capacity fees	-	1,920,812	2,158,902	-	4,079,714
System development fees	-	760,871	846,807	-	1,607,678
Total restricted cash and cash equivalents	4,479,653	7,100,721	6,097,699	1,389,107	19,067,180
Total restricted assets	4,479,653	7,100,721	6,097,699	1,389,107	19,067,180
Investments	33,981,553	5,808,897	9,173,997	11,513,712	60,478,159
Notes receivable	-	225,986	-	-	225,986
Capital assets:					
Land easements and construction in progress	31,922,537	15,486,564	11,733,252	8,476,397	67,618,750
Other capital assets net of depreciation	108,689,129	81,995,252	143,053,463	41,249,875	374,987,719
Total capital assets	140,611,666	97,481,816	154,786,715	49,726,272	442,606,469
Total non-current assets	179,072,872	110,617,420	170,058,411	62,629,091	522,377,794
Total assets	258,209,283	121,476,447	185,337,539	83,368,597	648,391,866
Deferred Outflows of Resources					
Pension deferrals	3,029,313	1,625,485	1,551,599	1,182,171	7,388,568
OPEB deferrals	6,128,584	3,288,509	3,139,032	2,391,642	14,947,767
Unamortized bond refunding charges	369,546	509,142	487,566	71,808	1,438,062
Total deferred outflows of resources	9,527,443	5,423,136	5,178,197	3,645,621	23,774,397
Liabilities					
Current liabilities:					
Accounts payable and accrued expenses	14,560,983	1,514,358	1,314,367	1,627,912	19,017,620
Customer deposits payable from restricted assets	3,329,363	775,280	1,469	457,402	4,563,514
Accrued interest payable	777,396	280,786	391,796	234,205	1,684,183
Due to City of Greenville	76,100	732	1,000	225	78,057
Unearned revenue	-	56,610	80,640	-	137,250
Current portion of compensated absences	781,695	371,857	334,080	310,526	1,798,158
Current maturities of long-term debt	2,047,265	1,455,837	3,681,674	844,586	8,029,362
Total current liabilities	21,572,802	4,455,460	5,805,026	3,474,856	35,308,144
Non-current liabilities:					
Compensated absences	265,397	171,761	158,786	180,449	776,393
Long-term debt, excluding current portion	62,124,519	24,986,747	49,008,359	19,769,122	155,888,747
Net OPEB liability	22,288,744	11,959,815	11,416,186	8,698,046	54,362,791
Net pension liability	5,027,690	2,697,785	2,575,158	1,962,025	12,262,658
Total non-current liabilities	89,706,350	39,816,108	63,158,489	30,609,642	223,290,589
Total liabilities	111,279,152	44,271,568	68,963,515	34,084,498	258,598,733
Deferred Inflows of Resources					
Pension deferrals	38,283	20,542	19,608	14,940	93,373
OPEB deferrals	1,862,607	999,447	954,018	726,872	4,542,944
Total deferred inflows of resources	1,900,890	1,019,989	973,626	741,812	4,636,317
Net Position					
Net investment in capital assets	81,289,081	75,967,412	105,676,238	30,573,479	293,506,210
Unrestricted	73,267,603	5,640,614	14,902,357	21,614,429	115,425,003
Total net position	\$ 154,556,684	\$ 81,608,026	\$ 120,578,595	\$ 52,187,908	\$ 408,931,213

The Notes to the Financial Statements are an integral part of these statements.

Exhibit 2. Statement of Revenues, Expenses and Changes in Fund Net Position | For the Year Ended June 30, 2020

	Major Funds				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Operating revenues:					
Charges for services	\$ 170,060,709	\$ 23,067,101	\$ 23,828,122	\$ 31,393,615	\$ 248,349,547
Other operating revenues	502,904	109,495	113,024	98,108	823,531
Total operating revenues	170,563,613	23,176,596	23,941,146	31,491,723	249,173,078
Operating expenses:					
Administration and general	13,375,917	5,488,446	5,333,769	5,047,207	29,245,339
Operations and maintenance	15,431,585	10,306,573	9,418,417	6,285,143	41,441,718
Purchased power and gas	126,492,335	-	-	14,816,904	141,309,239
Depreciation	10,170,187	4,072,819	6,492,806	2,336,214	23,072,026
Total operating expenses	165,470,024	19,867,838	21,244,992	28,485,468	235,068,322
Operating income	5,093,589	3,308,758	2,696,154	3,006,255	14,104,756
Non-operating revenues (expenses):					
Interest income	2,286,899	435,934	601,490	691,869	4,016,192
Interest expense and service charges	(2,129,475)	(856,118)	(1,596,108)	(690,161)	(5,271,862)
Other non-operating revenues	1,101,610	757,228	543,143	350,530	2,752,511
Other non-operating expenses	-	-	-	-	-
Net non-operating revenues (expenses)	1,259,034	337,044	(451,475)	352,238	1,496,841
Income before contributions and transfers	6,352,623	3,645,802	2,244,679	3,358,493	15,601,597
Contributions and transfers:					
Capital Contributions	-	942,272	4,586,004	-	5,528,276
Transfer to City of Greenville, General Fund	(4,055,000)	-	-	(1,714,888)	(5,769,888)
Transfer to City of Greenville, street lighting reimbursement	(884,838)	-	-	-	(884,838)
Total contributions and transfers	(4,939,838)	942,272	4,586,004	(1,714,888)	(1,126,450)
Changes in net position	1,412,785	4,588,074	6,830,683	1,643,605	14,475,147
Net position, beginning of year	153,143,899	77,019,952	113,747,912	50,544,303	394,456,066
Net position, end of year	\$ 154,556,684	\$ 81,608,026	\$ 120,578,595	\$ 52,187,908	\$ 408,931,213

The Notes to the Financial Statements are an integral part of these statements.

Exhibit 3. Statement of Cash Flows | For the Year Ended June 30, 2020

	Major Funds				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 171,910,205	\$ 23,413,643	\$ 24,163,286	\$ 31,968,043	\$ 251,455,177
Other operating receipts	2,801,869	612,311	565,380	833,407	4,812,967
Payments for goods and services	(141,797,459)	(8,377,373)	(7,569,739)	(20,399,066)	(178,143,637)
Payments to employees	(11,866,514)	(6,428,954)	(6,220,823)	(5,332,829)	(29,849,120)
Payments received on loans	-	41,647	-	-	41,647
Net cash provided by operating activities	21,048,101	9,261,274	10,938,104	7,069,555	48,317,034
Cash flows from noncapital financing activities:					
Transfers to City of Greenville, General Fund	(4,934,295)	-	-	(1,714,888)	(6,649,183)
Noncapital contributions	392,414	24,209	25,049	28,996	470,668
Net cash provided (used) by noncapital financing activities	(4,541,881)	24,209	25,049	(1,685,892)	(6,178,515)
Cash flows from capital and related financing activities:					
Capital grants/cash capital contributions	-	-	250,000	-	250,000
Capital related receipts from customers	-	415,590	440,520	-	856,110
Principal payments on debt obligations	(1,350,098)	(997,319)	(3,927,485)	(578,747)	(6,853,649)
Debt issuance costs	1,112	337	279	268	1,996
Acquisition and construction of capital assets	(35,010,060)	(9,849,070)	(7,950,645)	(6,147,361)	(58,957,136)
Payment of interest and service charges on debt obligations	(1,978,485)	(820,337)	(1,592,256)	(663,443)	(5,054,521)
Net cash provided (used) by capital and related financing activities	(38,337,531)	(11,250,799)	(12,779,587)	(7,389,283)	(69,757,200)
Cash flows from investing activities:					
Purchase of investments	(54,730,507)	(9,355,778)	(14,775,590)	(18,543,923)	(97,405,798)
Proceeds from sale and maturity of investments	55,328,248	8,574,448	14,082,998	17,871,558	95,857,252
Interest received on investments	1,983,043	379,959	515,560	584,922	3,463,484
Net cash provided (used) by investing activities	2,580,784	(401,371)	(177,032)	(87,443)	1,914,938
Net increase (decrease) in cash and cash equivalents	(19,250,527)	(2,366,687)	(1,993,466)	(2,093,063)	(25,703,743)
Cash and cash equivalents, beginning of year	76,655,423	16,592,736	20,218,838	21,412,363	134,879,360
Cash and cash equivalents, end of year	57,404,896	14,226,049	18,225,372	19,319,300	109,175,617
Cash and Cash equivalents per balance sheet	57,404,896	14,226,049	18,225,372	19,319,300	109,175,617
Other disclosures:					
Interest incurred	2,357,764	927,052	1,667,984	752,764	5,705,564
Interest paid	1,978,485	820,337	1,592,256	663,443	5,054,521
Contributions of capital assets	-	942,272	4,336,004	-	5,278,276
Change in unrealized gain/loss on investments	375,338	68,731	105,746	131,698	681,513
Reconciliation of operating income to net cash provided by operating activities:					
Operating Income	5,093,589	\$3,308,758	\$2,696,154	\$3,006,255	\$14,104,756
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	10,170,187	4,072,819	6,492,806	2,336,214	23,072,026
Changes in assets, deferrals and liabilities					
Accounts receivable	3,014,263	492,013	628,760	910,472	5,045,508
Notes receivable	-	41,647	-	-	41,647
Due from other governments	448,096	60,140	121,518	80,888	710,642
Inventories	363,513	107,391	5,202	(47,493)	428,613
Prepaid expenses and deposits	18,803	3,965	3,740	4,729	31,237
Deferred outflows of resources for pensions	588,837	315,961	301,600	229,790	1,436,188
Deferred outflows of resources for OPEB	(1,902,172)	(1,020,678)	(974,284)	(742,311)	(4,639,445)
Net pension liability	529,623	284,188	271,270	206,682	1,291,763
Deferred inflows of resources for pensions	14,998	8,048	7,681	5,853	36,580
Deferred inflows of resources for OPEB	(439,378)	(235,764)	(225,047)	(171,464)	(1,071,653)
Accounts payable and accrued expenses	(704,910)	(57,474)	16,753	(306,625)	(1,052,256)
Customer deposits	(23,094)	(5,384)	(11)	(3,167)	(31,656)
Due to City of Greenville	(30,108)	(132,560)	(89,725)	(16,580)	(268,973)
Compensated absences	82,631	44,673	49,443	39,548	216,295
Unearned Revenue	-	(14,840)	(40,320)	-	(55,160)
Net OPEB liability	3,114,026	1,670,941	1,594,989	1,215,229	7,595,185
Miscellaneous income (expense)	709,197	317,430	77,575	321,535	1,425,737
Total adjustments	15,954,512	5,952,516	8,241,950	4,063,300	34,212,278
Net cash provided by operating activities	\$ 21,048,101	\$ 9,261,274	\$ 10,938,104	\$ 7,069,555	\$ 48,317,034

The Notes to the Financial Statements are an integral part of these statements.

Exhibit 4. Statement of Fiduciary Net Position | June 30, 2020

	OPEB Trust Fund	Agency Fund
Assets		
Cash and cash equivalents	\$ 1,484,093	\$ 1,190,982
Accounts receivable	-	1,767,354
Restricted assets		
Investments:		
Blackrock MSCI ACWI EQ Index Non-lendable Fund	2,965,634	-
NC Non Pension Fixed Income	807,343	-
Total assets	5,257,070	\$ 2,958,336
Liabilities		
Accounts payable	-	\$ 2,958,336
Total liabilities	-	\$ 2,958,336
Net Position		
Net position restricted for postemployment benefits other than pensions	\$ 5,257,070	

The Notes to the Financial Statements are an integral part of these statements.

Exhibit 5. Statement of Changes in Fiduciary Net Position | For the Year Ended June 30, 2020

OPEB Trust Fund	
Additions	
Contributions:	
Employer contributions	\$ 2,686,125
Total contributions	2,686,125
Investment earnings:	
Interest	49,420
Net increase/(decrease) in the fair value of investments	113,224
Total investment earnings	162,644
Less investment expense	270
Net investment income	162,374
Total additions	2,848,499
Deductions	
Benefits	2,186,125
Total deductions	2,186,125
Change in net position	662,374
Net position restricted for postemployment benefits other than pensions, beginning of year	4,594,696
Net position restricted for postemployment benefits other than pensions, end of year	\$ 5,257,070

The Notes to the Financial Statements are an integral part of these statements.

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Greenville Utilities Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENT

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The accounting policies of the Greenville Utilities Commission (Utilities Commission) conform to U. S. generally accepted accounting principles as applicable to local governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Utilities Commission, which is governed by an eight-member board of commissioners, was established in 1905 to operate and administer the utility enterprise funds of the City of Greenville, North Carolina.

The Utilities Commission's financial data is incorporated into the Comprehensive Annual Financial Report of the City of Greenville and is an integral part of the City's financial statements.

The Utilities Commission provides electric, water, sewer, and natural gas utilities to the City and residents of surrounding areas. The Electric and Gas Funds are distribution systems. Electricity is purchased from North Carolina Eastern Municipal Power Agency and gas is purchased from Piedmont Natural Gas Corporation and gas marketers.

B. Basis of Presentation

Fund Financial Statements: The fund financial statements provide information about the Utilities Commission's funds, including its fiduciary funds. Separate statements for each fund category – proprietary and fiduciary – are presented.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Utilities Commission reports the following major enterprise funds:

Electric, Water, Sewer and Gas. These funds account for those operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Utilities Commission reports the following fiduciary fund types:

Pension Trust Fund. The Utilities Commission maintains one Pension Trust Fund – the Other Postemployment Benefits (OPEB) Trust Fund. Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other postemployment benefits plans. The OPEB Trust Fund accounts for the Utilities Commission's contributions for healthcare benefits provided to qualified retirees.

Agency Funds. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the Utilities Commission holds on behalf of others. The Utilities Commission maintains two agency funds: the Refuse Collection Fund and the Stormwater Collection Fund, which account for refuse and stormwater fees that are billed and collected by the Utilities Commission for the City of Greenville.

C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Utilities Commission are maintained during the year using the modified accrual basis of accounting.

Proprietary, and Fiduciary Fund Financial Statements. The proprietary and fiduciary fund financial statements are reported using the accrual basis of accounting and the economic resources measurement focus, except for the agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Utilities Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 Utilities Commission enterprise funds are charges to customers for sales and services. The Utilities Commission also recognizes as operating revenues tap fees which are intended to recover the cost of connecting new customers to the water or sewer systems. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budgetary Data

The Utilities Commission's budgets are adopted as required by the North Carolina General Statutes. The Utilities Commission operates under an annual budget ordinance that provides for revenues and appropriations of the electric operation, water operation, sewer operation, and gas operation. All annual appropriations lapse at the fiscal year-end. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Budgetary control is exercised at the fund level. The budgets are prepared on the modified accrual basis as required by North Carolina law, except that bad debt expense and changes in accrued vacation are also budgeted. Amendments are required for any revisions that alter total expenditures of any fund. All amendments must be approved by the Board of Commissioners and the Greenville City Council. During the fiscal year ended June 30, 2020, one amendment to the original budget was necessary.

For budgeting purposes, the Utilities Commission adopts ordinances for capital projects funds in the enterprise funds to segregate monies used for the construction of capital assets, if funding is from external sources (debt proceeds, federal and State grants), or if the project construction period will extend over multiple fiscal years. The capital projects funds are consolidated with the enterprise operating funds for reporting purposes.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

Deposits and Investments

All deposits of the Utilities Commission are made in board-designated official depositories and are secured as required by G.S. 159-31. The Utilities Commission may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Utilities Commission may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Utilities Commission to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC-registered money market mutual fund. The Utilities Commission's investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

In accordance with State law, the Utilities Commission has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

General Statute 159-30.1 authorizes the Utilities Commission to establish an Other Postemployment Benefit (OPEB) Trust and G.S. 159-30(g) authorizes the Utilities Commission to make contributions to the Trust. G.S. 159-30.1 stipulates that the assets of the Utilities Commission's OPEB Trust Fund may be invested as provided in G.S. 159-30(c) or deposited with the State Treasurer for investment pursuant to G.S. 147-69.2(b)(1-6) and (8). Funds submitted to the State Treasurer are managed in three different sub-funds, the State Treasurer's Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1; the Bond Index Fund (BIF) consisting of high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6); and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8). Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. Valuation of the underlying assets is performed by the custodian. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The BIF is also valued at \$1 per share. The MSCI ACWI EQ Index Non-Lendable Class B Fund is priced at \$23.107392 per share at June 30, 2020.

Cash and Cash Equivalents

Cash and cash equivalents and investments of the individual funds are combined to form several pools of cash and investments. All cash equivalents are accounted for at cost, which approximates market. Investments are reported at fair value. Interest earned as a result of pooling is distributed to the appropriate funds based on their equity in the pool.

For purposes of the statements of cash flows, the Utilities Commission considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Investments, as presented in the financial statements, consist of securities authorized by State law with an original maturity greater than three months.

Restricted Assets

The Utilities Commission requires customers to pay deposits on utility accounts as security against nonpayment. These deposits are restricted to the purpose for which the deposit was collected.

The Utilities Commission issues Revenue Bonds to fund capital projects. The proceeds from these issuances are placed with a trustee for safekeeping and dispersion as needed. The amount of unspent bond proceeds, including interest earnings, is shown as a restricted asset because their use is completely restricted to the purpose for which the bonds were originally issued.

In prior years the Utilities Commission charged customers requesting water and/or sewer service a one-time Capacity Fee, which was intended to recover a proportional share of the cost of capital facilities constructed to provide service capacity for new development, or new customers connecting to the water/sewer system. The amount of unspent Capacity Fee revenue is shown as a restricted asset because its use is completely restricted to capacity related capital investment and/or debt service on capacity related capital financing.

The Utilities Commission charges water and sewer system development fees on new developments in accordance with North Carolina General Statute 162A Article 8, the "Public Water and Sewer System Development Fee Act". The purpose of system development fees is to fund costs of capital improvements necessitated by and attributable to such new development, to recoup costs of existing facilities which serve such new development, or a combination of those costs. The amount of unspent system development fee revenue is shown as a restricted asset because its use is completely restricted to capacity related capital investment and/or debt service on capacity related capital financing.

Utilities Commission Restricted Cash

Customer deposits	\$ 4,563,514
Unexpended bond proceeds	13,379,788
Unexpended capacity fees	4,079,714
Unexpended system development fees	1,607,678
Total	\$ 23,630,694

Allowance for Doubtful Accounts

Receivables are shown net of an allowance for doubtful accounts. The allowance for uncollectible accounts receivables is determined principally on the basis of past collection experience as well as consideration of current economic conditions and customer collection trends. During fiscal year 2020, legal restrictions were put in place which curtailed collections and service terminations for accounts that were delinquent due to COVID-19. The Utilities Commission usually reserves 0.14% of rates and charges as bad debt expense, however, adjustments were made to reflect the impact of the COVID-19 legal restrictions and for the 2019-20 fiscal year \$750,000 was reserved for uncollectible accounts.

Inventories and Prepaid Expenses

Inventories of materials, supplies and natural gas stored for future resale are reported at the lower of cost (weighted-average) or market. The materials and supplies inventories are being held for future use and not resale and are expensed when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in fund financial statements and expensed as the items are used.

Capital Assets

Capital assets are defined by the Utilities Commission as assets with an initial cost of more than \$5,000 and an estimated useful life of at least two years. Capital assets purchased or constructed are recorded at cost. Contributed capital assets received prior to June 15, 2015 are recorded at estimated fair market value at the time the asset is received. Contributed capital assets received after June 15, 2015 are recorded at acquisition value. Maintenance and repairs are charged to expense as incurred and renewals and betterments are capitalized at cost as incurred. Capital assets are depreciated over their estimated useful lives unless they are inexhaustible or are intangible assets with indefinite useful lives. Capital assets are depreciated using a method which approximates the straight-line method. Capitalized assets of the Utilities Commission are depreciated over the following estimated useful lives:

- Land improvements** 10 years
- General plant** 10 to 33 years
- Utility plant** 5 to 33 years
- Computer software** 3 to 15 years
- Vehicles and equipment** 3 to 20 years
- Distribution systems** 10 to 50 years
- Transmission systems** 20 to 25 years
- Computer hardware** 5 years
- Fiber optics** 20 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Utilities Commission has three items that meet this criterion, deferrals related to pension, deferrals related to OPEB, and unamortized losses on bond defeasance for refunding bonds. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Utilities Commission has two items that meet the criterion, deferrals related to pension and deferrals related to OPEB.

Long-Term Obligations

In the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

Compensated Absences

The vacation policy of the Utilities Commission provides for accumulation of earned vacation leave to full-time and designated part-time employees based upon the number of years of service with such leave being fully vested when earned. The cost of vacation leave is recorded when earned. Compensated absences are accounted for on a first-in, first-out (FIFO) basis and are liquidated in the enterprise funds. The portion of the vacation leave that is estimated to be used in the next fiscal year has been designated as a current liability.

The Utilities Commission's sick leave policy provides for an unlimited accumulation of earned sick leave. 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 purposes. Since the Utilities Commission has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position

Net position in the fund financial statements is classified as net investment in capital assets; restricted (if any); and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Defined Benefit Pension and OPEB Plans

The Utilities Commission participates in a multiple-employer defined benefit pension plan that is administered by the State, the Local Governmental Employees' Retirement System (LGERS). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the LGERS and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Utilities Commission's employer contributions are recognized when due and the Utilities Commission has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS.

The Utilities Commission participates in a single-employer defined benefit other postemployment benefit plan (OPEB), the Greenville Utilities Commission Other Postemployment Benefits Plan (GUC OPEB Plan). For purposes of measuring the net OPEB

liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the GUC OPEB plan and additions to/ deductions from the GUC OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the GUC OPEB plan. For this purpose, the GUC OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Investments for both plans are reported at fair value.

NOTE 2: DETAIL NOTES ON ALL FUNDS

A. Assets

Deposits

All the deposits of the Utilities Commission are either insured or collateralized under the pooling method. The pooling method is a collateral pool under which 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 Utilities Commission, these deposits are considered to be held by the Utilities Commission's agent in the Utilities Commission's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the pooling method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Utilities Commission or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Utilities Commission under the pooling method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the pooling method. The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions and monitors them for compliance. The Utilities Commission complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Utilities Commission's investment policy specifies that deposit-type securities (i.e. certificates of deposit and checking accounts) are 100% collateralized as required by North Carolina General Statutes.

At June 30, 2020, the Utilities Commission's deposits had a carrying amount of \$80,471,030 and a bank balance of \$80,940,609. Of the bank balance, \$3,010,223 was covered by Federal depository insurance, and \$77,930,386 was covered by collateral held under the pooling method. The Utilities Commission's deposits include checking accounts, savings accounts, money market accounts and \$15,480,795 in certificates of deposit which are reported as long-term investments on the statement of net position. The Utilities Commission's cash on hand at June 30, 2020 consisted of various petty cash funds totaling \$6,100.

Investments

At June 30, 2020, the Utilities Commission had the following investments and maturities.

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6 - 12 Months	1 - 5 Years
Bank Certificates of Deposit	Amortized Cost	\$ 15,480,795	\$ 10,315,229	\$ 5,165,566	\$ -
US Government Agencies	Fair Value-Level 1	14,813,964	8,949,414	-	5,864,550
US Treasury Notes	Fair Value-Level 1	30,183,400	-	8,505,672	21,677,728
NC Capital Management Trust - Government Portfolio	Fair Value-Level 1	13,883,303	13,883,303	-	-
NC Capital Management Trust - Term Portfolio*	Fair Value-Level 1	31,486,961	31,486,961	-	-
Totals		\$105,848,423	\$ 64,634,907	\$ 13,671,238	\$ 27,542,278

* Because the NC Capital Management Trust Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as investments with maturities of less than 6 months.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy. Level 1 debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Utilities Commission's investment policy limits investments with maturities exceeding three years to US Treasuries, US Agencies and Instrumentalities unless expressly approved by the Utilities Commission Board. Also, the Utilities Commission's investment policy advocates purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than five years.

Credit Risk. The Utilities Commission's investment policy limits the securities available for purchase to the following: US Treasuries; US Agencies; NC Capital Management Trust; Money Market Accounts; Certificates of Deposit; Banker's Acceptances; Commercial Paper; and NC and Local Government Securities with AAA rating or better. The Utilities Commission's investment policy expressly prohibits investment in: repurchase agreements; commingled investment pools established by GS 160-A-464; participating shares in a mutual fund for local government; and evidences of ownership of future interest and principal payments of direct obligations of the US government. The Utilities Commission's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. The Utilities Commission's investment in the NC Capital Management Trust Term Portfolio is a bond fund, is unrated, and has a duration of 0.15 years. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended. Both portfolios are reported at fair value. The Utilities Commission's investments in US Government Agencies, which include Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association, are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Custodial Credit Risk. For an investment, the custodial credit risk is the risk that in the event of the failure of the counterparty, the Utilities Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Utilities Commission's investment policy does not allow investment in any security that would not be held in the Utilities Commission's name.

Concentration of Credit Risk. The Utilities Commission's investment policy limits the amount of the total portfolio that can be invested in any one type of investment to the following percentages: US Treasuries - 100%; US Agencies - 100%; Capital Management Trust - 100%; Money Market Accounts - 100%; Certificates of Deposit - 70%; Banker's Acceptances - 45%; Commercial Paper - 50%; NC and Local Government Securities with AAA rating or better - 20%. In addition, the Utilities Commission's investment policy limits the total amount that can be invested in any one agency, institution, or entity.

At June 30, 2020 the Utilities Commission OPEB Trust had \$5,257,070 invested in the State Treasurer's Local Government Other Post-Employment Benefits (OPEB) Trust pursuant to G.S. 159-30.1. The State Treasurer's OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the Utilities Commission's OPEB Trust was invested as follows: State Treasurer's Short Term Investment Fund (STIF) 28%, which is reported as cash and cash equivalents; State Treasurer's Bond Index Fund (BIF) 15% and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 57% (the equities were split with 57.49% in domestic securities and 42.51% in international securities).

Level of the fair value hierarchy. Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs—other than quoted prices—included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2020 of 1.3 years.

Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. The BIF, which does not have a credit rating, was valued at \$1 per unit and had an average maturity of 7.97 years at June 30, 2020.

The BlackRock's MSCI ACWI EQ Index Non-Lendable Class B fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, 2020 the fair value of the funds was \$23.107392 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation technique. North Carolina Department of State Treasurer OPEB Trust investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Interest Rate Risk. The Utilities Commission does not have a formal investment interest rate policy for the OPEB Trust Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's Short Term Investment Fund (STIF) is unrated and had a weighted average maturity of 1.3 years at June 30, 2020. The State Treasurer's Bond Index Fund (BIF) is unrated and had a weighted average maturity of 7.97 years at June 30, 2020.

Credit Risk. The Utilities Commission does not have a formal investment policy regarding credit risk for the OPEB Trust Fund. The State Treasurer's STIF is unrated and authorized under NC General Statute 147-69.1. The STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments. The State Treasurer's BIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The BIF is invested in high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6).

Reconciliation of cash and investments:

Totals per footnote:

2020	
Cash	\$ 64,990,235
Petty Cash	6,100
Certificates of Deposit	15,480,795
Investments	90,367,628
Investments - OPEB Trust Fund	5,257,070
Total	\$ 176,101,828

Totals per Statement of Net Position:

2020	
Cash and cash equivalents - unrestricted	\$ 85,544,923
Restricted cash and cash equivalents	4,563,514
Restricted cash and cash equivalents - non-current	19,067,180
Investments - non-current	60,478,159
Cash and Investments - OPEB Trust Fund	5,257,070
Cash and cash equivalents - Agency Fund	1,190,982
Total	\$ 176,101,828

Receivables

Receivables at June 30, 2020, were as follows:

2020	
Billed customer accounts	\$ 18,695,202
Estimated unbilled customer services	12,662,008
Other receivables	418,230
Total accounts receivable	31,775,440
Allowance for uncollectible accounts	(6,617,388)
Net accounts receivable	\$ 25,158,052

The due from other governments that is owed to the Utilities Commission at June 30, 2020 consists of the following:

2020	
Sales tax refund	\$ 2,132,800
FEMA Receivable	76,845
Utilities sales tax refund	17,395
Total due from other governments	\$ 2,227,040

The Commission has entered into an agreement to supply supplemental water to Stokes Regional Water Corporation (SRWC). The agreement required the Commission to construct a water transmission main to connect with SRWC and to finance a portion of the project's cost. At the end of the fiscal year the note receivable due from SRWC was \$225,986 payable in monthly installments for 15 years at a 5.25% interest rate.

Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 8,375,720	\$ -	\$ -	\$ 170,727	\$ 8,546,447
Easements	584,662	-	-	-	584,662
Construction in progress	25,246,104	44,458,862	-	(11,217,325)	58,487,641
Total capital assets not being depreciated:	34,206,486	44,458,862	-	(11,046,598)	67,618,750
Capital assets being depreciated:					
Land improvements	3,562,298	-	-	-	3,562,298
General plant	13,255,577	112,433	-	-	13,368,010
Utility plant	171,895,132	1,614,702	-	6,067,115	179,576,949
Computer software	32,809,859	193,959	-	-	33,003,818
Vehicles and equipment	28,560,104	1,914,426	(651,960)	-	29,822,570
Distribution systems	475,042,384	15,089,298	-	985,835	491,117,517
Transmission systems	42,832,321	118,623	-	3,993,648	46,944,592
Computer hardware	3,613,963	705,603	-	-	4,319,566
Fiber optics	2,379,861	52,261	-	-	2,432,122
Total capital assets being depreciated:	773,951,499	19,801,305	(651,960)	11,046,598	804,147,442
Less accumulated depreciation for:					
Land improvements	1,532,625	155,098	-	-	1,687,723
General plant	7,504,601	362,150	-	-	7,866,751
Utility plant	75,533,472	5,106,658	-	-	80,640,130
Computer software	13,842,034	1,705,323	-	-	15,547,357
Vehicles and equipment	24,654,675	1,724,484	(651,960)	-	25,727,199
Distribution systems	253,846,425	12,107,365	-	-	265,953,790
Transmission systems	25,111,718	1,528,028	-	-	26,639,746
Computer hardware	3,250,678	265,544	-	-	3,516,222
Fiber optics	1,463,429	117,376	-	-	1,580,805
Total accumulated depreciation	406,739,657	23,072,026	(651,960)	-	429,159,723
Total capital assets being depreciated, net	367,211,842				374,987,719
Net Capital Assets	\$ 401,418,328				\$ 442,606,469

Depreciation expense is charged to the Electric, Water, Sewer, and Gas Funds. Amounts charged to the four funds for the year ended June 30, 2020 totaled \$10,170,187, \$4,072,819, \$6,492,806, and \$2,336,214, respectively.

Capital asset activity by fund for the year ended June 30, 2020, was as follows:

Electric Fund

	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 3,406,415	\$ -	\$ -	\$ -	\$ 3,406,415
Easements	403,492	-	-	-	403,492
Construction in progress	9,146,348	24,116,492	-	(5,150,210)	28,112,630
Total capital assets not being depreciated:	12,956,255	24,116,492	-	(5,150,210)	31,922,537
Capital assets being depreciated:					
Land improvements	394,368	-	-	-	394,368
General plant	5,709,824	65,782	-	-	5,775,606
Computer software	16,472,667	127,135	-	-	16,599,802
Vehicles and equipment	13,567,780	942,138	(297,660)	(18,641)	14,193,617
Distribution systems	218,517,503	8,365,702	-	1,156,562	228,039,767
Transmission systems	42,832,321	118,623	-	3,993,648	46,944,592
Computer hardware	2,819,310	556,485	-	-	3,375,795
Fiber optics	1,795,291	13,066	-	-	1,808,357
Total capital assets being depreciated:	302,109,064	10,188,931	(297,660)	5,131,569	317,131,904
Less accumulated depreciation for:					
Land improvements	242,680	19,241	-	-	261,921
General plant	3,720,877	136,859	-	-	3,857,736
Computer software	6,971,240	861,684	-	-	7,832,924
Vehicles and equipment	11,483,428	903,744	(297,660)	(18,641)	12,070,871
Distribution systems	147,375,227	6,420,586	-	-	153,795,813
Transmission systems	25,111,718	1,528,028	-	-	26,639,746
Computer hardware	2,533,515	209,627	-	-	2,743,142
Fiber optics	1,150,204	90,418	-	-	1,240,622
Total accumulated depreciation	198,588,889	10,170,187	(297,660)	(18,641)	208,442,775
Total capital assets being depreciated, net	103,520,175				108,689,129
Net Capital Assets	\$ 116,476,430				\$ 140,611,666

Water Fund

	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 1,327,238	\$ -	\$ -	\$ -	\$ 1,327,238
Easements	14,590	-	-	-	14,590
Construction in progress	5,448,512	8,696,224	-	-	14,144,736
Total capital assets not being depreciated:	6,790,340	8,696,224	-	-	15,486,564
Capital assets being depreciated:					
Land improvements	2,540,798	-	-	-	2,540,798
General plant	2,591,076	14,570	-	-	2,605,646
Utility plant	57,437,176	729,857	-	-	58,167,033
Computer software	5,096,119	38,644	-	-	5,134,763
Vehicles and equipment	4,665,386	277,472	(60,691)	23,052	4,905,219
Distribution systems	87,251,546	1,259,422	-	-	88,510,968
Computer hardware	227,305	38,635	-	-	265,940
Fiber optics	251,255	13,065	-	-	264,320
Total capital assets being depreciated:	160,060,661	2,371,665	(60,691)	23,052	162,394,687
Less accumulated depreciation for:					
Land improvements	1,012,961	86,393	-	-	1,099,354
General plant	1,285,272	78,160	-	-	1,363,432
Utility plant	30,522,437	1,487,248	-	-	32,009,685
Computer software	2,257,360	255,316	-	-	2,512,676
Vehicles and equipment	4,136,520	235,038	(60,691)	23,052	4,333,919
Distribution systems	36,782,471	1,907,052	-	-	38,689,523
Computer hardware	206,428	14,626	-	-	221,054
Fiber optics	160,806	8,986	-	-	169,792
Total accumulated depreciation	76,364,255	4,072,819	(60,691)	23,052	80,399,435
Total capital assets being depreciated, net	83,696,406				81,995,252
Net Capital Assets	\$ 90,486,746				\$ 97,481,816

Sewer Fund

	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 2,412,679	\$ -	\$ -	\$ -	\$ 2,412,679
Easements	26,128	-	-	-	26,128
Construction in progress	8,959,361	6,402,199	-	(6,067,115)	9,294,445
Total capital assets not being depreciated:	11,398,168	6,402,199	-	(6,067,115)	11,733,252
Capital assets being depreciated:					
Land improvements	264,083	-	-	-	264,083
General plant	2,215,594	14,513	-	-	2,230,107
Utility plant	99,338,518	871,794	-	6,067,115	106,277,427
Computer software	4,879,350	10,677	-	-	4,890,027
Vehicles and equipment	6,429,896	509,284	(203,743)	(15,098)	6,720,339
Distribution systems	121,024,961	4,652,288	-	-	125,677,249
Computer hardware	207,625	38,633	-	-	246,258
Fiber optics	166,656	13,065	-	-	179,721
Total capital assets being depreciated:	234,526,683	6,110,254	(203,743)	6,052,017	246,485,211
Less accumulated depreciation for:					
Land improvements	127,120	17,138	-	-	144,258
General plant	1,057,198	69,008	-	-	1,126,206
Utility plant	39,293,180	3,114,133	-	-	42,407,313
Computer software	2,037,689	253,893	-	-	2,291,582
Vehicles and equipment	5,746,767	354,979	(203,743)	(15,098)	5,882,905
Distribution systems	48,632,870	2,660,043	-	-	51,292,913
Computer hardware	186,750	14,626	-	-	201,376
Fiber optics	76,209	8,986	-	-	85,195
Total accumulated depreciation	97,157,783	6,492,806	(203,743)	(15,098)	103,431,748
Total capital assets being depreciated, net	137,368,900				143,053,463
Net Capital Assets	\$ 148,767,068				\$ 154,786,715

Gas Fund

	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 1,229,388	\$ -	\$ -	\$ 170,727	\$ 1,400,115
Easements	140,452	-	-	-	140,452
Construction in progress	1,691,883	5,243,947	-	-	6,935,830
Total capital assets not being depreciated:	3,061,723	5,243,947	-	170,727	8,476,397
Capital assets being depreciated:					
Land improvements	363,049	-	-	-	363,049
General plant	2,739,083	17,568	-	-	2,756,651
Utility plant	15,119,438	13,051	-	-	15,132,489
Computer software	6,361,723	17,503	-	-	6,379,226
Vehicles and equipment	3,897,042	185,532	(89,866)	10,687	4,003,395
Distribution systems	48,248,374	811,886	-	(170,727)	48,889,533
Computer hardware	359,723	71,850	-	-	431,573
Fiber optics	166,659	13,065	-	-	179,724
Total capital assets being depreciated:	77,255,091	1,130,455	(89,866)	(160,040)	78,135,640
Less accumulated depreciation for:					
Land improvements	149,864	32,326	-	-	182,190
General plant	1,441,254	78,123	-	-	1,519,377
Utility plant	5,717,855	505,277	-	-	6,223,132
Computer software	2,575,745	334,430	-	-	2,910,175
Vehicles and equipment	3,287,960	230,723	(89,866)	10,687	3,439,504
Distribution systems	21,055,857	1,119,684	-	-	22,175,541
Computer hardware	323,985	26,665	-	-	350,650
Fiber optics	76,210	8,986	-	-	85,196
Total accumulated depreciation	34,628,730	2,336,214	(89,866)	10,687	36,885,765
Total capital assets being depreciated, net	42,626,361				41,249,875
Net Capital Assets	\$ 45,688,084				\$ 49,726,272

A summary of capital assets, by fund, at June 30, 2020 is as follows:

	Electric	Water	Sewer	Gas	Total
At June 30, 2020					
Land	\$ 3,406,415	\$ 1,327,238	\$ 2,412,679	\$ 1,400,115	\$ 8,546,447
Easements	403,492	14,590	26,128	140,452	584,662
Land improvements	394,368	2,540,798	264,083	363,049	3,562,298
General plant	5,775,606	2,605,646	2,230,107	2,756,651	13,368,010
Utility plant	-	58,167,033	106,277,427	15,132,489	179,576,949
Computer software	16,599,802	5,134,763	4,890,027	6,379,226	33,003,818
Vehicles and equipment	14,193,617	4,905,219	6,720,339	4,003,395	29,822,570
Distribution systems	228,039,767	88,510,968	125,677,249	48,889,533	491,117,517
Transmission systems	46,944,592	-	-	-	46,944,592
Computer hardware	3,375,795	265,940	246,258	431,573	4,319,566
Fiber optics	1,808,357	264,320	179,721	179,724	2,432,122
	320,941,811	163,736,515	248,924,018	79,676,207	813,278,551
Less accumulated depreciation	(208,442,775)	(80,399,435)	(103,431,748)	(36,885,765)	(429,159,723)
	112,499,036	83,337,080	145,492,270	42,790,442	384,118,828
Construction in progress	28,112,630	14,144,736	9,294,445	6,935,830	58,487,641
Net Capital Assets	\$ 140,611,666	\$ 97,481,816	\$ 154,786,715	\$ 49,726,272	\$ 442,606,469

Construction Commitments

The Utilities Commission has active construction projects as of June 30, 2020. At year-end, the Utilities Commission's commitments with contractors are as follows:

Project Name	Spent-to-date	Remaining Commitments
Electric transmission system	\$ 277,567	\$ 47,101
Electric distribution system	5,788,005	1,040,830
Water treatment and distribution system	7,359,662	48,076,086
Sewer treatment and collection system	2,520,681	312,599
Natural gas distribution system	206,109	91,848
Administrative facilities	42,229,326	9,224,461
Totals	\$ 58,381,350	\$ 58,792,925

B. Liabilities

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2020, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Electric	\$ 14,188,990	\$ 367,845	\$ 4,148	\$ 14,560,983
Water	1,291,657	222,701	-	1,514,358
Sewer	1,101,724	212,643	-	1,314,367
Gas	1,430,578	197,334	-	1,627,912
Totals	\$ 18,012,949	\$ 1,000,523	\$ 4,148	\$ 19,017,620

Unearned Revenue:

Unearned revenue totaling \$56,610 in the Water Fund and \$80,640 in the Sewer Fund consists of connection fees that were paid in advance for services that have not yet been installed. The fees paid in advance will be recognized as revenue by the Utilities Commission at the time the service is installed.

Long-term Obligations

Pension Plan and Postemployment Obligations

Local Governmental Employees' Retirement System

Plan Description

The Utilities Commission is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement 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 LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided

LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable

service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Contributions

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Utilities Commission employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, and are set annually by the LGERS Board of Trustees. The Utilities Commission's contractually required contribution rate for the year ended June 30, 2020 was 8.95% for general employees. Contributions to the pension plan from the Utilities Commission were \$2,843,296 for the year ended June 30, 2020.

Refunds of Contributions - Utilities Commission employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the Utilities Commission reported a liability of \$12,262,658 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Utilities Commission's proportion of the net pension liability was based on a projection of the Utilities Commission's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the Utilities Commission's proportion was 0.44903%, which was a decrease of 0.01342% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Utilities Commission recognized pension expense of \$5,607,825. At June 30, 2020, the Utilities Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,099,677	\$ -
Changes of assumptions	1,998,610	-
Net difference between projected and actual earnings on pension plan investments	299,104	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	147,881	93,373
Employer contributions subsequent to the measurement date	2,843,296	-
Totals	\$ 7,388,568	\$ 93,373

\$2,843,296 reported as deferred outflows of resources related to pensions resulting from Utilities Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 2,240,028
2022	707,771
2023	1,187,686
2024	316,415
Thereafter	-
	\$ 4,451,900

Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including 3.5% inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience review for LGERS for the period January 1, 2010 through December 31, 2014.

Future and ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Opportunistic Fixed Income	7.0%	6.0%
Inflation Sensitive	6.0%	4.0%
Total	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement

Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount Rate

The discount rate used to measure the total pension liability was 7%. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity of the Utility Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Utility Commission's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Utility Commission's proportionate share of the net pension liability or net pension asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Utilities Commission's proportionate share of the net pension liability (asset)	\$28,046,944	\$12,262,658	(\$857,279)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

OTHER POSTEMPLOYMENT BENEFITS

Plan Description

Plan Administration. The Utilities Commission administers the Greenville Utilities Commission Other Postemployment Benefits Plan (GUC OPEB Plan), a single-employer defined benefit plan which provides postemployment benefits other than pensions (OPEB) for all eligible retirees. An employee is eligible for retirement when he/she reaches 50 years of age and has completed 20 years of service or reaches age 60 and has completed 5 years of service. Also, an employee is eligible for disability retirement when he/she has completed 5 years of service. Upon service, early or disability retirement as approved by the North Carolina Local Governmental Employees' Retirement System and upon meeting the criteria established by the Utilities Commission, employees with a minimum of 5 continuous years of service with the Utilities Commission if hired before July 1, 2011 or with a minimum of 20 continuous years of service with the Utilities Commission if hired on or after July 1, 2011 are eligible to continue insurance coverage. The Utilities Commission obtains post-65 health care coverage and life insurance coverage through a private insurer and self-funds the health care coverage for pre-65 retirees up to \$275,000 per person per year. A separate report was not issued for the plan.

Management of the GUC OPEB Plan is vested in the Utilities Commission Board of Commissioners.

Plan membership. At June 30, 2018, the valuation date, the GUC OPEB Plan membership consisted of the following:

Inactive members or beneficiaries currently receiving benefits	167
Inactive members entitled to but not yet receiving benefits	0
Active members	448
	615

Benefits provided. The GUC OPEB Plan provides postretirement health care, prescription drugs, and vision benefits for retired or disabled employees. A retiree life insurance benefit of \$7,000 is provided to those retirees who were hired prior to August 1, 1975.

Contributions. The Utilities Commission's obligation to contribute to the post retirement benefit plan is established and may be amended by the Board of Commissioners. Members hired prior to July 1, 2011 who retire with at least 20 years of service contribute 5% of the estimated cost for pre-65 health care coverage for the retiree. Members hired prior to July 1, 2011 who retire with less than 20 years of service contribute 100% of the estimated cost for pre-65 health care coverage for the retiree. Retirees who elect to have dependent health care coverage contribute 100% of the estimated cost of coverage. Participating retired employees hired prior to July 1, 2011 with a minimum of 20 years of service shall have their coverage transferred to a Medicare Supplemental plan after qualifying for Medicare, with the Utilities Commission continuing to pay the same dollars toward the premium cost as it pays for retirees under the base plan. For retired employees hired on or after July 1, 2011 with a minimum of 20 years of service, the contribution rate for post-65 benefits consists of a \$250 monthly stipend defined contribution amount. The Utilities Commission pays 50% of the total life insurance premium cost for those retirees who have that benefit. Members hired on or after July 1, 2011 who retire with less than 20 years of service will not be eligible for post-retirement coverage. The contribution rates for pre-65 benefits for members hired on or after July 1, 2011 will be based on the member's age at retirement and their length of service as detailed below:

	Age at Retirement	
	55 - 59	60+
20 - 24 Years of Service	50%	65%
25+ Years of Service	75%	95%

The Utilities Commission is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board. For the current fiscal year the Utilities Commission contributed \$2,686,125. The GUC OPEB Plan is accounted for as a trust fund.

Investments

Investment policy. Investments are valued at fair value. As of the most recent adoption of the current long-term rate of return by the GUC OPEB Plan, the target asset allocation and best estimates of real rates of return for each major asset class, as provided by the GUC OPEB Plan's investment strategies, are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return
Equity	60.00%	7.00%
Bonds	10.00%	3.00%
Cash and Cash Equivalents	30.00%	2.00%
Total	100.00%	

Note: In setting the long-term expected return for the GUC OPEB Plan, projections employed to model future returns provide a range of expected long-term returns that ultimately support a long-term expected rate of return assumption of 7.00%.

Rate of return. For the year ended June 30, 2020, the annual money weighted rate of return on investments, net of investment expense, was 3.232 percent. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Utilities Commission

The components of the net OPEB liability of the Utilities Commission at June 30, 2020 were as follows:

Total OPEB liability (TOL)	\$ 59,619,861
Plan fiduciary net position (FNP)	5,257,070
Net OPEB liability (NOL)	\$ 54,362,791
Plan fiduciary net position as a percentage of the total OPEB liability	8.82%

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 using the following actual assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation	
General Employees	3.50% - 7.75%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Municipal bond index rate	
Prior measurement date	3.50%
Measurement date	2.21%
Year fiduciary net position is projected to be depleted	
Prior measurement date	2036
Measurement date	2042
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Prior measurement date	4.12%
Measurement date	3.41%
Healthcare cost trend rates	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022

The total OPEB liability (TOL) determined by the June 30, 2018 valuation date was rolled forward to the June 30, 2019 measurement date using standard roll forward techniques. The roll forward calculation begins with the TOL, as of June 30, 2018, subtracts the expected benefit payments and refunds for the year, applies interest at the discount rate for the year, and then adds the annual normal cost (also called the Service Cost). An expected TOL is then determined as of June 30, 2020 beginning with the TOL as of June 30, 2019 using the same roll forward methodology. Actuarial gains and losses arising from the change in the SEIR from 4.12% on the Prior Measurement Date to 3.41% on the Measurement Date are accounted for as changes of assumptions or other inputs.

The discount rate used to measure the total OPEB liability was based on the single equivalent interest rate (SEIR).

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the major target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, are presented above.

Discount Rate. The discount rate used to measure the TOL as of the Measurement Date was 3.41%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The projection's basis was an actuarial valuation performed as of June 30, 2018. In addition to the actuarial methods and assumptions of the June 30, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.50%.
- Active employees do not explicitly contribute to the Plan.
- In all years, the employer is assumed to contribute the average of the last 5 years of contributions to the Plan through deposits to the Trust and pays benefits directly to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

Based on these assumptions, the Plan's FNP was projected to be depleted in 2042 and, as a result, the Municipal Bond Index Rate was used in the determination of the SEIR. Here, the long-term expected rate of return of 7.00% on Plan investments was applied to periods through 2042 and the Municipal Bond Index Rate at the Measurement Date (2.21%) was applied to periods on and after 2042, resulting in the SEIR at the Measurement Date (3.41%). There was a change in the discount rate from 4.12% at the Prior Measurement Date to 3.41% at the Measurement Date.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the Utilities Commission, as well as what the Utilities Commission's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.41 percent) or 1-percentage-point higher (4.41 percent) than the current discount rate:

	1% Decrease (2.41%)	Current Discount Rate (3.41%)	1% Increase (4.41%)
Net OPEB liability	\$65,324,493	\$54,362,791	\$45,709,085

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Utilities Commission, as well as what the Utilities Commission's net OPEB liability would be if it were to calculate healthcare cost trend rates that are 1- percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$44,202,396	\$54,362,791	\$67,569,335

Changes in the Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the Utilities Commission reported a net OPEB liability of \$54,362,791. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2020 the components of the net OPEB liability of the Utilities Commission were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance as of June 30, 2019	\$ 51,362,302	\$ 4,594,696	\$ 46,767,606
Changes for the year:			
Service Cost at the end of the year*	1,163,959	0	1,163,959
Interest on TOL and Cash Flows	2,071,547	0	2,071,547
Difference between expected and actual experience	863,252	0	863,252
Changes of assumptions or other inputs	6,344,926	0	6,344,926
Contributions – employer	0	2,686,125	(2,686,125)
Net investment income	0	162,374	(162,374)
Benefit payments	(2,186,125)	(2,186,125)	0
Net changes	8,257,559	662,374	7,595,185
Balance as of June 30, 2020	\$ 59,619,861	\$ 5,257,070	\$ 54,362,791

* The service cost includes interest for the year.

Changes of assumptions. Change in the discount rate.

For the year ended June 30, 2020, the Utilities Commission recognized OPEB expense of \$4,570,212. At June 30, 2020, the Utilities Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,043,699	\$ 448,853
Changes of assumptions or other inputs	13,712,875	4,094,091
Net difference between projected and actual earnings on OPEB plan investments	191,193	-
Totals	\$ 14,947,767	\$ 4,542,944

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	\$ 1,673,539
2022	1,673,537
2023	1,673,347
2024	1,656,798
2025	2,387,321
Thereafter	1,340,281
	\$ 10,404,823

Long-term Debt

The City of Greenville issues any debt required by the Utilities Commission. The Utilities Commission's debt issuances are authorized and secured by the Bond Order adopted on August 11, 1994 and amended and restated as of April 13, 2000. The Bond Order provides authorization for indebtedness, redemption of bonds, covenants as to rates, and remedies in case of default. The legal debt margin is disclosed in the City's Comprehensive Annual Financial Report.

Debt serviced by the Electric Fund:

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Electric Fund. The Utilities Commission has pledged future electric customer revenues and other unrestricted revenues including revenues of the Water, Sewer and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$57,166,367 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 24 percent of net revenues, or less than 3 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$89,782,451. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$3,328,583, \$17,169,709, and \$172,128,947, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year end for the Utilities Commission's Electric Fund are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,902,210, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	\$ 847,458
Series 2013 Refunding Revenue Bonds with an original issue amount of \$6,182,959, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027	3,059,235
	\$3,906,693

Annual debt service requirements to maturity for the Utilities Commission's Electric Fund direct placement revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 857,747	\$ 72,310	\$ 930,057
2022	868,385	53,591	921,976
2023	439,337	40,122	479,459
2024	435,306	32,039	467,345
2025	435,306	24,029	459,335
2026-2027	870,612	24,029	894,641
Totals	\$3,906,693	\$246,120	\$4,152,813

Public sales revenue bonds outstanding at year end for the Utilities Commission's Electric Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$22,679,530, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046	\$21,966,087
Series 2016 Revenue Bonds with an original issue amount of \$1,369,152, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026	881,799
Series 2016 Revenue Bonds with an original issue amount of \$3,470,208, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034	3,319,005
Series 2019 Revenue Bonds with an original issue amount of \$27,092,783, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	27,092,783
	\$53,259,674

Annual debt service requirements to maturity for the Utilities Commission's Electric Fund public sales revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 1,189,518	\$ 2,267,026	\$ 3,456,544
2022	1,213,155	2,197,105	3,410,260
2023	1,287,224	2,152,980	3,440,204
2024	1,392,721	2,087,017	3,479,738
2025	1,496,130	2,015,849	3,511,979
2026-2030	8,575,173	8,862,556	17,437,729
2031-2035	10,934,190	6,433,685	17,367,875
2036-2040	11,810,903	4,281,195	16,092,098
2041-2045	14,067,367	2,020,819	16,088,186
2046	1,293,293	51,732	1,345,025
Totals	\$53,259,674	\$32,369,964	\$85,629,638

Debt serviced by the Water Fund:

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Water Fund. The Utilities Commission has pledged future water customer revenues and other unrestricted revenues including revenues of the Electric, Sewer and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$18,447,609 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 21 percent of net revenues, or less than 8 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$28,044,299. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,294,695, \$8,404,272, and \$23,628,972, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year end for the Utilities Commission's Water Fund are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$1,695,666, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	\$368,255
	\$368,255

Annual debt service requirements to maturity for the Utilities Commission's Water Fund direct placement revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$181,816	\$6,961	\$188,777
2022	186,439	2,340	188,779
Totals	\$368,255	\$9,301	\$377,556

Public sales revenue bonds outstanding at year end for the Utilities Commission's Water Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$2,243,132, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046	\$ 2,172,568
Series 2016 Revenue Bonds with an original issue amount of \$711,915, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026	458,508
Series 2016 Revenue Bonds with an original issue amount of \$7,571,332, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034	7,241,436
Series 2019 Revenue Bonds with an original issue amount of \$8,206,842, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	8,206,842
	\$18,079,354

Annual debt service requirements to maturity for the Utilities Commission's Water Fund public sales revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 845,208	\$ 817,718	\$ 1,662,926
2022	625,159	772,294	1,397,453
2023	652,998	750,786	1,403,784
2024	698,688	717,651	1,416,339
2025	742,345	682,252	1,424,597
2026-2030	4,117,209	2,822,150	6,939,359
2031-2035	4,608,336	1,674,437	6,282,773
2036-2040	2,575,681	927,981	3,503,662
2041-2045	3,085,816	417,003	3,502,819
2046	127,914	5,117	133,031
Totals	\$18,079,354	\$9,587,389	\$27,666,743

Other Types of Debt

The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and resources, rivers, lakes, reservoirs, springs, and ground water wells. Congress established the Drinking Water State Revolving Fund (DWSRF) loan program in the 1996 amendments to provide financial assistance to public water systems to comply with the SDWA. To fund drinking water capital projects that protect public health, the State of North Carolina makes loans at one-half of the market rate for a period of up to 20 years. The promissory notes for the Utilities Commission's DWSRF loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rate and charges to adequately provide for the proper operation, maintenance, and administration of the project and for repayment of all principal and interest when due. The notes are payable solely from the revenues of the project or benefited systems, or other available funds.

The Utilities Commission's drinking water loans outstanding at year end are as follows:

Description	Amount
2.205% Drinking Water State Revolving Fund loan issued in 2004 to finance an inter-basin transfer analysis and the construction of a major water main, \$4,014,597 authorized and \$3,884,913 drawn to date, due in annual installments of \$194,246 with a final payment on May 1, 2030	\$1,942,457
2.50% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$460,425 authorized and \$460,425 drawn to date, due in annual installments of \$23,021 with a final payment on May 1, 2033	299,276
2.50% Drinking Water State Revolving Fund loan issued in 2010 to finance the construction of a new water main, \$300,055 authorized and \$269,492 drawn to date, due in annual installments of \$13,475 with a final payment on May 1, 2030	134,746
2.01% Drinking Water State Revolving Fund loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$1,442,000 authorized and \$1,291,496 drawn to date, due in annual installments of \$64,575 with a final payment on May 1, 2033	839,473
1.53% Drinking Water State Revolving Fund loan issued in 2018 to finance the rehabilitation and/or replacement of cast-iron water lines, \$1,176,457 authorized and \$1,176,457 drawn to date, due in annual installments of \$58,823 with a final payment on May 1, 2038	1,058,811
	\$4,274,763

Annual debt service requirements to maturity for the Utilities Commission's Water Fund Drinking Water State Revolving Fund loans are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$354,139	\$86,755	\$440,894
2022	354,139	79,361	433,500
2023	354,139	71,968	426,107
2024	354,139	64,575	418,714
2025	354,139	57,181	411,320
2026-2030	1770,696	175,004	1,945,700
2031-2035	556,903	38,241	595,144
2036-2038	176,469	5,400	181,869
Totals	\$ 4,274,763	\$ 578,485	\$ 4,853,248

The American Recovery and Reinvestment Act of 2009 (ARRA) was passed by Congress to create and save jobs, spur economic activity and invest in long-term economic growth, and to foster unprecedented levels of accountability and transparency in government spending. A portion of the Recovery funds were distributed to states based on funding formulas. The North Carolina Department of Environmental Quality received over \$65 million to fund drinking water capital projects that protect public health. The State of North Carolina has made these funds available to local governments in the form of principal forgiveness loans and zero percent interest loans through the State Revolving Fund program. The promissory notes for the Utilities Commission's ARRA loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Commission fails to adopt and maintain a schedule of rate and charges to adequately provide for the proper operation, maintenance, and administration of the project and for repayment of all principal and interest when due. The notes are payable solely from the revenues of the project or benefited systems, or other available funds.

The Utilities Commission's ARRA loans outstanding at year end are as follows:

Description	Amount
ARRA loan issued in 2009 to finance improvements to the raw water pump station of the water treatment plant, \$2,942,152 authorized and \$2,942,152 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$73,554 with a final payment on May 1, 2030	\$735,538
ARRA loan issued in 2009 to partially finance improvements to a water storage tank, \$48,982 authorized and \$44,782 drawn to date, one-half of the principal has been forgiven and the remainder is due in annual installments of \$1,120 with a final payment on May 1, 2031	12,314
	\$747,852

Annual debt service requirements to maturity for the Utilities Commission's Water Fund ARRA loans are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$74,674	\$0	\$74,674
2022	74,673	0	74,673
2023	74,673	0	74,673
2024	74,673	0	74,673
2025	74,673	0	74,673
2026-2030	373,366	0	373,366
2031	1,120	0	1,120
Totals	\$ 747,852	\$0	\$ 747,852

Debt serviced by the Sewer Fund:

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Sewer Fund. The Utilities Commission has pledged future sewer customer revenues and other unrestricted revenues including revenues of the Electric, Water and Gas Funds, net of specified operating expenses, to repay revenue bonds, of which \$19,817,392 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 21 percent of net revenues, or less than 9 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,860,898. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$2,330,692, \$10,165,169, and \$24,168,771, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year end for the Utilities Commission's Sewer Fund are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$2,172,644, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	\$471,842
	\$471,842

Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund direct placement revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$232,960	\$ 8,920	\$241,880
2022	238,882	2,998	241,880
Totals	\$471,842	\$11,918	\$483,760

Public sales revenue bonds outstanding at year end for the Utilities Commission's Sewer Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$4,719,168, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046	\$ 4,570,715
Series 2016 Revenue Bonds with an original issue amount of \$2,118,933, issued to refund the Series 2005 Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2026	1,364,694
Series 2016 Revenue Bonds with an original issue amount of \$6,911,365, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034	6,610,224
Series 2019 Revenue Bonds with an original issue amount of \$8,206,842, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	6,799,917
	\$19,345,550

Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund public sales revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 998,165	\$ 866,845	\$ 1,865,010
2022	765,578	814,316	1,579,894
2023	794,406	789,321	1,583,727
2024	844,487	749,199	1,593,686
2025	894,532	706,590	1,601,122
2026-2030	4,205,650	2,879,935	7,085,585
2031-2035	4,536,475	1,751,514	6,287,989
2036-2040	2,753,636	996,945	3,750,581
2041-2045	3,283,512	466,159	3,749,671
2046	269,109	10,764	279,873
Totals	\$19,345,550	\$10,031,588	\$29,377,138

Other Types of Debt

The 1987 amendments to the Federal Clean Water Act replaced the Construction Grants program with the Clean Water State Revolving Fund Program (CWSRF). Under the CWSRF, Congress provides the states with grant funds to establish revolving loan programs to assist in the funding of wastewater treatment facilities and projects associated with estuary and nonpoint source programs. In North Carolina, these funds are made available to units of local government at one-half of the market rate for a period of up to twenty years. The promissory notes for the Utilities Commission's CWSRF loans contain a provision that may require prepayment in whole and further commitments withdrawn if the Utilities Commission fails to adopt and maintain a schedule of rate and charges to adequately provide for the proper operation, maintenance, and administration of the project and for repayment of all principal and interest when due. The loans are payable solely from the revenues of the project or benefited systems, or other available funds.

The Utilities Commission's CWSRF loans outstanding at year end are as follows:

Description	Amount
2.48% Clean Water State Revolving Fund loan issued in 2008 to finance upgrades to the electrical and SCADA systems at the wastewater treatment plant, \$13,851,680 authorized and \$13,761,629 drawn to date, due in annual installments of \$688,081 with a final payment on May 1, 2030	\$ 6,880,815
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$9,241,586 authorized and \$8,866,000 drawn to date, due in annual installments of \$443,300 with a final payment on May 1, 2032,	5,319,600
2.455% Clean Water State Revolving Fund loan issued in 2011 to finance the construction of a regional pump station and force main, \$13,987,369 authorized and \$13,649,668 drawn to date, due in annual installments of \$682,483 with a final payment on May 1, 2033	8,872,284
0.0% Clean Water State Revolving Fund loan issued in 2013 to finance the energy efficiency replacement and upgrade to the wastewater treatment plant ultraviolet disinfection system, \$2,198,250 authorized and \$1,997,429 drawn to date, due in annual installments of \$99,871 with a final payment on May 1, 2036	1,597,943
2.0% Clean Water State Revolving Fund loan issued in 2017 to finance pump station upgrades, \$6,176,450 authorized and \$5,990,545 drawn to date, due in annual installments of \$299,527 with a final payment on May 1, 2037	5,091,963
1.66% Clean Water State Revolving Fund loan issued in 2017 to finance improvements to the wastewater treatment plant air distribution system, \$1,718,086 authorized and \$1,718,086 drawn to date, due in annual installments of \$85,904 with a final payment on May 1, 2038	1,546,277
	\$29,308,882

Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund Clean Water State Revolving Fund loans are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 2,299,168	\$ 646,562	\$ 2,945,730
2022	2,299,168	594,443	2,893,611
2023	2,299,168	542,325	2,841,493
2024	2,299,168	490,206	2,789,374
2025	2,299,168	438,087	2,737,255
2026-2030	11,495,839	1,408,649	12,904,488
2031-2035	5,360,565	325,723	5,686,288
2036-2038	956,638	26,528	983,166
Totals	\$29,308,882	\$4,472,523	\$33,781,405

The Utilities Commission entered into an inter-local agreement with the Town of Bethel to provide wastewater treatment services for the town, which has its own wastewater collection system. The Utilities Commission and the Town of Bethel each financed portions of the infrastructure constructed to connect the Town of Bethel's collection system to the Utilities Commission's system. Under the terms of the inter-local agreement, ownership of the portion of the infrastructure financed by the Town of Bethel was transferred to the Utilities Commission at the time the treatment service began and the Utilities Commission is paying the Town of Bethel for the asset over a term of 20 years. At June 30, 2020, \$454,144 of the inter-local agreement remained outstanding. The inter-local agreement carries an effective interest rate of 5.53% and is payable in annual installments of \$151,381 with a final principal payment on May 1, 2023.

Annual debt service requirements to maturity for the Utilities Commission's Sewer Fund inter-local agreement are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$151,381	\$ 76,919	\$228,300
2022	151,381	73,227	224,608
2023	151,382	91,529	242,911
Totals	\$454,144	\$241,675	\$695,819

Debt serviced by the Gas Fund:

Revenue Bonds

The Utilities Commission issues revenue bonds to provide financing for extension, expansion and improvement projects within the Gas Fund. The Utilities Commission has pledged future gas customer revenues and other unrestricted revenues including revenues of the Electric, Water and Sewer Funds, net of specified operating expenses, to repay revenue bonds, of which \$18,513,633 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2046. The Bond Order contains certain provisions that could result in the acceleration of maturities of revenue bonds if certain events of default occur and are not quickly resolved. Annual principal and interest payments on the bonds are expected to require less than 24 percent of net revenues, or less than 6 percent of total revenues. The total principal and interest remaining to be paid on the bonds is \$27,570,658. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,242,189, \$6,086,248, and \$32,054,632, respectively. Current outstanding revenue bond issues include both direct placement and public sales bonds.

Direct placement revenue bonds outstanding at year end for the Utilities Commission's Gas Fund are as follows:

Description	Amount
Series 2010 Refunding Revenue Bonds with an original issue amount of \$3,234,480, issued to refund a portion of the Series 2001 Revenue Bonds, due in annual installments with an interest rate of 2.51%, final payment will be made on September 1, 2021	\$ 702,445
Series 2013 Refunding Revenue Bonds with an original issue amount of \$1,487,041, issued to refund the Series 2007 Revenue Bonds, due in annual installments with an interest rate of 1.84%, final payment will be made on May 1, 2027	735,765
	\$ 1,438,210

Annual debt service requirements to maturity for the Utilities Commission's Gas Fund direct placement revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 452,477	\$26,817	\$ 479,294
2022	461,294	16,057	477,351
2023	105,663	9,650	115,313
2024	104,694	7,705	112,399
2025	104,694	5,779	110,473
2026-2027	209,388	5,779	215,167
Totals	\$1,438,210	\$71,787	\$1,509,997

Public sales revenue bonds outstanding at year end for the Utilities Commission's Gas Fund are as follows:

Description	Amount
Series 2016 Revenue Bonds with an original issue amount of \$10,253,170, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on April 1, 2046	\$ 9,930,630
Series 2016 Revenue Bonds with an original issue amount of \$637,094, issued to refund a portion of the Series 2008A Revenue Bonds, due in annual installments with varying interest rates from 2.0% to 5.0%, final payment will be made on April 1, 2034	609,335
Series 2019 Revenue Bonds with an original issue amount of \$6,535,458, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	6,535,458
	\$17,075,423

Annual debt service requirements to maturity for the Utilities Commission's Gas Fund public sales revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 392,109	\$ 716,936	\$ 1,109,045
2022	351,108	694,811	1,045,919
2023	370,372	682,838	1,053,210
2024	399,104	663,933	1,063,037
2025	426,993	643,609	1,070,602
2026-2030	2,631,968	2,858,609	5,490,577
2031-2035	3,425,999	2,107,964	5,533,963
2036-2040	3,884,781	1,413,985	5,298,766
2041-2045	4,608,305	689,163	5,297,468
2046	584,684	23,387	608,071
Totals	\$17,075,423	\$10,495,235	\$27,570,658

Rate Covenants:

Section 501 of the Bond Order contains covenants as to rates, fees and charges and requires the debt service coverage ratio to be no less than 125% for parity indebtedness (revenue bonds) and no less than 100% for other types of debt. The Utilities Commission has been in compliance with the covenants contained in Section 501 of the Bond Order since its adoption. The debt service coverage ratio calculation for the fiscal year ended June 30, 2020 is as follows:

Operating revenues	\$249,173,078
Operating expenses ¹	(207,347,680)
Operating income	41,825,398
Non-operating revenues (expenses)	
Miscellaneous revenues ²	1,203,591
Interest income ²	1,604,653
Income available for debt service	\$ 44,633,642
Parity debt service (principal and interest paid)	\$ 8,196,159
Parity debt service coverage ratio	545%
Subordinate and other debt service (principal and interest paid)	\$ 3,712,010
Subordinate and other debt service coverage ratio	982%

¹ In accordance with rate covenants, operating expenses excludes depreciation expense of \$23,072,026; unfunded OPEB expense of \$1,884,087; and pension expense of \$2,764,529.

² In accordance with rate covenants, miscellaneous revenues and interest income excludes restricted revenues and revenues received in the capital projects funds.

Arbitrage:

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the Utilities Commission must rebate to the federal government “arbitrage profits” earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At June 30, 2020, the Utilities Commission had no arbitrage liabilities.

Changes in Long-term Liabilities:

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020:

Long-term Liabilities:	June 30, 2019	Additions	Retirements	June 30, 2020	Current Portion
Direct placement revenue bonds	\$ 8,643,000	\$ -	\$ (2,458,000)	\$ 6,185,000	\$ 1,725,000
Public sales revenue bonds	109,310,000	-	(1,549,999)	107,760,001	3,425,000
Other types of debt	37,631,290	-	(2,845,649)	34,785,641	2,879,362
Discounts and premiums	15,793,227	-	(605,760)	15,187,467	-
Compensated absences	2,358,256	2,140,975	(1,924,680)	2,574,551	1,798,158
Net OPEB liability	46,767,606	7,595,185	-	54,362,791	-
Net pension liability (LRS)	10,970,895	1,291,763	-	12,262,658	-
Total long-term liabilities	\$ 231,474,274	\$ 11,027,923	\$ (9,384,088)	\$ 233,118,109	\$ 9,827,520

Changes in long-term liabilities by fund for the year ended June 30, 2020 are as follows:

Electric Fund:	June 30, 2019	Additions	Retirements	June 30, 2020	Current Portion
Direct placement revenue bonds	\$ 4,751,545	\$ -	\$ (844,852)	\$ 3,906,693	\$ 857,747
Public sales revenue bonds	53,764,920	-	(505,246)	53,259,674	1,189,518
Discounts and premiums	7,286,904	-	(281,487)	7,005,417	-
Compensated absences	964,461	897,582	(814,951)	1,047,092	781,695
Net OPEB liability	19,174,718	3,114,026	-	22,288,744	-
Net pension liability (LRS)	4,498,067	529,623	-	5,027,690	-
Electric Fund long-term liabilities:	\$ 90,440,615	\$ 4,541,231	\$(2,446,536)	\$ 92,535,310	\$ 2,828,960

Water Fund:	June 30, 2019	Additions	Retirements	June 30, 2020	Current Portion
Direct placement revenue bonds	\$ 546,219	\$ -	\$ (177,964)	\$ 368,255	\$ 181,816
Public sales revenue bonds	18,469,895	-	(390,541)	18,079,354	845,208
Other types of debt	5,451,428	-	(428,813)	5,022,615	428,813
Discounts and premiums	3,090,331	-	(117,971)	2,972,360	-
Compensated absences	498,945	450,337	(405,664)	543,618	371,857
Net OPEB liability	10,288,874	1,670,941	-	11,959,815	-
Net pension liability (LRS)	2,413,597	284,188	-	2,697,785	-
Water Fund long-term liabilities:	\$ 40,759,289	\$ 2,405,466	\$(1,520,953)	\$ 41,643,802	\$ 1,827,694

Sewer Fund:	June 30, 2019	Additions	Retirements	June 30, 2020	Current Portion
Direct placement revenue bonds	\$ 1,462,866	\$ -	\$ (991,024)	\$ 471,842	\$ 232,960
Public sales revenue bonds	19,865,175	-	(519,625)	19,345,550	998,165
Other types of debt	32,179,862	-	(2,416,836)	29,763,026	2,450,549
Discounts and premiums	3,232,239	-	(122,624)	3,109,615	-
Compensated absences	443,423	416,898	(367,455)	492,866	334,080
Net OPEB liability	9,821,197	1,594,989	-	11,416,186	-
Net pension liability (LGERS)	2,303,888	271,270	-	2,575,158	-
Sewer Fund long-term liabilities:	\$ 69,308,650	\$ 2,283,157	\$(4,417,564)	\$ 67,174,243	\$ 4,015,754

Gas Fund:	June 30, 2019	Additions	Retirements	June 30, 2020	Current Portion
Direct placement revenue bonds	\$ 1,882,370	\$ -	\$ (444,160)	\$ 1,438,210	\$ 452,477
Public sales revenue bonds	17,210,010	-	(134,587)	17,075,423	392,109
Discounts and premiums	2,183,753	-	(83,678)	2,100,075	-
Compensated absences	451,427	376,158	(336,610)	490,975	310,526
Net OPEB liability	7,482,817	1,215,229	-	8,698,046	-
Net pension liability (LGERS)	1,755,343	206,682	-	1,962,025	-
Gas Fund long-term liabilities:	\$ 30,965,720	\$ 1,798,069	\$(999,035)	\$ 31,764,754	\$ 1,155,112

C. Net Investment in Capital Assets

Capital assets	\$442,606,469
plus: unexpended bond proceeds	13,379,788
plus: unamortized bond refunding charges	1,438,062
less: long-term debt	163,918,109
Net investment in capital assets	\$293,506,210

NOTE 3: SUPPLEMENTAL RETIREMENT INCOME PLAN

All permanent, full-time and certain designated part-time employees of the Utilities Commission are eligible to participate in the Supplemental Retirement Income Plan, a defined contribution pension plan authorized by Article 5 of G.S. Chapter 135. The Supplemental Retirement Income Plan is administered by the Department of the State Treasurer and a Board of Trustees. The Supplemental Retirement Income Plan is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Participation begins at the date of employment. In a defined contribution plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. Employer contributions are established and may be amended by the Board of Commissioners.

The Utilities Commission's contributions for the years ended June 30, 2018, 2019 and 2020 were \$469,160, \$484,548, and \$482,960, respectively. These contributions represent 1.5%, 1.5% and 1.5%, respectively, of covered payroll.

NOTE 4: OTHER EMPLOYMENT BENEFITS

The Utilities Commission has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System ("Death Benefit Plan"), a multiple-employer, State-administered, cost-sharing plan funded on

a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at the time of death, are eligible for death benefits.

Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to his/her death, but the benefit is no less than \$25,000 but no more than \$50,000. All death benefit payments are made from the Death Benefit Plan. The Utilities Commission has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. The Utilities Commission considers these contributions to be immaterial.

NOTE 5: TRANSFER ACTIVITY WITH THE CITY OF GREENVILLE

Balances due to/from the City of Greenville

Balances due to the City of Greenville at June 30, 2020 consist of the following:

Street lighting reimbursement	\$75,523
Dumpster collection and landfill fees	2,534
Total	\$78,057

Balances due from the City of Greenville at June 30, 2020 on utility accounts totaled \$235,387. This amount is included in Accounts receivable, net on the Statement of Net Position with other sales receivables related to our core business.

Transfers to/from the City of Greenville

Transfers to the City of Greenville's General Fund during fiscal year 2020 consist of the following:

Electric Fund general transfer	\$4,055,000
Gas Fund general transfer	1,714,888
Electric Fund street lighting reimbursement	884,838
Total	\$6,654,726

The transfers to the City's General Fund of \$6,654,726 included the general and street lighting reimbursement transfers. The general transfers were computed based on 6% of the Electric and Gas Funds' capital assets, net of related debt. The street lighting reimbursement represents 50% of current fiscal year street lighting revenues. The computation of the transfers is consistent with the method specified in Chapter 861 of Senate Bill 1069, An Act to Amend and Restate the Charter of the Greenville Utilities Commission of the City of Greenville.

NOTE 6: RISK MANAGEMENT

The Utilities Commission is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Management of these risks is maintained through a combination of self-insurance and commercial insurance coverage.

The Utilities Commission is self-insured with respect to workers' compensation up to \$100,000 per claim and carries commercial coverage for claims in excess of \$100,000.

The Utilities Commission and the City of Greenville self-fund a joint medical benefit plan up to \$275,000 per person per year. The Utilities Commission and the City of Greenville contracted

with CIGNA Healthcare of North Carolina, Inc. to administer the benefits of the plan, including denials. The medical benefit plan is a Point of Service Open Access (POSOA) product. The Open Access (OA) feature allows covered employees and their covered dependents to seek care directly from any provider, so there is no referral authorization needed from Primary Care Physicians (PCP) to access care from Specialists.

Changes in the balances of medical claims liabilities during the fiscal years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims, beginning	\$ 831,560	\$ 817,586
Incurred claims	7,035,802	7,225,729
Claim payments	(7,086,963)	(7,211,755)
Unpaid claims, ending	\$ 780,399	\$ 831,560

The City of Greenville and the Utilities Commission self-fund a dental benefit plan for eligible employees with a maximum benefit of \$2,000 per calendar year in addition to a lifetime maximum of \$3,000 for orthodontia. The dental benefit plan is a preferred provider organization and the City of Greenville and the Utilities Commission contracted with CIGNA Healthcare of North Carolina, Inc. to administer the benefits of the plan, including denials.

Changes in the balances of dental claims liabilities during the fiscal years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims, beginning	\$ 44,440	\$ 54,413
Incurred claims	392,451	381,742
Claim payments	(393,290)	(391,715)
Unpaid claims, ending	\$ 43,601	\$ 44,440

The Utilities Commission carries flood insurance on certain properties considered to be at risk for loss due to flooding. This coverage is underwritten by the National Flood Insurance Program.

In accordance with G.S. 159-29, the Utilities Commission's affected employees (those having access to \$100 or more at any given time of the Utilities Commission's funds) are bonded under a blanket bond for \$1,000,000. The Chief Financial Officer is individually bonded for \$50,000.

The Utilities Commission carries commercial coverage for all other risks of loss. Through this coverage, the Utilities Commission obtains general liability coverage of \$1 million per occurrence with a general aggregate of \$3 million, auto liability coverage of \$1 million per occurrence, property coverage up to \$302 million for real and personal property, and umbrella liability coverage of \$10 million. No accrual for possible losses attributable to incidents that may have occurred but that have not been identified has been made because the amount is not reasonably estimated. Further, a liability for outstanding claims at June 30, 2020, other than the medical and dental benefit programs, has not been accrued as the amount of outstanding claims is not material to the financial statements.

There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

Note 7: Summary disclosure of significant commitments and contingencies

Purchased Power Contract

The Utilities Commission is a participant of the North Carolina Eastern Municipal Power Agency (NCEMPA), a joint agency formed by 32 municipal entities. NCEMPA was formed in 1982 for the purpose of supplying wholesale power to its 32 participants. NCEMPA used the proceeds of debt issuances to purchase ownership interests in two coal-fired and three nuclear-fueled generation plants. Each participant was entitled to a proportionate share of the

output and was obligated to pay its share of the operating costs and debt service on these generation assets.

On July 31, 2015, the NCEMPA completed the sale of its electric generating assets to Duke Energy Progress for approximately \$1.25 billion. The proceeds from the sale were used to reduce outstanding debt on those assets. The Utilities Commission's share of NCEMPA's outstanding debt was reduced from approximately \$277.8 million to \$85 million. The Electric Enterprise Fund's share of this obligation is not recorded as a liability on the accompanying basic financial statements; however, it is included as a component of its power supply expenses. The Utilities Commission's share of NCEMPA's outstanding debt at June 30, 2020 was approximately \$54.6 million. As of the date of this report, NCEMPA is satisfying its obligations from its own operations and accordingly, no provision for contingent liability is reported in the Utilities Commission's financial statements.

Duke Energy Progress has entered into a 30 year agreement to provide wholesale power to NCEMPA. The Utilities Commission, along with the other member entities, entered into a 30 year take and pay all requirements contract for the delivery of wholesale electric power. The reduced debt service costs and the lower costs of wholesale power have allowed the Utilities Commission to reduce electric retail rates by approximately 15% since July 2015.

Federal and State Assisted Programs

The Utilities Commission has received proceeds from several federal and State grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Natural Gas Contracts

On November 1, 2005, the Utilities Commission entered into an agreement with Piedmont Natural Gas (PNG) that allows the Utilities Commission to purchase all its natural gas requirements on the open market. The terms of the contract require PNG to transport natural gas through its pipeline to the Utilities Commission in exchange for annual payments of \$2,987,328. The contract was renewed effective January 5, 2010 for a period of 10 years with a Maximum Daily Quantity (MDQ) of 20,000 dekatherms and an annual payment of \$3,698,544. The Utilities Commission may be allowed to exceed its MDQ to accommodate interruptible demand as capacity is available. At the end of the original contract term, the agreement automatically renews for additional terms of one year each unless terminated by either party.

The Utilities Commission secures its natural gas supplies through various marketers and uses marketing firms to buy and sell natural gas contracts on its behalf. We typically enter into contracts whereby we purchase and fix a portion of our gas supply in advance. At June 30, 2020, we have commitments to take delivery on a total of 1,200,000 dekatherms at fixed prices ranging from \$2.116 to \$3.658 per dekatherm and in varying amounts from July 2020 through June 2021. In addition, we have commitments to take delivery on 1,204,300 additional dekatherms during the period July 2020 through June 2021 for which we have not yet fixed a price.

The Utilities Commission entered into a Supplemental Service and Construction Agreement with PNG effective November 1, 2014 for a period of 5 years. Under the terms of the contract the Utilities Commission will pay additional demand charges to cover the costs of upgrades to the Utilities Commission's system completed by PNG. The initial amount of the contractual payment was \$470,000 per year. Effective June 2015 the amount was increased to \$593,093 per year to reflect the actual costs of the upgrades. These additional demand charges were payable through October 2019.

The Utilities Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20 percent of the Utilities Commission's firm volumes (2,000 dekatherms per day during the winter period, November through March). The

Utilities Commission receives a price discount projected to be between \$0.42 and \$0.47 per dekatherm and pays a fee of \$0.015 per dekatherm to PEG to cover the administrative costs of the agreement.

The Utilities Commission entered a 30-year agreement with The Black Belt Energy Gas District (Black Belt Energy), effective March 1, 2018 to purchase 40 percent of Utilities Commission's firm volumes (1,600 dekatherms per day during the summer period, April to October, and 2,500 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be \$0.40 per dekatherm during the initial reset period from November 1, 2018 to October 31, 2023 and pays a fee of \$0.03 per dekatherm to Black Belt Energy to cover the administrative costs of the agreement. The Utilities Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.25 per dekatherm, excluding any period for which the Utilities Commission delivered a remarking election.

The Utilities Commission entered into two 30-year agreements with Public Energy Authority of Kentucky (PEAK), effective December 4, 2018, and February 14, 2019, respectively, to purchase approximately 12 percent of Utilities Commission's total volumes (500 dekatherms per day through January 2022, then 500 dekatherms per day during the summer period, April to October, and 2,000 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be \$0.3875 per dekatherm during the initial reset period from July 1, 2019 to April 30, 2025 and pays a fee of \$0.03 per dekatherm to Public Energy Authority of Kentucky to cover the administrative costs of the agreement. The Utilities Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.23 per dekatherm, excluding any period for which the Utilities Commission delivered a remarking election. In addition, the Utilities Commission may elect to remarket the commodity in the event of a loss of load on its system.

Litigation

The Utilities Commission is presently involved in certain litigation matters that have arisen in the normal course of conducting its operations. Management of the Utilities Commission believes these cases are not expected to result in a material adverse financial impact to the Utilities Commission.

NOTE 8: PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

The GASB has issued several pronouncements prior to June 30, 2020 that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the Utilities Commission.

GASB Statement No. 84, "Fiduciary Activities". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 87, "Leases". The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 90, "Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 91, "Conduit Debt Obligations". The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, “Omnibus 2020”. The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

GASB Statement No. 93, “Replacement of Interbank Offered Rates”. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all reporting periods thereafter.

GASB Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement No. 96, “Subscription-Based Information Technology Arrangements”. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32”. The requirements of this Statement are effective as follows:

- The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately.
- The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021.
- All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Earlier application of these statements is encouraged. For the original pronouncements, please visit the GASB’s website, www.gasb.org.

NOTE 9: SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 14, 2020 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

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Greenville Required Supplementary Financial
Utilities Information

Schedule 1. Greenville Utilities Commission's Proportionate Share of Net Pension Liability (Asset) | Last Seven Fiscal Years*

Year Ending June 30,	Proportion of the net pension liability (asset) (%)	Proportion of the net pension liability (asset) (\$)	Covered payroll	Proportion of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability**
2020	0.44903%	\$12,262,658	\$30,987,547	38.52%	90.86%
2019	0.46245%	\$10,970,896	\$30,312,540	36.19%	91.63%
2018	0.45082%	\$ 6,887,281	\$29,774,064	23.13%	94.18%
2017	0.44240%	\$ 9,389,210	\$26,489,847	35.44%	91.47%
2016	0.41892%	\$ 1,880,088	\$25,315,352	7.43%	98.09%
2015	0.42068%	\$(2,480,943)	\$24,852,254	(9.98%)	102.64%
2014	0.42030%	\$ 5,066,229	\$24,741,607	20.48%	94.35%

Note: Information is not available prior to implementation of GASB Statement 68 in fiscal year 2014.

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

**This will be the same percentage for all participant employers in the LGERS plan.

Schedule 2. Greenville Utilities Commission's Contributions | Last Seven Fiscal Years

Year Ending June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2020	\$2,843,296	\$2,843,296	\$ -	\$31,832,516	8.93%
2019	\$2,481,598	\$2,481,598	\$ -	\$30,987,547	8.01%
2018	\$2,345,337	\$2,345,337	\$ -	\$30,312,540	7.74%
2017	\$2,158,620	\$2,158,620	\$ -	\$29,774,064	7.25%
2016	\$1,782,767	\$1,782,767	\$ -	\$26,489,847	6.73%
2015	\$1,789,817	\$1,789,817	\$ -	\$25,315,352	7.07%
2014	\$1,755,810	\$1,755,810	\$ -	\$24,852,254	7.06%

Note: Information is not available prior to implementation of GASB Statement 68 in fiscal year 2014.

Schedule 3. Schedule of Changes in the Net OPEB Liability and Related Ratios | Last Four Fiscal Years

	2020	2019	2018	2017
Total OPEB Liability				
Service cost at end of year	\$ 1,163,959	\$ 781,098	\$ 1,035,590	\$ 1,146,045
Interest	2,071,547	2,212,486	2,051,825	1,930,674
Differences between expected and actual experience	863,252	(623,845)	518,960	-
Changes of assumptions	6,344,926	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net change in total OPEB liability	8,257,559	11,815,835	(5,132,366)	(2,230,533)
Total OPEB liability - beginning	51,362,302	39,546,467	44,678,833	46,909,366
Total OPEB liability - ending	\$ 59,619,861	\$ 51,362,302	\$ 39,546,467	\$ 44,678,833
Plan fiduciary net position				
Contributions - employer	\$ 2,686,125	\$ 2,531,176	\$ 2,192,179	\$ 1,942,003
Net investment income	162,374	206,816	237,188	321,437
Benefit payments	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net change in plan fiduciary net position	662,374	706,816	737,188	821,437
Plan fiduciary net position - beginning	4,594,696	3,887,880	3,150,692	2,329,255
Plan fiduciary net position - ending	\$ 5,257,070	\$ 4,594,696	\$ 3,887,880	\$ 3,150,692
Net OPEB liability - ending	\$ 54,362,791	\$ 46,767,606	\$ 35,658,587	\$ 41,528,141
Plan fiduciary net position as a percentage of the total OPEB liability	8.82%	8.95%	9.83%	7.05%
Covered payroll	27,975,147	27,975,147	26,006,154	26,006,154
Utilities Commission's net OPEB liability as a percentage of covered payroll	194.33%	167.18%	137.12%	159.69%

Note 1: Information is not available prior to implementation of GASB Statement 74 in fiscal year 2017.

Schedule 4. Greenville Utilities Commission's Contributions | Last Ten Fiscal Years

Year Ending June 30,	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2020	\$2,690,316	\$2,686,125	\$ 4,191	\$27,975,147	9.60%
2019	\$2,590,104	\$2,531,176	\$ 58,928	\$27,975,147	9.05%
2018	\$2,590,104	\$2,192,179	\$ 397,925	\$26,006,154	8.43%
2017	\$2,070,367	\$1,942,003	\$ 128,364	\$26,006,154	7.47%
2016	\$2,050,401	\$1,553,515	\$ 496,886	\$24,470,208	6.35%
2015	\$1,751,427	\$1,297,207	\$ 454,220	\$24,675,093	5.26%
2014	\$1,779,995	\$1,030,101	\$ 749,894	\$22,816,616	4.51%
2013	\$1,769,981	\$1,000,888	\$ 769,093	\$23,730,460	4.22%
2012	\$2,395,223	\$1,140,955	\$1,254,268	\$24,081,113	4.74%
2011	\$2,308,649	\$1,322,819	\$ 985,830	\$23,104,504	5.73%

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar payments
Amortization method	30 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%

Salary increases, including wage inflation:

General Employees	3.50% - 7.75%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022

Schedule 5. Schedule of Investment Returns | Last Nine Fiscal Years

Year Ending June 30,	Annual money-weighted rate of return, net of investment expense
2020	3.23%
2019	4.67%
2018	6.47%
2017	10.18%
2016	-0.57%
2015	4.19%
2014	13.98%
2013	10.61%
2012	5.84%

Note: The Greenville Utilities Other Postemployment Benefits Trust was established in fiscal year 2012.

Greenville Supplementary Information
Utilities

Schedule 6. All Operating Funds | Year Ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Electric Revenues				
Rates and charges	\$ 170,048,818	\$ 168,333,697	\$ (1,715,121)	\$ 174,263,970
Fees and charges	1,504,684	1,727,012	222,328	2,978,207
Miscellaneous	1,416,739	1,154,465	(262,274)	1,489,833
Interest on investments	935,000	986,260	51,260	1,103,310
FEMA/Insurance Reimbursements	41,959	293,486	251,527	497,794
Total Electric Revenues	173,947,200	172,494,920	(1,452,280)	180,333,114
Water Revenues				
Rates and charges	22,609,401	22,565,044	(44,357)	21,037,132
Fees and charges	427,332	502,057	74,725	445,694
Miscellaneous	354,233	419,210	64,977	338,146
Interest on investments	140,000	155,847	15,847	156,586
FEMA/Insurance Reimbursements	2,622	36,504	33,882	29,490
Total Water Revenues	23,533,588	23,678,662	145,074	22,007,048
Sewer Revenues				
Rates and charges	24,013,310	23,369,041	(644,269)	23,859,199
Fees and charges	402,606	459,081	56,475	489,939
Miscellaneous	150,777	196,998	46,221	384,737
Interest on investments	165,000	180,071	15,071	199,960
FEMA/Insurance Reimbursements	27,757	37,344	9,587	29,490
Total Sewer Revenues	24,759,450	24,242,535	(516,915)	24,963,325
Gas Revenues				
Rates and charges	31,777,519	31,200,552	(576,967)	35,796,087
Fees and charges	163,840	193,063	29,223	174,328
Miscellaneous	151,133	408,883	257,750	206,210
Interest on investments	260,000	282,475	22,475	304,608
FEMA/Insurance Reimbursements	5,245	39,754	34,509	25,804
Total Gas Revenues	32,357,737	32,124,727	(233,010)	36,507,037
Total Revenues	254,597,975	252,540,844	(2,057,131)	263,810,524
Expenditures				
Electric Fund				
Operations and maintenance		158,333,743		161,496,706
Capital Outlay		10,188,931		9,357,350
Debt Service		3,327,470		3,757,021
Total	178,110,712	171,850,144	6,260,568	174,611,077
Water Fund				
Operations and maintenance		14,772,323		14,139,657
Capital Outlay		1,429,393		646,515
Debt Service		1,817,318		5,124,958
Total	18,458,137	18,019,034	439,103	19,911,130
Sewer Fund				
Operations and maintenance		13,775,976		13,575,684
Capital Outlay		1,774,250		1,537,251
Debt Service		5,519,461		6,198,950
Total	22,272,738	21,069,687	1,203,051	21,311,885
Gas Fund				
Operations and maintenance		27,120,364		30,994,546
Capital Outlay		1,130,455		1,110,162
Debt Service		1,241,921		1,389,007
Total	31,407,402	29,492,740	1,914,662	33,493,715
Total expenditures	250,248,989	240,431,605	9,817,384	249,327,807
Excess of Revenues Over (Under) Expenditures	\$ 4,348,986	\$ 12,109,239	\$ 7,760,253	\$ 14,482,717

Schedule 6 continues on the next page.

Schedule 6. All Operating Funds | Year Ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Other Financing Sources (Uses)				
Contributed capital	-	5,278,276	5,278,276	1,827,521
Revenue bonds issued	-	-	-	486,942
Intra-fund transfers in	4,546,293	-	(4,546,293)	-
Intra-fund transfers out	(8,895,279)	(12,275,542)	(3,380,263)	(12,056,664)
Total other financing sources (uses)	(4,348,986)	(6,997,266)	(2,648,280)	(9,742,201)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$ 5,111,973	\$ 5,111,973	\$ 4,740,516
Reconciliation to full accrual basis from modified accrual basis:				
Reconciling items:				
Budgetary appropriations - capital		\$ 14,523,029		\$ 12,651,278
Budgetary appropriations - debt principal		6,853,649		11,982,498
Depreciation		(23,072,026)		(22,204,330)
Debt issued		-		(486,942)
Amortization of bond premium and discount		605,760		457,602
Amortization of deferred loss on refundings		(174,056)		(277,890)
Changes in accrued interest payable		(651,043)		(575,639)
Changes in unrealized gains/losses on investments		681,512		603,506
Intra-fund transfers		12,275,542		12,056,664
Changes in deferred outflows for OPEB		4,639,445		9,861,076
Changes in net OPEB liability		(7,595,185)		(11,114,638)
Changes in deferred inflows for OPEB		1,071,653		447,808
Changes in deferred outflows for pensions		(1,436,186)		3,197,123
Changes in net pension liability		(1,291,763)		(4,083,614)
Changes in deferred inflows for pensions		(36,581)		138,163
Revenue recognized in Rate Stabilization Funds		478,163		518,118
Revenue recognized in Capital Projects Funds		1,638,613		665,889
Revenue recognized in Capital Reserve Funds		852,648		782,850
Total reconciling items		9,363,174		14,619,522
Changes in net position		\$ 14,475,147		\$ 19,360,038

Schedule 7. Electric Operating Fund | Year ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Operating Revenues				
Rates and charges	\$ 170,048,818	\$ 168,333,697	\$ (1,715,121)	\$ 174,263,970
Fees and charges	1,504,684	1,727,012	222,328	2,978,207
Miscellaneous	491,444	502,904	11,460	691,439
	172,044,946	170,563,613	(1,481,333)	177,933,616
Non-Operating Revenues				
Interest on investments	935,000	986,260	51,260	1,103,310
FEMA/Insurance reimbursements	41,959	293,486	251,527	497,794
Miscellaneous	925,295	651,561	(273,734)	798,394
	1,902,254	1,931,307	29,053	2,399,498
Total Revenues	173,947,200	172,494,920	(1,452,280)	180,333,114
Expenditures				
Electric Fund				
Operations and maintenance		158,333,743		161,496,706
Capital Outlay		10,188,931		9,357,350
Debt Service		3,327,470		3,757,021
Total expenditures	178,110,712	171,850,144	6,260,568	174,611,077
Excess of Revenues Over Expenditures	(4,163,512)	644,776	4,808,288	5,722,037
Other Financing Sources (Uses)				
Revenue bonds issued	-	-	-	271,258
Intra-fund transfers in	4,163,512	-	(4,163,512)	-
Intra-fund transfers out	-	(499,995)	(499,995)	(3,300,000)
Total other financing sources (uses)	4,163,512	(499,995)	(4,663,507)	(3,028,742)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$ 144,781	\$ 144,781	\$ 2,693,295
Reconciliation to full accrual basis from modified accrual basis:				
Reconciling items:				
Budgetary appropriations - capital		\$ 10,188,931		\$ 9,357,350
Budgetary appropriations - debt principal		1,350,098		2,202,361
Depreciation		(10,170,187)		(9,725,679)
Debt issued		-		(271,258)
Amortization of bond premium and discount		281,487		134,567
Amortization of deferred loss on refundings		(54,310)		(59,778)
Changes in accrued interest payable		(379,279)		(282,190)
Changes in unrealized gains/losses on investments		382,929		354,307
Intra-fund transfers		499,995		3,300,000
Changes in deferred outflows for OPEB		1,902,172		4,043,041
Changes in net OPEB liability		(3,114,026)		(4,557,001)
Changes in deferred inflows for OPEB		439,378		183,601
Changes in deferred outflows for pensions		(588,836)		1,310,820
Changes in net pension liability		(529,623)		(1,674,282)
Changes in deferred inflows for pensions		(14,998)		56,647
Revenue recognized in Rate Stabilization Fund		448,284		499,930
Revenue recognized in Capital Projects Fund		625,989		196,456
Total reconciling items		1,268,004		5,068,892
Changes in net position		\$ 1,412,785		\$ 7,762,187

Schedule 8. Electric Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest on investments	\$ -	\$ 806,713	\$ 448,284	\$ 1,254,997	\$ 1,254,997
Other Financing Sources (Uses)					
Transfer from Electric Operating Fund	\$ 23,100,000	\$ 23,100,000	\$ -	\$ 23,100,000	\$ -
Transfer to Electric Operating Fund	(23,100,000)	-	-	-	23,100,000
Total other financing sources (uses)	-	23,100,000	-	23,100,000	23,100,000
Revenues Over Other Financing Sources (Uses)	\$ -	\$ 23,906,713	\$ 448,284	\$ 24,354,997	\$ 24,354,997

Schedule 9. Electric Capital Projects Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest and misc income	\$ -	\$ 371,232	\$ 469,428	\$ 840,660	\$ 840,660
State contributions	1,535,000	1,000,000	156,561	1,156,561	(378,439)
APPA DEED Grant	125,000	-	-	-	(125,000)
Total revenues	1,660,000	1,371,232	625,989	1,997,221	337,221
Expenditures					
FCP-100 Downtown Office Efficiency & Enhancement	1,018,750	283,864	700,682	984,546	34,204
FCP10072 New Operations Center Phase 2	29,315,000	5,042,608	16,017,518	21,060,126	8,254,874
ECP-133 Sugg Parkway Transmission Line	1,700,000	-	6,150	6,150	1,693,850
ECP-134 Sugg Parkway Substation	3,400,000	15,049	102,201	117,250	3,282,750
ECP-144 10th Street Connector Project*	1,535,000	1,134,006	22,555	1,156,561	378,439
ECP10168 POD #3 to Simpson Substation Trans. Loop	300,000	124,272	29,895	154,167	145,833
ECP10171 Greenville 115kV Trans. Circuit Flood Mitigation*	1,500,000	19,100	1,469,156	1,488,256	11,744
ECP10172 Greenville 230 kV W Substation Flood Mitigation*	3,355,000	2,375,490	129,902	2,505,392	849,608
ECP10174 Electric System Expansion	2,500,000	-	-	-	2,500,000
ECP10187 Vidant Peaking Generators	6,000,000	149,573	5,509,812	5,659,385	340,615
ECP10208 Battery Storage Pilot Program 1MW	1,600,000	-	128,620	128,620	1,471,380
ECP10218 Mt. Pleasant to Wellcome 115 kV Transmission	8,892,000	-	-	-	8,892,000
ECP10219 Peak Shaving Generator(s) Replacement	6,000,000	-	-	-	6,000,000
ECP10220 Transmission Structure Replacement(s)	2,000,000	-	-	-	2,000,000
Total expenditures	69,115,750	9,143,962	24,116,491	33,260,453	35,855,297
Excess of Revenues Over (Under) Expenditures	(67,455,750)	(7,772,730)	(23,490,502)	31,263,232)	36,192,518
Other Financing Sources (Uses)					
Appropriated fund balance	9,075,000	-	-	-	(9,075,000)
Revenue bonds issued	30,733,750	32,387,750	-	32,387,750	1,654,000
Long-term financing	27,647,000	-	-	-	(27,647,000)
Intra-fund transfers in	-	10,386,608	499,995	10,886,603	10,886,603
Total other financing sources (uses)	67,455,750	42,774,358	499,995	43,274,353	(24,181,397)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$35,001,628	\$ (22,990,507)	\$12,011,121	\$12,011,121

*Project(s) already closed.

Schedule 10. Water Operating Fund | Year ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Operating Revenues				
Rates and charges	\$ 22,609,401	\$ 22,565,044	\$ (44,357)	\$ 21,037,132
Fees and charges	427,332	502,057	74,725	445,694
Miscellaneous	107,689	109,495	1,806	116,747
	23,144,422	23,176,596	32,174	21,599,573
Non-Operating Revenues				
Interest on investments	140,000	155,847	15,847	156,586
FEMA/Insurance reimbursements	2,622	36,504	33,882	29,490
Miscellaneous	246,544	309,715	63,171	221,399
	389,166	502,066	112,900	407,475
Total Revenues	23,533,588	23,678,662	145,074	22,007,048
Expenditures				
Water Fund				
Operations and maintenance		14,772,323		14,139,657
Capital Outlay		1,429,393		646,515
Debt Service		1,817,318		5,124,958
Total expenditures	18,458,137	18,019,034	439,103	19,911,130
Excess of Revenues Over (Under) Expenditures	5,075,451	5,659,628	584,177	2,095,918
Other Financing Sources (Uses)				
Capital contributions	-	942,272	942,272	831,471
Revenue bonds issued	-	-	-	82,168
Intra-fund transfers out	(5,458,232)	(5,850,000)	(391,768)	(2,766,664)
Total other financing sources (uses)	(5,075,451)	(4,907,728)	167,723	(1,853,025)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$ 751,900	\$ 751,900	\$ 242,893
Reconciliation to full accrual basis from modified accrual basis:				
Reconciling items:				
Budgetary appropriations - capital		\$ 1,429,393		\$ 646,515
Budgetary appropriations - debt principal		997,319		4,356,631
Depreciation		(4,072,819)		(4,009,278)
Debt issued		-		(82,168)
Amortization of bond premium and discount		117,971		171,659
Amortization of deferred loss on refundings		(47,374)		(142,517)
Changes in accrued interest payable		(106,715)		(89,549)
Changes in unrealized gains/losses on investments		65,459		51,412
Intra-fund transfers		5,850,000		2,766,664
Changes in deferred outflows for OPEB		1,020,678		2,169,437
Changes in net OPEB liability		(1,670,941)		(2,445,221)
Changes in deferred inflows for OPEB		235,764		98,518
Changes in deferred outflows for pensions		(315,961)		703,367
Changes in net pension liability		(284,188)		(898,395)
Changes in deferred inflows for pensions		(8,048)		30,396
Revenue recognized in Capital Projects Fund		205,424		72,090
Revenue recognized in Capital Reserve Fund		420,212		355,768
Total reconciling items		3,836,174		3,755,329
Changes in net position		\$ 4,588,074		\$ 3,998,222

Schedule 11. Water Capital Projects Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest and misc income	\$ -	\$ 120,615	\$ 205,424	\$ 326,039	\$ 326,039
Capacity fees	1,920,812	1,920,812	-	1,920,812	-
Total revenues	1,920,812	2,041,427	205,424	2,246,851	326,039
Expenditures					
FCP-100 Downtown Office Efficiency and Enhancement	1,018,750	283,864	700,682	984,546	34,204
FCP10072 New Operations Center Phase 2	7,995,000	1,375,256	4,368,416	5,743,672	2,251,328
WCP-117 WTP Upgrade Phase I	55,000,000	3,651,007	3,027,830	6,678,837	48,321,163
WCP-121 10th Street Connector Project	1,896,000	5,875	-	5,875	1,890,125
WCP-123 COG Town Creek Culvert Improvement	1,260,000	150	-	150	1,259,850
WCP-124 Residual Lagoon Improvements	1,250,000	75,504	504,345	579,849	670,151
WCP10030 Water Distribution System Improvements	500,000	-	-	-	500,000
WCP10032 Water Main Rehabilitation Program Phase II	1,000,000	-	94,951	94,951	905,049
WCP10033 Water Treatment Plant Riverbank Stabilization	1,500,000	-	-	-	1,500,000
Total expenditures	71,419,750	5,391,656	8,696,224	14,087,880	57,331,870
Excess of Revenues Over (Under) Expenditures	(69,498,938)	(3,350,229)	(8,490,800)	(11,841,029)	57,657,909
Other Financing Sources (Uses)					
Appropriated fund balance	15,339,188	-	-	-	(15,339,188)
Revenue bonds issued	10,409,750	10,248,555	-	10,248,555	(161,195)
Long-term financing	43,750,000	-	-	-	(43,750,000)
Intra-fund transfers in	-	7,230,236	5,850,000	13,080,236	13,080,236
Total other financing sources (uses)	69,498,938	17,478,791	5,850,000	23,328,791	(46,170,147)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$14,128,562	\$(2,640,800)	\$11,487,762	\$ 11,487,762

Schedule 12. Water Capital Reserve Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
System development fees	\$ -	\$ 352,595	\$ 411,007	\$ 763,602	\$ 763,602
Interest on investments	-	3,173	9,205	12,378	12,378
Total revenues	-	355,768	420,212	775,980	775,980
Other Financing Sources (Uses)					
Transfer to Water Capital Projects Fund	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Revenues Over Other Financing Sources (Uses)	\$ -	\$ 355,768	\$ 420,212	\$ 775,980	\$ 775,980

Schedule 13. Sewer Operating Fund | Year ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Operating Revenues				
Rates and charges	\$ 24,013,310	\$ 23,369,041	\$ (644,269)	\$ 23,859,199
Fees and charges	402,606	459,081	56,475	489,939
Miscellaneous	108,583	113,024	4,441	119,184
	24,524,499	23,941,146	(583,353)	24,468,322
Non-Operating Revenues				
Interest on investments	165,000	180,071	15,071	199,960
FEMA/Insurance reimbursements	27,757	37,344	9,587	29,490
Miscellaneous	42,194	83,974	41,780	265,553
	234,951	301,389	66,438	495,003
Total Revenues	24,759,450	24,242,535	(516,915)	24,963,325
Expenditures				
Sewer Fund				
Operations and maintenance		13,775,976		13,575,684
Capital Outlay		1,774,250		1,537,251
Debt Service		5,519,461		6,198,950
Total expenditures	22,272,738	21,069,687	1,203,051	21,311,885
Excess of Revenues Over (Under) Expenditures	2,486,712	3,172,848	686,136	3,651,440
Other Financing Sources (Uses)				
Capital contributions	-	4,336,004	4,336,004	996,050
Revenue bonds issued	-	-	-	68,082
Intra-fund transfers out	(2,486,712)	(3,675,279)	(1,188,567)	(3,100,000)
Total other financing sources (uses)	(2,486,712)	660,725	3,147,437	(2,035,868)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$ 3,833,573	\$ 3,833,573	\$ 1,615,572
Reconciliation to full accrual basis from modified accrual basis:				
Reconciling items:				
Budgetary appropriations - capital		\$ 1,774,250		\$ 1,537,251
Budgetary appropriations - debt principal		3,927,485		4,604,020
Depreciation		(6,492,806)		(6,094,622)
Debt issued		-		(68,082)
Amortization of bond premium and discount		122,624		101,526
Amortization of deferred loss on refundings		(51,028)		(53,520)
Changes in accrued interest payable		(75,728)		(107,323)
Changes in unrealized gains/losses on investments		103,379		86,804
Intra-fund transfers		3,675,279		3,100,000
Changes in deferred outflows for OPEB		974,284		2,070,826
Changes in net OPEB liability		(1,594,989)		(2,334,074)
Changes in deferred inflows for OPEB		225,047		94,040
Changes in deferred outflows for pensions		(301,599)		671,396
Changes in net pension liability		(271,270)		(857,559)
Changes in deferred inflows for pensions		(7,682)		29,014
Revenue recognized in Capital Projects Fund		557,428		215,877
Revenue recognized in Capital Reserve Fund		432,436		427,082
Total reconciling items		2,997,110		3,422,656
Changes in net position		\$ 6,830,683		\$ 5,038,228

Schedule 14. Sewer Capital Projects Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest and misc income	\$ -	\$ 341,332	\$ 307,428	\$ 648,760	\$ 648,760
Capacity fees	-	2,158,902	-	2,158,902	2,158,902
Outfall acreage fee	1,055,136	1,055,136	-	1,055,136	-
Local contributions	-	-	250,000	250,000	250,000
Total revenues	1,055,136	3,555,370	557,428	4,112,798	3,057,662
Expenditures					
FCP-100 Downtown Office Efficiency and Enhancement	1,018,750	283,864	700,682	984,546	34,204
FCP10072 New Operations Center Phase 2	7,995,000	1,375,256	4,368,416	5,743,672	2,251,328
SCP-118 Southside Pump Station Upgrade*	6,600,000	6,011,136	49,790	6,060,926	539,074
SCP-123 COG Town Creek Culvert Improvement	2,950,000	50,592	-	50,592	2,899,408
SCP10217 10th Street Connector Project	306,000	-	-	-	306,000
SCP10219 Candlewick Area Sanitary Sewer District Project	800,000	669,026	-	669,026	130,974
SCP10221 Southeast Sewer Service Area Project	3,000,000	-	9,414	9,414	2,990,586
SCP10222 Sewer Outfall Rehabilitation Phase 4	2,480,000	116,791	198,979	315,770	2,164,230
SCP10223 Regional Pump Station Upgrades	1,800,000	400,961	603,840	1,004,801	795,199
SCP10229 Greene Street Pump Station and Force Main	1,100,000	-	36,461	36,461	1,063,539
SCP10230 Forlines Pump Station Expansion	250,000	-	19,668	19,668	230,332
SCP10233 WWTP Headworks Improvements	2,500,000	-	-	-	2,500,000
SCP10234 Harris Mill Run Outfall	500,000	-	-	-	500,000
SCP10235 Duplex Pump Station Improvements	500,000	-	414,949	414,949	85,051
SCP10236 Green Mill Run Tributary - 18-21 inch section	1,800,000	-	-	-	1,800,000
SCP10238 WWTP Clarifier Replacement Project	7,500,000	-	-	-	7,500,000
Total expenditures	41,099,750	8,907,626	6,402,199	15,309,825	25,789,925
Excess of Revenues Over (Under) Expenditures	(40,044,614)	(5,352,256)	(5,844,771)	(11,197,027)	28,847,587
Other Financing Sources (Uses)					
Appropriated fund balance	8,994,414	-	-	-	(8,994,414)
Revenue bonds issued	9,293,750	8,998,065	-	8,998,065	(295,685)
Federal grants	4,500,000	-	-	-	(4,500,000)
State loans	6,176,450	5,990,545	-	5,990,545	(185,905)
Long-term financing	11,080,000	-	-	-	(11,080,000)
Intra-fund transfers	-	10,852,224	3,675,279	14,527,503	14,527,503
Total other financing sources (uses)	40,044,614	25,840,834	3,675,279	29,516,113	(10,528,501)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ 20,488,578	\$(2,169,492)	\$ 18,319,086	\$ 18,319,086

*Project(s) already closed.

Schedule 15. Sewer Capital Reserve Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
System development fees	\$ -	\$ 423,404	\$ 421,823	\$ 845,227	\$ 845,227
Interest on investments	-	3,678	10,613	14,291	14,291
Total revenues	-	427,082	432,436	859,518	859,518
Other Financing Sources (Uses)					
Transfer to Sewer Capital Projects Fund	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Revenues Over Other Financing Sources (Uses)	\$ -	\$ 427,082	\$ 432,436	\$ 859,518	\$ 859,518

Schedule 16. Gas Operating Fund | Year ended June 30, 2020 (With Comparative Actual Totals For June 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Operating Revenues				
Rates and charges	\$ 31,777,519	\$ 31,200,552	\$ (576,967)	\$ 35,796,087
Fees and charges	163,840	193,063	29,223	174,328
Miscellaneous	95,601	98,108	2,507	109,291
	32,036,960	31,491,723	(545,237)	36,079,706
Non-Operating Revenues				
Interest on investments	260,000	282,475	22,475	304,608
FEMA/Insurance reimbursements	5,245	39,754	34,509	25,804
Miscellaneous	55,532	310,775	255,243	96,919
	320,777	633,004	312,227	427,331
Total Revenues	32,357,737	32,124,727	(233,010)	36,507,037
Expenditures				
Gas Fund				
Operations and maintenance		27,120,364		30,994,546
Capital Outlay		1,130,455		1,110,162
Debt Service		1,241,921		1,389,007
Total expenditures	31,407,402	29,492,740	1,914,662	33,493,715
Excess of Revenues Over (Under) Expenditures	950,335	2,631,987	1,681,652	3,013,322
Other Financing Sources (Uses)				
Revenue bonds issued	-	-	-	65,434
Intra-fund transfers out	(950,335)	(2,250,268)	(1,299,933)	(2,890,000)
Total other financing sources (uses)	(950,335)	(2,250,268)	(1,299,933)	(2,824,566)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$ 381,719	\$ 381,719	\$ 188,756
Reconciliation to full accrual basis from modified accrual basis:				
Reconciling items:				
Budgetary appropriations - capital		\$ 1,130,455		\$ 1,110,162
Budgetary appropriations - debt principal		578,747		819,486
Depreciation		(2,336,214)		(2,374,751)
Debt issued		-		(65,434)
Amortization of bond premium and discount		83,678		49,850
Amortization of deferred loss on refundings		(21,344)		(22,075)
Changes in accrued interest payable		(89,321)		(96,577)
Changes in unrealized gains/losses on investments		129,745		110,983
Intra-fund transfers		2,250,268		2,890,000
Changes in deferred outflows for OPEB		742,311		1,577,772
Changes in net OPEB liability		(1,215,229)		(1,778,342)
Changes in deferred inflows for OPEB		171,464		71,649
Changes in deferred outflows for pensions		(229,790)		511,540
Changes in net pension liability		(206,682)		(653,378)
Changes in deferred inflows for pensions		(5,853)		22,106
Revenue recognized in Rate Stabilization Fund		29,879		18,188
Revenue recognized in Capital Projects Fund		249,772		181,466
Total reconciling items		1,261,886		2,372,645
Changes in net position		\$ 1,643,605		\$ 2,561,401

Schedule 17. Gas Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest on investments	\$ -	\$ 29,494	\$ 29,879	\$ 59,373	\$ 59,373
Other Financing Sources (Uses)					
Transfer from Gas Operating Fund	\$1,250,000	\$1,950,000	\$ 545,999	\$2,495,999	\$ 1,245,999
Transfer to Gas Operating Fund	(1,250,000)	(400,000)	-	(400,000)	850,000
Total other financing sources (uses)	-	1,550,000	545,999	2,095,999	2,095,999
Revenues Over Other Financing Sources (Uses)	\$ -	\$1,579,494	\$ 575,878	\$2,155,372	\$ 2,155,372

Schedule 18. Gas Capital Projects Fund | From Inception and for the Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
Revenues					
Interest and misc income	\$ -	\$ 301,479	\$ 249,772	\$ 551,251	\$ 551,251
Total revenues	-	301,479	249,772	551,251	551,251
Expenditures					
FCP-100 Downtown Office Efficiency and Enhancement	1,018,750	283,864	700,682	984,546	34,204
FCP10072 New Operations Center Phase 2	7,995,000	1,375,256	4,368,416	5,743,672	2,251,328
GCP-92 LNG Liquefaction Additions	1,000,000	28,428	-	28,428	971,572
GCP10099 High-Pressure Multiple Gas Facilities Relocation	9,500,000	2,800	65,683	68,483	9,431,517
GCP10101 Firetower Road Widening	1,300,000	-	-	-	1,300,000
GCP10104 Memorial Drive Bridge Replacement	1,500,000	30	109,167	109,197	1,390,803
GCP10108 Allen Road Widening (NCDOT U05875)	1,000,000	-	-	-	1,000,000
GCP10109 Integrity Management Replacement Project	1,750,000	-	-	-	1,750,000
GCP10112 VOA Road Loop	1,200,000	-	-	-	1,200,000
GCP10113 Evans Street Widening (NCDOT U-2817)	136,000	-	-	-	136,000
GCP10114 14th Street Widening (NCDOT U-5917)	57,000	-	-	-	57,000
Total expenditures	26,456,750	1,690,378	5,243,948	6,934,326	19,522,424
Excess of Revenues Over (Under) Expenditures	(26,456,750)	(1,388,899)	(4,994,176)	(6,383,075)	20,073,675
Other Financing Sources (Uses)					
Appropriated fund balance	7,050,000	-	-	-	(7,050,000)
Revenue bonds issued	7,413,750	7,494,494	-	7,494,494	80,744
Long-term financing	11,993,000	-	-	-	(11,993,000)
Intra-fund transfers in	-	9,357,664	1,704,269	11,061,933	11,061,933
Total other financing sources (uses)	26,456,750	16,852,158	1,704,269	18,556,427	(7,900,323)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$15,463,259	\$ (3,289,907)	\$12,173,352	\$12,173,352

Schedule 19. Agency Funds | June 30, 2020

	Refuse Collection Agency Fund	Stormwater Collection Agency Fund	Total
Assets			
Cash and cash equivalents	\$ 644,841	\$ 546,141	\$ 1,190,982
Accounts receivables	1,164,659	602,695	1,767,354
Total assets	\$ 1,809,500	\$ 1,148,836	\$ 2,958,336
Liabilities			
Accounts payable	\$ 1,809,500	\$ 1,148,836	\$ 2,958,336
Total liabilities	\$ 1,809,500	\$ 1,148,836	\$ 2,958,336

Schedule 20. Agency Funds | For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
Refuse Collection Fund:				
Assets:				
Cash and cash equivalents	\$ 596,158	\$ 7,569,647	\$ (7,520,964)	\$ 644,841
Accounts receivable	1,048,408	7,685,898	(7,569,647)	1,164,659
Total assets	\$ 1,644,566	\$ 15,255,545	\$ (15,090,611)	\$ 1,809,500
Liabilities:				
Accounts payable	\$ 1,644,566	\$ 7,685,898	\$ (7,520,964)	\$ 1,809,500
	\$ 1,644,566	\$ 7,685,898	\$ (7,520,964)	\$ 1,809,500
Stormwater Collection Fund:				
Assets:				
Cash and cash equivalents	\$ 485,608	\$ 6,097,867	\$ (6,037,334)	\$ 546,141
Accounts receivable	580,451	6,120,111	(6,097,867)	602,695
Total assets	\$ 1,066,059	\$ 12,217,978	\$ (12,135,201)	\$ 1,148,836
Liabilities:				
Accounts payable	\$ 1,066,059	\$ 6,120,111	\$ (6,037,334)	\$ 1,148,836
	\$ 1,066,059	\$ 6,120,111	\$ (6,037,334)	\$ 1,148,836

Schedule 21. 2020-2021 Projected Transfer to the City of Greenville General Fund

	Electric Fund	Gas Fund	Total
General Transfer			
Capital assets, net of depreciation	\$ 111,445,221	\$ 44,802,867	\$ 156,248,088
Less long-term debt	46,829,064	17,050,388	63,879,452
Net transfer base	64,616,156	27,752,479	92,368,635
Transfer rate	6.00%	6.00%	6.00%
Projected general transfer to City of Greenville	3,876,969	1,665,149	5,542,118
Street Lighting Reimbursement			
Street lighting projected revenue	1,682,690		1,682,690
Transfer Rate	50.00%		50.00%
Projected street lighting reimbursement	841,345		841,345
Total projected transfer to City of Greenville General Fund	\$ 4,718,314	\$ 1,665,149	\$ 6,383,463

Schedule 22. Schedule of Indebtedness | June 30, 2020

	Original Issue Amount	Date of Issue	Date of Maturity	Outstanding June 30, 2019	Retired During Year		Outstanding June 30, 2020	Discount/Premium	Long-term Debt Total	Maturing Next Year		Accrued Interest 2020
					Principal	Interest				Principal	Interest	
Electric Fund:												
2010 Rev Bonds Refund 2001	3,902,210	11/12/10	9/1/21	1,257,004	409,546	26,411	847,458	-	847,458	418,410	16,020	7,090
2013 Rev Bonds Refund 2007	6,182,959	3/11/13	5/1/27	3,494,541	435,306	64,300	3,059,235	-	3,059,235	439,337	56,290	9,382
2016 Rev Bonds New Money	22,679,530	6/14/16	4/1/46	22,207,691	241,604	910,308	21,966,087	2,361,100	24,327,187	736,182	898,228	224,557
2016 Rev Bonds Refund 2005	1,369,152	6/14/16	4/1/26	1,007,305	125,506	47,594	881,799	199,597	1,081,396	130,396	41,319	10,330
2016 Rev Bonds Refund 2008A	3,470,208	6/14/16	4/1/34	3,457,141	138,136	169,385	3,319,005	685,868	4,004,873	322,940	162,478	40,620
2019 Rev Bonds	27,092,783	6/6/19	8/1/44	27,092,783	-	760,487	27,092,783	3,758,852	30,851,635	-	1,165,001	485,417
	64,696,842			58,516,465	1,350,098	1,978,485	57,166,367	7,005,417	64,171,784	2,047,265	2,339,336	777,396
Water Fund:												
2010 Rev Bonds Refund 2001	1,695,666	11/12/10	9/1/21	546,219	177,964	11,477	368,255	-	368,255	181,816	6,961	3,081
2016 Rev Bonds New Money	2,243,132	6/14/16	4/1/46	2,196,464	23,896	90,035	2,172,568	233,526	2,406,094	72,813	88,840	22,210
2016 Rev Bonds Refund 2005	711,915	6/14/16	4/1/26	523,766	65,258	24,748	458,508	103,784	562,292	67,801	21,485	5,371
2016 Rev Bonds Refund 2008A	7,571,332	6/14/16	4/1/34	7,542,823	301,387	369,566	7,241,436	1,496,433	8,737,869	704,594	354,496	88,624
2019 Rev Bonds	8,206,842	6/6/19	8/1/44	8,206,842	-	230,364	8,206,842	1,138,617	9,345,459	-	352,898	147,041
DWSRF Loan #4, 2004	3,884,913	11/18/10	5/1/30	2,136,702	194,245	47,114	1,942,457	-	1,942,457	194,246	42,831	7,139
DWSRF Loan #7	460,425	12/19/13	5/1/33	322,298	23,022	8,057	299,276	-	299,276	23,021	7,482	1,247
DWSRF Loan #9	269,492	6/21/10	5/1/30	148,221	13,475	3,705	134,746	-	134,746	13,474	3,369	561
DWSRF Loan #12	1,291,496	12/19/13	5/1/33	904,047	64,574	18,171	839,473	-	839,473	64,575	16,873	2,812
DWSRF Loan #15	1,176,457	10/29/18	5/1/38	1,117,634	58,823	17,100	1,058,811	-	1,058,811	58,823	16,200	2,700
DWSRF Loan #6 (ARRA)	2,942,152	5/1/11	5/1/30	809,092	73,554	-	735,538	-	735,538	73,554	-	-
DWSRF Loan #8 (ARRA)	44,782	1/28/11	5/1/31	13,434	1,120	-	12,314	-	12,314	1,120	-	-
	30,498,604			24,467,542	997,318	820,337	23,470,224	2,972,360	26,442,584	1,455,837	911,435	280,786
Sewer Fund:												
2010 Rev Bonds Refund 2001	1,695,666	11/12/10	9/1/21	699,866	228,024	14,705	471,842	-	471,842	232,960	8,920	3,948
2013 Rev Bonds Refund SRF Loan #3	6,292,200	3/11/13	5/1/20	763,000	763,000	14,039	-	-	-	-	-	-
2016 Rev Bonds New Money	4,719,168	6/14/16	4/1/46	4,620,988	50,273	189,417	4,570,715	491,299	5,062,014	153,185	186,904	46,726
2016 Rev Bonds Refund 2005	2,118,933	6/14/16	4/1/26	1,558,930	194,236	73,658	1,364,694	308,901	1,673,595	201,803	63,946	15,987
2016 Rev Bonds Refund 2008A	6,911,365	6/14/16	4/1/34	6,885,340	275,116	337,352	6,610,224	1,365,994	7,976,218	643,177	323,596	80,899
2019 Rev Bonds	6,799,917	6/6/19	8/1/44	6,799,917	-	190,872	6,799,917	943,421	7,743,338	-	292,399	121,833
CWSRF Loan #5	13,761,629	3/6/10	5/1/30	7,568,898	688,083	187,709	6,880,815	-	6,880,815	688,082	170,644	28,441
CWSRF Loan #10	8,866,000	11/2/12	5/1/32	5,762,900	443,300	141,479	5,319,600	-	5,319,600	443,300	130,596	21,766
CWSRF Loan #11	13,649,668	9/30/13	5/1/33	9,554,767	682,483	234,570	8,872,284	-	8,872,284	682,483	217,815	36,302
CWSRF Loan #13	2,098,250	7/30/16	5/1/36	1,682,691	84,748	-	1,597,943	-	1,597,943	99,872	-	-
CWSRF Loan #14	6,176,450	6/5/17	5/1/37	5,372,899	280,936	100,750	5,091,963	-	5,091,963	299,527	101,839	16,973
CWSRF Loan #16	1,718,086	3/8/18	5/1/38	1,632,182	85,905	27,094	1,546,277	-	1,546,277	85,904	25,668	4,278
Bethel Inter-Local Agreement	2,895,724	1/6/03	5/1/23	605,525	151,381	80,611	454,144	-	454,144	151,381	76,919	14,643
	77,703,056			53,507,903	3,927,485	1,592,256	49,580,418	3,109,615	52,690,033	3,681,674	1,599,246	391,796
Gas Fund:												
2010 Rev Bonds Refund 2001	3,234,480	11/12/10	9/1/21	1,041,911	339,466	21,892	702,445	-	702,445	346,814	13,279	5,877
2013 Rev Bonds Refund 2007	1,487,041	3/11/13	5/1/27	840,459	104,694	15,465	735,765	-	735,765	105,663	13,538	2,256
2016 Rev Bonds New Money	10,253,170	6/14/16	4/1/46	10,039,857	109,227	411,540	9,930,630	1,067,428	10,998,058	332,820	406,079	101,520
2016 Rev Bonds Refund 2008A	637,094	6/14/16	4/1/34	634,695	25,360	31,098	609,335	125,918	735,253	59,289	29,829	7,457
2019 Rev Bonds	6,535,458	6/6/19	8/1/44	6,535,458	-	183,448	6,535,458	906,729	7,442,187	-	281,027	117,095
	22,147,243			19,092,380	578,747	663,443	18,513,633	2,100,075	20,613,708	844,586	743,752	234,205
Total All Funds:	195,045,745			155,584,290	6,853,648	5,054,521	148,730,642	15,187,467	163,918,109	8,029,362	5,593,769	1,684,183

Schedule 23. Schedule of Expenditures of Federal and State Awards | For the FY Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CDFA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to Subrecipients	Local Expenditures	Total
Federal Grants:							
Cash Programs:							
U.S. Department of Homeland Security							
Federal Emergency Management Agency							
Passed through the NC Department of Public Safety							
Disaster Assistance	97.036	FEMA-4285-DR-NC	\$ 587,525	\$ 196,956	\$ -	\$ (784,481)	\$ -
Disaster Assistance	97.036	FEMA-4393-DR-NC	228,433	71,385	-	438,511	738,329
Disaster Assistance	97.036	FEMA-4465-DR-NC	149,305	46,658	-	64,372	260,335
Total Passed through the NC Department of Public Safety			965,263	314,999	-	(281,598)	998,664
Total U.S. Department of Homeland Security			965,263	314,999	-	(281,598)	998,664
Total Federal Assistance			\$ 965,263	\$ 314,999	\$ -	\$ (281,598)	\$ 998,664
Total Federal and State Assistance			\$ 965,263	\$ 314,999	\$ -	\$ (281,598)	\$ 998,664

Notes to the Schedule of Expenditures of Federal and State Awards:

Note 1: The accompanying Schedule of expenditures of federal and State awards includes the federal and State grant and loan activity of the Greenville Utilities Commission. The information in this schedule is presented for informational purposes only. The activity in this schedule is also presented in the schedule of expenditures of federal and State awards for the City of Greenville, North Carolina.

Note 2: Certain expenditures incurred in fiscal year 2017 that were associated with disaster recovery were reported as local expenditures in the fiscal year 2017 Schedule of Expenditures of Federal and State Awards. Subsequently, the Federal Emergency Management Agency approved disaster assistance awards related to certain of these expenditures. Those subsequently approved expenditures are reported in this Schedule of Expenditures of Federal and State Awards as Federal and State expenditures related to FEMA Disaster Assistance awards, with a corresponding reduction of local expenditures.

Statistical Information

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the Utility Commission's overall financial health.

CONTENT

Financial Trends Information

These schedules contain trend information intended to help the reader understand how the Utilities Commission's financial position has changed over time.

Revenue Capacity Information

These schedules contain information intended to help the reader assess the Utilities Commission's most significant revenue sources.

Debt Capacity Information

These schedules present information intended to assist users in understanding and assessing the Utilities Commission's current levels of outstanding debt and the ability to issue additional debt.

Demographic and Economic Information

These schedules provide demographic and economic indicators intended to help the reader understand the socioeconomic environment within which the Utilities Commission's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Utilities Commission's financial report relates to the services the Utilities Commission provides and the activities it performs.

Table 1. Net Position by Component | Last Ten Fiscal Years (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Enterprise fund activities										
Net investment in capital assets	\$ 235,421	\$ 238,986	\$ 246,776	\$ 253,843	\$ 272,213	\$ 264,725	\$ 266,668	\$ 277,995	\$ 282,968	\$ 293,506
Unrestricted	75,583	79,196	79,035	77,924	69,458	101,797	112,258	97,101	111,488	115,425
Total enterprise fund activities net position	\$ 311,004	\$ 318,182	\$ 325,811	\$ 331,767	\$ 341,671	\$ 366,522	\$ 378,926	\$ 375,096	\$ 394,456	\$ 408,931

Table 2. Changes in Net Position | Last Ten Fiscal Years (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating revenues:										
Charges for services	\$270,573	\$255,943	\$260,272	\$269,776	\$270,859	\$246,112	\$245,486	\$254,569	\$259,045	\$248,350
Other operating revenues	800	785	773	996	1,128	1,096	519	923	1,037	824
Total operating revenues	271,373	256,728	261,045	270,772	271,987	247,208	246,006	255,492	260,081	249,173
Operating expenses:										
Administration and general	14,756	15,456	15,916	17,493	17,711	19,226	22,322	21,710	24,985	29,245
Operations and maintenance	33,784	36,433	33,916	33,915	35,032	35,827	39,474	39,467	41,344	41,442
Purchased power and gas	188,585	175,992	179,141	188,110	180,031	140,033	145,675	149,657	148,465	141,309
Depreciation	16,744	16,962	17,565	18,181	18,140	18,662	20,999	21,404	22,204	23,072
Total operating expenses	253,869	244,842	246,538	257,700	250,914	213,746	228,471	232,239	236,998	235,068
Operating income (loss)	17,504	11,886	14,507	13,072	21,072	33,462	17,535	23,253	23,083	14,105
Non-operating revenues (expenses):										
Interest income	637	335	226	208	284	330	528	1,159	3,559	4,016
Interest expense and service charges	(4,330)	(3,984)	(4,091)	(3,574)	(3,683)	(4,154)	(3,358)	(4,153)	(4,883)	(5,272)
Other, net	2,382	4,677	2,721	1,761	1,444	2,572	4,230	3,115	2,492	2,753
Net non-operating revenues	(1,311)	1,027	(1,143)	(1,604)	(1,955)	(1,252)	1,399	122	1,168	1,497
Income before contributions and transfers	16,193	12,913	13,364	11,468	19,117	32,210	18,934	23,376	24,250	15,602
Contributions and transfers:										
Capital Contributions	1,062	-	-	568	602	-	135	1,214	1,828	5,528
Transfer to City of Greenville, General Fund	(4,765)	(5,039)	(5,038)	(5,360)	(5,748)	(6,592)	(5,900)	(5,853)	(5,909)	(5,770)
Transfer to City of Greenville, street lighting reimbursement	(678)	(696)	(696)	(721)	(757)	(766)	(765)	(748)	(809)	(885)
Total contributions and transfers	(4,381)	(5,735)	(5,733)	(5,513)	(5,903)	(7,358)	(6,530)	(5,387)	(4,890)	(1,126)
Changes in net position	\$ 11,812	\$ 7,178	\$ 7,630	\$ 5,955	\$ 13,214	\$ 24,851	\$ 12,404	\$ 17,989	\$ 19,360	\$ 14,475

Table 3. Operating Revenues by Major Source | Last Ten Fiscal Years

Fiscal Year	Electric Fund			Water Fund		
	Rates & Charges	Fees & Charges	Other Operating Revenue	Rates & Charges	Fees & Charges	Other Operating Revenue
2011	200,357,626	1,165,263	536,485	14,568,726	321,294	85,994
2012	191,029,354	1,112,192	494,829	15,719,715	292,152	106,365
2013	194,108,566	1,233,242	504,564	15,410,078	383,665	90,114
2014	199,134,647	1,286,852	699,404	15,819,721	348,287	98,063
2015	196,828,376	1,341,514	822,672	16,753,280	277,287	96,915
2016	177,785,263	1,670,655	710,641	17,792,061	340,521	97,450
2017	173,232,911	1,932,362	159,433	18,983,628	384,290	79,809
2018	173,216,856	2,127,927	581,463	19,380,229	582,827	111,896
2019	174,263,970	2,978,207	691,439	21,037,132	445,694	116,747
2020	168,333,697	1,727,012	502,904	22,565,044	502,057	109,495

Fiscal Year	Sewer Fund			Gas Fund		
	Rates & Charges	Fees & Charges	Other Operating Revenue	Rates & Charges	Fees & Charges	Other Operating Revenue
2011	16,251,177	319,025	85,329	37,440,126	149,616	92,378
2012	17,247,740	263,573	90,269	30,150,678	127,392	94,036
2013	17,124,153	363,627	90,648	31,513,234	135,445	87,753
2014	17,539,513	329,446	101,204	35,181,326	136,379	97,094
2015	18,896,038	280,526	111,569	36,342,568	139,335	96,432
2016	20,835,158	337,938	105,693	27,221,435	129,310	182,283
2017	22,232,340	395,878	81,396	28,173,864	151,126	198,807
2018	22,439,848	549,067	124,065	36,113,602	159,092	105,347
2019	23,859,199	489,939	119,184	35,796,087	174,328	109,291
2020	23,369,041	459,081	113,024	31,200,552	193,063	98,108

Table 4. Revenue Base by Customer Class: Electric Kilowatt Hours Sold | Last Ten Fiscal Years

Fiscal Year	Residential	Small General Service	Medium General Service	Large General Service	Lighting	Seasonal	Total	Effective Rate (per kWh) ¹
2011	735,045,523	121,941,172	347,635,077	486,112,644	17,779,021	3,496,959	1,712,010,396	\$0.11703
2012	659,675,766	117,140,900	338,546,911	497,654,640	17,919,207	1,928,168	1,632,865,592	\$0.11699
2013	695,864,293	117,071,188	332,957,674	489,990,456	18,064,409	2,718,765	1,656,666,785	\$0.11717
2014	714,076,550	116,525,549	337,651,551	495,199,376	18,433,379	2,960,481	1,684,846,886	\$0.11819
2015	719,680,705	119,699,090	337,550,002	511,184,520	18,637,900	3,147,325	1,709,899,542	\$0.11511
2016	678,819,366	116,229,245	361,126,164	510,353,608	18,683,136	40,809	1,685,252,328	\$0.10549
2017	712,955,477	124,936,945	356,742,531	503,637,480	18,700,481	-	1,716,972,914	\$0.10089
2018	751,195,332	142,403,883	340,237,388	512,352,456	18,616,342	-	1,764,805,401	\$0.09815
2019	752,650,490	142,826,165	330,521,996	537,289,736	18,294,271	-	1,781,582,658	\$0.09781
2020	730,472,461	137,317,964	302,717,083	527,537,912	17,748,165	-	1,715,793,585	\$0.09811

¹ Due to the complexity of the rate structure the effective rate is shown in place of a direct rate. Direct electric rates for all customer classes are shown on Table 8.

Table 5. Revenue Base by Customer Class: Water Kgallons Sold¹ | Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Industrial	Irrigation	Wholesale	Total	Effective Rate (per kgallon) ²
2011	2,089,084	892,614	313,564	254,396	156,231	3,705,889	\$3.93124
2012	2,028,669	850,346	332,646	197,900	376,064	3,785,625	\$4.15248
2013	1,988,443	853,785	369,955	129,112	516,267	3,857,562	\$3.99477
2014	2,008,183	865,907	371,670	119,616	556,214	3,921,590	\$4.03401
2015	2,008,169	838,646	377,268	107,861	585,806	3,917,750	\$4.27625
2016	2,032,403	850,487	367,545	112,451	606,709	3,969,595	\$4.48208
2017	2,045,980	867,853	374,635	109,332	621,409	4,019,209	\$4.72322
2018	2,081,417	905,655	405,636	102,306	618,430	4,113,444	\$4.71144
2019	2,072,563	937,669	417,445	117,941	597,257	4,142,875	\$5.07791
2020	2,101,647	888,661	409,054	133,356	629,401	4,162,119	\$5.42153

¹ One Kgallon equals one thousand gallons.

² Due to the complexity of the rate structure the effective rate is shown in place of a direct rate. Direct water rates for all customer classes are shown on Table 9.

Table 6. Revenue Base by Customer Class: Wastewater Kgallons Collected¹ | Last Ten Fiscal Years

Fiscal Year	Residential	Commercial & Industrial	Wholesale	Total	Effective Rate (per kgallon)²
2011	1,658,057	1,030,383	106,435	2,794,875	\$5.81463
2012	1,623,172	1,015,532	108,011	2,746,715	\$6.27941
2013	1,599,305	1,023,339	106,849	2,729,493	\$6.27375
2014	1,615,090	1,010,964	116,070	2,742,124	\$6.39632
2015	1,620,718	1,013,803	124,347	2,758,868	\$6.84920
2016	1,641,074	1,060,248	133,034	2,834,356	\$7.35093
2017	1,661,150	1,068,663	123,964	2,853,778	\$7.79049
2018	1,686,245	1,097,738	114,371	2,898,354	\$7.74227
2019	1,687,197	1,159,287	129,612	2,976,096	\$8.01695
2020	1,716,115	1,103,542	73,025	2,892,682	\$8.07868

¹ One Kgallon equals one thousand gallons.

² Due to the complexity of the rate structure the effective rate is shown in place of a direct rate. Direct wastewater rates for all customer classes are shown on Table 10.

Table 7. Revenue Base by Customer Class: Natural Gas ccfs Sold¹ | Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Industrial	Interruptible	Seasonal	Total	Effective Rate (perCCF) ²
2011	9,204,734	6,202,471	1,452,745	15,535,877	9,415	32,405,242	\$1.15537
2012	6,446,047	5,060,450	1,286,999	15,440,944	11,791	28,246,231	\$1.06742
2013	8,770,015	6,052,098	1,305,580	15,267,893	24,568	31,420,154	\$1.00296
2014	9,480,133	6,366,093	1,517,889	15,344,473	252,094	32,960,682	\$1.06737
2015	9,568,069	6,584,310	1,891,424	15,104,558	263,557	33,411,918	\$1.08771
2016	6,954,321	5,514,777	1,668,283	15,007,843	246,598	29,391,822	\$0.92616
2017	6,941,053	5,481,832	1,865,882	15,419,520	189,875	29,898,162	\$0.94233
2018	9,010,170	6,603,733	2,618,575	16,009,496	225,807	34,467,781	\$1.04775
2019	7,968,341	6,148,840	2,804,196	17,394,338	172,402	34,488,117	\$1.03793
2020	7,298,902	5,549,826	2,744,829	16,680,380	181,460	32,455,397	\$0.96134

¹ One ccf equals one hundred cubic feet.

² Due to the complexity of the rate structure the effective rate is shown in place of a direct rate. Direct natural gas rates for all customer classes are shown on Table 11.

Table 8. Direct Electric Rates | As of June 30 for the Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Effective Rate (per kWh)	\$0.11703	\$0.11699	\$0.11717	\$0.11819	\$0.11511	\$0.10549	\$0.10089	\$0.09815	\$0.09781	\$0.09811
Residential										
Base facilities charge (per month)	\$ 8.99	\$ 8.99	\$ 10.99	\$ 10.99	\$ 10.99	\$ 13.00	\$ 15.00	\$ 17.00	\$ 19.00	\$ 21.00
Energy (per kWh) Summer	\$0.12600	\$0.12600	\$0.12600	\$0.12600	\$0.12600	n/a	n/a	n/a	n/a	n/a
Winter	\$0.11514	\$0.11514	\$0.11514	\$0.11514	\$0.11514	n/a	n/a	n/a	n/a	n/a
all kWh	n/a	n/a	n/a	n/a	n/a	\$0.11086	\$0.10014	\$0.09814	\$0.09614	\$0.09414
Residential Time of Use with Demand Net Metering for Solar Energy Facilities										
Base facilities charge (per month)	n/a	n/a	n/a	n/a	n/a	\$ 19.47	\$ 21.47	\$ 23.47	\$ 25.47	\$ 27.47
Demand (per kW) all kW	n/a	n/a	n/a	n/a	n/a	\$ 7.94	\$ 6.82	\$ 6.55	\$ 6.11	\$ 5.67
Energy (per kWh) all on-peak kWh	n/a	n/a	n/a	n/a	n/a	\$0.13668	\$0.12829	\$0.12829	\$0.14026	\$0.14228
all off-peak kWh	n/a	n/a	n/a	n/a	n/a	\$0.04393	\$0.03873	\$0.03873	\$0.03474	\$0.03569
Small General Service										
Base facilities charge (per month)	\$ 12.89	\$ 12.89	\$ 15.76	\$ 15.76	\$ 15.76	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
Energy (per kWh)a. first 1,000 kWh	\$0.13177	\$0.13177	\$0.13177	\$0.13177	\$0.13177	\$0.11938	\$0.11066	\$0.11066	\$0.11066	\$0.11066
b. next 5,000 kWh	\$0.12558	\$0.12558	\$0.12558	\$0.12558	\$0.12558	\$0.11319	\$0.10447	\$0.10447	\$0.10447	\$0.10447
c. all additional kWh	\$0.10696	\$0.10696	\$0.10696	\$0.10696	\$0.10696	\$0.09457	\$0.08585	\$0.08585	\$0.08585	\$0.08585
Medium General Service										
Base facilities charge (per month)	\$ 13.33	\$ 13.33	\$ 16.30	\$ 16.30	\$ 16.30	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Demand (per kW) a. first 35 kW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. all additional kW	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17	\$ 4.17
Energy (per kWh) a. first 12,500 kWh	\$0.12323	\$0.12323	\$0.12323	\$0.12323	\$0.12323	\$0.10464	\$0.09592	\$0.09592	\$0.09592	\$0.09592
b. all additional kWh	\$0.09233	\$0.09233	\$0.09233	\$0.09233	\$0.09233	\$0.08900	\$0.08028	\$0.08028	\$0.08028	\$0.08028
Medium General Service - CP										
Base facilities charge (per month)	n/a	n/a	n/a	n/a	n/a	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Demand (per kW) a. all coincident peak	n/a	n/a	n/a	n/a	n/a	\$ 14.95	\$ 14.57	\$ 17.00	\$ 17.40	\$ 18.14
b. allocated non-coincident peak	n/a	n/a	n/a	n/a	n/a	\$ 16.75	\$ 15.61	\$ 15.61	\$ 15.61	\$ 15.61
c. excess non-coincident peak	n/a	n/a	n/a	n/a	n/a	\$ 5.38	\$ 5.38	\$ 5.38	\$ 5.38	\$ 5.38
d. all rKVA	n/a	n/a	n/a	n/a	n/a	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Energy (per kWh) all kWh per month	n/a	n/a	n/a	n/a	n/a	\$0.04224	\$0.03677	\$0.03027	\$0.03071	\$0.02815
Large General Service										
Base facilities charge (per month)	n/a	n/a	n/a	n/a	n/a	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
Demand (per kW) a. all coincident peak	\$ 12.71	\$ 12.71	\$ 12.71	\$ 12.71	\$ 12.71	\$ 19.53	\$ 19.03	\$ 22.20	\$ 22.73	\$ 23.69
b. allocated non-coincident peak	\$ 17.42	\$ 17.42	\$ 17.42	\$ 17.42	\$ 17.42	\$ 15.19	\$ 13.13	\$ 13.13	\$ 13.13	\$ 13.13
c. excess non-coincident peak	\$ 4.98	\$ 4.98	\$ 4.98	\$ 4.98	\$ 4.98	\$ 6.82	\$ 6.82	\$ 6.82	\$ 6.82	\$ 6.82
d. all rKVA	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Energy (per kWh) all kWh per month	\$0.04928	\$0.04928	\$0.04928	\$0.04928	\$0.04928	\$0.03522	\$0.03066	\$0.02524	\$0.02560	\$0.02347
Seasonal General Service										
Base facilities charge (per month)	\$ 14.84	\$ 14.84	\$ 18.14	\$ 18.14	\$ 18.14	n/a	n/a	n/a	n/a	n/a
Energy (per kWh) Summer	\$0.14306	\$0.14306	\$0.14306	\$0.14306	\$0.14306	n/a	n/a	n/a	n/a	n/a
a. first 750 kWh	\$0.14306	\$0.14306	\$0.14306	\$0.14306	\$0.14306	n/a	n/a	n/a	n/a	n/a
b. next 2,250 kWh plus 150 kWh per kW of billing demand in excess of 10 kW per billing month	\$0.13184	\$0.13184	\$0.13184	\$0.13184	\$0.13184	n/a	n/a	n/a	n/a	n/a
c. all additional kWh	\$0.10647	\$0.10647	\$0.10647	\$0.10647	\$0.10647	n/a	n/a	n/a	n/a	n/a
Energy (per kWh) Winter	\$0.12235	\$0.12235	\$0.12235	\$0.12235	\$0.12235	n/a	n/a	n/a	n/a	n/a
a. first 750 kWh	\$0.12235	\$0.12235	\$0.12235	\$0.12235	\$0.12235	n/a	n/a	n/a	n/a	n/a
b. all additional kWh	\$0.09382	\$0.09382	\$0.09382	\$0.09382	\$0.09382	n/a	n/a	n/a	n/a	n/a
Public Communications Network Device Service										
Base facilities charge (per month)	\$ 1.25	\$ 1.25	\$ 1.58	\$ 1.58	\$ 1.58	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10
Energy (per month)										
Wireless IP network device	n/a	n/a	n/a	n/a	n/a	\$ 0.60	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56
Public safety cameras	n/a	n/a	n/a	n/a	n/a	\$ 1.20	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11
CAD 12 ONU installations	\$ 1.41	\$ 1.41	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.32	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22
MLU 48 ONU installations	\$ 5.63	\$ 5.63	\$ 5.79	\$ 5.79	\$ 5.79	\$ 5.26	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87

Table 8 continues on the next page.

Table 8. Direct Electric Rates | As of June 30 for the Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bilateral Metering for Solar Energy Facilities										
Base facilities charge (per month)										
Residential	n/a	n/a	n/a	\$ 6.48	\$ 6.48	\$ 7.67	\$ 8.85	\$ 10.03	\$ 11.21	\$ 12.39
Small General Service	n/a	n/a	n/a	\$ 10.44	\$ 10.44	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86
Medium General Service	n/a	n/a	n/a	\$ 10.88	\$ 10.88	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00
Energy credit (per kWh)	n/a	n/a	n/a	\$0.07000	\$0.07000	\$0.07000	\$0.06163	\$0.06257	\$0.06257	\$0.06446
Outdoor Lighting Service (rate per unit per month)										
General Customers										
175W (7K lumens) MV	\$ 12.85	\$ 12.85	\$ 12.85	\$ 12.85	\$ 12.85	\$ 12.57	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37
250W (11K lumens) MV	\$ 16.47	\$ 16.47	\$ 16.47	\$ 16.47	\$ 16.47	\$ 16.06	\$ 15.78	\$ 15.78	\$ 15.78	\$ 15.78
400W (20K lumens) MV	\$ 22.77	\$ 22.77	\$ 22.77	\$ 22.77	\$ 22.77	\$ 22.16	\$ 21.73	\$ 21.73	\$ 21.73	\$ 21.73
100W (8.5K) HPS	n/a	n/a	n/a	\$ 12.85	\$ 12.85	\$ 12.57	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37
150W (14K lumens) HPS	\$ 15.92	\$ 15.92	\$ 15.92	\$ 15.92	\$ 15.92	\$ 15.64	\$ 15.44	\$ 15.44	\$ 15.44	\$ 15.44
250W (23K lumens) HPS	\$ 21.24	\$ 21.24	\$ 21.24	\$ 21.24	\$ 21.24	\$ 20.81	\$ 20.51	\$ 20.51	\$ 20.51	\$ 20.51
400W (45K lumens) HPS	\$ 32.21	\$ 32.21	\$ 32.21	\$ 32.21	\$ 32.21	\$ 31.56	\$ 31.10	\$ 31.10	\$ 31.10	\$ 31.10
400W-F (45K lumens) HPS	\$ 33.29	\$ 33.29	\$ 33.29	\$ 33.29	\$ 33.29	\$ 32.64	\$ 32.18	\$ 32.18	\$ 32.18	\$ 32.18
400W (40K lumens) MH	\$ 34.84	\$ 34.84	\$ 34.84	\$ 34.84	\$ 34.84	\$ 34.19	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73
400W-F (40K lumens) MH	n/a	n/a	n/a	\$ 34.84	\$ 34.84	\$ 34.19	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73
70W (4.5K lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 25.64	\$ 25.64	n/a	n/a
50W (5K lumens) LED	n/a	n/a	n/a	\$ 20.18	\$ 20.18	\$ 20.09	\$ 18.75	\$ 18.75	\$ 18.75	\$ 18.75
100W (8K lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 25.64	\$ 25.64
110W (8K lumens) LED	n/a	n/a	n/a	\$ 21.74	\$ 21.74	\$ 21.61	\$ 21.48	\$ 21.48	\$ 21.48	\$ 21.48
150W (13.5K lumens) LED	n/a	n/a	n/a	\$ 26.67	\$ 26.67	\$ 26.37	\$ 23.61	\$ 23.61	\$ 23.61	\$ 23.61
210W (24K lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 33.21	\$ 33.21	\$ 33.21	\$ 33.21
280W-F (25K lumens) LED	n/a	n/a	n/a	\$ 39.55	\$ 39.55	\$ 39.14	\$ 38.04	\$ 38.04	\$ 38.04	\$ 38.04
County, Municipal or Housing Authority										
175W (7K lumens) MV	\$ 11.84	\$ 11.84	\$ 11.84	\$ 11.84	\$ 11.84	\$ 11.56	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36
250W (11K lumens) MV	\$ 15.76	\$ 15.76	\$ 15.76	\$ 15.76	\$ 15.76	\$ 15.35	\$ 15.07	\$ 15.07	\$ 15.07	\$ 15.07
400W (20K lumens) MV	\$ 21.83	\$ 21.83	\$ 21.83	\$ 21.83	\$ 21.83	\$ 21.22	\$ 20.79	\$ 20.79	\$ 20.79	\$ 20.79
400W-T (20K lumens) MV	\$ 17.50	\$ 17.50	\$ 17.50	\$ 17.50	\$ 17.50	\$ 17.20	\$ 16.98	\$ 16.98	\$ 16.98	\$ 16.98
100W (8.5K lumens) HPS	n/a	n/a	n/a	\$ 11.84	\$ 11.84	\$ 11.56	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36
150W (14K lumens) HPS	\$ 14.51	\$ 14.51	\$ 14.51	\$ 14.51	\$ 14.51	\$ 14.23	\$ 14.03	\$ 14.03	\$ 14.03	\$ 14.03
250W (23K lumens) HPS	\$ 19.32	\$ 19.32	\$ 19.32	\$ 19.32	\$ 19.32	\$ 18.89	\$ 18.59	\$ 18.59	\$ 18.59	\$ 18.59
400W (45K lumens) HPS	\$ 29.21	\$ 29.21	\$ 29.21	\$ 29.21	\$ 29.21	\$ 28.56	\$ 28.10	\$ 28.10	\$ 28.10	\$ 28.10
400W-F (45K lumens) HPS	\$ 30.30	\$ 30.30	\$ 30.30	\$ 30.30	\$ 30.30	\$ 29.65	\$ 29.19	\$ 29.19	\$ 29.19	\$ 29.19
400W (40K lumens) MH	\$ 31.85	\$ 31.85	\$ 31.85	\$ 31.85	\$ 31.85	\$ 31.20	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74
400W-F (40K lumens) MH	n/a	n/a	n/a	\$ 31.85	\$ 31.85	\$ 31.20	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74
70W (4.5K lumens) LED	n/a	n/a	n/a	\$ 30.96	\$ 30.96	\$ 30.83	\$ 23.08	\$ 23.08	n/a	n/a
50W (5K lumens) LED	n/a	n/a	n/a	\$ 18.16	\$ 18.16	\$ 18.07	\$ 16.87	\$ 16.87	\$ 16.87	\$ 16.87
100W (8K lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 23.08	\$ 23.08
110W (8K lumens) LED	n/a	n/a	n/a	\$ 19.57	\$ 19.57	\$ 19.44	\$ 19.34	\$ 19.34	\$ 19.34	\$ 19.34
150W (13.5K lumens) LED	n/a	n/a	n/a	\$ 24.00	\$ 24.00	\$ 23.70	\$ 21.25	\$ 21.25	\$ 21.25	\$ 21.25
210W (24K lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 29.89	\$ 29.89	\$ 29.89	\$ 29.89
280W-F (25K lumens) LED	n/a	n/a	n/a	\$ 35.60	\$ 35.60	\$ 35.19	\$ 34.24	\$ 34.24	\$ 34.24	\$ 34.24
Rural Street Lighting Service (rate per customer per month)										
Fixture per 4 Customers	100W HPS	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.09
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 4.69
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 6.41
Fixture per 6 Customers	175W (7K lumens) MV	\$ 2.62	\$ 2.62	\$ 2.62	\$ 2.62	\$ 2.62	\$ 2.09	\$ 2.06	\$ 2.06	\$ 2.06
	100W HPS	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.06
	150W HPS	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.57
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.13
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 4.27
Fixture per 8 Customers	110W LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.57
	150W HPS	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 1.95	\$ 1.93	\$ 1.93	\$ 1.93
	50W (5K lumens) LED	n/a	n/a	n/a	n/a	n/a	\$ 2.51	\$ 2.31	\$ 2.31	\$ 2.31
	110W LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.68
Sports Field Lighting Service										
Base facilities charge (per month)										
Demand (per kW)	\$ 2.27	\$ 2.27	\$ 2.27	\$ 2.27	\$ 2.27	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Energy (per kWh)	\$0.10476	\$0.10476	\$0.10476	\$0.10476	\$0.10476	\$0.09190	\$0.08318	\$0.08318	\$0.08318	\$0.08318

MV-mercury vapor; HPS-high pressure sodium; MH-metal halide; LED-light emitting diode *decorative post top

Table 9. Direct Water Rates | As of June 30 for the Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Effective rate (per kgallon)	\$ 3.93124	\$ 4.15248	\$ 3.99477	\$ 4.03401	\$ 4.27625	\$ 4.48208	\$ 4.72322	\$ 4.71144	\$ 5.07791	\$ 5.42153
Base facilities charge (based on meter size)										
Inside City										
¾"	\$ 6.61	\$ 6.61	\$ 6.61	\$ 7.04	\$ 7.04	\$ 7.46	\$ 7.80	\$ 7.80	\$ 8.00	\$ 8.00
1"	\$ 10.77	\$ 10.77	\$ 10.77	\$ 11.51	\$ 11.51	\$ 12.20	\$ 12.76	\$ 12.76	\$ 13.04	\$ 13.04
1½"	\$ 20.28	\$ 20.28	\$ 20.28	\$ 21.74	\$ 21.74	\$ 23.03	\$ 24.08	\$ 24.08	\$ 24.56	\$ 24.56
2"	\$ 32.16	\$ 32.16	\$ 32.16	\$ 34.52	\$ 34.52	\$ 36.57	\$ 38.24	\$ 38.24	\$ 38.96	\$ 38.96
3"	\$ 70.17	\$ 70.17	\$ 70.17	\$ 75.41	\$ 75.41	\$ 79.90	\$ 83.56	\$ 83.56	\$ 85.04	\$ 85.04
4"	\$ 119.47	\$ 119.47	\$ 119.47	\$ 128.45	\$ 128.45	\$ 136.09	\$ 142.32	\$ 142.32	\$ 144.80	\$ 144.80
6"	\$ 248.37	\$ 248.37	\$ 248.37	\$ 267.11	\$ 267.11	\$ 283.00	\$ 295.96	\$ 295.96	\$ 301.04	\$ 301.04
8"	\$ 357.07	\$ 357.07	\$ 357.07	\$ 384.05	\$ 384.05	\$ 406.89	\$ 425.52	\$ 425.52	\$ 432.80	\$ 432.80
10"	\$ 575.07	\$ 575.07	\$ 575.07	\$ 618.56	\$ 618.56	\$ 655.35	\$ 685.36	\$ 685.36	\$ 697.04	\$ 697.04
12"	\$ 851.88	\$ 851.88	\$ 851.88	\$ 916.34	\$ 916.34	\$ 970.83	\$1,015.28	\$1,015.28	\$1,032.56	\$1,032.56
16"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$1,800.80	\$1,800.80
Outside City										
¾"	\$ 7.50	\$ 7.50	\$ 7.50	\$ 8.10	\$ 8.10	\$ 8.59	\$ 8.97	\$ 8.97	\$ 9.20	\$ 9.20
1"	\$ 12.29	\$ 12.29	\$ 12.29	\$ 13.24	\$ 13.24	\$ 14.04	\$ 14.68	\$ 14.68	\$ 15.00	\$ 15.00
1½"	\$ 23.22	\$ 23.22	\$ 23.22	\$ 25.00	\$ 25.00	\$ 26.49	\$ 27.69	\$ 27.69	\$ 28.24	\$ 28.24
2"	\$ 36.88	\$ 36.88	\$ 36.88	\$ 39.70	\$ 39.70	\$ 42.06	\$ 43.98	\$ 43.98	\$ 44.80	\$ 44.80
3"	\$ 80.60	\$ 80.60	\$ 80.60	\$ 86.73	\$ 86.73	\$ 91.89	\$ 96.10	\$ 96.10	\$ 97.80	\$ 97.80
4"	\$ 137.29	\$ 137.29	\$ 137.29	\$ 147.72	\$ 147.72	\$ 156.51	\$ 163.67	\$ 163.67	\$ 166.52	\$ 166.52
6"	\$ 285.53	\$ 285.53	\$ 285.53	\$ 307.18	\$ 307.18	\$ 325.46	\$ 340.36	\$ 340.36	\$ 346.20	\$ 346.20
8"	\$ 410.53	\$ 410.53	\$ 410.53	\$ 441.66	\$ 441.66	\$ 467.93	\$ 489.35	\$ 489.35	\$ 497.72	\$ 497.72
10"	\$ 661.23	\$ 661.23	\$ 661.23	\$ 711.35	\$ 711.35	\$ 753.66	\$ 788.17	\$ 788.17	\$ 801.60	\$ 801.60
12"	\$ 979.56	\$ 979.56	\$ 979.56	\$1,053.79	\$1,053.79	\$1,116.46	\$1,167.57	\$1,167.57	\$1,187.44	\$1,187.44
16"	n/a	n/a	n/a	n/a	n/a	\$1,812.05	\$1,812.05	\$1,812.05	\$2,070.92	\$2,070.92
Volume Charge (per kgal)										
Inside City										
Residential, non irrigation	\$ 3.35	\$ 3.35	\$ 3.35	\$ 3.59	\$ 3.59	\$ 3.78	\$ 4.00	\$ 4.00	\$ 4.37	\$ 4.77
Commercial, non irrigation	\$ 2.71	\$ 2.71	\$ 2.71	\$ 2.90	\$ 2.90	\$ 3.05	\$ 3.23	\$ 3.23	\$ 3.53	\$ 3.99
Industrial, non irrigation	\$ 2.53	\$ 2.53	\$ 2.53	\$ 2.71	\$ 2.71	\$ 2.85	\$ 3.02	\$ 3.02	\$ 3.30	\$ 3.75
Irrigation, all customers	\$ 5.03	\$ 5.03	\$ 5.03	\$ 5.39	\$ 5.39	\$ 5.67	\$ 6.00	\$ 6.00	\$ 6.56	\$ 7.16
Outside City										
Residential, non irrigation	\$ 5.20	\$ 5.20	\$ 5.20	\$ 5.56	\$ 5.56	\$ 5.86	\$ 6.20	\$ 6.20	\$ 6.78	\$ 7.40
Commercial, non irrigation	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.50	\$ 4.50	\$ 4.73	\$ 5.01	\$ 5.01	\$ 5.47	\$ 6.18
Industrial, non irrigation	\$ 2.53	\$ 2.53	\$ 2.53	\$ 2.71	\$ 2.71	\$ 2.85	\$ 3.02	\$ 3.02	\$ 3.30	\$ 3.75
Irrigation, residential	\$ 7.80	\$ 7.80	\$ 7.80	\$ 8.35	\$ 8.35	\$ 8.79	\$ 9.30	\$ 9.30	\$ 10.17	\$ 11.10
Irrigation, commercial	\$ 7.80	\$ 7.80	\$ 7.80	\$ 8.35	\$ 8.35	\$ 8.79	\$ 9.30	\$ 9.30	\$ 10.17	\$ 11.10
Irrigation, industrial	\$ 5.03	\$ 5.03	\$ 5.03	\$ 5.39	\$ 5.39	\$ 5.67	\$ 6.00	\$ 6.00	\$ 6.56	\$ 7.16

Table 10. Direct Wastewater Rates | As of June 30 for the Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Effective rate (per kgallon)	\$ 5.81463	\$ 6.27941	\$ 6.27375	\$ 6.39632	\$ 6.84920	\$ 7.35093	\$ 7.79049	\$ 7.74227	\$ 8.01695	\$ 8.07868
Base facilities charge (based on water/wastewater meter size)										
¾"	\$ 10.24	\$ 10.24	\$ 10.24	\$ 10.37	\$ 10.37	\$ 10.96	\$ 11.70	\$ 11.70	\$ 11.70	\$ 11.70
1"	\$ 16.78	\$ 16.78	\$ 16.78	\$ 17.01	\$ 17.01	\$ 17.97	\$ 19.21	\$ 19.21	\$ 19.21	\$ 19.21
1½"	\$ 31.73	\$ 31.73	\$ 31.73	\$ 32.17	\$ 32.17	\$ 34.01	\$ 36.38	\$ 36.38	\$ 36.38	\$ 36.38
2"	\$ 50.41	\$ 50.41	\$ 50.41	\$ 51.13	\$ 51.13	\$ 54.05	\$ 57.84	\$ 57.84	\$ 57.84	\$ 57.84
3"	\$ 110.18	\$ 110.18	\$ 110.18	\$ 111.81	\$ 111.81	\$ 118.17	\$ 126.51	\$ 126.51	\$ 126.51	\$ 126.51
4"	\$ 187.70	\$ 187.70	\$ 187.70	\$ 190.49	\$ 190.49	\$ 201.34	\$ 215.57	\$ 215.57	\$ 215.57	\$ 215.57
6"	\$ 390.38	\$ 390.38	\$ 390.38	\$ 396.21	\$ 396.21	\$ 418.77	\$ 448.41	\$ 448.41	\$ 448.41	\$ 448.41
8"	\$ 561.30	\$ 561.30	\$ 561.30	\$ 569.69	\$ 569.69	\$ 602.14	\$ 644.77	\$ 644.77	\$ 644.77	\$ 644.77
10"	\$ 904.08	\$ 904.08	\$ 904.08	\$ 917.61	\$ 917.61	\$ 969.87	\$1,038.56	\$1,038.56	\$1,038.56	\$1,038.56
12"	\$1,339.33	\$1,339.33	\$1,339.33	\$1,359.37	\$1,359.37	\$1,436.81	\$1,538.58	\$1,538.58	\$1,538.58	\$1,538.58
16"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$2,683.47	\$2,683.47
Sewer-Only Customers										
Base facilities charge (based on water/wastewater meter size)										
¾"	\$ 15.36	\$ 15.36	\$ 15.36	\$ 15.56	\$ 15.56	\$ 16.44	\$ 17.55	\$ 17.55	\$ 17.55	\$ 17.55
1"	\$ 25.17	\$ 25.17	\$ 25.17	\$ 25.52	\$ 25.52	\$ 29.96	\$ 28.82	\$ 28.82	\$ 28.82	\$ 28.82
1½"	\$ 47.60	\$ 47.60	\$ 47.60	\$ 48.26	\$ 48.26	\$ 51.02	\$ 54.57	\$ 54.57	\$ 54.57	\$ 54.57
2"	\$ 75.62	\$ 75.62	\$ 75.62	\$ 76.70	\$ 76.70	\$ 81.08	\$ 86.76	\$ 86.76	\$ 86.76	\$ 86.76
3"	\$ 165.27	\$ 165.27	\$ 165.27	\$ 167.72	\$ 167.72	\$ 177.26	\$ 189.77	\$ 189.77	\$ 189.77	\$ 189.77
4"	\$ 281.55	\$ 281.55	\$ 281.55	\$ 285.74	\$ 285.74	\$ 302.01	\$ 323.36	\$ 323.36	\$ 323.36	\$ 323.36
6"	\$ 585.57	\$ 585.57	\$ 585.57	\$ 594.32	\$ 594.32	\$ 628.16	\$ 672.62	\$ 672.62	\$ 672.62	\$ 672.62
8"	\$ 841.95	\$ 841.95	\$ 841.95	\$ 854.54	\$ 854.54	\$ 903.21	\$ 967.16	\$ 967.16	\$ 967.16	\$ 967.16
10"	\$1,356.12	\$1,356.12	\$1,356.12	\$1,376.42	\$1,376.42	\$1,454.81	\$1,557.84	\$1,557.84	\$1,557.84	\$1,557.84
12"	\$2,009.00	\$2,009.00	\$2,009.00	\$2,039.06	\$2,039.06	\$2,155.22	\$2,307.87	\$2,307.87	\$2,307.87	\$2,307.87
16"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$4,025.21	\$4,025.21
Volume Charge (per kgal, based on 93.5% of water usage unless separately metered)										
Residential	\$ 4.450	\$ 4.450	\$ 4.450	\$ 4.980	\$ 4.980	\$ 5.320	\$ 5.660	\$ 5.660	\$ 5.900	\$ 5.900
Commercial/Industrial	\$ 4.930	\$ 4.930	\$ 4.930	\$ 5.510	\$ 5.510	\$ 5.890	\$ 6.270	\$ 6.270	\$ 6.530	\$ 6.530
Metered wastewater (100%)	\$ 5.430	\$ 5.430	\$ 5.430	\$ 6.080	\$ 6.080	\$ 6.490	\$ 6.910	\$ 6.910	\$ 7.200	\$ 7.200
Municipalities*	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600	\$ 5.600

* Monthly billings will include any other applicable charges included in the Interlocal Agreement, other Sewer Charge Schedules or the Commission's Utility Regulations.

Table 11. Direct Natural Gas Rates | As of June 30 for the Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Effective rate (per CCF)	\$ 1.15537	\$ 1.06742	\$ 1.00296	\$ 1.06737	\$ 1.08771	\$ 0.92616	\$ 0.94233	\$ 1.04775	\$ 1.03793	\$ 0.96134
Residential Service										
Base facilities charge	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 11.00	\$ 13.00
Commodity first 10 ccf	\$ 1.3650	\$ 1.0773	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.2510	\$ 0.9633	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 20 ccf	n/a	n/a	\$ 1.1800	\$ 1.3010	\$ 1.1927	\$ 1.1080	\$ 1.1865	\$ 1.3501	n/a	n/a
all additional ccf	n/a	n/a	\$ 1.0440	\$ 1.1650	\$ 1.0567	\$ 0.9720	\$ 1.0505	\$ 1.2141	n/a	n/a
Commodity all ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.9918	\$ 0.9600
Residential Service - Heat Only										
Base facilities charge	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 13.00	\$ 15.00
Commodity first 10 ccf	\$ 1.4460	\$ 1.1583	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.3275	\$ 1.0398	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 20 ccf	n/a	n/a	\$ 1.2610	\$ 1.3820	\$ 1.2737	\$ 1.1890	\$ 1.2675	\$ 1.4311	n/a	n/a
all additional ccf	n/a	n/a	\$ 1.1233	\$ 1.2443	\$ 1.1360	\$ 1.0513	\$ 1.1298	\$ 1.2934	n/a	n/a
Commodity all ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1.0717	\$ 1.0399
Commercial Service										
Base facilities charge	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 25.00	\$ 27.00
Commodity first 50 ccf	\$ 1.3441	\$ 1.0564	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
51 to 300 ccf	\$ 1.2704	\$ 0.9827	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
301 to 500 ccf	\$ 1.2204	\$ 0.9327	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.0699	\$ 0.7822	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 50 ccf	n/a	n/a	\$ 1.1591	\$ 1.2801	\$ 1.1718	\$ 1.0871	\$ 1.1656	\$ 1.3292	n/a	n/a
51 to 500 ccf	n/a	n/a	\$ 1.0695	\$ 1.1905	\$ 1.0822	\$ 0.9975	\$ 1.0760	\$ 1.2396	n/a	n/a
all additional ccf	n/a	n/a	\$ 0.8849	\$ 1.0059	\$ 0.8976	\$ 0.8129	\$ 0.8914	\$ 1.0550	n/a	n/a
Commodity first 500 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1.0281	\$ 1.0178
all additional ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.8643	\$ 0.8628
Industrial Service										
Base facilities charge	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 113.00	\$ 115.00
Commodity first 500 ccf	\$ 1.0737	\$ 0.7860	\$ 0.8887	\$ 1.0097	\$ 0.9014	\$ 0.8167	\$ 0.8952	\$ 1.0588	\$ 0.8340	\$ 0.8285
all additional ccf	\$ 1.0095	\$ 0.7218	\$ 0.8245	\$ 0.9455	\$ 0.8372	\$ 0.7525	\$ 0.8310	\$ 0.9946	\$ 0.7766	\$ 0.7751
Interruptible Service										
Base facilities charge	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 213.00	\$ 215.00
Commodity	negotiated	negotiated	negotiated	negotiated	negotiated	negotiated	negotiated	negotiated	negotiated	negotiated
Seasonal Service										
Base facilities charge	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 39.00	\$ 41.00
Commodity first 100 ccf	\$ 1.3944	\$ 1.1067	\$ 1.2094	\$ 1.3304	\$ 1.2221	\$ 1.1374	\$ 1.2159	\$ 1.3795	n/a	n/a
all additional ccf	\$ 0.9872	\$ 0.6995	\$ 0.8022	\$ 0.9232	\$ 0.8149	\$ 0.7302	\$ 0.8087	\$ 0.9723	n/a	n/a
Commodity all ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.7580	\$ 0.7563
LNG Storage Service (per mcf)										
Reservation charge	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62
Daily demand charge	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25
Commodity charge	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55	\$ 12.55

Table 12. Ten Largest Customers | Current Year and Nine Years Ago

Electric Fund		Fiscal Year 2020		Fiscal Year 2011	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
DSM Dyneema, LLC	High Performance Fibers	\$ 4,861,036	2.88%	\$ 4,126,972	2.11%
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	4,471,495	2.65%	7,149,961	3.65%
Vidant Health ²	Health Care	4,310,976	2.56%	5,255,268	2.68%
East Carolina University	Education	3,976,205	2.36%	4,651,127	2.38%
Attends Healthcare Products	Medical Products	3,556,900	2.11%	3,236,970	1.65%
East Carolina University	Education	2,854,679	1.69%	3,126,809	1.60%
Vidant Health ²	Health Care	2,278,027	1.35%	1,493,186	0.76%
East Carolina University	Education	2,057,339	1.22%	2,297,192	1.17%
City of Greenville	Government	1,708,751	1.01%		
Mayne Pharma Inc. ³	Pharmaceuticals	1,553,330	0.92%		
ASMO of Greenville	Motors			1,212,182	0.62%
Hyster Yale Group ⁴	Fork Lift Trucks			1,159,043	0.59%
Totals		\$31,628,738	18.75%	\$33,708,710	17.21%

Water Fund		Fiscal Year 2020		Fiscal Year 2011	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 880,048	3.88%	\$ 483,445	3.35%
Town of Farmville	Government	868,340	3.83%		
Town of Winterville	Government	376,347	1.66%	88,656	0.61%
Vidant Health ²	Health Care	336,224	1.48%	227,409	1.58%
Vidant Health ²	Health Care	203,841	0.90%	72,600	0.50%
DSM Dyneema, LLC	High Performance Fibers	187,919	0.83%	71,413	0.50%
Fuji Silysia Chemical USA, LTD	Silica Gel	176,846	0.78%	58,887	0.41%
DSM Dyneema, LLC	High Performance Fibers	173,433	0.77%	58,713	0.40%
Vidant Health ²	Health Care	114,582	0.51%	61,543	0.42%
Stokes Regional Water Corporation	Water Utility	88,631	0.39%		
East Carolina University	Education			74,703	0.52%
Pitt County	Government			54,652	0.38%
Totals		\$ 3,406,211	15.03%	\$ 1,252,021	8.67%

¹ Formerly DSM Pharmaceuticals, Inc.² Formerly Pitt County Memorial Hospital³ Formerly Metrics, Inc.⁴ Formerly NACCO Materials Handling

Table 12 continues on the next page.

Table 12. Ten Largest Customers | Current Year and Nine Years Ago

Sewer Fund		Fiscal Year 2020		Fiscal Year 2011	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 839,769	3.58%	\$ 693,732	4.31%
DSM Dyneema, LLC	High Performance Fibers	774,230	3.30%	166,263	1.03%
Vidant Health ²	Health Care	518,450	2.21%	381,345	2.37%
Town of Bethel	Government	362,905	1.55%	386,724	2.40%
Vidant Health ²	Health Care	309,906	1.32%	121,634	0.76%
Fuji Silysia Chemical USA, LTD	Silica Gel	288,970	1.23%	104,025	0.65%
Vidant Health ²	Health Care	178,113	0.76%	99,472	0.62%
Mayne Pharma Inc. ³	Pharmaceuticals	122,389	0.52%		
East Carolina University	Education	95,570	0.41%	125,891	0.78%
Greenville Housing Authority	Apartments	95,409	0.41%		
Town of Grimesland	Apartments			63,063	0.39%
Pitt County	Government			59,674	0.37%
Totals		\$ 3,585,711	15.29%	\$ 2,201,823	13.68%

Gas Fund		Fiscal Year 2020		Fiscal Year 2011	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Patheon Manufacturing Services LLC ¹	Pharmaceuticals	\$ 2,980,344	9.64%	\$ 3,545,330	9.54%
East Carolina University	Education	2,159,198	6.98%	3,358,351	9.04%
Vidant Health ²	Health Care	1,562,236	5.05%	1,906,618	5.13%
Vidant Health ²	Health Care	1,028,298	3.33%	703,902	1.89%
Mayne Pharma Inc. ³	Pharmaceuticals	896,537	2.90%	460,656	1.24%
East Carolina University	Education	702,576	2.27%	1,098,290	2.96%
DSM Dyneema, LLC	High Performance Fibers	672,620	2.18%	1,027,663	2.77%
DSM Dyneema, LLC	High Performance Fibers	642,510	2.08%	933,903	2.51%
Fuji Silysia Chemical USA, LTD	Silica Gel	574,149	1.86%	514,313	1.38%
S T Wooten Construction Corp.	Construction	488,184	1.58%		
Greenville Paving & Contracting, Inc.	Highway & Street Paving			478,662	1.29%
Totals		\$11,706,652	37.87%	\$14,027,688	37.75%

¹ Formerly DSM Pharmaceuticals, Inc.² Formerly Pitt County Memorial Hospital³ Formerly Metrics, Inc.

Table 13. Ratios of Outstanding Debt by Type | Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Revenue Bonds	Notes	Total	Per Capita	Percentage of Per Capita Persona Income
2011	190,235	83,449,241	31,526,877	115,166,353	674	2.02%
2012	-	77,817,581	32,027,308	109,844,889	635	1.78%
2013	-	80,643,105	36,029,680	116,672,785	669	1.89%
2014	-	73,025,115	38,488,921	111,514,036	637	1.73%
2015	-	65,181,025	35,559,334	100,740,359	572	1.51%
2016	-	103,728,334	36,587,040	140,315,374	790	2.05%
2017	-	95,269,797	38,587,279	133,857,076	748	1.87%
2018	-	87,628,861	38,764,625	126,393,486	703	1.71%
2019	-	133,746,227	37,631,290	171,377,517	954	*
2020	-	129,132,468	34,785,641	163,918,109	906	*

* Information unavailable at time of report

Table 14. Pledged Revenue Coverage | Last Ten Fiscal Years

Fiscal Year	Utility Fund Revenues ¹	Utility Fund Expenses ²	Net Revenues Available for Debt Service	Debt Service Requirement ³			Coverage Ratio
				Principal	Interest	Total	
2011	273,935,999	236,149,838	37,786,161	9,417,822	4,946,781	14,364,603	2.63
2012	261,581,753	226,875,068	34,706,685	8,889,912	4,230,467	13,120,379	2.65
2013	264,251,248	228,066,646	36,184,602	9,388,432	4,061,308	13,449,740	2.69
2014	272,354,329	238,628,174	33,726,155	11,229,452	3,905,269	15,134,721	2.23
2015	273,193,091	233,792,956	39,400,135	11,476,429	3,670,885	15,147,314	2.60
2016	249,567,397	195,145,037	54,422,360	10,743,316	3,461,146	14,204,462	3.83
2017	248,339,349	206,715,407	41,623,942	10,420,893	2,660,634	13,081,527	3.18
2018	258,946,457	211,661,875	47,284,582	9,962,771	4,320,675	14,283,446	3.31
2019	263,078,745	213,488,783	49,589,962	11,982,498	4,004,494	15,986,992	3.10
2020	251,981,322	207,347,680	44,633,642	6,853,648	5,054,519	11,908,167	3.75

¹ Total revenues including interest and exclusive of any revenue not available for debt service. Includes revenues for the electric, water, sewer and gas funds.

² Includes total operating expenses, exclusive of depreciation and non-cash expenses related to OPEB and pensions.

³ Includes principal and interest of revenue bonds, general obligation bonds and other subordinate debt exclusive of capitalized interest paid from proceeds of the bonds.

Table 15. Demographic and Economic Statistics | Last Ten Calendar Years

Calendar Year	Population ¹	Personal Income (\$000) ¹	Per Capita Personal Income ¹	June 30 Unemployment Rate ¹
2011	170,805	5,694,029	33,336	11.1%
2012	173,022	6,155,391	35,576	10.0%
2013	174,434	6,182,742	35,445	9.0%
2014	175,082	6,437,372	36,768	7.0%
2015	176,238	6,683,570	37,924	6.8%
2016	177,628	6,844,894	38,535	6.0%
2017	179,042	7,143,838	39,900	5.2%
2018	179,917	7,410,874	41,191	4.9%
2019	179,731	*	*	5.2%
2020	181,005	*	*	10.3%

Note: Information reported is for Pitt County

¹ North Carolina Office of State Budget and Management

* Information unavailable at time of report

Table 16. Principal Employers | Current year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Vidant Health ¹	6,760	1	7.82%	7,868	1	10.67%
East Carolina University	5,672	2	6.56%	5,455	2	7.40%
Pitt County Public Schools	3,699	3	4.28%	3,111	3	4.22%
Patheon Manufacturing Services LLC ²	1,261	4	1.46%	1,100	4	1.49%
Hyster-Yale Group ³	1,226	5	1.42%	1,000	5	1.36%
City of Greenville	1,132	6	1.31%	743	8	1.01%
Pitt Community College	1,100	7	1.27%	861	7	1.17%
County of Pitt	1,000	8	1.16%	968	6	1.31%
DENSO Manufacturing of North Carolina	722	9	0.84%			
Mayne Pharma Inc. ⁴	629	10	0.73%			
The Roberts Company				500	9	0.68%
Physicians East				500	10	0.68%
Total	23,201		26.85%	22,106		29.99%

Sources: Pitt County Development Commission and North Carolina Office of State Budget and Management

¹ Formerly Pitt County Memorial Hospital

² Formerly DSM Pharmaceuticals

³ Formerly NACCO Materials Handling

⁴ Formerly Metrics, Inc.

Table 17. Employees by Function | Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Electric:										
Management	4	3	3	3	3	3	4	4	4	4
Engineering	12	12	14	18	19	16	16	15	16	18
Load Management	3	6	5	6	6	5	6	6	7	6
Dispatching	7	7	7	7	8	9	7	7	8	8
Electric System Maintenance	79	77	71	78	75	78	85	80	84	77
Water/Wastewater:										
Management	3	4	4	4	4	4	4	5	6	6
Engineering	11	9	10	12	12	13	14	13	13	13
Water Plant	25	27	27	29	29	30	31	31	31	30
Wastewater Plant	25	25	25	28	28	28	31	32	31	32
Water/Wastewater Systems Maintenance	47	46	45	42	42	43	44	45	45	43
Natural Gas:										
Management	4	4	5	5	5	4	6	6	6	6
Engineering	8	7	8	9	8	10	10	10	10	10
Natural Gas System Maintenance	29	25	25	30	33	30	31	31	34	31
Administration:										
Executive Administration	8	8	12	15	13	15	13	17	14	15
Finance and Accounting	10	11	31	31	32	33	31	34	37	38
Human Resources	17	16	9	9	9	8	9	9	9	9
Information Technology	20	26	26	27	31	28	29	29	35	33
Customer Relations	52	48	38	36	36	43	37	39	38	37
Economic Development	-	-	-	-	-	-	-	-	-	1
Fleet Management	13	13	13	12	13	11	13	13	13	14
Warehouse	7	8	7	7	8	8	9	8	6	8
Meter Services	32	33	32	33	35	34	33	34	35	32
Utility Locating Services	5	5	5	6	6	7	7	7	8	6
Total Employees:	421	420	422	447	455	460	470	475	490	477

Source: Various Utilities Commission Departments

Table 18. Operating Indicators | Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Electric System:										
Peaks (MW)	348.8	355.2	353.6	336.5	370.2	357.9	367.4	383.2	353.6	376.9
Average daily purchase (MWH)	4,822	4,609	4,671	4,771	4,844	4,710	4,836	5,008	5,005	4,813
Total MWH sold	1,712,010	1,632,866	1,656,667	1,684,847	1,709,900	1,685,252	1,716,973	1,764,805	1,781,583	1,715,794
Water System:										
Peaks (MGD)	17.536	16.340	14.871	16.070	17.779	15.070	14.412	17.347	18.112	18.605
Average daily treatment (Mgals)	11.850	11.896	12.008	12.394	13.044	12.384	12.600	13.106	13.734	13.642
Total kgals sold	3,705,889	3,785,625	3,857,562	3,921,590	3,917,750	3,969,595	4,019,200	4,113,444	4,142,875	4,162,119
Wastewater System:										
Peaks (MGD)	24.240	21.240	14.810	20.040	17.320	21.040	13.590	17.340	25.910	18.210
Average daily treatment (Mgals)	9.593	10.301	10.426	10.530	11.290	11.195	10.220	9.540	11.247	9.948
Total kgals collected	2,794,875	2,746,715	2,729,493	2,742,124	2,758,868	2,834,356	3,730,850	2,898,354	2,976,096	2,892,682
Natural Gas System										
Peaks (MCFs)	24,176	21,169	20,537	20,092	26,459	27,241	23,537	25,910	22,519	20,784
Average daily purchase (MCFs)	9,360	7,984	8,870	9,277	9,452	8,462	8,537	10,099	9,896	9,354
Total MCFs sold	3,240,524	2,824,623	3,142,015	3,296,068	3,341,192	2,939,182	2,989,816	3,446,778	3,448,812	3,245,540

Source: Various Utilities Commission Departments

MW - megawatt = 1,000,000 watts

MGD - million gallons per day

Mgal - million gallons = 1,000,000 gallons

kgal - kilo gallon = 1,000 gallons

MCF - thousand cubic feet = 1,000 cubic feet

Table 19. Capital Indicators | Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Electric System:										
Miles of lines	2,672	2,714	2,719	2,781	2,884	2,901	2,921	2,939	2,994	3,039
Substations	23	23	23	23	23	23	23	24	24	24
Customer connections	63,745	63,789	64,362	64,673	65,347	66,252	66,508	67,964	68,894	70,073
Maximum capacity transmission (MVA)	480	480	480	480	480	480	480	600	600	720
Maximum capacity distribution (MVA)	540	560	560	560	560	560	560	560	560	560
Water System:										
Miles of lines	626	628	628	627	627	629	631	631	633	634
Customer connections	34,419	34,514	34,742	34,959	35,179	35,599	35,794	36,338	36,673	37,195
Maximum capacity (MGD)	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5
Wastewater System:										
Miles of lines	469	471	479	471	471	479	479	480	482	483
Customer connections	28,054	28,157	28,435	28,640	28,885	29,253	29,478	30,034	30,363	30,828
Maximum capacity (MGD)	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5
Natural Gas System										
Miles of lines	1,024	1,034	1,043	1,049	1,051	1,054	1,067	1,070	1,072	1,207
Customer connections	22,211	22,259	22,434	22,554	22,837	23,066	23,108	23,379	23,493	23,784
Maximum capacity (MCF)	42,512	42,512	42,512	42,512	42,512	42,512	42,512	42,512	42,512	42,512

Source: Various Utilities Commission Departments

MW - megawatt = 1,000,000 watts

MGD - million gallons per day

MCF - thousand cubic feet = 1,000 cubic feet

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Greenville Compliance Section
Utilities



**Report of Independent Auditor 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 Board of Commissioners
Greenville Utilities Commission of the City of Greenville
Greenville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of each major fund, and the aggregate remaining fund information of the Greenville Utilities Commission (the "Commission"), an enterprise fund of the City of Greenville, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 14, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from 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 financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina
October 14, 2020



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Utilities**

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