



POWERING RESILIENCY

ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023

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

Greenville Utilities

This annual comprehensive financial report was prepared by the Finance Department.

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Michelle Yeager, Accountant/Auditor III

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INTRODUCTORY SECTION



Greenville Utilities

November 14, 2023

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

The Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023 is presented by the management and staff of the Greenville Utilities Commission (Utilities Commission) of the City of Greenville (City).

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 material misstatement.

Cherry Bekaert LLP, a firm of licensed public accountants, has issued an unmodified (“clean”) opinion on the Utilities Commission’s financial statements for the year ended June 30, 2023. 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 OF THE GREENVILLE UTILITIES COMMISSION

PROFILE OF THE 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 water, sewer, and electric systems. Two years later, on March 20, 1905, Greenville's Water & Light Commission was established, with 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 that is responsible for approving rates, development plans, and the annual budget, and for setting policy to be carried out by the 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. The Utilities Commission Board 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 Pitt County (County) with 73,138 connections. The Utilities Commission's electric system, measured by number of customers served, is the second largest municipal electric system in North Carolina and the forty-sixth 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 1,211 miles of overhead distribution lines, 1,859 miles of underground distribution lines at 12,470 volts, and 109 miles of fiber optic lines. In addition, the electric system consists of 20 distribution substations with a combined base rating capacity of 580 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 27,000 appliances including customer heat pumps, air conditioners, water heaters, and electric furnaces. Approximately thirty percent of the Utilities Commission's residential customers currently participate in the load management 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 a 30-year take-and-pay all-requirements contract for the delivery of wholesale electric power.

THE WATER RESOURCES SYSTEM

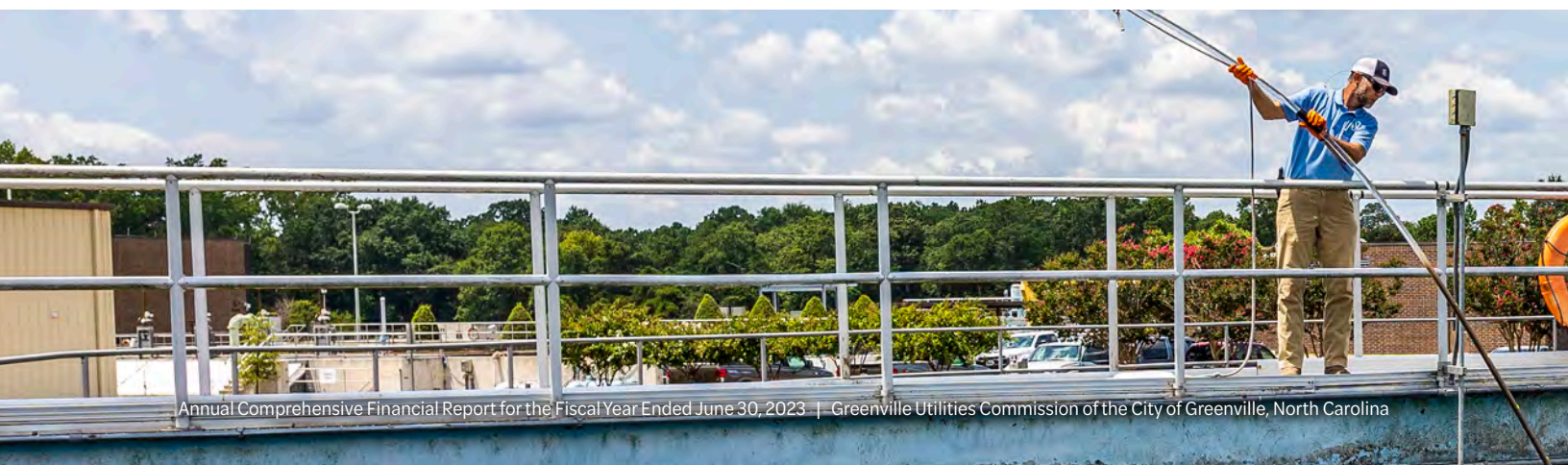
WATER TREATMENT AND DISTRIBUTION SYSTEM

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 725 miles of lines with 39,039 connections. Raw water is supplied by the Tar River and three 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 15.480 MGD. Treatment is accomplished through the water treatment plant placed in operation in 1983 and expanded in 2002, and again in 2023, with a present capacity of 32 MGD. With the 1.0 MGD peaking capacity of the supplemental supply from the three deep wells, the total peak day capacity of the water system is 33 MGD.

Average daily water use in the fiscal year ended June 30, 2023 was 14.708 MGD, with a maximum daily usage of 17.486 MGD. Approximately 86% of the water system's 39,039 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 enabled the Utilities Commission to form partnerships with these neighboring communities. The Utilities Commission has wholesale contracts with the neighboring communities of Farmville, Stokes, Winterville, and Greene County. The Utilities Commission is well-positioned to continue providing water service to its wholesale and retail customers.

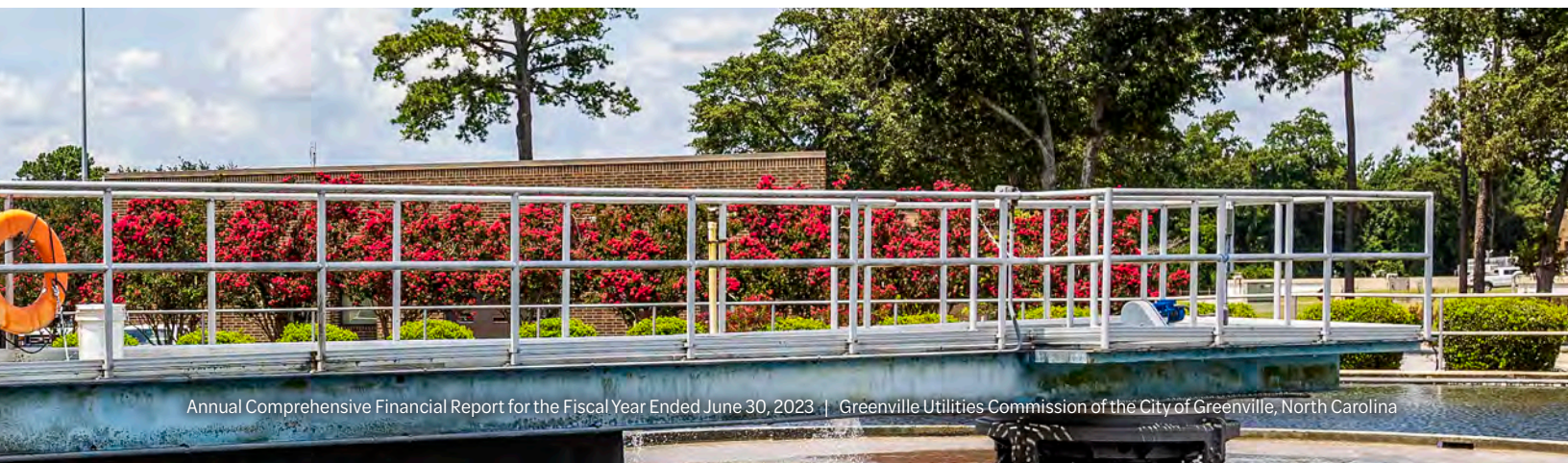


WASTEWATER COLLECTION AND TREATMENT SYSTEM

The Utilities Commission operates a wastewater collection and treatment system that serves the City as well as some adjacent communities. Additionally, the municipality of Grimesland has contracted with the Utilities Commission to treat the wastewater it collects with its own wastewater collection system. Mandatory connection within the Utilities Commission service area is required by Utilities Commission rules and regulations which are incorporated into the City Code by reference.

The collection system consists of 526 miles of lines with 32,732 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 MGD. The annual average daily biological flow during the fiscal year ended June 30, 2023 was approximately 10.0 million gallons of wastewater, with a single day hydraulic maximum of 14.5 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, Thermo Fisher Scientific, Avient Protective Materials, The Hammock Source, Fuji Silysia Chemical USA, LTD, and Catalent Greenville, Inc.



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 753 miles of pipeline and 498 miles of service lines, with 24,695 connections. During the current fiscal year, 3,408,737 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 risk associated with purchasing natural gas on the New York Mercantile Exchange (NYMEX).

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 April–October summer period and 2,500 dekatherms per day during the November–March winter period). The Utilities Commission received a price discount of approximately \$0.40 per dekatherm during the initial reset period from November 1, 2018 to October 31, 2023 and paid 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 remarketing election. The 2018 prepay transaction was successfully reset at a projected gross discount of \$0.346 per dekatherm for the period of November 1, 2023 to December 31, 2028. Greenville Utilities will pay a delivery premium, or \$0.08 per dekatherm, and a fee of \$0.04 per dekatherm to cover the administrative costs of the agreement.

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 April–October summer period, and 2,000 dekatherms per day during the November–March winter period). 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 could supply customers for more than a week should the Utilities Commission's gas supply be cut off due to an emergency.

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 healthcare complex. The local economy is well positioned with government, wholesale, retail trade, and manufacturing sectors contributing to total employment. Agriculture is also a strong industry in the area; tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry, and vegetables are the primary local agricultural products.

Locally there are ten manufacturing operations that employ 100 or more workers, three 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 ECU Health, East Carolina University, Pitt County Public Schools, Thermo Fisher Scientific, Hyster Yale Group, the City of Greenville, Pitt Community College, Pitt County Government, and Physicians East. Unemployment rates since 2014 have ranged from a low of 4.2 percent to a high of 7.3 percent.

The healthcare community in Greenville is one of the largest in the state of North Carolina. ECU Health is one of four academic medical centers in North Carolina and serves as the teaching hospital for The Brody School of Medicine. The 970-plus bed hospital serves as a regional heart center and is the only level-one trauma center in the 29 counties in Eastern North Carolina. The facility reaches more than 1.4 million people across the region.

East Carolina University (ECU), the fourth largest university in the state, has a student enrollment of over 27,000 students and employs more than 5,100 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 Commission on Colleges. 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, and fine arts.

LONG-TERM FINANCIAL PLANNING

The Utilities Commission is dedicated to enhancing the quality of life for those it serves 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.

The *Blueprint* renews the Utilities Commission's foundational commitment to both safety and its 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 customers' expectations.

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

The Commission's approach to financial planning supports its 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. The financial reserves policy is designed to identify prudent cash reserve levels while promoting long-term financial stability. The capital investment policy provides guidelines for judicious utility capital investment planning to ensure the timely renewal and replacement of the operating system's assets.

MAJOR INITIATIVES

To support future growth and provide redundancy and load balancing, the Utilities Commission has established a project to construct a new 115 kV electrical distribution substation. This project, costing an estimated \$4 million, is expected to be complete in 2025.

The Utilities Commission has established a project to replace the existing transformer at the G230 point of delivery substation #2. The timely replacement of aging critical equipment enhances the capabilities of infrastructure and minimizes the effects of potential service interruptions. This project was established with a preliminary budget of \$4.25 million for the cost of the transformer but is expected to cost approximately \$8.5 million after installation costs are included. The project is expected to be completed in 2027.

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 annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the fourteenth consecutive year the Utilities Commission has received this prestigious award. To be awarded this Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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. The Utilities Commission's current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and will be submitted to the GFOA to determine its eligibility for another certificate.

The GFOA presented the Distinguished Budget Presentation Award to the Utilities Commission for its annual budget for the fiscal year beginning July 1, 2022. To be considered for this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device. This is the seventh consecutive year the Utilities Commission has won this award. The Utilities Commission also received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for fiscal year 2022 for the seventh consecutive year.

For the twelfth consecutive year the Purchasing Section of the Utilities Commission's Finance Department received the Sustained Professional Purchasing Award presented by the Carolinas Association of Governmental Purchasing. The Utilities Commission is one of 15 member agencies in North and South Carolina to receive the award for fiscal year 2022.

The Utilities Commission places a high value on employee safety, prioritizing working safely and keeping customers safe. For the eighth time in its 118-year history, the Utilities Commission achieved an important milestone in 2022: one million consecutive man hours without a lost workday due to injury. Considering the challenges of delivering electric, water, sewer, and natural gas services in recent years, it is a remarkable feat to work a million hours without a major injury. Each year, staff from various departments attend the NC Department of Labor (NCDOL) and Greenville-Pitt County Chamber of Commerce's annual Safety Banquet to recognize the Commission's safety record, along with other local businesses. For one of our departments, this was the sixteenth consecutive year earning awards. In all, the Utilities Commission was honored with nine safety awards in 2023. Gold Level Awards were presented to companies with days away from work, job transfers, or restricted time rates at least 50% below industry average. Awards at this level went to the Wastewater Treatment Plant (sixteenth year), Customer Relations (tenth year), Water Treatment Plant (sixth year), Express Office (third year), Administration (second year), Administration Building (second year), Finance (second year), Information Technology (second year), and Meter (second year). NCDOL's Safety Awards Program was established in 1946 and recognizes private and public firms throughout the state that maintain good safety records.

For the seventh year in a row, our Water Treatment Plant has received the prestigious North Carolina Area Wide Optimization Award (AWOP). The NC Division of Water Resources has included the Commission among the 66 out of 149 water treatment plants in the State honored for surpassing federal and state drinking water standards. The award recognition is a state effort to enhance the performance of existing surface water treatment facilities.

The Utilities Commission's Public Information Office received two Excellence in Public Power Communications awards from the APPA for work done in 2021. The awards were in the Video and Social Media categories. This was the sixth time the Commission has won an award for website and/or social media efforts, and the fourth award for video. The Utilities Commission was one of 49 utilities that took home an award from this 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.

In 2021, GUC's Electric Department once again received the American Public Power Association's (APPA) highest award, the Reliable Public Power Provider (RP3) Diamond Designation, for providing customers with the highest degree of safe and reliable electric service. Public power utilities must demonstrate proficiency in reliability, safety, workforce development, and system improvement. The Commission's overall system reliability is at 99.5%, which is a testament to the quality work our employees do every day. The designation is good for three years.

The Commission received recognition from ElectriCities of North Carolina for the outstanding job that is performed day in and day out to support the mission of delivering better service and more value to the Greenville region despite the challenges in recent years. The five awards of excellence include Grid Modernization, Value of Public Power, Wholesale Power Cost, Workforce Planning and Development, and Continuous Improvement. This is the seventeenth consecutive year that GUC has won Awards of Excellence.

The Commission once again earned the Smart Energy Provider (SEP) designation from the APPA in 2022 for demonstrating commitment to and proficiency in energy efficiency, distributed generation, and environmental initiatives that support a goal of providing low-cost, quality, safe, and reliable electric service. The SEP designation, which lasts for two years, recognizes public power utilities for demonstrating leading practices in four key disciplines: smart energy program structure, energy efficiency and distributed energy programs, environmental and sustainability initiatives, and the customer experience. In total, 90 public power utilities nationwide hold the SEP designation.

The Wastewater Treatment Plant (WWTP) “Smooth Operators” team competed at the 21st annual Operations Challenge and came in first overall along with first, second, and third place finishes in all five of the events. These events are designed to test the diverse skills required for the operation and maintenance of wastewater facilities, collection systems, and laboratories.



ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated service of the Finance Department. We appreciate all of the members who assisted and contributed to the preparation of this report along with the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Utilities Commission's finances. This financial report reflects the Utilities Commission's commitment to the residents of Greenville, North Carolina and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,



Anthony C. Cannon
General Manager/Chief Executive Officer

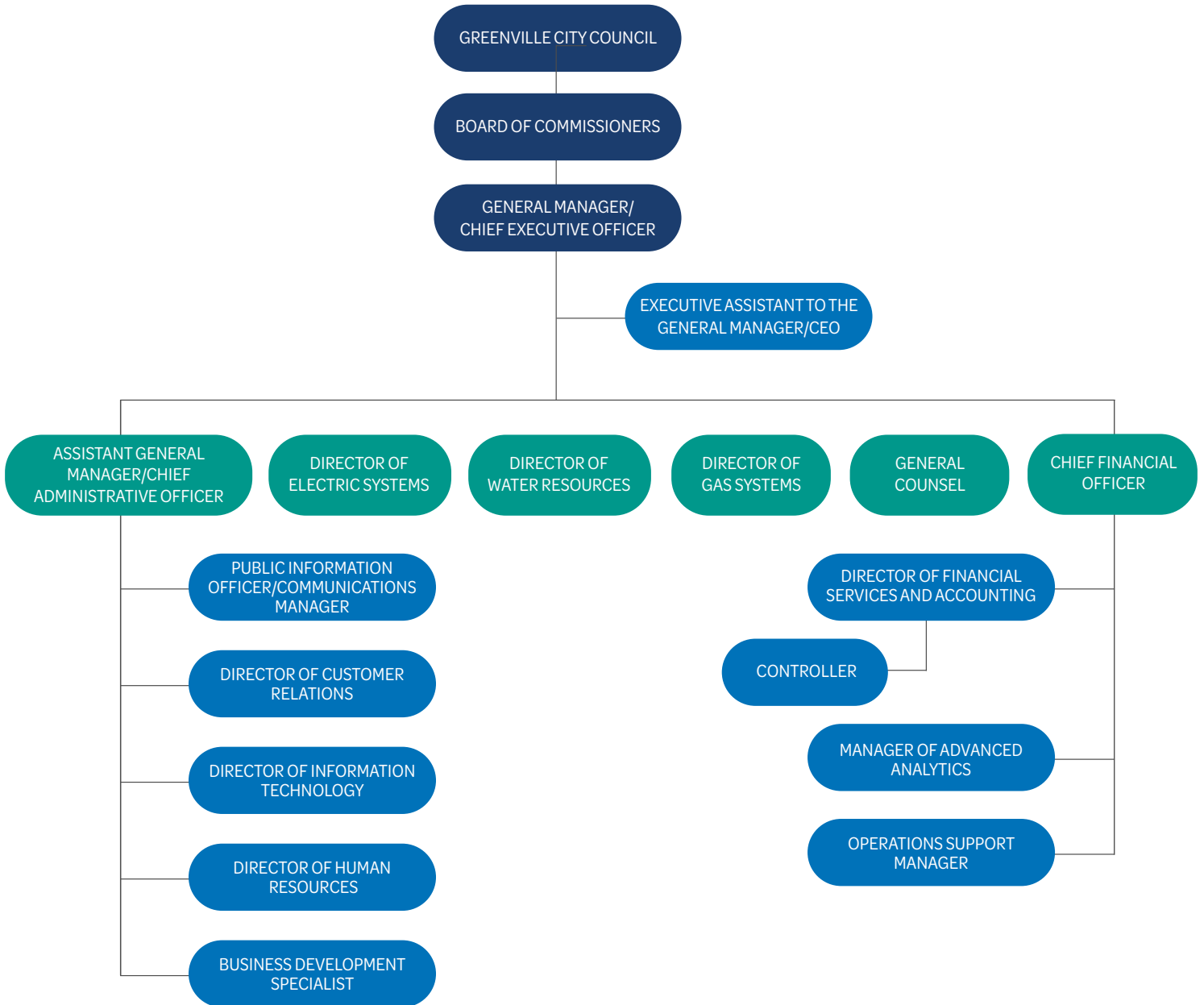


Jeff McCauley
Chief Financial Officer





ORGANIZATION CHART



Appointed Officials



Kelly L. Darden, Jr.
Chair



Peter Geiger
Chair-Elect



Lindsey Griffin
Secretary



Ann Wall
City Manager



Marcus Jones
Board Member



Mark Garner
Board Member



Tommy Stoughton
Board Member



Ferrell Blount III
Board Member

Executive Management



Anthony C. Cannon
General Manager/CEO

Chris N. Padgett
Assistant General Manager/CAO

Jeff McCauley, CPA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Greenville Utilities Commission
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



Greenville Utilities
PO Box 1847
Greenville, NC 27835-1847

www.guc.com

252.752.7166
Account Information
Account Number
Account Name
Service Address
Bill Date

1234567890
JANE DOE
1234 MAIN ST
2/17/22

Total Amount Due by 3/07/22
\$175.96

Thank you, we received your payment of \$172.94 on 2/02/22.

Account Summary

Previous Balance \$172.94
Payments Received - Thank you! -\$172.94
Balance Forward \$0.00

Current Charges & Adjustments

Electric Charges \$36.68
Gas Charges \$32.35
Sewer Charges \$25.84
Water Charges \$28.70
City Charges \$175.96

Total Current Charges \$175.96
Total Amount Due \$175.96

My Current Charge Breakdown

- Electric Charges
- Gas Charges
- Sewer Charges
- Water Charges
- City Charges



My Usage Snapshot

Service	This Month	Last Year
Electric	297 KWH	348 KWH
Gas	19 CCF	22 CCF
Sewer	4 KGAL	3 KGAL
Water	4 KGAL	3 KGAL

Did You Know?

Cold Temperatures = Higher Bills
Most of your home's energy use is directly tied to the weather. When it gets really cold (or hot), your HVAC system has to work extra hard to keep up. Learn how to save money at guc.com/ways-save/winter-tips.

Bill Issue Date: 11/17/21



Greenville Utilities
PO Box 1847
Greenville, NC 27835-1847



Account Number
Current Charges
Due Date

1234567890
\$175.96
12/07/21

Total Amount Due \$175.96
AMOUNT ENCLOSED

SEND REMITTANCE TO:
GREENVILLE UTILITIES COMMISSION
PO BOX 1432
CHARLOTTE NC 28201-1432

INDEPENDENT AUDITOR'S REPORT



Greenville Utilities
PO Box 1847
Greenville, NC 27835-1847

www.guc.com

252.752.7166

Account Information

Account Number
Account Name
Service Address
Bill Date

1234567890
JANE DOE
1234 MAIN ST
2/17/22

My Current Charge Breakdown

For an explanation of your bill charges visit guc.com.

- Electric Charges
- Gas Charges
- Sewer Charges
- Water Charges
- City Charges



My Usage Snapshot

Service	This Month	Last Year
Electric	297 kWh	346 kWh
Gas	19 COP	22 COP
Gas	4 KGAL	3 KGAL
Sewer	4 KGAL	3 KGAL
Water		

Total Amount Due by 3/07/22
\$175.96

Thank you, we received your payment of \$172.94 on 2/02/22.

Account Summary

Previous Balance	\$172.94
Payments Received - Thank you!	-\$172.94
Balance Forward	\$0.00
Current Charges & Adjustments	\$175.96
Electric Charges	\$52.39
Gas Charges	\$36.68
Sewer Charges	\$32.35
Water Charges	\$25.84
City Charges	\$28.70
Total Current Charges	\$175.96
Total Amount Due	\$175.96

Did You Know?

Cold Temperatures = Higher Bills
Most of your home's energy use is directly tied to the weather. When it gets really cold (or hot), your HVAC system has to work extra hard to keep up. Learn how to save money at guc.com/ways-save/winter-tips.

Please include the bottom portion of your statement if paying by mail or bring it with you when paying in person.

Bill Issue Date: 11/17/21



Greenville Utilities
PO Box 1847
Greenville, NC
27835-1847



Account Number
Current Charges
Due Date

1234567890
\$175.96
12/07/21

Total Amount Due
\$175.96
AMOUNT ENCLOSED

SEND REMITTANCE TO:
GREENVILLE UTILITIES COMMISSION
PO BOX 1432
CHARLOTTE NC 28201-1432



104885 GUC00001-ON-IMP-00001
JANE DOE
1234 MAIN ST
GREENVILLE NC 27834-4550





Report of Independent Auditor

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Greenville Utilities Commission (the "Utilities Commission"), which are enterprise funds and fiduciary funds of the City of Greenville, North Carolina (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

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 Utilities Commission as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Utilities Commission and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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, as listed in the table of contents, be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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 financial statements, and other knowledge we obtained during our audit of the 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements. The accompanying individual fund balances and statements and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund balances and statements and other schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the *Introductory* and *Statistical* sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

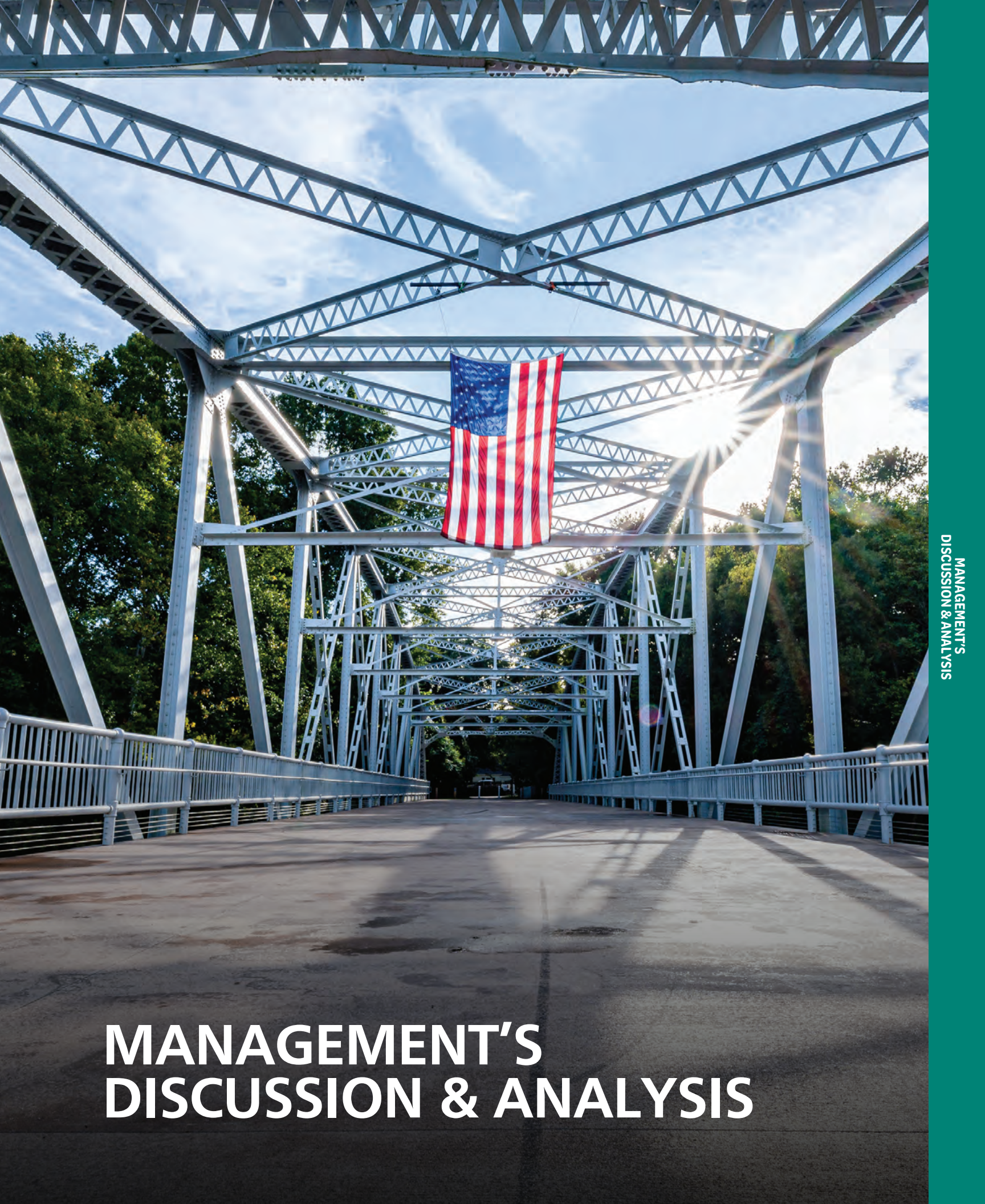
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, on our consideration of the City'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 solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Raleigh, North Carolina
November 14, 2023

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MANAGEMENT'S DISCUSSION & ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Greenville Utilities Commission (Utilities Commission), an enterprise fund of the City of Greenville, North Carolina, 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, 2023. 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 \$443,380,645 (net position). Of this amount, \$100,652,393 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors.
- Operating revenues increased by \$831,580 or 0.3%, primarily due to higher volumes delivered to customers in the water fund, water rate increases, and purchased gas adjustments adopted to cover the increased cost of natural gas.
- Total revenues and contributions decreased by (\$9,097,675) or (3.1%).
- Interest revenues increased by \$2,667,467 primarily due to higher interest rates on cash accounts, however, the Utilities Commission also recognized a \$612,193 unrealized loss due to the change in the market value of investments held at June 30, 2023.
- The Utilities Commission's total net position increased by \$1,849,365 primarily due to interest income and other non-operating income.
- The Utilities Commission's total debt increased by \$23,331,577 (12.4%) during the current fiscal year. The key factors in this increase were the issuance of \$28,092,743 of new debt, the addition of \$65,288 of lease liabilities, the addition of \$744,441 of subscription liabilities, and the net increase in discounts and premiums totaling \$727,454, which exceeded the retirement of existing debt totaling \$5,944,273, the retirement of leases totaling \$156,576, and the retirement of subscriptions totaling \$197,498.
- The Utilities Commission maintains a bond rating of AA- from Fitch Ratings and a bond rating of Aa1 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 required supplementary information, and 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 three fiduciary funds, one of which is an Other Postemployment Benefits (OPEB) trust fund, and two of which are custodial funds.

Notes to the financial statements—The notes provide additional information that is essential to the 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 postemployment benefits to its employees..

Commission-Wide Financial Analysis

Greenville Utilities Commission Net Position

GREENVILLE UTILITIES COMMISSION NET POSITION	2023	2022
Current and other assets	\$ 195,584,615	\$ 188,827,801
Capital assets	541,109,162	521,193,295
Total assets	736,693,777	710,021,096
Deferred outflows of resources	25,733,281	22,697,564
Current liabilities	39,619,566	36,839,338
Non-current liabilities	260,911,738	222,443,799
Total liabilities	300,531,304	259,283,137
Deferred inflows of resources	18,515,109	31,904,243
Net position		
Net investment in capital assets	342,728,252	335,420,415
Unrestricted	100,652,393	106,110,865
Total net position	\$ 443,380,645	\$ 441,531,280

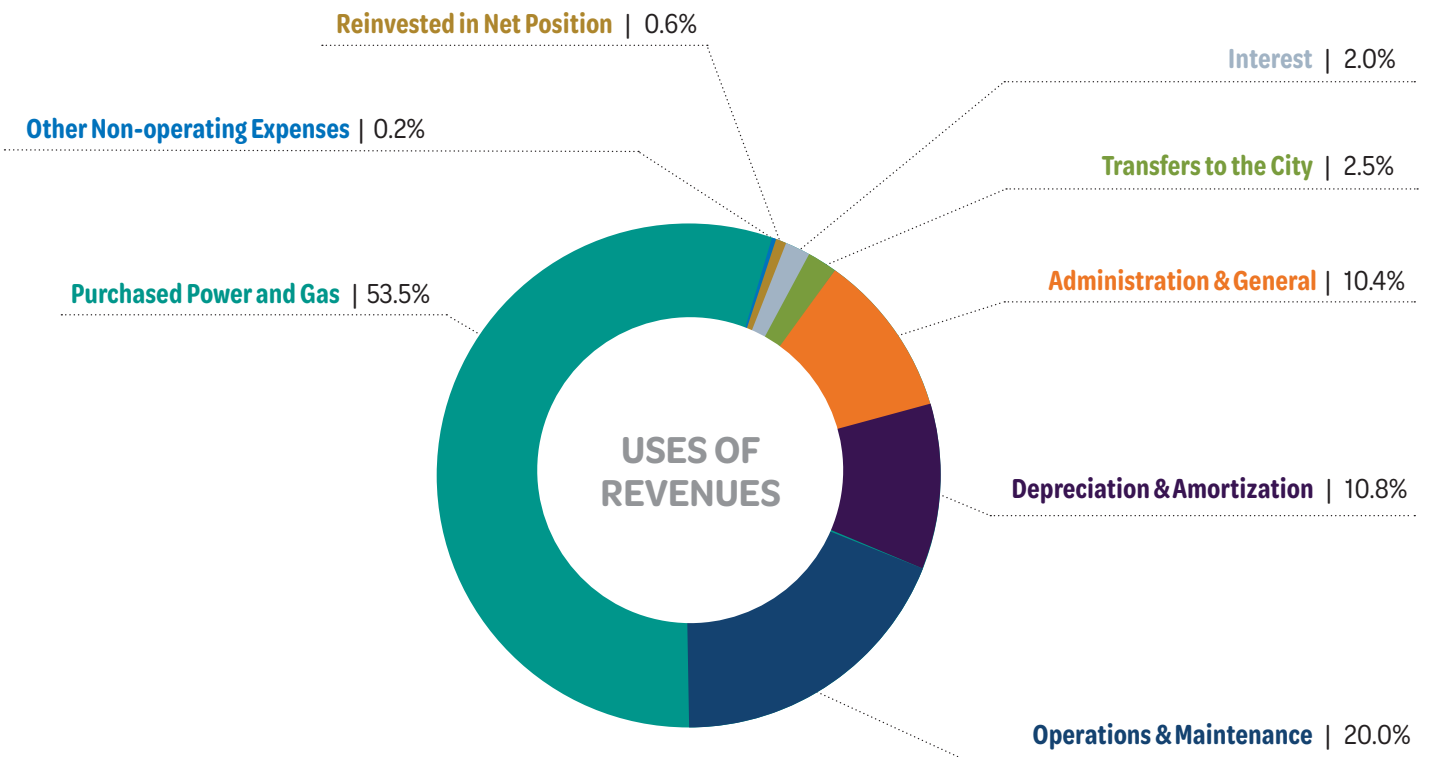
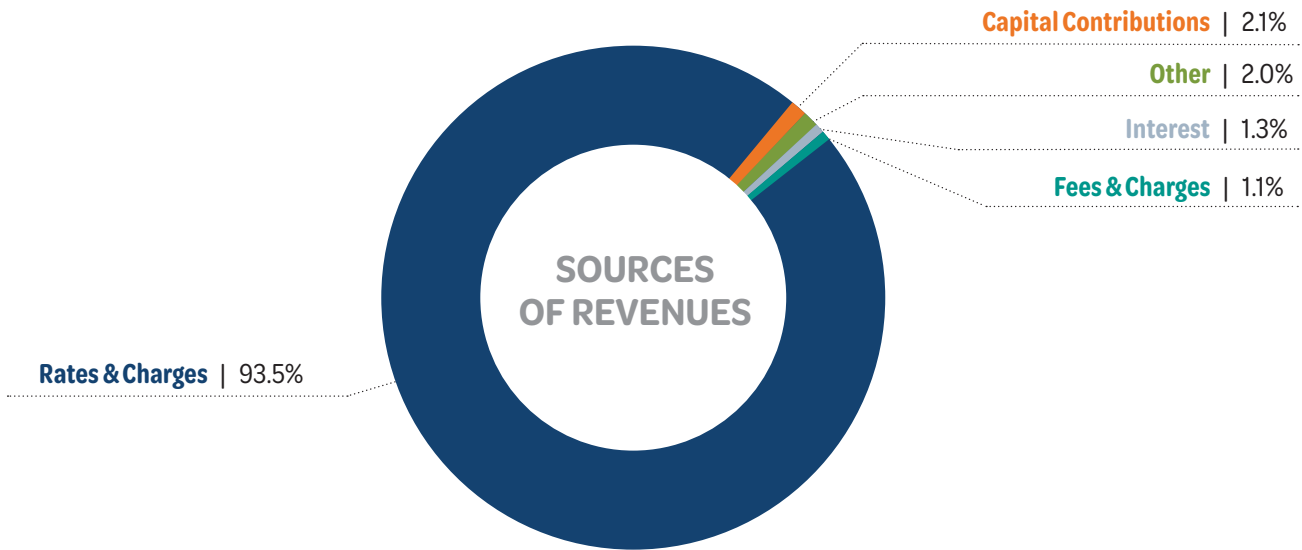
As noted earlier, net position may serve over time as a useful indicator of an enterprise's financial condition. The assets and deferred outflows of resources of the Utilities Commission exceeded the liabilities and deferred inflows of resources by \$443,380,645 as of June 30, 2023. The Utilities Commission's net position increased by \$1,849,365 during the fiscal year ended June 30, 2023.

The largest portion of the Utilities Commission's net position (77.3%) 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 (\$100,652,393) may be used to meet the Utilities Commission's ongoing obligations to citizens and creditors. This balance decreased \$5,458,472 primarily due to increases in operating expenses.

Greenville Utilities Commission Changes in Net Position

GREENVILLE UTILITIES COMMISSION CHANGES IN NET POSITION		2023	2022
Revenues			
Operating revenues			
Charges for services	\$	267,730,316	\$ 266,997,051
Other operating revenues		692,523	594,208
Non-operating revenues			
Interest income		3,710,360	1,042,893
Other non-operating revenues		4,737,488	4,845,347
Total revenues		276,870,687	273,479,499
Expenses			
Operating expenses		267,876,933	252,282,216
Non-operating expenses		6,134,965	9,034,364
Total expenses		274,011,898	261,316,580
Increase in net position before contributions and transfers		2,858,789	12,162,919
Contributions		6,082,005	18,570,868
Transfers		(7,091,429)	(6,729,351)
Increase in net position		1,849,365	24,004,436
Net position, July 1		441,531,280	417,526,844
Net position, June 30	\$	443,380,645	\$ 441,531,280



Charges for services increased by \$733,265 or 0.3%, primarily due to the increase in water rates and purchased gas adjustments adopted to cover the increased cost of natural gas. 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 \$1,849,365. Net position at the end of the fiscal year for the electric fund was \$156,847,072, \$95,552,777 for the water fund, \$135,736,605 for the sewer fund, and \$55,244,191 for the gas fund.

Capital Assets and Debt Administration

Capital assets—The Utilities Commission's investment in capital assets as of June 30, 2023 totals \$541,109,162 (net of accumulated depreciation and amortization). 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 3.8% 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 new Customer Care & Billing and Asset Management software, totaling \$2,447,022,
- Electric transmission line extensions and improvements totaling \$3,182,008,
- Electric substation improvements totaling \$562,428,
- Electric underground lines totaling \$6,848,893,
- Electric street and area light installations and replacements totaling \$1,237,681,
- Water treatment plant improvements totaling \$8,030,914,
- Water mains and services improvements and extensions totaling \$757,746,
- Wastewater treatment plant improvements totaling \$4,788,945,
- Sewer pumping stations improvements totaling \$2,164,891,
- Sewer main extensions and improvements totaling \$2,136,641,
- Natural gas distribution services improvements totaling \$2,494,426.

Greenville Utilities Commission Capital Assets (net of depreciation)

CAPITAL ASSETS	2023	2022
Land	\$ 8,564,678	\$ 8,564,678
Easements	666,979	640,937
Land improvements	1,563,020	1,740,081
General plant	61,414,901	55,847,728
Utility Plant	138,629,632	93,335,235
Computer software	13,009,936	14,558,332
Vehicles and equipment	4,616,859	4,266,174
Distribution systems	265,756,230	250,450,013
Transmission system	17,111,899	18,627,320
Computer hardware	982,226	696,058
Fiber optics	879,096	869,723
Building lease	118,305	218,668
Equipment lease	148,403	182,953
IT subscriptions	543,672	-
Construction in progress	27,103,326	71,195,395
Total capital assets	\$ 541,109,162	\$ 521,193,295

Long-term debt—At the end of the current fiscal year, the Utilities Commission had total debt outstanding of \$210,886,861. 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

OUTSTANDING DEBT	2023	2022
Public sales revenue bonds	\$ 145,245,000	\$ 127,200,001
Loans	44,662,040	40,558,569
Unamortized bond discount/premium	20,148,478	19,421,024
Leases	264,400	355,690
Subscriptions	546,943	-
Total outstanding debt	\$ 210,866,861	\$ 187,535,284

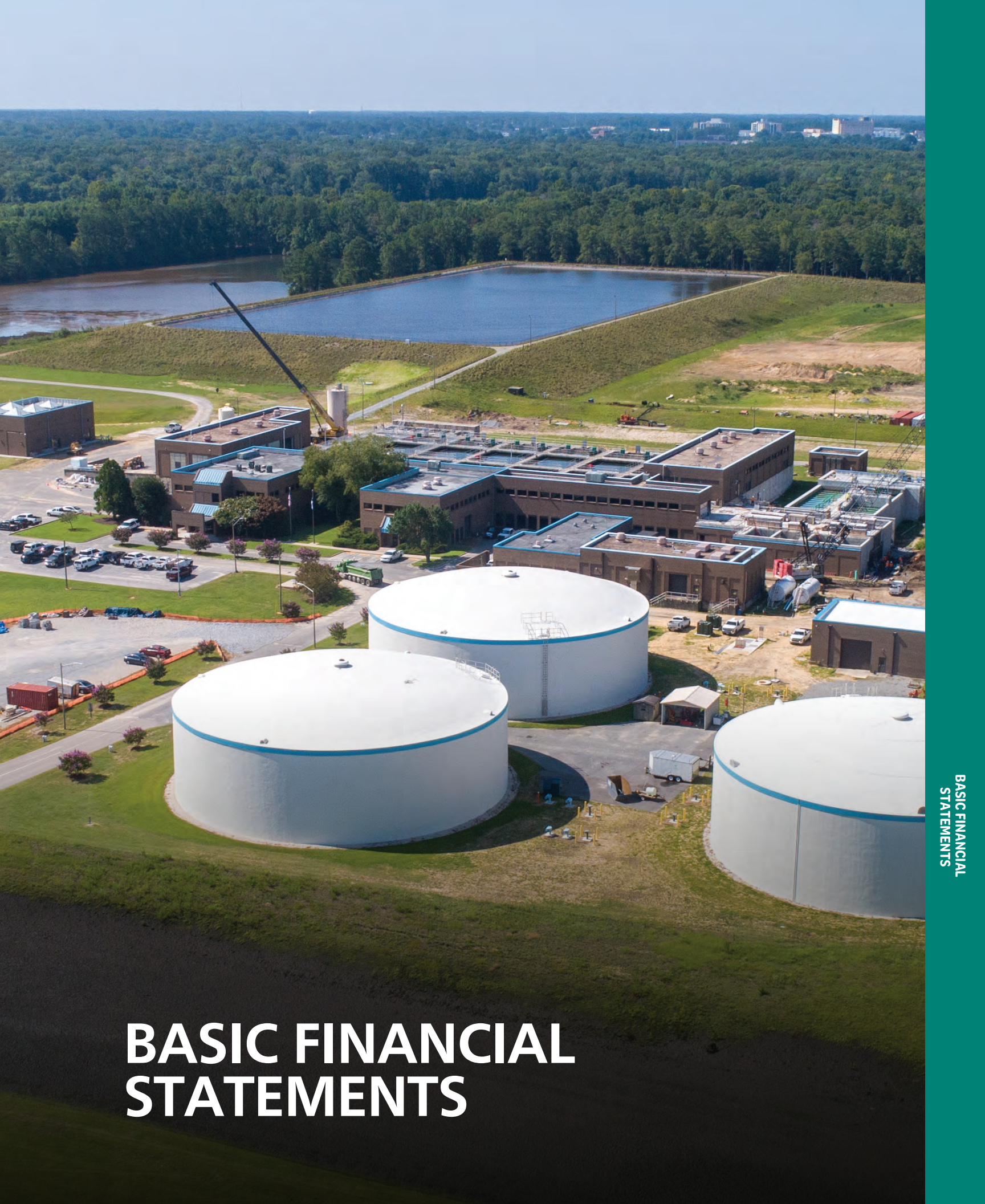
Of the total debt, \$8,448,423 is the current portion.

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 4th largest university in the state, and a 970-plus licensed bed teaching hospital that serves more than 1.4 million people in 29 counties in Eastern North Carolina. The Utilities Commission provides services in the Greenville metropolitan statistical area, including Greenville, the 12th largest city in North Carolina. The Utilities Commission serves approximately 75% of the county and the service area continues to expand. The Utilities Commission's budget for fiscal year 2024 was developed anticipating continuing customer growth, a vibrant local economy, and a mix of residential, commercial, and industrial customers.

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. 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.



BASIC FINANCIAL STATEMENTS



Exhibit 1. Statement of Net Position | June 30, 2023

	MAJOR FUNDS				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Assets					
Current assets					
Cash and cash equivalents	\$ 13,814,459	\$ 4,237,882	\$ 4,665,891	\$ 6,049,296	\$ 28,767,528
Investments	24,925,804	7,534,018	6,691,366	9,371,857	48,523,045
Accounts receivable, net	16,782,072	2,577,275	2,665,469	2,387,984	24,412,800
Lease receivable	152,846	132,407	56,458	61,562	403,273
Due from other governments	1,529,178	458,750	536,843	283,485	2,808,256
Inventories	13,457,518	1,661,632	258,848	1,598,584	16,976,582
Prepaid expenses and deposits	670,349	72,949	47,833	91,554	882,685
Restricted cash and cash equivalents	4,816,470	1,121,646	2,129	659,788	6,600,033
Total current assets	76,148,696	17,796,559	14,924,837	20,504,110	129,374,202
Non-current assets					
Restricted assets					
Restricted cash and cash equivalents:					
Bond proceeds	10,820,468	152,117	506,125	84,599	11,563,309
System development fees	-	1,934,395	2,219,038	-	4,153,433
Total restricted cash and cash equivalents	10,820,468	2,086,512	2,725,163	84,599	15,716,742
Total restricted assets	10,820,468	2,086,512	2,725,163	84,599	15,716,742
Investments	24,653,541	7,326,321	6,576,541	9,179,883	47,736,286
Notes receivable	-	87,118	-	-	87,118
Lease receivable, non-current	1,074,493	654,455	313,716	627,603	2,670,267
Capital assets					
Land, easements and construction in progress	14,496,231	2,858,118	14,954,579	4,026,055	36,334,983
Right to use lease assets, net of amortization	69,428	119,207	45,100	32,973	266,708
Right to use subscription assets, net of amortization	429,739	29,074	29,074	55,785	543,672
Other capital assets, net of depreciation	149,419,038	145,395,054	157,961,357	51,188,350	503,963,799
Total capital assets	164,414,436	148,401,453	172,990,110	55,303,163	541,109,162
Total non-current assets	200,962,938	158,555,859	182,605,530	65,195,248	607,319,575
Total assets	277,111,634	176,352,418	197,530,367	85,699,358	736,693,777
Deferred outflows of resources					
Pension deferrals	6,445,377	3,458,496	3,301,292	2,515,272	15,720,437
OPEB deferrals	3,726,981	1,999,845	1,908,944	1,454,432	9,090,202
Deferred charges on bond refundings	186,956	369,585	341,690	24,411	922,642
Total deferred outflows of resources	10,359,314	5,827,926	5,551,926	3,994,115	25,733,281
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	14,804,468	1,251,611	2,069,667	2,209,203	20,334,949
Customer deposits payable from restricted assets	4,816,470	1,121,646	2,129	659,788	6,600,033
Accrued interest payable	795,521	270,382	394,114	214,963	1,674,980
Due to other governments	1,484	450	371	344	2,649
Due to City of Greenville	111,276	54,808	49,210	38,159	253,453
Current portion of compensated absences	936,312	481,900	462,868	423,999	2,305,079
Current portion of long-term leases	34,788	66,932	21,598	15,085	138,403
Current portion of long-term subscriptions	149,836	11,071	11,071	20,322	192,300
Current portion of long-term debt	1,765,943	3,158,633	2,704,278	488,866	8,117,720
Total current liabilities	23,416,098	6,417,433	5,715,306	4,070,729	39,619,566

Exhibit 1. Statement of Net Position | June 30, 2023 *continued...*

	MAJOR FUNDS				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Non-current liabilities					
Compensated absences	350,602	160,448	178,275	184,890	874,215
Long-term leases, excluding current portion	24,237	68,221	19,434	14,105	125,997
Long-term subscriptions, excluding current portion	283,715	17,732	17,732	35,464	354,643
Long-term debt, excluding current portion	75,356,166	63,112,891	45,698,085	17,770,656	201,937,798
Net OPEB liability	13,905,583	7,461,534	7,122,375	5,426,570	33,916,062
Net pension liability	9,718,237	5,214,665	4,977,635	3,792,486	23,703,023
Total non-current liabilities	99,638,540	76,035,491	58,013,536	27,224,171	260,911,738
Total liabilities	123,054,638	82,452,924	63,728,842	31,294,900	300,531,304
Deferred inflows of resources					
Leases	1,206,250	760,358	357,757	671,264	2,995,629
Pension deferrals	134,291	72,058	68,783	52,406	327,538
OPEB deferrals	6,228,697	3,342,227	3,190,306	2,430,712	15,191,942
Total deferred inflows of resources	7,569,238	4,174,643	3,616,846	3,154,382	18,515,109
Net position					
Net investment in capital assets	97,807,175	82,487,675	125,365,727	37,067,675	342,728,252
Unrestricted	59,039,897	13,065,102	10,370,878	18,176,516	100,652,393
Total net position	\$ 156,847,072	\$ 95,552,777	\$ 135,736,605	\$ 55,244,191	\$ 443,380,645

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, 2023

	MAJOR FUNDS				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Operating revenues					
Charges for services	\$ 171,214,255	\$ 25,132,520	\$ 24,801,665	\$ 46,581,876	\$ 267,730,316
Other operating revenues	513,880	66,635	70,283	41,725	692,523
Total operating revenues	171,728,135	25,199,155	24,871,948	46,623,601	268,422,839
Operating expenses					
Administration and general	14,089,941	5,207,433	5,116,654	4,882,242	29,296,270
Operations and maintenance	21,077,612	14,326,347	13,159,530	8,056,077	56,619,566
Purchased power and gas	123,403,756	-	-	27,999,251	151,403,007
Depreciation and amortization	13,227,844	6,520,256	7,890,476	2,919,514	30,558,090
Total operating expenses	171,799,153	26,054,036	26,166,660	43,857,084	267,876,933
Operating income	(71,018)	(854,881)	(1,294,712)	2,766,517	545,906
Non-operating revenues (expenses)					
Interest income	2,046,324	553,971	530,736	579,329	3,710,360
Unrealized (loss) on investments	(315,316)	(94,509)	(84,382)	(117,986)	(612,193)
Interest expense and service charges	(2,640,134)	(865,946)	(1,402,444)	(614,220)	(5,522,744)
Other non-operating revenues	2,373,241	1,260,215	727,346	376,686	4,737,488
Other non-operating expenses	(28)	-	-	-	(28)
Net non-operating revenues (expenses)	1,464,087	853,731	(228,744)	223,809	2,312,883
Income before contributions and transfers	1,393,069	(1,150)	(1,523,456)	2,990,326	2,858,789
Contributions and transfers					
Capital contributions	-	2,467,315	3,614,690	-	6,082,005
Transfer to City of Greenville, General Fund	(4,356,852)	-	-	(1,702,516)	(6,059,368)
Transfer to City of Greenville, street lighting reimb.	(1,032,061)	-	-	-	(1,032,061)
Total contributions and transfers	(5,388,913)	2,467,315	3,614,690	(1,702,516)	(1,009,424)
Changes in net position	(3,995,844)	2,466,165	2,091,234	1,287,810	1,849,365
Net position, beginning of year	160,842,916	93,086,612	133,645,371	53,956,381	441,531,280
Net position, end of year	\$ 156,847,072	\$ 95,552,777	\$ 135,736,605	\$ 55,244,191	\$ 443,380,645

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, 2023

	MAJOR FUNDS				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Cash flows from operating activities					
Receipts from customers and users	\$ 173,628,152	\$ 24,959,776	\$ 24,398,355	\$ 47,001,903	\$ 269,988,186
Other operating receipts	1,845,907	954,446	70,325	341,974	3,212,652
Payments for goods and services	(148,773,399)	(12,345,770)	(10,944,614)	(35,864,647)	(207,928,430)
Payments to employees	(13,756,635)	(7,224,515)	(7,023,924)	(6,034,055)	(34,039,129)
Payments received on loans	-	48,734	-	-	48,734
Net cash provided by operating activities	12,944,025	6,392,671	6,500,142	5,445,175	31,282,013
Cash flows from noncapital financing activities					
Transfers to City of Greenville, General Fund	(5,388,913)	-	-	(1,702,516)	(7,091,429)
Noncapital contributions	5,000	-	-	-	5,000
Net cash provided (used) by noncapital financing activities	(5,383,913)	-	-	(1,702,516)	(7,086,429)
Cash flows from capital and related financing activities					
Proceeds from issuance of debt	19,584,105	5,691,405	4,710,178	-	29,985,688
Lease liabilities issued	24,440	18,059	11,637	11,152	65,288
Subscription liabilities issued	587,641	40,099	40,099	76,602	744,441
Capital grants/cash capital contributions	-	-	386,630	-	386,630
Capital related receipts from customers	-	421,711	494,827	-	916,538
Principal payments on leases	(32,924)	(64,019)	(20,187)	(13,900)	(131,030)
Principal payments on subscriptions	(154,090)	(11,296)	(11,296)	(20,816)	(197,498)
Principal payments on debt obligations	(1,654,211)	(1,154,273)	(2,677,155)	(458,634)	(5,944,273)
Debt issuance costs	(285,233)	(45,822)	(68,511)	-	(399,566)
Acquisition and construction of capital assets	(20,397,729)	(10,240,075)	(9,525,694)	(3,773,517)	(43,937,015)
Payment of interest and service charges on leases	(2,021)	(5,485)	(1,416)	(958)	(9,880)
Payment of interest and service charges on subscriptions	(7,625)	(569)	(569)	(1,040)	(9,803)
Payment of interest and service charges on debt obligations	(2,641,837)	(968,698)	(1,822,641)	(706,343)	(6,139,519)
Net cash provided (used) by capital and related financing activities	(4,979,484)	(6,318,963)	(8,484,098)	(4,887,454)	(24,669,999)
Cash flows from operating activities					
Purchase of investments	(47,460,788)	(14,225,347)	(12,700,961)	(17,759,012)	(92,146,108)
Proceeds from sale and maturity of investments	58,115,562	15,526,231	15,735,200	20,040,443	109,417,436
Interest received on investments	2,058,610	556,491	534,136	582,879	3,732,116
Net cash provided (used) by investing activities	12,713,384	1,857,375	3,568,375	2,864,310	21,003,444
Net increase (decrease) in cash and cash equivalents	15,294,012	1,931,083	1,584,419	1,719,515	20,529,029
Cash and cash equivalents, beginning of year	14,157,385	5,514,957	5,808,764	5,074,168	30,555,274
Cash and cash equivalents, end of year	\$ 29,451,397	\$ 7,446,040	\$ 7,393,183	\$ 6,793,683	\$ 51,084,303
Other disclosures					
Interest incurred	2,699,065	963,552	1,819,534	702,023	6,184,174
Interest paid	2,651,483	974,752	1,824,626	708,341	6,159,202
Contributions of capital assets	-	2,467,315	3,228,060	-	5,695,375
Change in unrealized gain/loss on investments	(266,244)	(132,604)	(66,138)	(147,207)	(612,193)

Exhibit 3. Statement of Cash Flows | For the Year Ended June 30, 2023 *continued...*

	MAJOR FUNDS				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Reconciliation of operating income to net cash provided by operating activities:					
Operating Income	\$ (71,018)	\$ (854,881)	\$ (1,294,712)	\$ 2,766,517	\$ 545,906
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	13,227,844	6,520,256	7,890,476	2,919,514	30,558,090
Changes in deferrals					
Deferred outflows of resources for pensions	(2,404,163)	(1,290,040)	(1,231,402)	(938,212)	(5,863,817)
Deferred outflows of resources for OPEB	1,116,679	599,193	571,957	435,777	2,723,606
Deferred inflows of resources for leases	72,447	(151,972)	(74,127)	(79,006)	(232,658)
Deferred inflows of resources for pensions	(3,737,742)	(2,005,618)	(1,914,454)	(1,458,631)	(9,116,445)
Deferred inflows of resources for OPEB	(1,656,413)	(888,806)	(848,407)	(646,405)	(4,040,031)
Changes in assets and liabilities					
Accounts receivable	1,368,039	(50,939)	(155,006)	312,629	1,474,723
Lease receivable	(82,740)	145,562	68,923	70,288	202,033
Notes receivable	-	48,734	-	-	48,734
Due from other governments	(375,744)	5,945	(186,435)	(103,452)	(659,686)
Inventories	(4,466,947)	(132,685)	14,967	(464,112)	(5,048,777)
Prepaid expenses and deposits	(154,610)	(12,126)	25,333	(8,685)	(150,088)
Accounts payable and accrued expenses	(14,290)	(46,290)	17,976	(686,503)	(729,107)
Customer deposits	468,128	(205,405)	(353,188)	64,125	(26,340)
Due to other governments	1,484	450	371	344	2,649
Due to City of Greenville	17,010	13,752	34,730	32,046	97,538
Compensated absences	108,465	35,067	43,084	57,800	244,416
Unearned revenue	-	(18,600)	(10,080)	-	(28,680)
Net pension liability	7,111,905	3,816,146	3,642,685	2,775,379	17,346,115
Net OPEB liability	48,267	25,899	24,723	18,836	117,725
Miscellaneous income (expense)	2,367,424	839,029	232,728	376,926	3,816,107
Total adjustments	13,015,043	7,247,552	7,794,854	2,678,658	30,736,107
Net cash provided by operating activities	\$ 12,944,025	\$ 6,392,671	\$ 6,500,142	\$ 5,445,175	\$ 31,282,013

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

Exhibit 4. Statement of Fiduciary Net Position | June 30, 2023

	OPEB Trust Fund	Custodial Funds
Assets		
Cash and cash equivalents	\$ 2,130,010	\$ 1,417,366
Accounts receivable, net	-	1,045,273
BlackRock MSCI ACWI EQ Index Non-Lendable Fund	4,739,158	-
North Carolina Non Pension Fixed Income	977,814	-
Total assets	7,846,982	2,462,639
Liabilities		
Accounts payable	-	1,417,366
Total liabilities	-	1,417,366
Net position		
Restricted for:		
Postemployment benefits other than pensions	7,846,982	-
The City of Greenville	-	1,045,273
Total fiduciary net position	\$ 7,846,982	\$ 1,045,273

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, 2023

	OPEB Trust Fund	Custodial Funds
Additions		
Contributions		
Employer contributions	\$ 2,240,270	\$ -
Total contributions	2,240,270	-
Investment earnings		
Interest	65,133	-
Net increase in the fair value of investments	643,471	-
Total investment earnings	708,604	-
Less investment expense	866	-
Net investment income	707,738	-
Refuse fees collected for the City of Greenville	-	8,490,648
Stormwater fees collected for the City of Greenville	-	8,703,194
Total additions	2,948,008	17,193,842
Deductions		
Benefits paid to participants or beneficiaries	1,740,270	-
Refuse fees distributed to the City of Greenville	-	8,464,519
Stormwater fees distributed to the City of Greenville	-	8,613,279
Total deductions	1,740,270	17,077,798
Change in net position	1,207,738	116,044
Net position, beginning of year	6,639,244	929,229
Net position, end of year	\$ 7,846,982	\$ 1,045,273

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

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NOTES TO THE FINANCIAL STATEMENTS



POINT-OF-SALE SOFTWARE

In October 2022, GUC implemented a point-of-sale software system to allow walk-in customers to pay their bills via credit/debit card, ApplePay, or GooglePay. Exceeding customer expectations is one of GUC's core values. By providing additional ways to pay bills, this service has been especially helpful to customers who receive assistance through their insurance companies to pay their utility bills, as most insurance companies issue debit cards that customers can use to complete their transactions. In almost the first full year since making this service available, there have been 13,275 credit/debit card transactions at our walk-in locations.

Covid-19 impacted many customer-facing services at GUC. The number of customers paying their utility bill in person declined significantly, diminishing opportunities to interact with customers. Adding these additional payment options has increased the number of in-person payments, and in turn, is providing more opportunities to connect with customers.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The accounting policies of the Greenville Utilities Commission (Utilities Commission), an enterprise fund of the City of Greenville, North Carolina, 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 Annual Comprehensive 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.

Custodial Funds. Custodial funds are used to account for assets the Utilities Commission holds on behalf of others. The Utilities Commission maintains two custodial 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. 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, 2023, 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.

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 \$31.815788 per share at June 30, 2023.

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 statement 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 its use is completely restricted to the purpose for which the bonds were originally issued.

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	\$	6,600,033
Unexpended bond proceeds		11,563,309
Unexpended system development fees		4,153,433
Total	\$	22,316,775

Allowance for Doubtful Accounts

Receivables are shown net of an allowance for doubtful accounts. The allowance for uncollectible accounts receivable is determined principally on the basis of past collection experience as well as consideration of current economic conditions and customer collection trends. The Utilities Commission provides allowances for uncollectible receivables for all balances more than 150 days outstanding.

Lease Receivable

The Commission's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is recognized on a straight-line basis over the term of the lease.

Inventories and Prepaid Expenses

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

The natural gas inventory is being held for future resale to utility customers and will be expensed when it is withdrawn from storage.

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 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 and amortized 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:

Asset Category	Estimated Useful Life
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

The Commission's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the Commission reports a lease (only applies when the Commission is the lessee) or agreements where the Commission reports an Information Technology (IT) Subscription.

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term are being reported as prepayments (assets). Such prepayments will be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives will be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount will be included in the initial measurement of the subscription asset. The right to use subscription assets are being amortized on a straight-line basis over the subscription term.

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 assets that applies to a future period and so will not be recognized as an expense until then. The Utilities Commission has three items that meet this criterion: deferrals related to pension, deferrals related to OPEB, and deferred charges on bond refundings. 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 assets that applies to a future period and so will not be recognized as revenue until then. The Utilities Commission has three items that meet the criterion: deferrals related to leases, 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 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 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 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 under collateralization, 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, 2023, the Utilities Commission's deposits had a carrying amount of \$14,871,396 and a bank balance of \$14,510,157. Of the bank balance, \$1,140,204 was covered by Federal depository insurance, and \$13,369,953 was covered by collateral held under the pooling method. The Utilities Commission's deposits include checking accounts, savings accounts, and money market accounts. The Utilities Commission's cash on hand at June 30, 2023, consisted of various petty cash funds totaling \$5,800.

Investments

At June 30, 2023, 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
US Government Agencies	Fair Value—Level 1	\$ 30,678,112	\$ 20,021,316	\$ 481,917	\$ 10,174,879
US Treasury Notes	Fair Value—Level 1	49,405,092	2,988,277	8,855,408	37,561,407
Commercial Paper	Fair Value—Level 1	16,176,128	16,176,128	-	-
NC Capital Management Trust—Government Portfolios*	Fair Value—Level 1	37,624,472	37,624,472	-	-
Total		\$ 133,883,804	\$ 76,810,193	\$ 9,337,325	\$ 47,736,286

*Because the NC Capital Management Trust Government 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 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, 2023, the Utilities Commission OPEB Trust had \$7,846,982 invested in the State Treasurer's Ancillary Governmental Participant Investment Program (AGPIP). The AGPIP, which was authorized by State law, 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) 22%, which is reported as cash and cash equivalents; State Treasurer's Bond Index Fund (BIF) 13% and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 65% (the equities were split with 62.20% in domestic securities and 37.80% 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, 2023, of 0.7 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 8.70 years at June 30, 2023.

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, 2023, the fair value of the funds was \$31.815788 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 AGPIP 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.

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:

	2023
Cash	\$ 14,871,396
Petty cash	5,800
Investments	133,883,804
Investments—OPEB Trust Fund	7,846,982
Total	\$ 156,607,982

Totals per Statement of Net Position and Statement of Fiduciary Net Position:

	2023	
Cash and cash equivalents—unrestricted	\$	28,767,528
Investments—current		48,523,045
Restricted cash and cash equivalents		6,600,033
Restricted cash and cash equivalents—non-current		15,716,742
Investments—non-current		47,736,286
Cash and cash equivalents—OPEB Trust Fund		2,130,010
Investments—OPEB Trust Fund		5,716,972
Cash and cash equivalents—Custodial Funds		1,417,366
Total	\$	156,607,982

Receivables

Receivables at June 30, 2023, were as follows:

	2023	
Billed customer accounts	\$	18,727,709
Estimated unbilled customer services		12,836,248
Other receivables		433,221
Total accounts receivable		31,997,178
Allowance for uncollectible accounts		(7,584,378)
Net accounts receivable	\$	24,412,800

The due from other governments that is owed to the Utilities Commission at June 30, 2023, consists of the following:

	2023	
Sales tax refund	\$	2,594,310
Disaster assistance grant		196,046
Utilities sales tax refund		17,900
Total due from other governments	\$	2,808,256

The Utilities 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 \$87,118 payable in monthly installments for 15 years at a 5.25% interest rate.

Leases Receivable

In a previous year, the Utilities Commission entered into a 7-year lease with Wells Fargo Bank, N.A. Under the lease, Wells Fargo Bank, N.A. pays the Utilities Commission \$800 monthly to operate an Automated Teller Machine on Utilities Commission property. Monthly payments increased by \$80 in April 2023 and will be subject to an additional 10% increase in April 2028. There are no variable components in the lease. Tenant may continue to renew the term of the lease for successive five-year terms by sending written notice of renewal to the Utilities Commission no later than 180 days prior to expiration of the prior five-year term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from Wells Fargo Bank totaled \$92,774.

In a previous year, the Utilities Commission entered into a 10-year lease with EL Land, LLC. Under the lease, EL Land, LLC pays the Utilities Commission an annual fee in exchange for the use of 158 acres of land for recreational/sport hunting purposes. Annual payments will increase by \$1,000 every other year. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from EL Land, LLC totaled \$47,137.

In a previous year, the Utilities Commission entered into a 12-year lease with the North Carolina Eastern Municipal Power Agency (NCEMPA) for the use of approximately 5.687 acres located in Winterville Township, otherwise known as the Winterville Substation. The sole purpose of the lease is to allow the lessee to install and operate electric generating facilities and related equipment on the premises. Under the lease, NCEMPA pays the Utilities Commission annually, subject to increases every 5 years based on the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from NCEMPA totaled \$302,836.

In a previous year, the Utilities Commission entered into a 27-year lease with BVP First Street Place. Under the lease, BVP First Street Place pays the Utilities Commission monthly in exchange for the use of approximately 3.938 acres of land to be used as a parking facility. Payments are subject to annual increases based on the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. At June 30, 2023 the receivable balance due from BVP First Street Place totaled \$366,129.

In a previous year, the Utilities Commission entered into multiple leases with East Carolina University (ECU), ECU Health, and Pitt Community College for the use of dark fiber for data transmission services between various school and health facilities around Greenville. Payment amounts vary from \$50 to \$3,762 per month. Terms vary from 56 to 132 months. There are no variable components in the leases. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The total balance of the dark fiber leases receivable at June 30, 2023 was \$1,199,372.

In a previous year, the Utilities Commission entered into a 10-year lease with USCOC of North Carolina for the construction and operation of a cell tower on the Utilities Commission's East Side Elevated Water Tower. The lessee is required to make fixed monthly payments, which are subject to annual increases based on changes in the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable related to the East Side Elevated Water Tower at June 30, 2023 was \$328,261.

In a previous year, the Utilities Commission entered into an 8-year lease with USCOC of North Carolina for the construction and operation of a cell tower on the Utilities Commission's Westside Communications Tower. The lessee is required to make fixed monthly payments, which are subject to annual increases based on changes in the consumer price index. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable related to the Westside Communications Tower at June 30, 2023 was \$180,524.

In a previous year, the Utilities Commission entered into a 5-year lease with Verizon Wireless for the construction and operation of a cell tower on the Utilities Commission's Elevated Water Storage Tower on Greenville Boulevard. The lessee is required to make fixed monthly payments, which are subject to annual increases of 3%. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable due from Verizon Wireless as of June 30, 2023 was \$135,565.

In a previous year, the Utilities Commission entered into a 6-year lease with Fibertech Networks for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. During the fiscal year ended June 30, 2023, the lease was amended and the lease receivable has been remeasured. The balance of the lease receivable due from Fibertech Networks as of June 30, 2023 was \$4,758.

In a previous year, the Utilities Commission entered into an 11-year lease with Metro Fibernet, LLC for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. During the fiscal year ended June 30, 2023, the lease was amended and the lease receivable has been remeasured. The balance of the lease receivable due from Metro Fibernet, LLC as of June 30, 2023 was \$411,574.

In a previous year, the Utilities Commission entered into a 9-year lease with ShotSpotter, Inc. for the right to place attachments on utility poles owned by the Utilities Commission. The lessee is required to make fixed annual payments. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the implicit interest rate. The balance of the lease receivable due from ShotSpotter, Inc. as of June 30, 2023 was \$4,610.

In fiscal year 2023, the Utilities Commission recognized \$438,859 of lease revenue including \$6,269 from variable and other payments not included in the measurement of the lease receivable and \$100,884 of interest revenue under the leases.

Capital Assets

During the fiscal year ended June 30, 2023, the Utilities Commission recorded three right to use subscription assets. The assets are right to use assets for subscription software. The related subscriptions are discussed in the subscriptions subsection of the liabilities section of this note. The right to use subscription assets are amortized on a straight-line basis over the terms of the related subscription.

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital assets not being depreciated					
Land	\$ 8,564,678	\$ -	\$ -	\$ -	8,564,678
Easements	640,937	9,907	-	16,135	666,979
Construction in progress	71,195,395	26,351,844	-	(70,443,913)	27,103,326
Total capital assets not being depreciated	80,401,010	26,361,751	-	(70,427,778)	36,334,983
Capital assets being depreciated					
Land improvements	3,781,930	-	-	-	3,781,930
General plant	68,023,975	769,734	-	7,215,125	76,008,834
Utility plant	185,067,221	1,097,319	-	51,247,517	237,412,057
Computer software	33,779,593	339,777	-	-	34,119,370
Vehicles and equipment	32,880,257	2,540,429	(279,320)	-	35,141,366
Distribution systems	550,937,638	17,745,342	-	11,941,969	580,624,949
Transmission systems	48,314,562	25,387	-	-	48,339,949
Computer hardware	4,824,204	699,357	-	23,167	5,546,728
Fiber optics	2,702,385	110,868	-	-	2,813,253
Right to use assets being amortized					
Building lease	319,031	-	-	-	319,031
Equipment lease	274,741	65,288	(55,246)	-	284,783
IT subscriptions	-	744,441	-	-	744,441
Total capital assets being depreciated or amortized	930,905,537	24,137,942	(334,566)	70,427,778	1,025,136,691
Less accumulated depreciation or amortization for:					
Land improvements	2,041,849	177,061	-	-	2,218,910
General plant	12,176,247	2,417,686	-	-	14,593,933
Utility plant	91,731,986	7,050,439	-	-	98,782,425
Computer software	19,221,261	1,888,173	-	-	21,109,434
Vehicles and equipment	28,614,083	2,189,744	(279,320)	-	30,524,507
Distribution systems	300,487,625	14,381,094	-	-	314,868,719
Transmission systems	29,687,242	1,540,808	-	-	31,228,050
Computer hardware	4,128,146	436,356	-	-	4,564,502
Fiber optics	1,832,662	101,495	-	-	1,934,157
Right to use assets being amortized					
Building lease	100,363	100,363	-	-	200,726
Equipment lease	91,788	74,102	(29,510)	-	136,380
IT subscriptions	-	200,769	-	-	200,769
Total accumulated depreciation and amortization	490,113,252	30,558,090	(308,830)	-	520,362,512
Total capital assets being depreciated, net	440,792,285				504,774,179
Net capital assets	\$ 521,193,295				\$ 541,109,162

Depreciation and amortization expense is charged to the Electric, Water, Sewer, and Gas Funds. Amounts charged to the four funds for the year ended June 30, 2023, totaled \$13,227,844, \$6,520,256, \$7,890,476, and \$2,919,514, respectively.

Capital asset activity by fund for the year ended June 30, 2023, was as follows:

Electric Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital assets not being depreciated					
Land	\$ 3,406,415	\$ -	\$ -	\$ -	\$ 3,406,415
Easements	403,492	-	-	-	403,492
Construction in progress	11,869,231	6,948,031	-	(8,130,938)	10,686,324
Total capital assets not being depreciated	15,679,138	6,948,031	-	(8,130,938)	14,496,231
Capital assets being depreciated					
Land improvements	515,165	-	-	-	515,165
General plant	34,525,803	444,059	-	3,968,318	38,938,180
Computer software	16,719,010	113,659	-	-	16,832,669
Vehicles and equipment	16,143,901	1,245,540	(112,154)	49,551	17,326,838
Distribution systems	251,800,242	10,812,390	-	4,149,878	266,762,510
Transmission systems	48,314,562	25,387	-	-	48,339,949
Computer hardware	3,740,259	481,989	-	12,742	4,234,990
Fiber optics	1,875,922	27,717	-	-	1,903,639
Right to use assets being amortized					
Building lease	130,803	-	-	-	130,803
Equipment lease	1,734	24,440	(1,734)	-	24,440
IT subscriptions	-	587,641	-	-	587,641
Total capital assets being depreciated or amortized	373,767,401	13,762,822	(113,888)	8,180,489	395,596,824
Less accumulated depreciation or amortization for:					
Capital assets being depreciated					
Land improvements	324,564	31,321	-	-	355,885
General plant	6,026,712	1,229,606	-	-	7,256,318
Computer software	9,596,929	884,283	-	-	10,481,212
Vehicles and equipment	13,870,201	1,151,591	(112,154)	49,551	14,959,189
Distribution systems	168,325,884	7,805,185	-	-	176,131,069
Transmission systems	29,687,242	1,540,808	-	-	31,228,050
Computer hardware	3,215,430	321,770	-	-	3,537,200
Fiber optics	1,425,734	60,245	-	-	1,485,979
Right to use assets being amortized					
Building lease	41,149	41,149	-	-	82,298
Equipment lease	1,267	3,984	(1,734)	-	3,517
IT subscriptions	-	157,902	-	-	157,902
Total accumulated depreciation and amortization	232,515,112	13,227,844	(113,888)	49,551	245,678,619
Total capital assets being depreciated, net	141,252,289				149,918,205
Net capital assets	\$ 156,931,427				\$ 164,414,436

Water Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital assets not being depreciated					
Land	\$ 1,334,669	\$ -	\$ -	\$ -	\$ 1,334,669
Easements	14,590	-	-	-	14,590
Construction in progress	46,472,180	8,469,673	-	(53,432,994)	1,508,859
Total capital assets not being depreciated	47,821,439	8,469,673	-	(53,432,994)	2,858,118
Capital assets being depreciated					
Land improvements	2,573,743	-	-	-	2,573,743
General plant	11,237,250	102,371	-	1,082,269	12,421,890
Utility plant	59,224,285	252,917	-	51,247,517	110,724,719
Computer software	5,321,923	79,866	-	-	5,401,789
Vehicles and equipment	4,979,244	322,606	(69,815)	(30,434)	5,201,601
Distribution systems	101,269,838	2,763,886	-	1,099,733	105,133,457
Computer hardware	318,512	48,130	-	3,475	370,117
Fiber optics	331,885	27,717	-	-	359,602
Right to use assets being amortized					
Building lease	70,187	-	-	-	70,187
Equipment lease	195,258	18,059	(657)	-	212,660
IT subscriptions	-	40,099	-	-	40,099
Total capital assets being depreciated or amortized	185,522,125	3,655,651	(70,472)	53,402,560	242,509,864
Less accumulated depreciation or amortization for:					
Capital assets being depreciated					
Land improvements	1,278,730	89,688	-	-	1,368,418
General plant	2,082,813	398,774	-	-	2,481,587
Utility plant	34,983,518	3,086,215	-	-	38,069,733
Computer software	3,095,940	305,671	-	-	3,401,611
Vehicles and equipment	4,425,720	271,738	(69,815)	(30,434)	4,597,209
Distribution systems	44,146,152	2,228,402	-	-	46,374,554
Computer hardware	261,232	31,730	-	-	292,962
Fiber optics	192,040	13,750	-	-	205,790
Right to use assets being amortized					
Building lease	22,080	22,080	-	-	44,160
Equipment lease	58,954	61,183	(657)	-	119,480
IT subscriptions	-	11,025	-	-	11,025
Total accumulated depreciation and amortization	90,547,179	6,520,256	(70,472)	(30,434)	96,966,529
Total capital assets being depreciated, net	94,974,946				145,543,335
Net capital assets	\$ 142,796,385				\$ 148,401,453

Sewer Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital assets not being depreciated					
Land	\$ 2,423,479	\$ -	\$ -	\$ -	\$ 2,423,479
Easements	82,403	9,907	-	-	92,310
Construction in progress	7,495,751	8,364,044	-	(3,421,005)	12,438,790
Total capital assets not being depreciated	10,001,633	8,373,951	-	(3,421,005)	14,954,579
Capital assets being depreciated					
Land improvements	297,028	-	-	-	297,028
General plant	10,861,711	102,300	-	1,082,269	12,046,280
Utility plant	110,697,938	844,402	-	-	111,542,340
Computer software	5,087,424	92,257	-	-	5,179,681
Vehicles and equipment	7,361,417	721,943	(22,712)	(19,051)	8,041,597
Distribution systems	147,152,361	3,295,073	-	2,335,261	152,782,695
Computer hardware	279,723	93,439	-	3,475	376,637
Fiber optics	247,287	27,717	-	-	275,004
Right to use assets being amortized					
Building lease	66,996	-	-	-	66,996
Equipment lease	70,885	11,637	(52,127)	-	30,395
IT subscriptions	-	40,099	-	-	40,099
Total capital assets being depreciated or amortized	282,122,770	5,228,867	(74,839)	3,401,954	290,678,752
Less accumulated depreciation or amortization for:					
Capital assets being depreciated					
Land improvements	185,123	20,432	-	-	205,555
General plant	1,827,285	389,616	-	-	2,216,901
Utility plant	49,524,219	3,454,466	-	-	52,978,685
Computer software	2,865,928	303,723	-	-	3,169,651
Vehicles and equipment	6,518,616	472,128	(22,712)	(19,051)	6,948,981
Distribution systems	63,503,018	3,161,218	-	-	66,664,236
Computer hardware	237,732	36,971	-	-	274,703
Fiber optics	107,443	13,750	-	-	121,193
Right to use assets being amortized					
Building lease	21,076	21,076	-	-	42,152
Equipment lease	30,459	6,071	(26,391)	-	10,139
IT subscriptions	-	11,025	-	-	11,025
Total accumulated depreciation and amortization	124,820,899	7,890,476	(49,103)	(19,051)	132,643,221
Total capital assets being depreciated, net	157,301,871				158,035,531
Net capital assets	\$ 167,303,504				\$ 172,990,110

Gas Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital assets not being depreciated					
Land	\$ 1,400,115	\$ -	\$ -	\$ -	\$ 1,400,115
Easements	140,452	-	-	16,135	156,587
Construction in progress	5,358,233	2,570,096	-	(5,458,976)	2,469,353
Total capital assets not being depreciated	6,898,800	2,570,096	-	(5,442,841)	4,026,055
Capital assets being depreciated					
Land improvements	395,994	-	-	-	395,994
General plant	11,399,211	121,004	-	1,082,269	12,602,484
Utility plant	15,144,998	-	-	-	15,144,998
Computer software	6,651,236	53,995	-	-	6,705,231
Vehicles and equipment	4,395,695	250,340	(74,639)	(66)	4,571,330
Distribution systems	50,715,197	873,993	-	4,357,097	55,946,287
Computer hardware	485,710	75,799	-	3,475	564,984
Fiber optics	247,291	27,717	-	-	275,008
Right to use assets being amortized					
Building lease	51,045	-	-	-	51,045
Equipment lease	6,864	11,152	(728)	-	17,288
IT subscriptions	-	76,602	-	-	76,602
Total capital assets being depreciated or amortized	89,493,241	1,490,602	(75,367)	5,442,775	96,351,251
Less accumulated depreciation or amortization for:					
Capital assets being depreciated					
Land improvements	253,432	35,620	-	-	289,052
General plant	2,239,437	399,690	-	-	2,639,127
Utility plant	7,224,249	509,758	-	-	7,734,007
Computer software	3,662,464	394,496	-	-	4,056,960
Vehicles and equipment	3,799,546	294,287	(74,639)	(66)	4,019,128
Distribution systems	24,512,571	1,186,289	-	-	25,698,860
Computer hardware	413,752	45,885	-	-	459,637
Fiber optics	107,445	13,750	-	-	121,195
Right to use assets being amortized					
Building lease	16,058	16,058	-	-	32,116
Equipment lease	1,108	2,864	(728)	-	3,244
IT subscriptions	-	20,817	-	-	20,817
Total accumulated depreciation and amortization	42,230,062	2,919,514	(75,367)	(66)	45,074,143
Total capital assets being depreciated, net	47,263,179				51,277,108
Net capital assets	\$ 54,161,979				\$ 55,303,163

A summary of capital assets, by fund, at June 30, 2023 is as follows:

	Electric	Water	Sewer	Gas	Total
At June 30, 2023					
Land	\$ 3,406,415	\$ 1,334,669	\$ 2,423,479	\$ 1,400,115	\$ 8,564,678
Easements	403,492	14,590	92,310	156,587	666,979
Land improvements	515,165	2,573,743	297,028	395,994	3,781,930
General plant	38,938,180	12,421,890	12,046,280	12,602,484	76,008,834
Utility plant	-	110,724,719	111,542,340	15,144,998	237,412,057
Computer software	16,832,669	5,401,789	5,179,681	6,705,231	34,119,370
Vehicles and equipment	17,326,838	5,201,601	8,041,597	4,571,330	35,141,366
Distribution systems	266,762,510	105,133,457	152,782,695	55,946,287	580,624,949
Transmission systems	48,339,949	-	-	-	48,339,949
Computer hardware	4,234,990	370,117	376,637	564,984	5,546,728
Fiber optics	1,903,639	359,602	275,004	275,008	2,813,253
Building lease	130,803	70,187	66,996	51,045	319,031
Equipment lease	24,440	212,660	30,395	17,288	284,783
IT subscriptions	587,641	40,099	40,099	76,602	744,441
	399,406,731	243,859,123	293,194,541	97,907,953	1,034,368,348
Less accumulated depreciation	(245,678,619)	(96,966,529)	(132,643,221)	(45,074,143)	(520,362,512)
	153,728,112	146,892,594	160,551,320	52,833,810	514,005,836
Construction in progress	10,686,324	1,508,859	12,438,790	2,469,353	27,103,326
Net capital assets	\$ 164,414,436	\$ 148,401,453	\$ 172,990,110	\$ 55,303,163	\$ 541,109,162

Construction Commitments

The Utilities Commission has active construction projects as of June 30, 2023. At year-end, the Utilities Commission's commitments with contractors are as follows:

PROJECT NAME	Spent-to-date	Remaining Commitments
Electric transmission system	\$ 6,033,928	\$ 8,726,896
Electric distribution system	2,652,175	3,915,400
Water treatment and distribution system	52,519,801	5,257,314
Sewer treatment and collection system	12,227,216	6,192,331
Natural gas distribution system	2,134,411	1,052,005
Administrative facilities	310,601	1,145,901
Totals	\$ 75,878,132	\$ 26,289,847

B. LIABILITIES

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses as of June 30, 2023, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Electric	\$ 14,039,734	\$ 753,649	\$ 11,085	\$ 14,804,468
Water	886,749	364,862	-	1,251,611
Sewer	1,721,564	348,103	-	2,069,667
Gas	1,901,123	308,080	-	2,209,203
Totals	\$ 18,549,170	\$ 1,774,694	\$ 11,085	\$ 20,334,949

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 Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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 postretirement 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, 2023 was 12.10% for general employees. Contributions to the pension plan from the Utilities Commission were \$4,304,672 for the year ended June 30, 2023.

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, 2023, the Utilities Commission reported a liability of \$23,703,023 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2022, the Utilities Commission's proportion was 0.42016%, which was an increase of 0.00565% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Utilities Commission recognized pension expense of \$6,670,525. At June 30, 2023, 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	\$ 1,021,342	\$ 100,137
Changes of assumptions	2,365,030	-
Net difference between projected and actual earnings on pension plan investments	7,834,097	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	195,296	227,401
Employer contributions subsequent to the measurement date	4,304,672	-
Totals	\$ 15,720,437	\$ 327,538

\$4,304,672 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	
2024	\$ 3,436,127
2025	2,972,814
2026	946,977
2027	3,732,309
Thereafter	-
Totals	\$ 11,088,227

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

INFLATION	2.50%
SALARY INCREASES	3.25% to 8.25%, including inflation and productivity factor of 3.25%
INVESTMENT RATE OF RETURN	6.50%, net of pension plan investment expense, including inflation of 2.50%

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, 2021 valuation were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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, 2022 are summarized in the following table:

ASSET CLASS	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.1%
Global Equity	42.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	7.5%
Opportunistic Fixed Income	7.0%	5.0%
Inflation Sensitive	6.0%	2.7%
Total	100.0%	

The information above is based on 30 year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset liability and investment policy of 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 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. 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 Utilities Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Utilities Commission's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Utilities 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 (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Utilities Commission's proportionate share of the net pension liability (asset)	\$ 42,780,905	\$ 23,703,023	\$ 7,981,742

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report (ACFR) 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 \$300,000 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, 2022, the valuation date, the GUC OPEB Plan membership consisted of the following:

Inactive members or beneficiaries currently receiving benefits	202
Inactive members entitled to but not yet receiving benefits	0
Active members	440
	642

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 postretirement 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 postretirement 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 \$2,240,270. 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, 2023, the annual money weighted rate of return on investments, net of investment expense, was 10.66%. 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, 2023 were as follows:

Total OPEB Liability (TOL)	\$	41,763,044
Plan fiduciary net position (FNP)		7,846,982
Net OPEB Liability (NOL)	\$	33,916,062
Plan fiduciary net position as percentage of the total OPEB liability		18.79%

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actual assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25%–8.41%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Municipal bond index rate	
Prior measurement date	3.54%
Measurement date	3.65%
Year fiduciary net position is projected to be depleted	
Prior measurement date	N/A
Measurement date	N/A
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Prior measurement date	7.00%
Measurement date	7.00%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025

The total OPEB liability (TOL) determined by the June 30, 2022 valuation date was rolled forward to the June 30, 2023 measurement date using standard roll forward techniques. The roll forward calculation begins with the TOL, as of June 30, 2022, 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).

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 Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015–December 31, 2019, adopted by the LGERS Board.

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, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 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 7.00%. 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, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022 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 using the payroll growth assumptions.
- Active employees do not explicitly contribute to the Plan.
- In all years, the employer is assumed to contribute \$500,000 to the Plan through deposits to the Trust and pay benefits directly to plan members as the benefits come due, as stated in the formal funding policy. 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 not be depleted.

The FNP projections are based upon the Plan's financial status on the Measurement Date and the indicated set of methods and assumptions. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the results of this test do not necessarily indicate whether or not the fund will actually run out of money, the financial condition of the Plan, or the Plan's ability to make benefit payments in future years.

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 (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	\$ 39,218,231	\$ 33,916,062	\$ 29,505,613

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 calculated using healthcare cost trend rates that are 1- percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 28,958,939	\$ 33,916,062	\$ 39,924,271

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

At June 30, 2023, the Utilities Commission reported a net OPEB liability of \$33,916,062. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2023 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, 2022	\$ 40,437,581	\$ 6,639,244	\$ 33,798,337
Changes for the year			
Service Cost at the end of the year*	500,325	-	500,325
Interest on TOL and Cash Flows	2,770,751	-	2,770,751
Difference between expected and actual experience	(1,050,247)	-	(1,050,247)
Changes of assumptions or other inputs	844,904	-	844,904
Contributions—employer	-	2,240,270	(2,240,270)
Net investment income	-	707,738	(707,738)
Benefit payments	(1,740,270)	(1,740,270)	-
Net changes	1,325,463	1,207,738	117,725
Balance as of June 30, 2023	\$ 41,763,044	\$ 7,846,982	\$ 33,916,062

* The service cost includes interest for the year.

For the year ended June 30, 2023, the Utilities Commission recognized OPEB expense of \$1,041,570. At June 30, 2023, 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	\$ 1,838,966	\$ 1,060,986
Changes of assumptions or other inputs	6,917,670	14,130,956
Net difference between projected and actual earnings on OPEB plan investments	333,566	-
Totals	\$ 9,090,202	\$ 15,191,942

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	
2024	\$ (1,764,104)
2025	(1,033,582)
2026	(2,039,497)
2027	(1,240,671)
2028	(23,886)
Thereafter	-
Totals	\$ (6,101,740)

Leases

The Utilities Commission has executed various lease agreements that have been recorded at the present value of the future lease payments as of the date of their inception.

In a previous year, the Utilities Commission entered into an agreement to lease office space on Red Banks Road. The initial term of the lease was 39 months with a term of 15 months remaining at June 30, 2023. The Utilities Commission was required to make monthly payments of \$6,270 during fiscal year ended June 30, 2023. The lease has an interest rate of 3.00%. The liability balance as of June 30, 2023 is \$92,195.

In a previous year, the Utilities Commission entered into an agreement to lease two liquid oxygen tanks for use at the water treatment plant. The initial term of the lease was 37 months with a term of 13 months remaining at June 30, 2023. Under the lease agreement, the Utilities Commission is required to make annual payments of \$46,071. The lease has an interest rate of 3.00%. The liability balance as of June 30, 2023 is \$88,155.

During the current fiscal year, the Utilities Commission entered into agreements to lease two postage machines. The initial terms of the leases are for 60 months with a term of 52 months remaining at June 30, 2023. Under the lease agreements, the Utilities Commission is required to make quarterly payments of \$548 per machine. The combined liability balance for these two leases as of June 30, 2023 is \$18,389.

The Utilities Commission has entered into several agreements to lease copiers. The terms vary by individual lease, but all carry an interest rate of 3.00%. The details of the individual leases are shown in the table below.

LEASE	Monthly Payment	Initial Term	Term at June 30, 2023	June 30, 2023 Liability
Gas Administration	\$ 110	60 months	43 months	\$ 4,478
Water Resources 1 st Floor	141	60 months	36 months	4,853
Water Treatment Plant—Evans	160	60 months	36 months	5,486
Water Resources 2 nd Floor	233	51 months	27 months	6,071
Wastewater Treatment Plant	166	60 months	37 months	5,846
Fleet	101	60 months	58 months	5,464
Legal	110	60 months	57 months	5,841
Human Resources	379	60 months	50 months	17,778
Customer Relations	102	60 months	48 months	4,617
Water Treatment Plant—Veale	111	60 months	50 months	5,227

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 138,403	\$ 6,643	\$ 145,046
2025	85,598	3,019	88,617
2026	20,709	931	21,640
2027	14,568	395	14,963
2028	5,122	54	5,176
Totals	\$ 264,400	\$ 11,042	\$ 275,442

Subscriptions

For the year ended June 30, 2023, the Commission implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (Subscriptions). The Statement provides a definition of Subscriptions and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

Subscriptions in effect at the end of the prior fiscal year had their assets and liabilities initially measured at the present value of the subscription payments expected over the remaining term of the Subscription after July 1, 2022.

The Commission has a subscription agreement for the use of DebtBook Services software. The initial term of the agreement was 35 months with 12 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$14,386. The liability balance as of June 30, 2023 was \$7,281. The Commission is required to make fixed annual payments of \$7,500 and the subscription has an interest rate of 3.0%. The

value of the right to use asset as of June 30, 2023 was \$14,386 with accumulated amortization of \$4,932, which is included with the Subscription Class activities in the table found below.

The Commission has a subscription agreement for the use of Meridian Integration LLC KeepTRAC System software. The initial term of the agreement was 60 months with 31 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$373,002. The liability balance as of June 30, 2023 was \$272,609. The Commission is required to make fixed monthly payments of \$9,150 and the subscription has an interest rate of 3.0%. The value of the right to use asset as of June 30, 2023 was \$373,002 with accumulated amortization of \$106,572, which is included with the Subscription Class activities in the table found below.

The Commission has a subscription agreement for the use of Schneider Electric Smart Grid Solutions software. The initial term of the agreement was 36 months with 25 months remaining at June 30, 2023. An initial subscription liability was recorded in the amount of \$357,053. The liability balance as of June 30, 2023 was \$267,053. The Commission was required to make an annual payment of \$90,000 in fiscal year 2023 and the subscription has an interest rate of 3.0%. The value of the right to use asset as of June 30, 2023 was \$357,053 with accumulated amortization of \$89,263, which is included with the Subscription Class activities in the table found below.

The future minimum subscription obligations and the net present value of these minimum payments as of June 30, 2023, were as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 192,300	\$ 15,000	\$ 207,300
2025	195,112	9,188	204,300
2026	159,531	3,519	163,050
Totals	\$ 546,943	\$ 27,707	\$ 574,650

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 Annual Comprehensive 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 \$69,263,729 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 26% of net revenues, or less than 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$107,271,494. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,294,564, \$13,635,359, and \$175,148,614, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

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	\$ 20,252,119
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	471,053
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	2,645,124
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	26,201,481
Series 2021A Revenue Bonds with an original issue amount of \$2,288,901, issued to refund the 2013 refunding revenue bonds, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2027	1,558,952
Series 2022 Revenue Bonds with an original issue amount of \$18,135,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	18,135,000
	\$ 69,263,729

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
2024	\$ 1,765,943	\$ 3,013,083	\$ 4,779,026
2025	2,320,003	2,912,254	5,232,257
2026	2,466,505	2,794,083	5,260,588
2027	2,464,815	2,667,904	5,132,719
2028	2,190,463	2,542,367	4,732,830
2029-2033	13,104,745	10,889,812	23,994,557
2034-2038	15,197,791	7,592,561	22,790,352
2039-2043	17,811,240	4,654,389	22,465,629
2044-2047	11,942,224	941,312	12,883,536
Totals	\$ 69,263,729	\$ 38,007,765	\$ 107,271,494

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 \$20,734,623 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 34% of net revenues, or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,796,843. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,974,625, \$5,922,149, and \$25,617,828, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

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	\$ 2,003,047
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	244,933
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	5,771,156
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	7,936,852
Series 2021A Revenue Bonds with an original issue amount of \$1,433,497, issued to refund the Drinking Water State Revolving Fund (DWSRF) loan #H-LRX-F-04-991, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	1,136,547
Series 2021A Revenue Bonds with an original issue amount of \$25,175, issued to refund the DWSRF loan #H-LRX-R-DW-991, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	19,959
Series 2021A Revenue Bonds with an original issue amount of \$226,450, issued to refund the DWSRF loan # H-LRX-R-DW-1074, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	191,550
Series 2021A Revenue Bonds with an original issue amount of \$101,271, issued to refund the DWSRF loan #DEH-1108 due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	80,034
Series 2021A Revenue Bonds with an original issue amount of \$634,249, issued to refund the DWSRF loan #DEH-1074 schedule B, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	539,352
Series 2021A Revenue Bonds with an original issue amount of \$1,919,268, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2041	1,636,193
Series 2022 Revenue Bonds with an original issue amount of \$1,175,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	1,175,000
	\$ 20,734,623

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
2024	\$ 991,688	\$ 931,926	\$ 1,923,614
2025	1,070,863	881,127	1,951,990
2026	1,131,724	827,078	1,958,802
2027	1,106,510	769,817	1,876,327
2028	1,162,840	713,860	1,876,700
2029-2033	6,176,900	2,656,181	8,833,081
2034-2038	3,840,671	1,383,399	5,224,070
2039-2043	3,503,783	784,735	4,288,518
2044-2047	1,749,644	114,097	1,863,741
Totals	\$ 20,734,623	\$ 9,062,220	\$ 29,796,843

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 rates 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
1.53% DWSRF 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	\$ 882,344
1.110% DWSRF loan issued in 2021 to finance improvements to the water treatment plant, \$40,000,000 authorized and \$39,728,660 drawn to date, due in annual installments of \$1,986,433 with a final payment on May 1, 2043	39,728,660
1.11% DWSRF loan issued in 2022 to finance the watermain rehabilitation program- phase II, \$940,311 authorized and \$940,311 drawn to date, due in annual installments of \$47,015.55 with a final payment on May 1, 2043	940,311
	\$ 41,551,315

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
2024	\$ 2,092,271	\$ 274,075	\$ 2,366,346
2025	2,092,271	441,454	2,533,725
2026	2,092,271	417,983	2,510,254
2027	2,092,271	394,512	2,486,783
2028	2,092,271	371,040	2,463,311
2029-2033	10,461,358	1,503,133	11,964,491
2034-2038	10,461,358	916,351	11,377,709
2039-2043	10,167,244	338,569	10,505,813
Totals	\$ 41,551,315	\$ 4,657,117	\$ 46,208,432

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 0% 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 rates 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	\$ 514,876
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	8,956
	\$ 523,832

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
2024	\$ 74,673	\$ -	\$ 74,673
2025	74,673	-	74,673
2026	74,673	-	74,673
2027	74,673	-	74,673
2028	74,673	-	74,673
2029-2031	150,467	-	150,467
Totals	\$ 523,832	\$ -	\$ 523,832

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 \$38,909,876 is currently outstanding. The bonds are payable solely from net revenues and are payable through fiscal year 2047. 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 63% of net revenues, or less than 18% of total revenues. The total principal and interest remaining to be paid on the bonds is \$53,973,774. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,196,762, \$6,840,866, and \$25,187,279, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

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	\$ 4,214,072
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	729,014
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	5,268,103
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	6,576,213
Series 2021A Revenue Bonds with an original issue amount of \$5,171,136, issued to refund the Clean Water State Revolving Fund (CWSRF) Loan #CS370487-06, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2030	4,087,643
Series 2021A Revenue Bonds with an original issue amount of \$4,003,742, issued to refund the CWSRF Loan #CS370487-08, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2032	3,327,741
Series 2021A Revenue Bonds with an original issue amount of \$6,712,369, issued to refund the CWSRF Loan #CS370487-07, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on May 1, 2033	5,680,623
Series 2021A Revenue Bonds with an original issue amount of \$4,023,727, issued to refund the CWSRF Loan #CS370487-11, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2037	3,588,283
Series 2021A Revenue Bonds with an original issue amount of \$1,264,719, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on May 1, 2041	1,078,184
Series 2022 Revenue Bonds with an original issue amount of \$4,360,000, due in annual installments with varying interest rates from 4.0% to 5.0%, final payment will be made on December 1, 2046	4,360,000
	\$ 38,909,876

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
2024	\$ 2,518,503	\$ 1,784,423	\$ 4,302,926
2025	2,704,817	1,655,489	4,360,306
2026	2,803,904	1,519,703	4,323,607
2027	2,636,748	1,378,824	4,015,572
2028	2,725,634	1,246,317	3,971,951
2029-2033	12,745,023	4,190,403	16,935,426
2034-2038	5,573,987	1,963,599	7,537,586
2039-2043	4,414,762	1,106,687	5,521,449
2044-2047	2,786,498	218,453	3,004,951
Totals	\$ 38,909,876	\$ 15,063,898	\$ 53,973,774

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 rates 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
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	\$ 1,298,328
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	1,288,565
	\$ 2,586,893

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
2024	\$ 185,776	\$ 21,390	\$ 207,166
2025	185,776	19,964	205,740
2026	185,776	18,538	204,314
2027	185,776	17,112	202,888
2028	185,776	15,686	201,462
2029-2033	928,878	57,040	985,918
2034-2038	729,135	21,390	750,525
Totals	\$ 2,586,893	\$ 171,120	\$ 2,758,013

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 \$16,336,772 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% of net revenues, or less than 4% of total revenues. The total principal and interest remaining to be paid on the bonds is \$24,784,962. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,164,633, \$5,872,775, and \$47,245,311, respectively. Current outstanding revenue bond issues are all public sales revenue bonds.

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	\$ 9,155,764
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	485,617
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	6,320,454
Series 2021A Revenue Bonds with an original issue amount of \$550,495, issued to refund the 2013 refunding revenue bonds, due in annual installments with an interest rate of 5.0%, final payment will be made on May 1, 2027	374,937
	\$ 16,336,772

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
2024	\$ 488,866	\$ 682,680	\$ 1,171,546
2025	519,317	657,867	1,177,184
2026	552,867	631,498	1,184,365
2027	591,927	603,317	1,195,244
2028	526,063	573,318	1,099,381
2029-2033	3,143,332	2,431,766	5,575,098
2034-2038	3,697,551	1,659,379	5,356,930
2039-2043	4,270,215	1,028,102	5,298,317
2044-2046	2,546,634	180,263	2,726,897
Totals	\$ 16,336,772	\$ 8,448,190	\$ 24,784,962

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, 2023 is as follows:

	2023	
Operating revenues	\$	268,422,839
Operating expenses ¹		(236,151,690)
Operating income		32,271,149
Non-operating revenues (expenses)		
Miscellaneous revenues ²		2,855,975
Interest income ²		1,920,218
Other non-operating expenses		(28)
Income available for debt service	\$	37,047,314
Parity debt service (principal and interest paid)	\$	11,724,654
Parity debt service coverage ratio		316%
Subordinate and other debt service (principal and interest paid)	\$	356,488
Subordinate and other debt service coverage ratio		7103%

¹In accordance with rate covenants, operating expenses excludes depreciation and amortization expense of \$30,558,090; OPEB income of \$1,198,700; and pension expense of \$2,365,853.

²In 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, 2023, the Utilities Commission had arbitrage liabilities totaling \$2,649.

Changes in Long-term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

LONG-TERM LIABILITIES	June 30,2022	Additions	Retirements	June 30,2023	Current Portion
Public sales revenue bonds	\$ 127,200,001	\$ 23,670,000	\$ (5,625,001)	\$ 145,245,000	\$ 5,765,000
Other types of debt	40,558,569	4,422,743	(319,272)	44,662,040	2,352,720
Discounts and premiums	19,421,024	1,892,945	(1,165,491)	20,148,478	-
Leases	355,688	65,288	(156,576)	264,400	138,403
Subscriptions	-	744,441	(197,498)	546,943	192,300
Compensated absences	2,934,878	2,548,643	(2,304,227)	3,179,294	2,305,079
Net OPEB liability	33,798,337	117,725	-	33,916,062	-
Net pension liability (LGERS)	6,356,908	17,346,115	-	23,703,023	-
Total long-term liabilities	\$ 230,625,405	\$ 50,807,900	\$ (9,768,065)	\$ 271,665,240	\$ 10,753,502

Changes in long-term liabilities by fund for the year ended June 30, 2023 are as follows:

ELECTRIC FUND	June 30,2022	Additions	Retirements	June 30,2023	Current Portion
Public sales revenue bonds	\$ 52,782,940	\$ 18,135,000	\$ (1,654,211)	\$ 69,263,729	\$ 1,765,943
Discounts and premiums	6,776,122	1,449,105	(366,847)	7,858,380	-
Leases	67,509	24,440	(32,924)	59,025	34,788
Subscriptions	-	587,641	(154,090)	433,551	149,836
Compensated absences	1,178,449	1,045,249	(936,784)	1,286,914	936,312
Net OPEB liability	13,857,316	48,267	-	13,905,583	-
Net pension liability (LGERS)	2,606,332	7,111,905	-	9,718,237	-
Electric Fund long-term liabilities	\$ 77,268,668	\$ 28,401,607	\$ (3,144,856)	\$ 102,525,419	\$ 2,886,879

WATER FUND	June 30,2022	Additions	Retirements	June 30,2023	Current Portion
Public sales revenue bonds	\$ 20,580,400	\$ 1,175,000	\$ (1,020,777)	\$ 20,734,623	\$ 991,688
Other types of debt	37,785,900	4,422,743	(133,496)	42,075,147	2,166,945
Discounts and premiums	3,550,552	93,662	(182,460)	3,461,754	-
Leases	181,113	18,059	(64,019)	135,153	66,932
Subscriptions	-	40,099	(11,296)	28,803	11,071
Compensated absences	607,281	516,902	(481,835)	642,348	481,900
Net OPEB liability	7,435,635	25,899	-	7,461,534	-
Net pension liability (LGERS)	1,398,519	3,816,146	-	5,214,665	-
Water Fund long-term liabilities	\$ 71,539,400	\$ 10,108,510	\$ (1,893,883)	\$ 79,754,027	\$ 3,718,536

SEWER FUND	June 30,2022	Additions	Retirements	June 30,2023	Current Portion
Public sales revenue bonds	\$ 37,041,255	\$ 4,360,000	\$ (2,491,379)	\$ 38,909,876	\$ 2,518,503
Other types of debt	2,772,669	-	(185,776)	2,586,893	185,775
Discounts and premiums	7,081,356	350,178	(525,940)	6,905,594	-
Leases	75,128	11,637	(45,733)	41,032	21,598
Subscriptions	-	40,099	(11,296)	28,803	11,071
Compensated absences	598,059	506,753	(463,669)	641,143	462,868
Net OPEB liability	7,097,652	24,723	-	7,122,375	-
Net pension liability (LGERS)	1,334,950	3,642,685	-	4,977,635	-
Sewer Fund long-term liabilities	\$ 56,001,069	\$ 8,936,075	\$ (3,723,793)	\$ 61,213,351	\$ 3,199,815

GAS FUND	June 30,2022	Additions	Retirements	June 30,2023	Current Portion
Public sales revenue bonds	\$ 16,795,406	\$ -	\$ (458,634)	\$ 16,336,772	\$ 488,866
Discounts and premiums	2,012,994	-	(90,244)	1,922,750	-
Leases	31,938	11,152	(13,900)	29,190	15,085
Subscriptions	-	76,602	(20,816)	55,786	20,322
Compensated absences	551,089	479,739	(421,939)	608,889	423,999
Net OPEB liability	5,407,734	18,836	-	5,426,570	-
Net pension liability (LGERS)	1,017,107	2,775,379	-	3,792,486	-
Gas Fund long-term liabilities	\$ 25,816,268	\$ 3,361,708	\$ (1,005,533)	\$ 28,172,443	\$ 948,272

C. NET INVESTMENT IN CAPITAL ASSETS

Capital assets	\$ 541,109,162
plus: unexpended bond proceeds	11,563,309
plus: deferred charges on bond refunding	922,642
less: long-term debt, leases, and subscriptions	(210,866,861)
Net investment in capital assets	\$ 342,728,252

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 Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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, 2023, 2022, and 2021 were \$484,480, \$477,400, and \$481,800, respectively. These contributions represent 1.5%, 1.5%, and 1.6%, 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, 2023 consist of the following:

Street lighting reimbursement	\$	87,853
Street repairs		71,783
MWBE program		35,988
Dumpster collection and landfill fees		7,829
Job creation grant contribution		50,000
Total	\$	253,453

Balances due from the City of Greenville at June 30, 2023 on utility accounts totaled \$288,778. 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 2023 consist of the following:

Electric Fund general transfer	\$	4,356,852
Gas Fund general transfer		1,702,516
Electric Fund street lighting reimbursement		1,032,061
Total	\$	7,091,429

The transfers to the City's General Fund of \$7,091,429 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 \$125,000 per claim and carries commercial coverage for claims in excess of \$125,000.

The Utilities Commission and the City of Greenville self-fund a joint medical benefit plan up to \$300,000 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, 2023 and 2022 are as follows:

	2023		2022	
Unpaid claims, beginning	\$	975,912	\$	790,711
Incurred claims		8,797,071		8,714,940
Claim payments		(8,625,135)		(8,529,939)
Unpaid claims, ending	\$	1,147,848	\$	975,712

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, 2023 and 2022 are as follows:

	2023		2022	
Unpaid claims, beginning	\$	47,288	\$	52,289
Incurred claims		448,034		408,399
Claim payments		(437,147)		(413,400)
Unpaid claims, ending	\$	58,175	\$	47,288

The balances of unpaid medical and dental claims are reported with accounts payable and accrued expenses on the Statement of Net Position.

The Utilities Commission carries flood insurance on certain properties considered to be at risk for loss due to flooding. Most of this coverage is underwritten by the National Flood Insurance Program and the coverage on one building is underwritten by Homesite Insurance Company.

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 \$1,000,000.

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 \$341 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, 2023, 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, 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, 2023 was approximately \$19.6 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.

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. A request was approved effective November 1, 2021, to increase the MDQ to 22,000 dekatherms, resulting in an increase to the annual payment of \$369,852. The contract was amended effective May 18, 2022, to allow the Utilities Commission to receive an additional 2,000 dekatherms per day through a distinct annual agreement effective July 1, 2022, between the Utilities Commission and the City of Wilson for a monthly demand charge of \$29,611. 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. The Utilities Commission typically enters into contracts whereby it purchases and fixes a portion of its gas supply in advance. At June 30, 2023, the Utilities Commission had commitments to take delivery on a total of 1,650,000 dekatherms at fixed prices ranging from \$2.645 to \$4.897 per dekatherm and in varying amounts from July 2023 through June 2025. In addition, the Utilities Commission had commitments to take delivery on 2,327,400 additional dekatherms during the period July 2023 through June 2025 for which there is not yet a fixed price.

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% 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 received a price discount of approximately \$0.40 per dekatherm during the initial reset period from November 1, 2018 to October 31, 2023 and paid 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 remarketing election. The 2018 prepay transaction was successfully reset at a projected gross discount of \$0.346 per dekatherm for the period of November 1, 2023 to December 31, 2028. The Utilities Commission will pay a delivery premium or \$0.08 per dekatherm and a fee of \$0.04 per dekatherm to cover the administrative costs of the agreement.

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% 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 remarketing election. In addition, the Utilities Commission may elect to remarket the commodity in the event of a loss of load on its system.

Litigation & Contingencies

During the course of negotiating to sell our property on Mumford Road, subsurface contamination was discovered in the soil and water from tanks that were removed in 1998. The Utilities Commission is working with the North Carolina Department of Environmental Quality and Terracon Consultants to evaluate the extent of the contamination and to identify remedy solutions. A remedial plan has not yet been developed, and costs have not yet been determined. A liability for this responsibility has not been recorded in the financial statements of the Utilities Commission because the amounts cannot be reasonably determined at this time.

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, 2023 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. 99, "Omnibus". The requirements of this Statement are effective as follows:

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, "Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62". The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, "Compensated Absences". The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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

Management has evaluated subsequent events through November 14, 2023, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.



REQUIRED SUPPLEMENTARY INFORMATION



TRANSMISSION STRUCTURE REPLACEMENTS

Transmission lines are key infrastructure to ensure GUC's ability to provide reliable power to our customers. In 2018, Electric Engineering performed a transmission system inspection and found many of GUC's transmission poles were reaching end of life. In FY 2019-20, the Electric department began a capital project to replace wooden transmission poles, that had reached their end of life, with new steel structures. The installment years of the wood pole assets ranged from 1973 to 1990. The scope of this project includes the replacement of approximately 230 transmission poles over a 5-year period. To date, 145 poles have been replaced and 70 additional poles are scheduled to be replaced in the spring of 2024. After completion of the 5-year project, there will be approximately 74 wood transmission poles remaining on the system, which were installed in 1990 and will reach end of life in 2030. Upgrading these poles to steel has significantly increased the strength of our transmission system, providing our customers with more reliable and resilient power.

Greenville Utilities Commission's Proportionate Share of Net Pension Liability (Asset) | Last Ten 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 Percent Age of the Total Pension Liability**
2023	0.42016%	\$ 23,703,023	\$ 33,617,651	70.51%	84.14%
2022	0.41451%	\$ 6,356,908	\$ 32,548,540	19.53%	95.51%
2021	0.43990%	\$ 15,719,500	\$ 31,832,516	49.38%	88.61%
2020	0.44903%	\$ 12,262,658	\$ 30,987,547	39.57%	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%

*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.

Greenville Utilities Commission's Contributions | Last Ten 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
2023	\$ 4,304,672	\$ 4,304,672	\$ -	\$ 35,575,798	12.10%
2022	\$ 3,818,244	\$ 3,818,244	\$ -	\$ 33,617,651	11.36%
2021	\$ 3,303,677	\$ 3,303,677	\$ -	\$ 32,548,540	10.15%
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%

Schedule of Changes in the Net OPEB Liability and Related Ratios | Last Seven Fiscal Years

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability							
Service cost at end of year	\$ 500,325	\$ 484,576	\$ 1,479,356	\$ 1,163,959	\$ 781,098	\$ 1,035,590	\$ 1,146,045
Interest	2,770,751	2,670,691	2,002,347	2,071,547	2,212,486	2,051,825	1,930,674
Differences between expected and actual experience	(1,050,247)	163,939	2,384,719	863,252	(623,845)	518,960	-
Changes of assumptions	844,904	-	(24,518,333)	6,344,926	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	(1,740,270)	(2,034,331)	(1,815,244)	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net change in total OPEB liability	1,325,463	1,284,875	(20,467,155)	8,257,559	11,815,835	(5,132,366)	(2,230,533)
Total OPEB liability—beginning	40,437,581	39,152,706	59,619,861	51,362,302	39,546,467	44,678,833	46,909,366
Total OPEB liability—ending	\$ 41,763,044	\$ 40,437,581	\$ 39,152,706	\$ 59,619,861	\$ 51,362,302	\$ 39,546,467	\$ 44,678,833
Plan fiduciary net position							
Contributions—employer	\$ 2,240,270	\$ 2,534,331	\$ 2,315,244	\$ 2,686,125	\$ 2,531,176	\$ 2,192,179	\$ 1,942,003
Net investment income	707,738	(865,806)	1,247,980	162,374	206,816	237,188	321,437
Benefit payments	(1,740,270)	(2,034,331)	(1,815,244)	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net change in plan fiduciary net position	1,207,738	(365,806)	1,747,980	662,374	706,816	737,188	821,437
Plan fiduciary net position—beginning	6,639,244	7,005,050	5,257,070	4,594,696	3,887,880	3,150,692	2,329,255
Plan fiduciary net position—ending	\$ 7,846,982	\$ 6,639,244	\$ 7,005,050	\$ 5,257,070	\$ 4,594,696	\$ 3,887,880	\$ 3,150,692
Net OPEB liability—ending	\$ 33,916,062	\$ 33,798,337	\$ 32,147,656	\$ 54,362,791	\$ 46,767,606	\$ 35,658,587	\$ 41,528,141
Plan fiduciary net position as a percentage of the total OPEB liability	18.79%	16.42%	17.89%	8.82%	8.95%	9.83%	7.05%
Covered payroll	30,241,075	30,124,132	30,124,132	27,975,147	27,975,147	26,006,154	26,006,154
Utilities Commission's net OPEB liability as a percentage of covered payroll	112.15%	112.20%	106.72%	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.

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
2023	\$ 3,010,121	\$ 2,240,270	\$ 769,851	\$ 30,241,075	7.41%
2022	\$ 3,010,121	\$ 2,534,331	\$ 475,790	\$ 30,124,132	8.41%
2021	\$ 2,690,316	\$ 2,315,244	\$ 375,072	\$ 30,124,132	7.69%
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%

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 period	26 years, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%

Salary increases, including wage inflation:

General Employees	3.25%–8.41%
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	7.00%
Healthcare cost trends	
Pre-Medicare	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030
Medicare	5.25% for 2020 decreasing to an ultimate rate of 4.50% by 2024

Schedule of Investment Returns | Last Ten Fiscal Years

Year Ending June 30	Annual Money-Weighted Rate of Return, Net of Investment Expense
2023	10.66%
2022	(11.63%)
2021	21.92%
2020	3.23%
2019	4.67%
2018	6.47%
2017	10.18%
2016	(0.57%)
2015	4.19%
2014	13.98%



SUPPLEMENTARY INFORMATION



All Operating Funds | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Electric revenues				
Rates and charges	\$ 174,920,151	\$ 169,332,514	\$ (5,587,637)	\$ 175,816,560
Fees and charges	1,665,500	1,881,741	216,241	1,829,968
Miscellaneous	2,031,019	2,887,073	856,054	3,607,390
Interest on investments	680,000	1,235,557	555,557	362,551
FEMA/Insurance reimbursements	-	-	-	70,637
Total electric revenues	179,296,670	175,336,885	(3,959,785)	181,687,106
Water revenues				
Rates and charges	24,802,087	24,649,560	(152,527)	23,775,785
Fees and charges	422,500	482,960	60,460	518,544
Miscellaneous	256,237	869,105	612,868	368,007
Interest on investments	125,000	215,102	90,102	86,237
FEMA/Insurance reimbursements	-	-	-	20,929
Total water revenues	25,605,824	26,216,727	610,903	24,769,502
Sewer revenues				
Rates and charges	24,678,017	24,237,206	(440,811)	24,202,207
Fees and charges	450,225	564,459	114,234	409,118
Miscellaneous	125,998	263,425	137,427	181,063
Interest on investments	110,000	204,009	94,009	68,527
FEMA/Insurance reimbursements	-	-	-	20,929
Total sewer revenues	25,364,240	25,269,099	(95,141)	24,881,844
Gas Revenues				
Rates and charges	47,355,248	46,411,685	(943,563)	40,267,857
Fees and charges	177,000	170,191	(6,809)	177,012
Miscellaneous	225,512	418,410	192,898	278,394
Interest on investments	175,000	366,435	191,435	114,895
FEMA/Insurance reimbursements	-	-	-	18,313
Total gas revenues	47,932,760	47,366,721	(566,039)	40,856,471
Total revenues	278,199,494	274,189,432	(4,010,062)	272,194,923
EXPENDITURES				
Electric Fund				
Operations and maintenance		163,481,716		164,987,382
Capital outlay		13,150,741		9,963,801
Debt service		4,776,459		4,348,201
Total	182,796,670	181,408,916	1,387,754	179,299,384
Water Fund				
Operations and maintenance		19,277,007		15,841,561
Capital outlay		1,130,178		1,350,296
Debt service		2,249,711		2,385,598
Total	22,605,824	22,656,896	(51,072)	19,577,455
Sewer Fund				
Operations and maintenance		18,031,083		16,018,676
Capital outlay		1,958,978		1,557,975
Debt service		4,601,404		4,733,763
Total	24,214,240	24,591,465	(377,225)	22,310,414

All Operating Funds | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
EXPENDITURES CONT.				
Gas Fund				
Operations and maintenance		42,453,342		38,012,708
Capital outlay		1,402,848		1,537,495
Debt service		1,201,345		1,532,576
Total	46,432,760	45,057,535	1,375,225	41,082,779
Total expenditures	276,049,494	273,714,812	2,334,682	262,270,032
Excess of revenues over (under) expenditures	2,150,000	474,620	(1,675,380)	9,924,891
OTHER FINANCING SOURCES (USES)				
Contributed capital	-	5,695,375	5,695,375	17,487,154
Revenue bonds issued	-	375,396	375,396	-
Intra-fund transfers in	4,000,000	6,186,391	2,186,391	275,000
Intra-fund transfers out	(6,150,000)	(5,595,000)	555,000	(8,400,000)
Total other financing sources (uses)	(2,150,000)	6,662,162	8,812,162	9,362,154
Revenues and other financing sources over expenditures	\$ -	\$ 7,136,782	\$ 7,136,782	\$ 19,287,045
Reconciliation to full accrual basis from modified accrual basis				
Reconciling Items				
Budgetary appropriations—capital		\$ 17,642,745		\$ 14,409,567
Budgetary appropriations—debt principal		6,272,800		7,171,615
Depreciation and amortization		(30,558,090)		(27,512,326)
Debt issued		(375,396)		-
Amortization of bond premium and discount		1,165,490		1,089,772
Amortization of deferred loss on refundings		(104,492)		(146,732)
Changes in accrued interest payable		(24,972)		39,341
Changes in arbitrage liability		(2,649)		-
Changes in unrealized gains/losses on investments		(612,193)		(3,534,945)
Intra-fund transfers		(591,391)		8,125,000
Changes in deferred outflows for OPEB		(2,723,606)		(2,260,545)
Changes in net OPEB liability		(117,725)		(1,650,681)
Changes in deferred inflows for OPEB		4,040,031		5,465,716
Changes in deferred outflows for pensions		5,863,817		1,110,087
Changes in net pension liability		(17,346,115)		9,362,592
Changes in deferred inflows for pensions		9,116,445		(9,319,358)
Revenue recognized in Rate Stabilization Funds		636,541		181,394
Revenue recognized in Capital Projects Funds		1,399,786		1,297,293
Revenue recognized in Capital Reserve Funds		1,031,557		889,601
Total reconciling items		(5,287,417)		4,717,391
Changes in net position	\$	1,849,365		\$ 24,004,436

Electric Operating Fund | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating revenues				
Rates and charges	\$ 174,920,151	\$ 169,332,514	\$ (5,587,637)	\$ 175,816,560
Fees and charges	1,665,500	1,881,741	216,241	1,829,968
Miscellaneous	448,000	513,880	65,880	443,634
	177,033,651	171,728,135	(5,305,516)	178,090,162
Non-operating revenues				
Interest on investments	680,000	1,235,557	555,557	362,551
FEMA/Insurance reimbursements	-	-	-	70,637
Miscellaneous	1,583,019	2,373,193	790,174	3,163,756
	2,263,019	3,608,750	1,345,731	3,596,944
Total revenues	179,296,670	175,336,885	(3,959,785)	181,687,106
EXPENDITURES				
Electric Fund				
Operations and maintenance		163,481,716		164,987,382
Capital Outlay		13,150,741		9,963,801
Debt Service		4,776,459		4,348,201
Total expenditures	182,796,670	181,408,916	1,387,754	179,299,384
Excess of revenues over (under) expenditures	(3,500,000)	(6,072,031)	(2,572,031)	2,387,722
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	287,613	287,613	-
Intra-fund transfers in	4,000,000	5,823,323	1,823,323	-
Intra-fund transfers out	(500,000)	-	500,000	(1,150,000)
Total other financing sources (uses)	3,500,000	6,110,936	2,610,936	(1,150,000)
Revenues and other financing sources over expenditures	\$ -	\$ 38,905	\$ 38,905	\$ 1,237,722
Reconciliation to full accrual basis from modified accrual basis				
Reconciling Items				
Budgetary appropriations—capital		\$ 13,150,741		\$ 9,963,801
Budgetary appropriations—debt principal		1,841,226		2,035,039
Depreciation and amortization		(13,227,844)		(12,301,489)
Debt issued		(287,613)		-
Amortization of bond premium and discount		366,846		308,882
Amortization of deferred loss on refundings		(22,682)		(32,935)
Changes in accrued interest payable		(47,582)		18,767
Changes in arbitrage liability		(1,484)		-
Changes in unrealized gains/losses on investments		(315,316)		(1,875,160)
Intra-fund transfers		(5,823,323)		1,150,000
Changes in deferred outflows for OPEB		(1,116,679)		(926,824)
Changes in net OPEB liability		(48,267)		(676,778)
Changes in deferred inflows for OPEB		1,656,413		2,240,943
Changes in deferred outflows for pensions		2,404,163		455,136
Changes in net pension liability		(7,111,905)		3,838,662
Changes in deferred inflows for pensions		3,737,742		(3,820,936)
Revenue recognized in Rate Stabilization Fund		548,589		156,760
Revenue recognized in Capital Projects Fund		262,226		40,189
Total reconciling items		(4,034,749)		574,057
Changes in net position		\$ (3,995,844)		\$ 1,811,779

Electric Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
REVENUES					
Interest on investments	\$ -	\$ 1,585,859	\$ 548,589	\$ 2,134,448	\$ 2,134,448
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)	-	(5,820,000)	(5,820,000)	17,280,000
Total other financing sources (uses)	-	23,100,000	(5,820,000)	17,280,000	17,280,000
Revenues over other financing sources (uses)	\$ -	\$ 24,685,859	\$ (5,271,411)	\$ 19,414,448	\$ 19,414,448

Electric Capital Projects Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
REVENUES					
Interest and misc income	\$ -	\$ 450,193	\$ 262,226	\$ 712,419	\$ 712,419
Total revenues	-	450,193	262,226	712,419	712,419
EXPENDITURES					
FCP10072 New Operations Center Phase 2	28,402,975	27,665,827	-	27,665,827	737,148
FCP10160 New Operations Center—Fleet Maintenance Building*	4,262,500	3,898,293	82,767	3,981,060	281,440
FCP10210 New Operations Center—Building 1	1,100,000	-	-	-	1,100,000
ICP10189 Asset Management Software	1,550,000	-	213,981	213,981	1,336,019
ICP10211 Customer Care & Billing Software Upgrade	3,600,000	-	1,615,248	1,615,248	1,984,752
ECP-134 Sugg Parkway Substation*	3,400,000	3,159,943	98,244	3,258,187	141,813
ECP10168 POD #3 to Simpson Substation Trans. Loop	6,600,000	320,124	32,472	352,596	6,247,404
ECP10174 Electric System Expansion*	891,700	891,691	-	891,691	9
ECP10218 Mt. Pleasant to Wellcome 115 kV Transmission	8,892,000	1,565,525	1,563,919	3,129,444	5,762,556
ECP10219 Peak Shaving Generator(s) Replacement	15,500,000	1,055,500	1,596,675	2,652,175	12,847,825
ECP10220 Transmission Structure Replacement(s)	5,292,000	807,162	1,744,726	2,551,888	2,740,112
ECP10244 Hudson's Crossroads	4,000,000	-	-	-	4,000,000
ECP10248 POD Transformer Replacement	4,250,000	-	-	-	4,250,000
Total expenditures	87,741,175	39,364,065	6,948,031	46,312,096	41,429,079
Excess of revenues over (under) expenditures	(87,741,175)	(38,913,872)	(6,685,805)	(45,599,677)	42,141,498
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	11,242,175	-	-	-	(11,242,175)
Revenue bonds issued	23,815,000	23,706,858	19,296,491	43,003,349	19,188,349
Long-term financing	52,684,000	-	-	-	(52,684,000)
Intra-fund transfers in	-	12,528,844	-	12,528,844	12,528,844
Intra-fund transfers out	-	-	(3,323)	(3,323)	(3,323)
Total other financing sources (uses)	87,741,175	36,235,701	19,293,168	55,528,869	(32,212,306)
Revenues and other financing sources over (under) expenditures	\$ -	\$ (2,678,171)	\$ 12,607,363	\$ 9,929,192	\$ 9,929,192

*Project(s) already closed.

Water Operating Fund | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating revenues				
Rates and charges	\$ 24,802,087	\$ 24,649,560	\$ (152,527)	\$ 23,775,785
Fees and charges	422,500	482,960	60,460	518,544
Miscellaneous	59,600	66,635	7,035	57,902
	25,284,187	25,199,155	(85,032)	24,352,231
Non-operating revenues				
Interest on investments	125,000	215,102	90,102	86,237
FEMA/Insurance reimbursements	-	-	-	20,929
Miscellaneous	196,637	802,470	605,833	310,105
	321,637	1,017,572	695,935	417,271
Total revenues	25,605,824	26,216,727	610,903	24,769,502
EXPENDITURES				
Water Fund				
Operations and maintenance		19,277,007		15,841,561
Capital Outlay		1,130,178		1,350,296
Debt Service		2,249,711		2,385,598
Total	22,605,824	22,656,896	(51,072)	19,577,455
Excess of revenues over (under) expenditures	3,000,000	3,559,831	559,831	5,192,047
OTHER FINANCING SOURCES (USES)				
Capital contributions	-	2,467,315	2,467,315	6,972,565
Revenue bonds issued	-	18,635	18,635	-
Intra-fund transfers in	-	113,464	113,464	-
Intra-fund transfers out	(3,000,000)	(2,860,000)	140,000	(4,900,000)
Total other financing sources (uses)	(3,000,000)	(260,586)	2,739,414	2,072,565
Revenues and other financing sources over expenditures	\$ -	\$ 3,299,245	\$ 3,299,245	\$ 7,264,612
Reconciliation to full accrual basis from modified accrual basis				
Reconciling Items				
Budgetary appropriations—capital		\$ 1,130,178		\$ 1,350,296
Budgetary appropriations—debt principal		1,229,586		1,379,060
Depreciation and amortization		(6,520,256)		(4,793,404)
Debt issued		(18,635)		-
Amortization of bond premium and discount		182,461		178,714
Amortization of deferred loss on refundings		(39,031)		(53,152)
Changes in accrued interest payable		11,200		4,452
Changes in arbitrage liability		(450)		-
Changes in unrealized gains/losses on investments		(94,509)		(503,448)
Intra-fund transfers		2,746,536		4,900,000
Changes in deferred outflows for OPEB		(599,193)		(497,320)
Changes in net OPEB liability		(25,899)		(363,150)
Changes in deferred inflows for OPEB		888,806		1,202,458
Changes in deferred outflows for pensions		1,290,040		244,219
Changes in net pension liability		(3,816,146)		2,059,771
Changes in deferred inflows for pensions		2,005,618		(2,050,259)
Revenue recognized in Capital Projects Fund		320,482		66,567
Revenue recognized in Capital Reserve Fund		476,132		404,399
Total reconciling items		(833,080)		3,529,203
Changes in net position	\$	2,466,165		\$ 10,793,815

Water Capital Projects Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
REVENUES					
Interest and misc income	\$ -	\$ 434,367	\$ 320,482	\$ 754,849	\$ 754,849
Capacity fees	1,920,812	1,920,812	-	1,920,812	-
Total revenues	1,920,812	2,355,179	320,482	2,675,661	754,849
EXPENDITURES					
FCP10072 New Operations Center Phase 2	7,746,266	7,545,182	-	7,545,182	201,084
FCP10160 New Operations Center—Fleet Maintenance Building*	1,162,500	1,063,671	22,073	1,085,744	76,756
FCP10210 New Operations Center—Building 1	300,000	-	-	-	300,000
ICP10189 Asset Management Software	465,000	-	64,194	64,194	400,806
ICP10211 Customer Care & Billing Software Upgrade	225,000	-	100,953	100,953	124,047
WCP-117 WTP Upgrade Phase I	55,000,000	43,242,223	6,998,040	50,240,263	4,759,737
WCP-124 Residual Lagoon Improvements	1,750,000	951,282	272,348	1,223,630	526,370
WCP10030 Water Distribution System Improvements	6,250,000	29,836	50,832	80,668	6,169,332
WCP10032 Water Main Rehabilitation Program Phase II*	1,000,000	719,582	221,138	940,720	59,280
WCP10033 Water Treatment Plant Riverbank Stabilization	1,500,000	25,000	550,890	575,890	924,110
WCP10035 Bethel Water System Improvements	1,367,000	229,484	103,826	333,310	1,033,690
WCP10036 Elm Street Water Main Relocation	575,000	-	-	-	575,000
WCP10037 NCDOT Memorial Drive Bridge Water Main Relocation	300,000	-	-	-	300,000
WCP10038 Rehab of a Portion of the Evans Street Water Main*	250,000	139,675	19,338	159,013	90,987
WCP10039 Water Main Rehab Phase III	6,000,000	-	-	-	6,000,000
WCP10040 WTP Lab Upgrades	1,000,000	-	66,041	66,041	933,959
Total expenditures	84,890,766	53,945,935	8,469,673	62,415,608	22,475,158
Excess of revenues over (under) expenditures	(82,969,954)	(51,590,756)	(8,149,191)	(59,739,947)	23,230,007
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	16,542,954	-	-	-	(16,542,954)
Revenue bonds issued	6,495,000	6,334,138	1,250,027	7,584,165	1,089,165
Federal grants	5,000,000	-	-	-	(5,000,000)
State grants	1,367,000	-	-	-	(1,367,000)
State loans	-	36,246,228	4,422,743	40,668,971	40,668,971
Long-term financing	53,065,000	-	-	-	(53,065,000)
Intra-fund transfers in	500,000	21,288,843	2,860,000	24,148,843	23,648,843
Intra-fund transfers out	-	-	(113,464)	(113,464)	(113,464)
Total other financing sources (uses)	82,969,954	63,869,209	8,419,306	72,288,515	(10,681,439)
Revenues and other financing sources over (under) expenditures	\$ -	\$ 12,278,453	\$ 270,115	\$ 12,548,568	\$ 12,548,568

*Project(s) already closed.

Water Capital Reserve Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
REVENUES					
System development fees	\$ 500,000	\$ 1,475,483	\$ 457,677	\$ 1,933,160	\$ 1,433,160
Interest on investments	-	26,178	18,455	44,633	44,633
Total revenues	500,000	1,501,661	476,132	1,977,793	1,477,793
OTHER FINANCING SOURCES (USES)					
Transfer to Water Capital Projects Fund	(500,000)	-	-	-	500,000
Total other financing sources (uses)	(500,000)	-	-	-	500,000
Revenues over other financing sources (uses)	\$ -	\$ 1,501,661	\$ 476,132	\$ 1,977,793	\$ 1,977,793

Sewer Operating Fund | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating revenues				
Rates and charges	\$ 24,678,017	\$ 24,237,206	\$ (440,811)	\$ 24,202,207
Fees and charges	450,225	564,459	114,234	409,118
Miscellaneous	57,500	70,283	12,783	55,659
	25,185,742	24,871,948	(313,794)	24,666,984
Non-operating revenues				
Interest on investments	110,000	204,009	94,009	68,527
FEMA/Insurance reimbursements	-	-	-	20,929
Miscellaneous	68,498	193,142	124,644	125,404
	178,498	397,151	218,653	214,860
Total revenues	25,364,240	25,269,099	(95,141)	24,881,844
EXPENDITURES				
Sewer Fund				
Operations and maintenance		18,031,083		16,018,676
Capital Outlay		1,958,978		1,557,975
Debt Service		4,601,404		4,733,763
Total expenditures	24,214,240	24,591,465	(377,225)	22,310,414
Excess of revenues over (under) expenditures	1,150,000	677,634	(472,366)	2,571,430
OTHER FINANCING SOURCES (USES)				
Capital contributions	-	3,228,060	3,228,060	10,514,589
Revenue bonds issued	-	69,148	69,148	-
Intra-fund transfers in	-	142,007	142,007	-
Intra-fund transfers out	(1,150,000)	(735,000)	415,000	(2,350,000)
Total other financing sources (uses)	(1,150,000)	2,704,215	3,854,215	8,164,589
Revenues and other financing sources over expenditures	\$ -	\$ 3,381,849	\$ 3,381,849	\$ 10,736,019
Reconciliation to full accrual basis from modified accrual basis				
Reconciling Items				
Budgetary appropriations—capital		\$ 1,958,978		\$ 1,557,975
Budgetary appropriations—debt principal		2,708,638		2,951,229
Depreciation and amortization		(7,890,476)		(7,572,573)
Debt issued		(69,148)		-
Amortization of bond premium and discount		525,940		511,933
Amortization of deferred loss on refundings		(40,338)		(54,509)
Changes in accrued interest payable		5,092		9,154
Changes in arbitrage liability		(371)		-
Changes in unrealized gains/losses on investments		(84,382)		(507,483)
Intra-fund transfers		592,993		2,350,000
Changes in deferred outflows for OPEB		(571,957)		(474,714)
Changes in net OPEB liability		(24,723)		(346,644)
Changes in deferred inflows for OPEB		848,407		1,147,801
Changes in deferred outflows for pensions		1,231,402		233,118
Changes in net pension liability		(3,642,685)		1,966,145
Changes in deferred inflows for pensions		1,914,454		(1,957,066)
Revenue recognized in Capital Projects Fund		692,136		1,136,125
Revenue recognized in Capital Reserve Fund		555,425		485,202
Total reconciling items		(1,290,615)		1,435,693
Changes in net position	\$	2,091,234		\$ 12,171,712

Sewer Capital Projects Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Total To Date	Variance Positive (Negative)
		Prior Years	Current Year			
REVENUES						
Interest and misc income	\$ -	\$ 829,538	\$ 305,506	\$ 1,135,044	\$ 1,135,044	
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	1,750,000	1,478,494	329,000	1,807,494	57,494	
Total revenues	4,964,038	5,522,070	634,506	6,156,576	1,192,538	
EXPENDITURES						
FCP10072 New Operations Center Phase 2	8,654,494	8,453,245	-	8,453,245	201,249	
FCP10160 New Operations Center– Fleet Maintenance Building*	1,162,500	1,064,189	21,555	1,085,744	76,756	
FCP10210 New Operations Center–Building 1	300,000	-	-	-	300,000	
ICP10189 Asset Management Software	465,000	-	64,194	64,194	400,806	
ICP10211 Customer Care & Billing Software Upgrade	225,000	-	100,953	100,953	124,047	
SCP10221 Southeast Sewer Service Area Project	7,000,000	286,736	1,729,515	2,016,251	4,983,749	
SCP10222 Sewer Outfall Rehabilitation Phase 4*	2,480,000	2,083,713	251,548	2,335,261	144,739	
SCP10223 Regional Pump Station Upgrades	1,800,000	1,530,621	229,469	1,760,090	39,910	
SCP10229 Greene Street Pump Station and Force Main	2,200,000	147,514	(147,514)	-	2,200,000	
SCP10230 Forlines Pump Station Expansion	2,450,000	220,172	1,711,820	1,931,992	518,008	
SCP10233 WWTP Headworks Improvements	4,640,660	1,068,148	3,433,172	4,501,320	139,340	
SCP10235 Duplex Pump Station Improvements	500,000	430,261	62,580	492,841	7,159	
SCP10238 WWTP Clarifier Replacement Project	12,600,000	220,222	723,091	943,313	11,656,687	
SCP10241 Bethel Wastewater System Improvements	3,424,000	198,386	36,862	235,248	3,188,752	
SCP10242 Sewer System Impr. for Industry and Commercial	656,000	189,415	-	189,415	466,585	
SCP10243 Elm Street Sewer Pipeline Relocations	550,000	-	-	-	550,000	
SCP10244 Sewer System Extensions Phase I	3,244,000	9,947	55,890	65,837	3,178,163	
SCP10245 Frog Level Pump Station Improvements	1,500,000	-	-	90,908	1,409,092	
Total expenditures	53,851,654	15,902,569	8,273,135	24,266,612	29,585,042	
Excess of revenues over (under) expenditures	(48,887,616)	(10,380,499)	(7,638,629)	(18,110,036)	30,777,580	
OTHER FINANCING SOURCES (USES)						
Appropriated fund balance	16,537,956	-	-	-	(16,537,956)	
Revenue bonds issued	6,495,000	6,664,315	4,641,030	11,305,345	4,810,345	
Federal grants	4,500,000	-	-	-	(4,500,000)	
State grants	3,424,000	23,970	57,630	81,600	(3,342,400)	
Long-term financing	16,730,660	-	-	-	(16,730,660)	
Intra-fund transfers in	1,200,000	16,097,261	735,000	16,832,261	15,632,261	
Intra-fund transfers out	-	-	(142,007)	(142,007)	(142,007)	
Total other financing sources (uses)	48,887,616	22,785,546	5,291,653	28,077,199	(20,810,417)	
Revenues and other financing sources over (under) expenditures	\$ -	\$ 12,405,047	\$ (2,346,976)	\$ 9,967,163	\$ 9,967,163	

*Project(s) already closed.

Sewer Capital Reserve Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Total To Date	Variance Positive (Negative)
		Prior Years	Current Year			
REVENUES						
System development fees	\$ 1,200,000	\$ 1,683,161	\$ 534,204	\$ 2,217,365	\$ 1,017,365	
Interest on investments	-	29,460	21,221	50,681	50,681	
Total revenues	1,200,000	1,712,621	555,425	2,268,046	1,068,046	
OTHER FINANCING SOURCES (USES)						
Transfer to Sewer Capital Projects Fund	(1,200,000)	-	-	-	1,200,000	
Total other financing sources (uses)	(1,200,000)	-	-	-	1,200,000	
Revenues over other financing sources (uses)	\$ -	\$ 1,712,621	\$ 555,425	\$ 2,268,046	\$ 2,268,046	

Gas Operating Fund | Year Ended June 30, 2023 (With Comparative Actual Totals For June 30, 2022)

	2023			2022
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating revenues				
Rates and charges	\$ 47,355,248	\$ 46,411,685	\$ (943,563)	\$ 40,267,857
Fees and charges	177,000	170,191	(6,809)	177,012
Miscellaneous	28,250	41,725	13,475	37,013
	47,560,498	46,623,601	(936,897)	40,481,882
Non-operating revenues				
Interest on investments	175,000	366,435	191,435	114,895
FEMA/Insurance reimbursements	-	-	-	18,313
Miscellaneous	197,262	376,685	179,423	241,381
	372,262	743,120	370,858	374,589
Total revenues	47,932,760	47,366,721	(566,039)	40,856,471
EXPENDITURES				
Gas Fund				
Operations and maintenance		42,453,342		38,012,708
Capital Outlay		1,402,848		1,537,495
Debt Service		1,201,345		1,532,576
Total expenditures	46,432,760	45,057,535	1,375,225	41,082,779
Excess of revenues over (under) expenditures	1,500,000	2,309,186	809,186	(226,308)
OTHER FINANCING SOURCES (USES)				
Intra-fund transfers in	-	107,597	107,597	275,000
Intra-fund transfers out	(1,500,000)	(2,000,000)	(500,000)	-
Total other financing sources (uses)	(1,500,000)	(1,892,403)	(392,403)	275,000
Revenues and other financing sources over expenditures	\$ -	\$ 416,783	\$ 416,783	\$ 48,692
Reconciliation to full accrual basis from modified accrual basis				
Reconciling items				
Budgetary appropriations—capital		\$ 1,402,848		\$ 1,537,495
Budgetary appropriations—debt principal		493,350		806,287
Depreciation and amortization		(2,919,514)		(2,844,860)
Amortization of bond premium and discount		90,243		90,243
Amortization of deferred loss on refundings		(2,441)		(6,136)
Changes in accrued interest payable		6,318		6,968
Changes in arbitrage liability		(344)		-
Changes in unrealized gains/losses on investments		(117,986)		(648,854)
Intra-fund transfers		1,892,403		(275,000)
Changes in deferred outflows for OPEB		(435,777)		(361,687)
Changes in net OPEB liability		(18,836)		(264,109)
Changes in deferred inflows for OPEB		646,405		874,514
Changes in deferred outflows for pensions		938,212		177,614
Changes in net pension liability		(2,775,379)		1,498,014
Changes in deferred inflows for pensions		1,458,631		(1,491,097)
Revenue recognized in Rate Stabilization Fund		87,952		24,634
Revenue recognized in Capital Project Fund		124,942		54,412
Total reconciling items		871,027		(821,562)
Changes in net position		\$ 1,287,810		\$ (772,870)

Gas Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Total To Date	Variance Positive (Negative)
		Prior Years	Current Year			
REVENUES						
Interest on investments	\$ -	\$ 99,188	\$ 87,952	\$	\$ 187,140	\$ 187,140
OTHER FINANCING SOURCES (USES)						
Transfer from Gas Operating Fund	4,295,999	4,295,999	1,000,000		5,295,999	1,000,000
Transfer to Gas Operating Fund	(4,295,999)	(675,000)	-		(675,000)	3,620,999
Total other financing sources (uses)	-	3,620,999	1,000,000		4,620,999	4,620,999
Revenues over other financing sources (uses)	\$ -	\$ 3,720,187	\$ 1,087,952	\$	4,808,139	\$ 4,808,139

Gas Capital Projects Fund | From Inception and for the Year Ended June 30, 2023

	Project Authorization	ACTUAL			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
REVENUES					
Interest and misc income	\$ -	\$ 681,713	\$ 124,942	\$ 806,655	\$ 806,655
Total revenues	-	681,713	124,942	806,655	806,655
EXPENDITURES					
FCP10072 New Operations Center Phase 2	7,746,266	7,545,181	-	7,545,181	201,085
FCP10160 New Operations Center—Fleet Maintenance Building*	1,162,500	1,064,293	21,451	1,085,744	76,756
FCP10210 New Operations Center—Building 1	300,000	-	-	-	300,000
ICP10189 Asset Management Software	620,000	-	85,592	85,592	534,408
ICP10211 Customer Care & Billing Software Upgrade	450,000	-	201,906	201,906	248,094
GCP-92 LNG Liquefaction Additions	15,000,000	479,700	623,065	1,102,765	13,897,235
GCP10099 High-Pressure Multiple Gas Facilities Relocation	5,200,000	135,736	895,910	1,031,646	4,168,354
GCP10101 Firetower Road Widening	1,300,000	-	-	-	1,300,000
GCP10104 Memorial Drive Bridge Replacement*	2,000,000	1,982,165	2,570	1,984,735	15,265
GCP10108 Allen Road Widening (NCDOT U05875)	1,000,000	-	-	-	1,000,000
GCP10109 Integrity Management Replacement Project*	1,750,000	1,474,730	274,888	1,749,618	382
GCP10112 VOA Road Loop*	1,200,000	174,166	464,714	638,880	561,120
GCP10113 Evans Street Widening (NCDOT U-2817)	136,000	-	-	-	136,000
GCP10114 14th Street Widening (NCDOT U-5917)	100,000	-	-	-	100,000
Total expenditures	37,964,766	12,855,971	2,570,096	15,426,067	22,538,699
Excess of revenues over (under) expenditures	(37,964,766)	(12,174,258)	(2,445,154)	(14,619,412)	23,345,354
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	11,563,766	-	-	-	(11,563,766)
Revenue bonds issued	6,495,000	6,575,744	-	6,575,744	80,744
Long-term financing	19,906,000	-	-	-	(19,906,000)
Intra-fund transfers in	-	12,127,080	1,000,000	13,127,080	13,127,080
Intra-fund transfers out	-	-	(107,597)	(107,597)	(107,597)
Total other financing sources (uses)	37,964,766	18,702,824	892,403	19,595,227	(18,369,539)
Revenues and other financing sources over (under) expenditures	\$ -	\$ 6,528,566	\$ (1,552,751)	\$ 4,975,815	\$ 4,975,815

*Project(s) already closed.

Custodial Funds | June 30, 2023

	Refuse Fund	Stormwater Fund	Total
Assets			
Cash and cash equivalents	\$ 695,928	\$ 721,438	\$ 1,417,366
Accounts receivable, net	558,081	487,192	1,045,273
Total assets	1,254,009	1,208,630	2,462,639
Liabilities			
Accounts payable	695,928	721,438	1,417,366
Total liabilities	695,928	721,438	1,417,366
Net position			
Restricted for the City of Greenville	558,081	487,192	1,045,273
Total net position	\$ 558,081	\$ 487,192	\$ 1,045,273

Custodial Funds | For the Year Ended June 30, 2023

	Refuse Fund	Stormwater Fund	Total
Additions			
Refuse fees collected for the City of Greenville	\$ 8,490,648	\$ -	\$ 8,490,648
Stormwater fees collected for the City of Greenville	-	8,703,194	8,703,194
Total additions	8,490,648	8,703,194	17,193,842
Deductions			
Refuse fees distributed to the City of Greenville	8,464,519	-	8,464,519
Stormwater fees distributed to the City of Greenville	-	8,613,279	8,613,279
Total deductions	8,464,519	8,613,279	17,077,798
Change in net position	26,129	89,915	116,044
Net position, beginning of year	531,952	397,277	929,229
Net position, end of year	\$ 558,081	\$ 487,192	\$ 1,045,273

Schedule of 2023-2024 Projected Transfer to the City of Greenville General Fund

	Electric Fund	Gas Fund	Total
General transfer			
Capital assets, net of depreciation	\$ 149,703,293	\$ 51,661,424	\$ 201,364,718
Less long-term debt	61,616,569	19,671,692	81,288,261
Net transfer base	88,086,724	31,989,732	120,076,457
Transfer rate	6.00%	6.00%	6.00%
Projected general transfer to City of Greenville	5,285,203	1,919,384	7,204,587
Street lighting reimbursement			
Street lighting projected revenue	1,959,888	-	1,959,888
Transfer Rate	50%	-	50%
Projected street lighting reimbursement	979,944	-	979,944
Total projected transfer to City of Greenville General Fund	\$ 6,265,147	\$ 1,919,384	\$ 8,184,531

Schedule of Indebtedness | June 30, 2023

	Original Issue Amount	Date of Issue	Date of Maturity	Outstanding June 30, 2022	Added During Year	Retired During Year Principal	Retired During Year Interest	Outstanding June 30, 2023	Discount/Premium	Long-Term Debt Total	Maturing Next Year Principal	Maturing Next Year Interest	Accrued Interest 2023
Electric Fund:													
2016 Rev Bonds New Money	22,679,530	6/14/2016	4/1/2046	20,746,697	-	494,578	848,940	20,252,119	2,088,665	22,340,784	520,160	824,211	206,053
2016 Rev Bonds Refund 2005	1,369,152	6/14/2016	4/1/2026	612,858	-	141,805	30,643	471,053	176,567	647,620	148,325	23,553	5,888
2016 Rev Bonds Refund 2008A	3,470,208	6/14/2016	4/1/2034	2,822,461	-	177,337	141,123	2,645,124	606,729	3,251,853	186,671	132,256	33,064
2019 Rev Bonds	27,092,783	6/6/2019	8/1/2044	26,674,985	-	473,504	1,132,273	26,201,481	3,354,563	29,556,044	537,566	1,106,997	466,848
2021 Rev Bonds Refund 2013	2,288,901	5/20/2021	5/1/2027	1,925,939	-	366,987	96,297	1,558,952	240,716	1,799,668	373,221	77,948	12,991
2022 Rev Bonds	18,135,000	12/15/2022	12/1/2046	-	18,135,000	-	391,077	18,135,000	1,391,140	19,526,140	-	848,119	70,677
	75,035,574			52,782,940	18,135,000	1,654,211	2,640,353	69,263,729	7,858,380	77,122,109	1,765,943	3,013,084	795,521
Water Fund:													
2016 Rev Bonds New Money	2,243,132	6/14/2016	4/1/2046	2,051,964	-	48,917	83,965	2,003,047	206,581	2,209,628	51,447	81,519	20,380
2016 Rev Bonds Refund 2005	711,915	6/14/2016	4/1/2026	318,667	-	73,734	15,933	244,933	91,809	336,742	77,124	12,247	3,062
2016 Rev Bonds Refund 2008A	7,571,332	6/14/2016	4/1/2034	6,158,072	-	386,916	307,904	5,771,156	1,323,768	7,094,924	407,280	288,558	72,139
2019 Rev Bonds	8,206,842	6/6/2019	8/1/2044	8,080,284	-	143,432	342,984	7,936,852	1,016,151	8,953,003	162,837	335,327	141,416
2021 Rev Bonds Refund DWSRF Loan 4A	1,433,496	5/20/2021	5/1/2030	1,284,745	-	148,198	64,237	1,136,547	236,277	1,372,824	151,397	56,827	9,471
2021 Rev Bonds Refund DWSRF Loan 4B	25,175	5/20/2021	5/1/2030	22,562	-	2,603	1,128	19,959	4,150	24,109	2,659	998	166
2021 Rev Bonds Refund DWSRF Loan 7	226,450	5/20/2021	5/1/2033	208,864	-	17,314	10,030	191,550	44,078	235,628	17,605	9,165	1,527
2021 Rev Bonds Refund DWSRF Loan 9	101,271	5/20/2021	5/1/2030	90,617	-	10,583	4,531	80,034	16,627	96,661	10,775	4,002	667
2021 Rev Bonds Refund DWSRF Loan 12	634,249	5/20/2021	5/1/2033	586,539	-	47,187	28,139	539,352	124,250	663,602	48,248	25,779	4,297
2021 Rev Bonds Retire Bethel Debt	1,919,268	5/20/2021	5/1/2041	1,778,086	-	141,893	69,668	1,636,193	308,148	1,944,341	62,316	62,573	10,429
2022 Rev Bonds	1,175,000	12/15/2022	12/1/2046	-	1,175,000	-	25,329	1,175,000	89,915	1,264,915	-	54,931	4,578
DWSRF Loan #15	1,176,457	10/29/2018	5/1/2038	941,166	-	58,822	14,400	882,344	-	882,344	58,823	13,500	2,250
DWSRF Loan #17	15,560,203	10/5/2023	5/1/2043	36,246,228	3,482,432	-	-	39,728,660	-	39,728,660	1,986,432	252,511	-
DWSRF Loan #18	940,311	8/7/2023	5/1/2043	-	940,311	-	-	940,311	-	940,311	47,016	8,064	-
DWSRF Loan #6 (ARRA)	2,942,152	5/1/2011	5/1/2030	588,430	-	73,554	-	514,876	-	514,876	73,554	-	-
DWSRF Loan #8 (ARRA)	44,782	1/28/2011	5/1/2031	10,076	-	1,120	-	8,956	-	8,956	1,120	-	-
	44,912,036			58,366,300	5,597,743	1,154,273	968,248	62,809,770	3,461,754	66,271,524	3,158,633	1,206,001	270,382

Schedule of Indebtedness | June 30, 2023

	Original Issue Amount	Date of Issue	Date of Maturity	Outstanding June 30, 2021	Added During Year	Retired During Year	Outstanding June 30, 2022	Discount/Premium	Long-Term Debt Total	Maturing Next Year	Accrued Interest 2022	
						Principal	Interest			Principal	Interest	
Sewer Fund:												
2016 Rev Bonds New Money	4,719,168	6/14/2016	4/1/2046	4,316,984	-	102,912	176,648	434,610	4,648,682	108,235	171,502	42,876
2016 Rev Bonds Refund 2005	2,118,933	6/14/2016	4/1/2026	948,475	-	219,461	47,424	273,259	1,002,273	229,551	36,451	9,113
2016 Rev Bonds Refund 2008A	6,911,365	6/14/2016	4/1/2034	5,621,293	-	353,190	281,065	1,208,379	6,476,482	371,779	263,405	65,851
2019 Rev Bonds	6,799,917	6/6/2019	8/1/2044	6,695,056	-	118,843	284,185	841,949	7,418,162	134,922	277,841	117,173
2021 Rev Bonds Refund CWSRF Loan 5	5,171,136	5/20/2021	5/1/2030	4,627,622	-	539,979	231,381	849,259	4,936,902	549,913	204,382	34,064
2021 Rev Bonds Refund CWSRF Loan 10	4,003,742	5/20/2021	5/1/2032	3,663,626	-	335,885	179,171	758,484	4,086,225	341,797	162,376	27,063
2021 Rev Bonds Refund CWSRF Loan 11	6,712,369	5/20/2021	5/1/2033	6,192,580	-	511,957	297,364	1,307,320	6,987,943	520,800	271,766	45,294
2021 Rev Bonds Refund CWSRF Loan 14	4,023,727	5/20/2021	5/1/2037	3,803,933	-	215,650	162,237	719,397	4,307,680	220,443	151,454	25,242
2021 Rev Bonds Retire Bethel/Debt	1,264,719	5/20/2021	5/1/2041	1,171,686	-	93,502	45,908	176,766	1,254,950	41,063	41,233	6,872
2022 Rev Bonds	4,360,000	12/15/2022	12/1/2046	-	4,360,000	-	94,072	336,171	4,696,171	-	204,013	17,001
CWSRF Loan #13	1,997,429	7/30/2016	5/1/2036	1,398,200	-	99,872	-	-	1,298,328	99,871	-	-
CWSRF Loan #16	1,718,086	3/8/2018	5/1/2038	1,374,469	-	85,904	22,816	-	1,288,565	85,904	21,390	3,565
	49,800,591			39,813,924	4,360,000	2,677,155	1,822,271	6,905,594	48,402,363	2,704,278	1,805,813	394,114
Gas Fund:												
2016 Rev Bonds New Money	10,253,170	6/14/2016	4/1/2046	9,379,357	-	223,593	383,797	944,263	10,100,027	235,159	372,617	93,154
2016 Rev Bonds Refund 2008A	637,094	6/14/2016	4/1/2034	518,174	-	32,557	25,909	111,389	597,006	34,271	24,281	6,070
2019 Rev Bonds	6,535,458	6/6/2019	8/1/2044	6,434,675	-	114,221	273,133	809,204	7,129,658	129,674	267,035	112,615
2021 Rev Bonds Refund 2013	550,495	5/20/2021	5/1/2027	463,200	-	88,263	23,160	57,894	432,831	89,762	18,747	3,124
	17,976,217			16,795,406	-	458,634	705,999	1,922,750	18,259,522	488,866	682,680	214,963
Total All Funds	\$187,724,419			\$167,758,570	\$28,092,743	\$ 5,944,273	\$ 6,136,871	\$ 20,148,478	\$ 210,055,518	\$ 8,117,720	\$ 6,707,578	\$1,674,980

Schedule of Expenditures of Federal and State Awards |

For the Fiscal Year Ended June 30, 2023

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing 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	4487COVID	196,046	-	-	7,733	203,779
Total passed through the NC Department of Public Safety			196,046	-	-	7,733	203,779
Total U.S. Department of Homeland Security			196,046	-	-	7,733	203,779
U.S. Economic Development Agency							
Passed through the U.S. Department of Commerce							
Economic Adjustment Program	11.307	04-79-07470	565,988	-	-	377,325	943,313
Total passed through U.S. Department of Commerce			565,988	-	-	377,325	943,313
Total U.S. Economic Development Agency			565,988	-	-	377,325	943,313
American Rescue Plan Act of 2021							
Passed through the N.C. Department of Environmental Quality							
Division of Water Infrastructure							
ARPA Pre-construction Planning Grant	21.027	SRP-D-ARP-0133	66,041	-	-	-	66,041
Total passed through the N.C. Department of Environmental Quality			66,041	-	-	-	66,041
Total American Rescue Plan Act of 2021			66,041	-	-	-	66,041
Noncash Programs:							
U.S. Environmental Protection Agency							
Passed through the N.C. Department of Environmental Quality							
Public Water Supply Division							
Drinking Water State Revolving Fund	66.468	WIF1985	333,310	-	-	-	333,310
Total passed through the NC Department of Environmental Quality			333,310	-	-	-	333,310
Total U.S. Environmental Protection Agency			333,310	-	-	-	333,310
Total Federal Assistance			\$ 1,161,385	\$ -	\$ -	\$ 385,058	\$ 1,546,443

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	State/Pass-through Grantor's Number	Federal (Direct & Pass-through Expenditures)	State Expenditures	Pass-through to Subrecipients	Local Expenditures	Total
State Grants:							
Cash Assistance:							
N.C. Department of Environmental Quality							
Division of Water Infrastructure							
Wastewater State Reserve Project Fund		E-SRP-W-20-0177	-	235,248	-	-	235,248
Total N.C. Department of Environmental Quality			-	235,248	-	-	235,248
Total State Grants			\$ -	\$ 235,248	\$ -	\$ -	\$ 235,248
Total Federal and State Assistance			\$ 1,161,385	\$ 235,248	\$ -	\$ 385,058	\$ 1,781,691

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.

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STATISTICAL SECTION



**GREENVILLE UTILITIES COMMISSION
OF THE CITY OF GREENVILLE, NORTH CAROLINA
Statistical Section
(Unaudited)**

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.

Sources: Unless otherwise noted, the information contained in these schedules is derived from the audited financial statements for the relevant year and the historical files and records of the Utilities Commission.

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

FISCAL YEAR	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Enterprise Fund activities										
Net investment in capital assets	\$ 253,843	\$ 272,213	\$ 264,725	\$ 266,668	\$ 277,995	\$ 282,968	\$ 293,506	\$ 305,356	\$ 335,420	\$ 343,275
Unrestricted	77,924	69,458	101,797	112,258	97,101	111,488	115,425	112,171	106,111	100,105
Total Enterprise Fund activities net position	\$ 331,767	\$ 341,671	\$ 366,522	\$ 378,926	\$ 375,096	\$ 394,456	\$ 408,931	\$ 417,527	\$ 441,531	\$ 443,380

TABLE 2: Changes in Net Position | Last Ten Fiscal Years (amounts expressed in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating revenues										
Charges for services	\$ 269,776	\$ 270,859	\$ 246,112	\$ 245,486	\$ 254,569	\$ 259,045	\$ 248,350	\$ 254,250	\$ 266,997	\$ 267,730
Other operating revenues	996	1,128	1,096	519	923	1,037	824	2,808	594	693
Total operating revenues	270,772	271,987	247,208	246,006	255,492	260,081	249,173	257,057	267,591	268,423
Operating expenses										
Administration and general	17,493	17,711	19,226	22,322	21,710	24,985	29,245	26,113	24,073	29,296
Operations and maintenance	33,915	35,032	35,827	39,474	39,467	41,344	41,442	49,961	47,921	56,620
Purchased power and gas	188,110	180,031	140,033	145,675	149,657	148,465	141,309	139,441	152,775	151,403
Depreciation	18,181	18,140	18,662	20,999	21,404	22,204	23,072	26,198	27,512	30,558
Total operating expenses	257,700	250,914	213,746	228,471	232,239	236,998	235,068	241,713	252,282	267,877
Operating income (loss)	13,072	21,072	33,462	17,535	23,253	23,083	14,105	15,345	15,309	546
Non-operating revenues (expenses)										
Interest income	208	284	330	528	1,159	3,559	4,016	474	1,043	3,710
Interest expense and service charges	(3,574)	(3,683)	(4,154)	(3,358)	(4,153)	(4,883)	(5,272)	(6,398)	(4,846)	(5,523)
Other, net	1,761	1,444	2,572	4,230	3,115	2,492	2,753	3,549	657	4,125
Net non-operating revenues (expenses)	(1,604)	(1,955)	(1,252)	1,399	122	1,168	1,497	(2,375)	(3,146)	2,313
Income before contributions and transfers	11,468	19,117	32,210	18,934	23,376	24,250	15,602	12,970	12,163	2,859
Contributions and transfers										
Capital Contributions	568	602	-	135	1,214	1,828	5,528	2,126	18,571	6,082
Transfer to City of Greenville, General Fund	(5,360)	(5,748)	(6,592)	(5,900)	(5,853)	(5,909)	(5,770)	(5,542)	(5,691)	(6,059)
Transfer to City of Greenville, street lighting reimb.	(721)	(757)	(766)	(765)	(748)	(809)	(885)	(958)	(1,039)	(1,032)
Total contributions and transfers	(5,513)	(5,903)	(7,358)	(6,530)	(5,387)	(4,890)	(1,126)	(4,374)	11,842	(1,009)
Changes in net position	\$ 5,955	\$ 13,214	\$ 24,851	\$ 12,404	\$ 17,989	\$ 19,360	\$ 14,475	\$ 8,596	\$ 24,004	\$ 1,849

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
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
2021	171,600,161	1,779,019	2,453,795	22,845,024	470,134	81,265
2022	175,816,560	1,829,968	443,634	23,775,785	518,544	57,902
2023	169,332,514	1,881,741	513,880	24,649,560	482,960	66,635

Fiscal Year	SEWER FUND			GAS FUND		
	Rates & Charges	Fees & Charges	Other Operating Revenue	Rates & Charges	Fees & Charges	Other Operating Revenue
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
2021	23,818,227	501,385	200,140	33,040,070	195,481	72,504
2022	24,202,207	409,118	55,659	40,267,857	177,012	37,013
2023	24,237,206	564,459	70,283	46,411,685	170,191	41,725

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
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
2021	787,045,135	141,070,138	292,420,840	505,502,880	17,137,625	-	1,743,176,618	\$ 0.09844
2022	781,928,683	144,759,433	294,761,332	522,267,192	16,761,028	-	1,760,477,668	\$ 0.09987
2023	747,124,304	145,442,236	286,259,001	523,437,600	16,280,372	-	1,718,543,513	\$ 0.09853

¹Due 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 Kgallons¹ Sold | Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Industrial	Irrigation	Wholesale	Total	Effective Rate (per kgallon) ²
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
2021	2,213,598	857,439	368,061	116,456	649,962	4,205,516	\$ 5.43216
2022	2,225,077	936,507	411,275	122,153	603,238	4,298,250	\$ 5.53150
2023	2,257,303	963,196	415,217	122,801	636,762	4,395,279	\$ 5.60819

¹One Kgallon equals one thousand gallons.

²Due 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 Kgallons¹ Collected |

Last Ten Fiscal Years

Fiscal Year	Residential	Commercial & Industrial	Wholesale	Total	Effective Rate (per kgallon) ²
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
2021	1,808,623	1,029,206	133,770	2,971,598	\$ 8.01529
2022	1,816,244	1,136,618	30,380	2,983,242	\$ 8.11272
2023	1,829,180	1,141,001	9,663	2,979,844	\$ 8.13372

¹One Kgallon equals one thousand gallons.

²Due 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 CCFs¹ Sold | Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Industrial	Interruptible	Seasonal	Total	Effective Rate (per CCF) ²
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
2021	8,621,566	6,267,623	2,954,202	15,769,310	123,259	33,735,961	\$ 0.97937
2022	8,075,676	6,409,363	3,012,888	16,135,445	141,496	33,774,868	\$ 1.19224
2023	7,297,030	6,205,174	2,894,850	15,803,805	254,684	32,455,543	\$ 1.43001

¹One ccf equals one hundred cubic feet.

²Due 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Effective Rate (per kWh)	\$ 0.11819	\$ 0.11511	\$ 0.10549	\$ 0.10089	\$ 0.09815	\$ 0.09781	\$ 0.09811	\$ 0.09844	\$ 0.09987	\$ 0.09853
Residential										
Base facilities charge (per month)	\$ 10.99	\$ 10.99	\$ 13.00	\$ 15.00	\$ 17.00	\$ 19.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
Energy (per kWh) Summer	\$ 0.12600	\$ 0.12600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Winter	\$ 0.11514	\$ 0.11514	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all kWh	n/a	n/a	\$ 0.11086	\$ 0.10014	\$ 0.09814	\$ 0.09614	\$ 0.09414	\$ 0.09414	\$ 0.09414	\$ 0.09414
Residential Time of Use with Demand Net Metering for Solar Energy Facilities										
Base facilities charge (per month)	n/a	n/a	\$ 19.47	\$ 21.47	\$ 23.47	\$ 25.47	\$ 27.47	\$ 27.47	\$ 27.47	\$ 27.47
Demand (per kW) all kW	n/a	n/a	\$ 7.94	\$ 6.82	\$ 6.55	\$ 6.11	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Energy (per kWh) all on-peak kWh	n/a	n/a	\$ 0.13668	\$ 0.12829	\$ 0.12829	\$ 0.14026	\$ 0.14228	\$ 0.14228	\$ 0.14228	\$ 0.14228
all off-peak kWh	n/a	n/a	\$ 0.04393	\$ 0.03873	\$ 0.03873	\$ 0.03474	\$ 0.03569	\$ 0.03569	\$ 0.03569	\$ 0.03569
Small General Service										
Base facilities charge (per month)	\$ 15.76	\$ 15.76	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 24.00	\$ 24.00
Energy (per kWh) a. first 1,000 kWh	\$ 0.13177	\$ 0.13177	\$ 0.11938	\$ 0.11066	\$ 0.11066	\$ 0.11066	\$ 0.11066	\$ 0.11066	\$ 0.11066	\$ 0.11066
b. next 5,000 kWh	\$ 0.12558	\$ 0.12558	\$ 0.11319	\$ 0.10447	\$ 0.10447	\$ 0.10447	\$ 0.10447	\$ 0.10447	\$ 0.10447	\$ 0.10447
c. all additional kWh	\$ 0.10696	\$ 0.10696	\$ 0.09457	\$ 0.08585	\$ 0.08585	\$ 0.08585	\$ 0.08585	\$ 0.08585	\$ 0.08969	\$ 0.09314
Medium General Service										
Base facilities charge (per month)	\$ 16.30	\$ 16.30	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 57.00	\$ 62.00
Demand (per kW) a. first 25 kW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. first 35 kW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. all additional kW over 25 kW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4.17
d. all additional kW over 35 kW	\$ 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	\$ 0.10464	\$ 0.09592	\$ 0.09592	\$ 0.09592	\$ 0.09592	\$ 0.09592	\$ 0.08705	\$ 0.08705
b. all additional kWh	\$ 0.09233	\$ 0.09233	\$ 0.08900	\$ 0.08028	\$ 0.08028	\$ 0.08028	\$ 0.08028	\$ 0.08028	\$ 0.08028	\$ 0.08028
Medium General Service-CP										
Base facilities charge (per month)	n/a	n/a	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 70.00	\$ 70.00
Demand (per kW) a. all coincident peak	n/a	n/a	\$ 14.95	\$ 14.57	\$ 17.00	\$ 17.40	\$ 18.14	\$ 18.13	\$ 16.97	\$ 16.45
b. allocated non-coincident peak	n/a	n/a	\$ 16.75	\$ 15.61	\$ 15.61	\$ 15.61	\$ 15.61	\$ 15.61	\$ 12.77	\$ 12.77
c. excess non-coincident peak	n/a	n/a	\$ 5.38	\$ 5.38	\$ 5.38	\$ 5.38	\$ 5.38	\$ 5.38	\$ 6.77	\$ 6.77
d. all rKVA	n/a	n/a	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Energy (per kWh) all kWh per month	n/a	n/a	\$ 0.04224	\$ 0.03677	\$ 0.03027	\$ 0.03071	\$ 0.02815	\$ 0.02827	\$ 0.03105	\$ 0.03244
Large General Service										
Base facilities charge (per month)	n/a	n/a	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 170.00	\$ 185.00
Demand (per kW) a. all coincident peak	\$ 12.71	\$ 12.71	\$ 19.53	\$ 19.03	\$ 22.20	\$ 22.73	\$ 23.69	\$ 23.68	\$ 22.16	\$ 21.48
b. allocated non-coincident peak	\$ 17.42	\$ 17.42	\$ 15.19	\$ 13.13	\$ 13.13	\$ 13.13	\$ 13.13	\$ 13.13	\$ 13.13	\$ 12.10
c. excess non-coincident peak	\$ 4.98	\$ 4.98	\$ 6.82	\$ 6.82	\$ 6.82	\$ 6.82	\$ 6.82	\$ 6.82	\$ 7.50	\$ 7.88
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	\$ 0.03522	\$ 0.03066	\$ 0.02524	\$ 0.02560	\$ 0.02347	\$ 0.02357	\$ 0.02589	\$ 0.02705
Transmission Rate-CP (E-INDTRN)										
Base facilities charge (per month)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3,125.00	\$ 3,125.00
Demand (per kW) a. all coincident peak	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 22.04	\$ 21.36
b. all non-coincident peak	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.14	\$ 3.14
c. all rKVA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.25	\$ 0.25
Energy (per kWh) all kWh per month	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.02574	\$ 0.02689

TABLE 8: Direct Electric Rates | As of June 30 for the Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Seasonal General Service										
Base facilities charge (per month)	\$ 18.14	\$ 18.14	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy (per kWh)										
Summer										
a. first 750 kWh	\$ 0.14306	\$ 0.14306	n/a	n/a	n/a	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	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
c. all additional kWh	\$ 0.10647	\$ 0.10647	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Winter										
a. first 750 kWh	\$ 0.12235	\$ 0.12235	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
b. all additional kWh	\$ 0.09382	\$ 0.09382	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Public Communications Network Device Service										
Base facilities charge (per month)	\$ 1.58	\$ 1.58	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10
Energy (per month)										
Wireless IP network device	n/a	n/a	\$ 0.60	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56
Public safety cameras	n/a	n/a	\$ 1.20	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11
CAD 12 ONU installations	\$ 1.45	\$ 1.45	\$ 1.32	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22
MLU 48 ONU installations	\$ 5.79	\$ 5.79	\$ 5.26	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87
Bilateral Metering for Solar Energy Facilities										
Base facilities charge (per month)										
Residential	\$ 6.48	\$ 6.48	\$ 7.67	\$ 8.85	\$ 10.03	\$ 11.21	\$ 12.39	\$ 12.39	\$ 12.39	\$ 12.39
Small General Service	\$ 10.44	\$ 10.44	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86	\$ 13.86
Medium General Service	\$ 10.88	\$ 10.88	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00
Energy credit (per kWh)	\$ 0.07000	\$ 0.07000	\$ 0.07000	\$ 0.06163	\$ 0.06257	\$ 0.06257	\$ 0.06446	\$ 0.05755	\$ 0.06399	\$ 0.06401
Outdoor Lighting Service (rate per unit per month)										
General Customers										
175W (7,000 lumens) MV	\$ 12.85	\$ 12.85	\$ 12.57	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37	\$ 14.87	\$ 15.55
250W (11,000 lumens) MV	\$ 16.47	\$ 16.47	\$ 16.06	\$ 15.78	\$ 15.78	\$ 15.78	\$ 15.78	\$ 15.78	\$ 15.78	\$ 15.78
400W (20,000 lumens) MV	\$ 22.77	\$ 22.77	\$ 22.16	\$ 21.73	\$ 21.73	\$ 21.73	\$ 21.73	\$ 21.73	\$ 21.73	\$ 21.73
100W (8,500 lumens) HPS	\$ 12.85	\$ 12.85	\$ 12.57	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37	\$ 12.37	\$ 15.55
150W (14,000 lumens) HPS	\$ 15.92	\$ 15.92	\$ 15.64	\$ 15.44	\$ 15.44	\$ 15.44	\$ 15.44	\$ 15.44	\$ 15.44	\$ 16.06
250W (23,000 lumens) HPS	\$ 21.24	\$ 21.24	\$ 20.81	\$ 20.51	\$ 20.51	\$ 20.51	\$ 20.51	\$ 20.51	\$ 20.51	\$ 20.51
400W (45,000 lumens) HPS	\$ 32.21	\$ 32.21	\$ 31.56	\$ 31.10	\$ 31.10	\$ 31.10	\$ 31.10	\$ 31.10	\$ 31.10	\$ 32.14
400W-F (45,000 lumens) HPS	\$ 33.29	\$ 33.29	\$ 32.64	\$ 32.18	\$ 32.18	\$ 32.18	\$ 32.18	\$ 32.18	\$ 32.18	\$ 33.79
400W (40,000 lumens) MH	\$ 34.84	\$ 34.84	\$ 34.19	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.21
400W-F (40,000 lumens) MH	\$ 34.84	\$ 34.84	\$ 34.19	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.73	\$ 33.21
70W (4,500 lumens) LED	n/a	n/a	n/a	\$ 25.64	\$ 25.64	n/a	n/a	n/a	n/a	\$ 25.64
50W (5,000 lumens) LED	\$ 20.18	\$ 20.18	\$ 20.09	\$ 18.75	\$ 18.75	\$ 18.75	\$ 18.75	\$ 18.75	\$ 18.75	\$ 17.75
100W (8,000 lumens) LED	n/a	n/a	n/a	n/a	n/a	\$ 25.64	\$ 25.64	\$ 25.64	\$ 25.64	\$ 25.64
110W (8,000 lumens) LED	\$ 21.74	\$ 21.74	\$ 21.61	\$ 21.48	\$ 21.48	\$ 21.48	\$ 21.48	\$ 21.48	\$ 21.48	\$ 18.89
150W (13,500 lumens) LED	\$ 26.67	\$ 26.67	\$ 26.37	\$ 23.61	\$ 23.61	\$ 23.61	\$ 23.61	\$ 23.61	\$ 23.61	\$ 21.96
210W (24,000 lumens) LED	n/a	n/a	n/a	\$ 33.21	\$ 33.21	\$ 33.21	\$ 33.21	\$ 33.21	\$ 33.21	\$ 33.21
280W-F (25,000 lumens) LED	\$ 39.55	\$ 39.55	\$ 39.14	\$ 38.04	\$ 38.04	\$ 38.04	\$ 38.04	\$ 38.04	\$ 38.04	\$ 36.73
County, Municipal or Housing Authority										
175W (7,000 lumens) MV	\$ 11.84	\$ 11.84	\$ 11.56	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 14.12
250W (11,000 lumens) MV	\$ 15.76	\$ 15.76	\$ 15.35	\$ 15.07	\$ 15.07	\$ 15.07	\$ 15.07	\$ 15.07	\$ 15.07	\$ 15.07
400W (20,000 lumens) MV	\$ 21.83	\$ 21.83	\$ 21.22	\$ 20.79	\$ 20.79	\$ 20.79	\$ 20.79	\$ 20.79	\$ 20.79	\$ 20.79
400W-T (20,000 lumens) MV	\$ 17.50	\$ 17.50	\$ 17.20	\$ 16.98	\$ 16.98	\$ 16.98	\$ 16.98	\$ 16.98	\$ 16.98	\$ 16.98
100W (8,500 lumens) HPS	\$ 11.84	\$ 11.84	\$ 11.56	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 11.36	\$ 14.31
150W (14,000 lumens) HPS	\$ 14.51	\$ 14.51	\$ 14.23	\$ 14.03	\$ 14.03	\$ 14.03	\$ 14.03	\$ 14.03	\$ 14.03	\$ 16.47
250W (23,000 lumens) HPS	\$ 19.32	\$ 19.32	\$ 18.89	\$ 18.59	\$ 18.59	\$ 18.59	\$ 18.59	\$ 18.59	\$ 18.59	\$ 19.87
400W (45,000 lumens) HPS	\$ 29.21	\$ 29.21	\$ 28.56	\$ 28.10	\$ 28.10	\$ 28.10	\$ 28.10	\$ 28.10	\$ 28.10	\$ 29.42
400W-F (45,000 lumens) HPS	\$ 30.30	\$ 30.30	\$ 29.65	\$ 29.19	\$ 29.19	\$ 29.19	\$ 29.19	\$ 29.19	\$ 29.19	\$ 31.67
400W (40,000 lumens) MH	\$ 31.85	\$ 31.85	\$ 31.20	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.79
400W-F (40,000 lumens) MH	\$ 31.85	\$ 31.85	\$ 31.20	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.74	\$ 30.79
70W (4,500 lumens) LED	\$ 30.96	\$ 30.96	\$ 30.83	\$ 23.08	\$ 23.08	n/a	n/a	n/a	n/a	n/a
50W (5,000 lumens) LED	\$ 18.16	\$ 18.16	\$ 18.07	\$ 16.87	\$ 16.87	\$ 16.87	\$ 16.87	\$ 16.87	\$ 16.87	\$ 14.31
100W (8,000 lumens) LED	n/a	n/a	n/a	n/a	n/a	\$ 23.08	\$ 23.08	\$ 23.08	\$ 23.08	\$ 23.08

MV—Mercury vapor; HPS—High pressure sodium; MH—Metal halide; LED—Light emitting diode *Decorative post top

TABLE 8: Direct Electric Rates | As of June 30 for the Last Ten Fiscal Years

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	110W (8,000 lumens) LED	\$ 19.57	\$ 19.57	\$ 19.44	\$ 19.34	\$ 19.34	\$ 19.34	\$ 19.34	\$ 19.34	\$ 19.34	\$ 15.29
	150W (13,500 lumens) LED	\$ 24.00	\$ 24.00	\$ 23.70	\$ 21.25	\$ 21.25	\$ 21.25	\$ 21.25	\$ 21.25	\$ 21.25	\$ 21.25
	210W (24,000 lumens) LED	n/a	n/a	n/a	\$ 29.89	\$ 29.89	\$ 29.89	\$ 29.89	\$ 29.89	\$ 30.79	\$ 30.55
	280W-F (25,000 lumens) LED	\$ 35.60	\$ 35.60	\$ 35.19	\$ 34.24	\$ 34.24	\$ 34.24	\$ 34.24	\$ 34.24	\$ 34.24	\$ 32.24
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	\$ 3.09	\$ 3.09	\$ 3.72	\$ 3.89
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 4.69	\$ 4.69	\$ 4.44	\$ 3.89
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	\$ 6.41	\$ 6.41	\$ 6.41	\$ 6.41
Fixture per 6 Customers	175W (7K lumens) MV	\$ 2.62	\$ 2.62	\$ 2.09	\$ 2.06	\$ 2.06	\$ 2.06	n/a	n/a	n/a	n/a
	100W HPS	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.06	\$ 2.06	\$ 2.48	\$ 2.59
	150W HPS	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.57	\$ 2.57	\$ 2.68	\$ 2.77
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.13	\$ 3.13	\$ 2.96	\$ 2.59
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	\$ 4.27	\$ 4.27	\$ 4.27	\$ 4.27
	110W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.57	\$ 3.57	\$ 3.15	\$ 2.77
Fixture per 8 Customers	150W HPS	\$ 2.45	\$ 2.45	\$ 1.95	\$ 1.93	\$ 1.93	\$ 1.93	\$ 1.93	\$ 1.93	\$ 2.01	\$ 2.08
	50W (5K lumens) LED	n/a	n/a	\$ 2.51	\$ 2.31	\$ 2.31	\$ 2.31	n/a	n/a	n/a	n/a
	110W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2.68	\$ 2.68	\$ 2.36	\$ 2.08
Sports Field Lighting Service											
	Base facilities charge (per month)	n/a	n/a	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
	Demand (per kW)	\$ 2.27	\$ 2.27	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
	Energy (per kWh)	\$ 0.10476	\$ 0.10476	\$ 0.09190	\$ 0.08318	\$ 0.08318	\$ 0.08318	\$ 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Effective rate (per kgallon)	\$ 4.03401	\$ 4.27625	\$ 4.48208	\$ 4.72322	\$ 4.71144	\$ 5.07791	\$ 5.42153	\$ 5.43216	\$ 5.53150	\$ 5.60819	
Base Facilities Charge (based on meter size)											
Inside City	¾"	\$ 7.04	\$ 7.04	\$ 7.46	\$ 7.80	\$ 7.80	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.19
	1"	\$ 11.51	\$ 11.51	\$ 12.20	\$ 12.76	\$ 12.76	\$ 13.04	\$ 13.04	\$ 13.04	\$ 13.04	\$ 13.36
	1½"	\$ 21.74	\$ 21.74	\$ 23.03	\$ 24.08	\$ 24.08	\$ 24.56	\$ 24.56	\$ 24.56	\$ 24.56	\$ 25.17
	2"	\$ 34.52	\$ 34.52	\$ 36.57	\$ 38.24	\$ 38.24	\$ 38.96	\$ 38.96	\$ 38.96	\$ 38.96	\$ 39.93
	3"	\$ 75.41	\$ 75.41	\$ 79.90	\$ 83.56	\$ 83.56	\$ 85.04	\$ 85.04	\$ 85.04	\$ 85.04	\$ 87.17
	4"	\$ 128.45	\$ 128.45	\$ 136.09	\$ 142.32	\$ 142.32	\$ 144.80	\$ 144.80	\$ 144.80	\$ 144.80	\$ 148.43
	6"	\$ 267.11	\$ 267.11	\$ 283.00	\$ 295.96	\$ 295.96	\$ 301.04	\$ 301.04	\$ 301.04	\$ 301.04	\$ 308.60
	8"	\$ 384.05	\$ 384.05	\$ 406.89	\$ 425.52	\$ 425.52	\$ 432.80	\$ 432.80	\$ 432.80	\$ 432.80	\$ 443.68
	10"	\$ 618.56	\$ 618.56	\$ 655.35	\$ 685.36	\$ 685.36	\$ 697.04	\$ 697.04	\$ 697.04	\$ 697.04	\$ 714.56
	12"	\$ 916.34	\$ 916.34	\$ 970.83	\$ 1,015.28	\$ 1,015.28	\$ 1,032.56	\$ 1,032.56	\$ 1,032.56	\$ 1,032.56	\$ 1,058.52
	16"	n/a	n/a	n/a	n/a	n/a	\$ 1,800.80	\$ 1,800.80	\$ 1,800.80	\$ 1,800.80	\$ 1,846.08
Outside City	¾"	\$ 8.10	\$ 8.10	\$ 8.59	\$ 8.97	\$ 8.97	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.42
	1"	\$ 13.24	\$ 13.24	\$ 14.04	\$ 14.68	\$ 14.68	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.36
	1½"	\$ 25.00	\$ 25.00	\$ 26.49	\$ 27.69	\$ 27.69	\$ 28.24	\$ 28.24	\$ 28.24	\$ 28.24	\$ 28.94
	2"	\$ 39.70	\$ 39.70	\$ 42.06	\$ 43.98	\$ 43.98	\$ 44.80	\$ 44.80	\$ 44.80	\$ 44.80	\$ 45.92
	3"	\$ 86.73	\$ 86.73	\$ 91.89	\$ 96.10	\$ 96.10	\$ 97.80	\$ 97.80	\$ 97.80	\$ 97.80	\$ 100.24
	4"	\$ 147.72	\$ 147.72	\$ 156.51	\$ 163.67	\$ 163.67	\$ 166.52	\$ 166.52	\$ 166.52	\$ 166.52	\$ 170.70
	6"	\$ 307.18	\$ 307.18	\$ 325.46	\$ 340.36	\$ 340.36	\$ 346.20	\$ 346.20	\$ 346.20	\$ 346.20	\$ 354.89
	8"	\$ 441.66	\$ 441.66	\$ 467.93	\$ 489.35	\$ 489.35	\$ 497.72	\$ 497.72	\$ 497.72	\$ 497.72	\$ 510.23
	10"	\$ 711.35	\$ 711.35	\$ 753.66	\$ 788.17	\$ 788.17	\$ 801.60	\$ 801.60	\$ 801.60	\$ 801.60	\$ 821.75
	12"	\$ 1,053.79	\$ 1,053.79	\$ 1,116.46	\$ 1,167.57	\$ 1,167.57	\$ 1,187.44	\$ 1,187.44	\$ 1,187.44	\$ 1,187.44	\$ 1,217.29
	16"	n/a	n/a	\$ 1,812.05	\$ 1,812.05	\$ 1,812.05	\$ 2,070.92	\$ 2,070.92	\$ 2,070.92	\$ 2,070.92	\$ 2,122.99
Volume Charge (per kgal)											
Inside City	Residential, non irrigation	\$ 3.59	\$ 3.59	\$ 3.78	\$ 4.00	\$ 4.00	\$ 4.37	\$ 4.77	\$ 4.77	\$ 4.77	\$ 4.93
	Commercial, non irrigation	\$ 2.90	\$ 2.90	\$ 3.05	\$ 3.23	\$ 3.23	\$ 3.53	\$ 3.99	\$ 3.99	\$ 3.99	\$ 4.12
	Industrial, non irrigation	\$ 2.71	\$ 2.71	\$ 2.85	\$ 3.02	\$ 3.02	\$ 3.30	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.87
	Irrigation, all customers	\$ 5.39	\$ 5.39	\$ 5.67	\$ 6.00	\$ 6.00	\$ 6.56	\$ 7.16	\$ 7.16	\$ 7.16	\$ 7.39
Outside City	Residential, non irrigation	\$ 5.56	\$ 5.56	\$ 5.86	\$ 6.20	\$ 6.20	\$ 6.78	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.64
	Commercial, non irrigation	\$ 4.50	\$ 4.50	\$ 4.73	\$ 5.01	\$ 5.01	\$ 5.47	\$ 6.18	\$ 6.18	\$ 6.18	\$ 6.39
	Industrial, non irrigation	\$ 2.71	\$ 2.71	\$ 2.85	\$ 3.02	\$ 3.02	\$ 3.30	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.87
	Irrigation, residential	\$ 8.35	\$ 8.35	\$ 8.79	\$ 9.30	\$ 9.30	\$ 10.17	\$ 11.10	\$ 11.10	\$ 11.10	\$ 11.46
	Irrigation, commercial	\$ 8.35	\$ 8.35	\$ 8.79	\$ 9.30	\$ 9.30	\$ 10.17	\$ 11.10	\$ 11.10	\$ 11.10	\$ 11.46
	Irrigation, industrial	\$ 5.39	\$ 5.39	\$ 5.67	\$ 6.00	\$ 6.00	\$ 6.56	\$ 7.16	\$ 7.16	\$ 7.16	\$ 7.39
Bethel Base Facilities Charge (based on meter size)											
	¾"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 9.20	\$ 9.42
	1"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 15.00	\$ 15.36
	1½"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 28.24	\$ 28.94
	2"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 44.80	\$ 45.92
	3"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 97.80	\$ 100.24
	4"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 166.52	\$ 170.70
	6"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 346.20	\$ 354.89
	8"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 497.72	\$ 510.23
	10"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 801.60	\$ 821.75
	12"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1,187.44	\$ 1,217.29
	16"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2,070.92	\$ 2,122.99
Bethel Volume Charge (per kgal)											
Inside Corp. Limits	Residential, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 5.49	\$ 5.66
	Commercial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 4.59	\$ 4.74
	Industrial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.75	\$ 3.87
	Irrigation, residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 8.23	\$ 8.50
	Irrigation, commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 8.23	\$ 8.50
	Irrigation, industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 7.16	\$ 7.39

TABLE 9: Direct Water Rates | As of June 30 for the Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Outside Corp. Limits										
Residential, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 7.40	\$ 7.64
Commercial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 6.18	\$ 6.39
Industrial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3.75	\$ 3.87
Irrigation, residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 11.10	\$ 11.46
Irrigation, commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 11.10	\$ 11.46
Irrigation, industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 7.16	\$ 7.39
Bethel Surcharge (fixed monthly charge per metered service)										
Residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 14.36	\$ 15.50
Commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 14.36	\$ 15.50
Industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 14.36	\$ 15.50

TABLE 10: Direct Wastewater Rates | As of June 30 for the Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Effective rate (per kgallon)	\$ 6.39632	\$ 6.84920	\$ 7.35093	\$ 7.79049	\$ 7.74227	\$ 8.01695	\$ 8.07868	\$ 8.01529	\$ 8.11272	\$ 8.13372
Base Facilities Charge (based on water/wastewater meter size)										
¾"	\$ 10.37	\$ 10.37	\$ 10.96	\$ 11.70	\$ 11.70	\$ 11.70	\$ 11.70	\$ 11.70	\$ 11.70	\$ 11.70
1"	\$ 17.01	\$ 17.01	\$ 17.97	\$ 19.21	\$ 19.21	\$ 19.21	\$ 19.21	\$ 19.21	\$ 19.21	\$ 19.21
1½"	\$ 32.17	\$ 32.17	\$ 34.01	\$ 36.38	\$ 36.38	\$ 36.38	\$ 36.38	\$ 36.38	\$ 36.38	\$ 36.38
2"	\$ 51.13	\$ 51.13	\$ 54.05	\$ 57.84	\$ 57.84	\$ 57.84	\$ 57.84	\$ 57.84	\$ 57.84	\$ 57.84
3"	\$ 111.81	\$ 111.81	\$ 118.17	\$ 126.51	\$ 126.51	\$ 126.51	\$ 126.51	\$ 126.51	\$ 126.51	\$ 126.51
4"	\$ 190.49	\$ 190.49	\$ 201.34	\$ 215.57	\$ 215.57	\$ 215.57	\$ 215.57	\$ 215.57	\$ 215.57	\$ 215.57
6"	\$ 396.21	\$ 396.21	\$ 418.77	\$ 448.41	\$ 448.41	\$ 448.41	\$ 448.41	\$ 448.41	\$ 448.41	\$ 448.41
8"	\$ 569.69	\$ 569.69	\$ 602.14	\$ 644.77	\$ 644.77	\$ 644.77	\$ 644.77	\$ 644.77	\$ 644.77	\$ 644.77
10"	\$ 917.61	\$ 917.61	\$ 969.87	\$ 1,038.56	\$ 1,038.56	\$ 1,038.56	\$ 1,038.56	\$ 1,038.56	\$ 1,038.56	\$ 1,038.56
12"	\$ 1,359.37	\$ 1,359.37	\$ 1,436.81	\$ 1,538.58	\$ 1,538.58	\$ 1,538.58	\$ 1,538.58	\$ 1,538.58	\$ 1,538.58	\$ 1,538.58
16"	n/a	n/a	n/a	n/a	n/a	\$ 2,683.47	\$ 2,683.47	\$ 2,683.47	\$ 2,683.47	\$ 2,683.47
Sewer-only Customers										
Base facilities charge (based on water/wastewater meter size)										
¾"	\$ 15.56	\$ 15.56	\$ 16.44	\$ 17.55	\$ 17.55	\$ 17.55	\$ 17.55	\$ 17.55	\$ 17.55	\$ 17.55
1"	\$ 25.52	\$ 25.52	\$ 29.96	\$ 28.82	\$ 28.82	\$ 28.82	\$ 28.82	\$ 28.82	\$ 28.82	\$ 28.82
1½"	\$ 48.26	\$ 48.26	\$ 51.02	\$ 54.57	\$ 54.57	\$ 54.57	\$ 54.57	\$ 54.57	\$ 54.57	\$ 54.57
2"	\$ 76.70	\$ 76.70	\$ 81.08	\$ 86.76	\$ 86.76	\$ 86.76	\$ 86.76	\$ 86.76	\$ 86.76	\$ 86.76
3"	\$ 167.72	\$ 167.72	\$ 177.26	\$ 189.77	\$ 189.77	\$ 189.77	\$ 189.77	\$ 189.77	\$ 189.77	\$ 189.77
4"	\$ 285.74	\$ 285.74	\$ 302.01	\$ 323.36	\$ 323.36	\$ 323.36	\$ 323.36	\$ 323.36	\$ 323.36	\$ 323.36
6"	\$ 594.32	\$ 594.32	\$ 628.16	\$ 672.62	\$ 672.62	\$ 672.62	\$ 672.62	\$ 672.62	\$ 672.62	\$ 672.62
8"	\$ 854.54	\$ 854.54	\$ 903.21	\$ 967.16	\$ 967.16	\$ 967.16	\$ 967.16	\$ 967.16	\$ 967.16	\$ 967.16
10"	\$ 1,376.42	\$ 1,376.42	\$ 1,454.81	\$ 1,557.84	\$ 1,557.84	\$ 1,557.84	\$ 1,557.84	\$ 1,557.84	\$ 1,557.84	\$ 1,557.84
12"	\$ 2,039.06	\$ 2,039.06	\$ 2,155.22	\$ 2,307.87	\$ 2,307.87	\$ 2,307.87	\$ 2,307.87	\$ 2,307.87	\$ 2,307.87	\$ 2,307.87
16"	n/a	n/a	n/a	n/a	n/a	\$ 4,025.21	\$ 4,025.21	\$ 4,025.21	\$ 4,025.21	\$ 4,025.21
Volume Charge (per kgal, based on 93.5% of water usage, unless separately metered)										
Residential	\$ 4.980	\$ 4.980	\$ 5.320	\$ 5.660	\$ 5.660	\$ 5.900	\$ 5.900	\$ 5.900	\$ 5.900	\$ 5.900
Commercial/Industrial	\$ 5.510	\$ 5.510	\$ 5.890	\$ 6.270	\$ 6.270	\$ 6.530	\$ 6.530	\$ 6.530	\$ 6.530	\$ 6.530
Metered wastewater (100%)	\$ 6.080	\$ 6.080	\$ 6.490	\$ 6.910	\$ 6.910	\$ 7.200	\$ 7.200	\$ 7.200	\$ 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
Bethel Surcharge (fixed monthly charge per metered service)										
Residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 11.33	\$ 11.33
Commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 11.33	\$ 11.33
Industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 11.33	\$ 11.33

*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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Effective rate (per CCF)	\$ 1.06737	\$ 1.08771	\$ 0.92616	\$ 0.94233	\$ 1.04775	\$ 1.03793	\$ 0.96134	\$ 0.97937	\$ 1.19224	\$ 1.43001
Residential Service										
Base facilities charge	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 11.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
Commodity first 20 ccf	\$ 1.3010	\$ 1.1927	\$ 1.1080	\$ 1.1865	\$ 1.3501	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.1650	\$ 1.0567	\$ 0.9720	\$ 1.0505	\$ 1.2141	n/a	n/a	n/a	n/a	n/a
Commodity all ccf	n/a	n/a	n/a	n/a	n/a	\$ 0.9918	\$ 0.9600	n/a	n/a	n/a
all ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.9433	\$ 1.5929	\$ 1.3400
all ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.9244	\$ 1.5740	\$ 1.3187
Residential Service–Heat Only										
Base facilities charge	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 13.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Commodity first 20 ccf	\$ 1.3820	\$ 1.2737	\$ 1.1890	\$ 1.2675	\$ 1.4311	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.2443	\$ 1.1360	\$ 1.0513	\$ 1.1298	\$ 1.2934	n/a	n/a	n/a	n/a	n/a
all ccf	n/a	n/a	n/a	n/a	n/a	\$ 1.0717	\$ 1.0399	n/a	n/a	n/a
all ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1.0248	\$ 1.6744	\$ 1.4321
all ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1.0095	\$ 1.6591	\$ 1.4148
Commercial Service										
Base facilities charge	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 22.00	\$ 25.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
Commodity first 50 ccf	\$ 1.2801	\$ 1.1718	\$ 1.0871	\$ 1.1656	\$ 1.3292	n/a	n/a	n/a	n/a	n/a
51 to 500 ccf	\$ 1.1905	\$ 1.0822	\$ 0.9975	\$ 1.0760	\$ 1.2396	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 1.0059	\$ 0.8976	\$ 0.8129	\$ 0.8914	\$ 1.0550	n/a	n/a	n/a	n/a	n/a
Commodity first 500 ccf	n/a	n/a	n/a	n/a	n/a	\$ 1.0281	\$ 1.0178	n/a	n/a	n/a
all additional ccf	n/a	n/a	n/a	n/a	n/a	\$ 0.8643	\$ 0.8628	n/a	n/a	n/a
first 500 ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1.0023	\$ 1.6519	\$ 1.4067
all add. ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.8437	\$ 1.4933	\$ 1.2275
first 500 ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.9873	\$ 1.6369	\$ 1.3898
all add. ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.8347	\$ 1.4843	\$ 1.2173
Industrial Service										
Base facilities charge	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 110.00	\$ 113.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00
Commodity first 500 ccf	\$ 1.0097	\$ 0.9014	\$ 0.8167	\$ 0.8952	\$ 1.0588	\$ 0.8340	\$ 0.8285	n/a	n/a	n/a
all additional ccf	\$ 0.9455	\$ 0.8372	\$ 0.7525	\$ 0.8310	\$ 0.9946	\$ 0.7766	\$ 0.7751	n/a	n/a	n/a
first 500 ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.8058	\$ 1.4554	\$ 1.1847
all add. ccf (Nov.–Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.7519	\$ 1.4015	\$ 1.1238
first 500 ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.8046	\$ 1.4542	\$ 1.1833
all add. ccf (Apr.–Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 0.7514	\$ 1.4010	\$ 1.1232
Interruptible Service										
Base facilities charge	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 213.00	\$ 215.00	\$ 215.00	\$ 215.00	\$ 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	\$ 39.00	\$ 41.00	\$ 41.00	\$ 41.00	\$ 41.00
Commodity first 100 ccf	\$ 1.3304	\$ 1.2221	\$ 1.1374	\$ 1.2159	\$ 1.3795	n/a	n/a	n/a	n/a	n/a
all additional ccf	\$ 0.9232	\$ 0.8149	\$ 0.7302	\$ 0.8087	\$ 0.9723	n/a	n/a	n/a	n/a	n/a
all ccf	n/a	n/a	n/a	n/a	n/a	\$ 0.7580	\$ 0.7563	\$ 0.7328	\$ 1.3824	\$ 1.1022
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	\$ 15.67	\$ 15.67

TABLE 12: Ten Largest Customers | Current Year and Nine Years Ago

ELECTRIC FUND		Fiscal Year 2023		Fiscal Year 2014	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$ 5,312,433	3.12%	\$ 6,891,121	3.59%
Avient Protective Materials ²	High Performance Fibers	5,055,469	2.97%	4,226,077	2.20%
ECU Health ³	Health Care	4,161,692	2.45%	5,354,855	2.79%
East Carolina University	Education	3,134,059	1.84%	4,079,982	2.12%
East Carolina University	Education	3,076,119	1.81%	3,310,464	1.72%
Attends Healthcare Products	Medical Products	2,653,398	1.56%	3,189,010	1.66%
East Carolina University	Education	2,455,912	1.44%	2,630,339	1.37%
ECU Health ³	Health Care	2,091,379	1.23%	1,625,801	0.85%
City of Greenville	Government	2,002,347	1.18%		
Hyster Yale Group ⁴	Fork Lift Trucks	1,049,474	0.62%	1,365,578	0.71%
DENSO Manufacturing ⁵	Motors			1,590,792	0.83%
Totals		\$ 30,992,282	18.22%	\$ 34,264,019	17.84%

WATER FUND		Fiscal Year 2023		Fiscal Year 2014	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$ 1,030,292	4.14%	\$ 654,634	4.16%
Town of Farmville	Government	947,031	3.81%	652,132	4.15%
Town of Winterville	Government	384,485	1.55%	194,031	1.23%
Avient Protective Materials ²	High Performance Fibers	257,099	1.03%	111,195	0.71%
ECU Health ³	Health Care	245,091	0.99%	242,844	1.54%
Stokes Regional Water Corporation	Water Utility	213,568	0.86%	60,173	0.38%
Fuji Silysia Chemical USA, LTD	Silica Gel	204,294	0.82%	74,982	0.48%
ECU Health ³	Health Care	173,527	0.70%	70,553	0.45%
ECU Health ³	Health Care	134,338	0.54%	65,978	0.42%
Greenville Uptown PropCo, LLC	Apartments	92,171	0.37%		
East Carolina University	Education			60,979	0.39%
Totals		\$ 3,681,896	14.81%	\$ 2,187,501	13.91%

¹Formerly DSM Pharmaceuticals, Inc.
²Formerly DSM Dyneema, LLC
³Formerly Vidant Medical Center
⁴Formerly NACCO Materials Handling
⁵Formerly ASMO of Greenville

TABLE 12: Ten Largest Customers | Current Year and Nine Years Ago

SEWER FUND		Fiscal Year 2023		Fiscal Year 2014	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$ 840,921	3.45%	\$ 732,114	4.21%
Avient Protective Materials ²	High Performance Fibers	505,301	2.07%	247,285	1.42%
ECU Health ³	Health Care	364,129	1.49%	414,659	2.38%
Fuji Silysia Chemical USA, LTD	Silica Gel	321,131	1.32%	135,033	0.78%
ECU Health ³	Health Care	257,231	1.06%	117,993	0.68%
ECU Health ³	Health Care	199,948	0.82%	112,672	0.65%
Greenville Uptown PropCo, LLC	Apartments	136,421	0.56%		
East Carolina University	Education	119,866	0.49%	104,320	0.60%
Greenville Housing Authority	Apartments	100,290	0.41%	54,012	0.31%
East Carolina University	Education	81,935	0.34%		
Town of Bethel	Government			590,786	3.40%
The Province Greenville NC LP	Apartments			54,444	0.31%
Totals		\$ 2,927,173	12.01%	\$ 2,563,318	14.74%

GAS FUND		Fiscal Year 2023		Fiscal Year 2014	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
ECU Health ³	Health Care	\$ 2,950,877	6.39%	\$ 1,919,922	5.47%
East Carolina University	Education	2,758,331	5.98%	2,753,844	7.85%
Thermo Fisher Scientific ¹	Pharmaceuticals	2,482,931	5.38%	3,340,756	9.52%
Thermo Fisher Scientific ¹	Pharmaceuticals	1,526,019	3.31%		
Avient Protective Materials ²	High Performance Fibers	1,413,668	3.06%	1,065,181	3.03%
ECU Health ³	Health Care	1,385,095	3.00%	676,537	1.93%
Catalent Greenville, Inc. ⁴	Pharmaceuticals	1,165,194	2.52%	406,144	1.16%
Fuji Silysia Chemical USA, LTD	Silica Gel	974,441	2.11%	512,840	1.46%
East Carolina University	Education	903,714	1.96%	986,178	2.81%
Hyster Yale Group ⁵	Fork Lift Trucks	829,102	1.80%	469,533	1.34%
Avient Protective Materials ²	High Performance Fibers			769,034	2.19%
Totals		\$ 16,389,372	35.51%	\$ 12,899,969	36.76%

¹Formerly DSM Pharmaceuticals, Inc.²Formerly DSM Dyneema, LLC³Formerly Vidant Medical Center⁴Formerly Mayne Pharma⁵Formerly NACCO Materials Handling

TABLE 13: Ratios of Outstanding Debt by Type | Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Revenue Bonds	Notes	Leases	Subscriptions	Total	Per Capita	Percentage of Per Capita Personal Income
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	791	2.05%
2017	-	95,269,797	38,587,279	-	-	133,857,076	749	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	945	2.19%
2020	-	129,132,468	34,785,641	-	-	163,918,109	961	1.98%
2021	-	154,410,797	20,191,816	-	-	174,602,613	1,014	1.91%
2022	-	146,621,025	40,558,569	355,688	-	187,535,282	1,081	*
2023	-	165,393,478	44,662,040	264,400	546,943	210,866,861	1,234	*

*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	
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
2021	259,482,276	214,571,849	44,910,427	8,029,362	5,630,401	13,659,763	3.29
2022	271,716,910	228,130,976	43,585,934	7,171,616	5,809,214	12,980,830	3.36
2023	273,199,032	236,151,718	37,047,314	5,944,272	6,136,870	12,081,142	3.07

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

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

³Includes 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
2014	175,052	\$ 6,437,372	\$ 36,774	6.9%
2015	176,178	6,683,570	37,936	6.8%
2016	177,291	6,844,894	38,608	5.9%
2017	178,661	7,143,838	39,985	4.9%
2018	179,673	7,410,874	41,246	4.9%
2019	181,257	7,830,577	43,202	5.2%
2020	170,570	8,262,413	48,440	7.3%
2021	172,169	9,159,356	53,200	5.1%
2022	173,542	*	*	4.6%
2023	170,873	*	*	4.2%

*Information unavailable at time of report
Note: Information reported is for Pitt County
Sources: ¹USA Facts.org—US Census Bureau

TABLE 16: Principal Employers | Current Year and Nine Years Ago

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
ECU Health ¹	6,760	1	7.66%	6,895	1	8.52%
East Carolina University	5,160	2	5.85%	5,564	2	6.87%
Pitt County Public Schools	3,699	3	4.19%	2,814	3	3.48%
Thermo Fisher Scientific ²	1,852	4	2.10%	900	7	1.11%
HysterYale Group ³	1,226	5	1.39%	1,000	4	1.24%
City of Greenville	1,132	6	1.28%	764	9	0.94%
Pitt Community College	1,100	7	1.25%	953	5	1.18%
County of Pitt	931	8	1.06%	910	6	1.12%
Physicians East	726	9	0.82%			
The Roberts Company Fabrication Services, Inc.	500	10	0.57%	650	10	0.80%
Alliance One International				850	8	1.05%
Total	23,086		26.17%	21,300		26.31%

Sources: Pitt County Development Commission

¹Formerly Vidant Medical Center
²Formerly DSM Pharmaceuticals, Inc.
³Formerly NACCO Materials Handling

TABLE 17: Employees by Function | Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Electric										
Management	3	3	3	4	4	4	4	4	5	5
Engineering	18	19	16	16	15	16	18	20	16	21
Load Management	6	6	5	6	6	7	6	2	-	-
Dispatching	7	8	9	7	7	8	8	8	8	8
Electric System Maintenance	78	75	78	85	80	84	77	83	77	77
Water/Wastewater										
Management	4	4	4	4	5	6	6	6	6	5
Engineering	12	12	13	14	13	13	13	13	13	14
Water Plant	29	29	30	31	31	31	30	29	29	31
Wastewater Plant	28	28	28	31	32	31	32	31	33	35
Water/Wastewater Systems Maintenance	42	42	43	44	45	45	43	44	46	50
Natural Gas										
Management	5	5	4	6	6	6	6	6	7	7
Engineering	9	8	10	10	10	10	10	10	9	11
Natural Gas System Maintenance	30	33	30	31	31	34	31	31	29	32
Administration										
Executive Administration	15	13	15	13	17	14	15	13	20	21
Finance and Accounting	31	32	33	31	34	37	38	36	35	37
Human Resources	9	9	8	9	9	9	9	9	10	10
Information Technology	27	31	28	29	29	35	33	33	32	35
Customer Relations	36	36	43	37	39	38	37	35	32	36
Economic Development	-	-	-	-	-	-	1	6	5	6
Fleet Management	12	13	11	13	13	13	14	13	12	14
Warehouse	7	8	8	9	8	6	8	7	8	8
Meter Services	33	35	34	33	34	35	32	33	32	32
Utility Locating Services	6	6	7	7	7	8	6	7	7	11
Total employees	447	455	460	470	475	490	477	479	471	506

Sources: Various Utilities Commission Departments

TABLE 18: Operating Indicators | Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Electric System										
Peaks (MW)	336.5	370.2	357.9	367.4	383.2	353.6	376.9	378.6	369.6	369.2
Average daily purchase (MWH)	4,771	4,844	4,710	4,836	5,008	5,005	4,813	4,890	4,978	4,804
Total MWH sold	1,684,847	1,709,900	1,685,252	1,716,973	1,764,805	1,781,583	1,715,794	1,743,177	1,760,478	1,718,544
Water System										
Peaks (MGD)	16.070	17.779	15.070	14.412	17.347	18.112	18.605	17.987	18.775	17.486
Average daily treatment (Mgals)	12.394	13.044	12.384	12.600	13.106	13.734	13.642	14.108	14.785	14.708
Total kgal sold	3,921,590	3,917,750	3,969,595	4,019,200	4,113,444	4,142,875	4,162,119	4,205,516	4,298,250	4,395,279
Wastewater System										
Peaks (MGD)	20.040	17.320	21.040	13.590	17.340	25.910	18.210	24.796	21.580	14.500
Average daily treatment (Mgals)	10.530	11.290	11.195	10.220	9.540	11.247	9.948	12.051	10.430	9.973
Total kgal collected	2,742,124	2,758,868	2,834,356	3,730,850	2,898,354	2,976,096	2,892,682	2,971,598	2,983,242	2,979,844
Natural Gas System										
Peaks (MCFs)	20,092	26,459	27,241	23,537	25,910	23,165	25,239	20,427	22,494	22,253
Average daily purchase (MCFs)	9,277	9,452	8,462	8,537	10,099	9,896	9,354	9,733	9,467	9,438
Total MCFs sold	3,296,068	3,341,192	2,939,182	2,989,816	3,446,778	3,448,812	3,245,540	3,373,596	3,377,487	3,245,554

Sources: 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Electric System										
Miles of lines	2,781	2,884	2,901	2,921	2,939	2,994	3,039	3,077	3,106	3,142
Substations	23	23	23	23	24	24	24	24	24	25
Customer connections	64,673	65,347	66,252	66,508	67,964	68,894	70,073	71,359	72,270	73,138
Maximum capacity transmission (MVA)	480	480	480	480	600	600	720	720	720	720
Maximum capacity distribution (MVA)	560	560	560	560	560	560	560	560	560	580
Water System										
Miles of lines	627	627	629	631	631	633	634	639	724	725
Customer connections	34,959	35,179	35,599	35,794	36,338	36,673	37,195	37,801	38,638	39,039
Maximum capacity (MGD)	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	32.0
Wastewater System										
Miles of lines	471	471	479	479	480	482	483	489	520	526
Customer connections	28,640	28,885	29,253	29,478	30,034	30,363	30,828	31,366	32,222	32,732
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	1,049	1,051	1,054	1,067	1,070	1,072	1,207	1,233	1,236	1,251
Customer connections	22,554	22,837	23,066	23,108	23,379	23,493	23,784	24,162	24,390	24,695
Maximum capacity (MCF)	36,891	45,674	45,674	45,674	45,674	45,674	45,674	45,674	47,606	49,539

Sources: Various Utilities Commission Departments

MVA—megavolt amps

MGD—million gallons per day

MCF—thousand cubic feet = 1,000 cubic feet

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COMPLIANCE SECTION

COMPLIANCE
SECTION





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 "Utilities Commission"), which are enterprise funds and fiduciary funds of the City of Greenville, North Carolina (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Utilities Commission's financial statements, and have issued our report thereon dated November 14, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Utilities 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 statements. 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*.

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 Utilities 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 Utilities Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Raleigh, North Carolina
November 14, 2023

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Greenville Utilities





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