

MAKING A DIFFERENCE

TODAY. TOMORROW. *TOGETHER.*



Greenville Utilities is an Enterprise Fund of the City of Greenville, North Carolina

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended June 30, 2022

Greenville Utilities

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

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Peter Geiger, Chair-Elect
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Ferrell L. Blount III
Tommy Stoughton
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General Manager/CEO

Chris N. Padgett,
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Tanya Brown, Accounting Technician II
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Amanda Wall, CPA, Controller
Brandie Whitehurst, PACE, Senior Administrative Assistant

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INTRODUCTORY SECTION



Greenville Utilities

October 27, 2022

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

The management and staff of the Greenville Utilities Commission (Utilities Commission) of the City of Greenville are pleased to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022.

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

Cherry Bekaert LLP, Certified Public Accountants, has issued an unmodified report of independent auditor (“clean” opinion) on the Utilities Commission’s financial statements for the year ended June 30, 2022. 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

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

The Utilities Commission is owned by the citizens of Greenville and is governed by an eight-member Board of Commissioners who is responsible for approving rates, development plans, and the annual budget, and for setting policy that is carried out by our General Manager/CEO. The City Manager of the City of Greenville serves as a full-voting member of the Board, five other Board members are nominated by the City Council, and two are nominated by the Pitt County Board of Commissioners. All members are approved by the City Council. Board members serve three-year terms, with a maximum of two terms. Utilities Commission 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 the County with 72,270 connections. The Utilities Commission's electric system, measured by number of customers served, is the second largest municipal electric system in the State and the forty-fifth 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 1,209 miles of overhead distribution lines, 1,825 miles of underground distribution lines at 12,470 volts and 108 miles of fiber optic lines. In addition, the electric system consists of 19 distribution substations with a combined base rating capacity of 560 megavolt amps (MVA), two sub-transmission substations with a combined base rating capacity of 50 MVA, and three 115-kilovolts (kV) transmission substations with a combined base rating capacity of 720 MVA.

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

The Utilities Commission and thirty-one other North Carolina municipalities are members of the North Carolina Eastern Municipal Power Agency (Power Agency), a joint agency of the State of North Carolina. On July 31, 2015, the Power Agency completed the sale of its electric generating assets to Duke Energy Progress for approximately \$1.25 billion. The proceeds from the sale were used to reduce outstanding debt on those assets. The Utilities Commission's share of the Power Agency's outstanding debt was reduced from approximately \$277.8 million to \$85 million. Duke Energy Progress has entered into a 30-year agreement to provide wholesale power to the Power Agency. The Utilities Commission, along with the other member entities, entered 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 724 miles of lines with 38,638 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 15.072 MGD. Treatment is accomplished through a modern water treatment plant placed in operation in 1983 and expanded in 2002 with a present capacity of 22.5 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 23.5 MGD.

Average daily water use in the fiscal year ended June 30, 2022 was approximately 14.785 MGD, with a maximum daily usage of approximately 18.775 MGD. Approximately 82% of the water system's 38,638 connections are located within the City limits.

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

NCDEQ has implemented rules restricting water use from certain aquifers in areas of eastern North Carolina. Although the Utilities Commission's primary water supply, which is the Tar River, is not affected by these restrictions, several neighboring communities are mandated to reduce their aquifer withdrawals and are seeking supplemental water supplies. Foresight and long-range planning in the areas of water treatment have positioned the Utilities Commission to form partnerships with these neighboring communities. The Utilities Commission has wholesale contracts with the neighboring communities of Farmville, Stokes, Winterville, and Greene County. The Town of Bethel was also previously a wholesale customer; however, the Utilities Commission acquired the Town of Bethel's water and sewer systems in July 2021 and brought over all the Town's customers as retail customers. The Utilities Commission is well-positioned to continue providing water service to all 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. The Town of Bethel was also previously a wholesale customer. 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 approximately 520 miles of lines with 32,222 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 fiscal year ended June 30, 2022 was 10.430 million gallons of wastewater with a single day hydraulic maximum of 21.580 MGD.

The wastewater treatment plant is regulated by the NCDEQ Division of Water Resources which enforces federal standards through the National Pollutant Discharge Elimination System as defined in the Clean Water Act. The Utilities Commission operates an Industrial Pretreatment program, which currently has six participants: Hyster-Yale Group (formerly NAACO Materials Handling Group), Thermo Fisher Scientific (formerly Patheon), DSM Protective Materials (formerly DSM Dyneema, Inc.), The Hammock Source, Fuji Silysia, and Mayne Pharma 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 745 miles of pipeline and 491 miles of service lines with 24,390 connections. During the current fiscal year 3,515,220 dekatherms of natural gas were moved through the Utilities Commission's distribution system.

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

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

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

any period for which the Utilities Commission delivered a remarking election. In addition, the Utilities Commission may elect to remarket the commodity in the event of a loss of load on its system.

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

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 thirteen manufacturing operations that employ 100 or more workers, four that employ 500 or more, and several manufacturers that maintain corporate or divisional headquarters in the Utilities Commission's service area. Two non-manufacturing operations located in the area each employ more than 3,500 workers. Major employers include ECU Health (formerly Vidant Health), East Carolina University, Pitt County Schools, Thermo Fisher Scientific (formerly Patheon), Hyster-Yale Group (formerly NACCO Materials Handling), the City of Greenville, Pitt Community College, Pitt County Government, Physicians East, and The Roberts Company Fabrication Services. Unemployment rates since 2013 have ranged from a low of 4.6 percent to a high of 9.0 percent.

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

East Carolina University (ECU), the third largest university in the state, has a student enrollment of nearly 29,000 students and employs more than 5,500 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 we serve by safely providing reliable utility solutions at the lowest reasonable cost, with exceptional customer service in an environmentally responsible manner. The Utilities Commission's strategic plan, branded "*Blueprint*", has added an emphasis on the Commission's foundational role in helping promote the growth of our region. It also places an emphasis on environmental stewardship.

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

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

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

RELEVANT FINANCIAL POLICIES

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

MAJOR INITIATIVES

The Information Technology Department is currently planning to replace the Utilities Commission's existing Work and Asset Management system with a Cityworks based solution. A capital project has been established for \$3.1 million, and it is estimated the work will be complete by the beginning of 2024. The department is also upgrading the current Customer Care & Billing (CC&B) system to Customer Cloud Service (CCS); this capital project has an approved budget of \$4.5 million and should be complete by January 2024.

In pursuit of our mission to be environmentally responsible, the Utilities Commission has a peak-shaving program to reduce electric load during times of heavy use by customers. In conjunction with the peak-shaving program we have installed peak-shaving generators at several local manufacturing facilities to manage load when needed. Many of the generators are near the end of their useful lives and a project costing \$6 million has been established to replace the aging units.

To provide redundancy and load balancing, the Utilities Commission has established a project to extend the 115 kV electrical transmission lines from a substation to a major industrial complex. This project, costing an estimated \$9 million, is expected to be complete in 2023.

The Water Resources Department is increasing the treatment capacity at the water treatment plant (WTP) from 22.5 MGD to 32 MGD. The last plant expansion was completed in 2002 and the utility has continued to experience growth both in customer numbers and system demand. The Water Treatment Plant Expansion project is expected to be complete by the end of 2023 at a cost of approximately \$55 million.

The Utilities Commission recently acquired the Town of Bethel's water and sewer systems. The Utilities Commission has established two capital projects to replace and repair the systems where needed. Both projects are expected to be complete by the end of 2023. The water capital project will analyze the Bethel well for rehabilitation, replace existing 2" galvanized water mains with PVC, add a second connection from Bethel to the Utilities Commission system on the west side of town with a 6-inch loop for redundancy, and replace water meters. The project is estimated to cost \$1.3 million. The sewer capital project will replace the North Pump Station and the Main Pump Station (Headworks) in Bethel, as well as various point repairs to gravity mains and manholes. The project is estimated to cost \$3.4 million.

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, 2021. This was the thirteenth consecutive year the Utilities Commission has received this prestigious award. To be awarded a 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 only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the Utilities Commission for its annual budget for the fiscal year beginning July 1, 2021. 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 sixth 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 2020 for the sixth consecutive year.

For the eleventh 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 2021.

Safety is a top priority for the Utilities Commission. 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 Utilities Commission's safety record, along with other local businesses. For some departments, this was the 15th consecutive year earning awards. In all, the Utilities Commission was honored with 10 safety awards in 2021. 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 Human Resources (15th year), Wastewater Treatment Plant (15th year), Red Banks Office (8th year), Express Office (2nd year), Administration (1st year), Administration Building (1st year), Finance (1st year), Information Technology (1st year), and Meter (1st year). It was the fifth year that the Utilities Commission, company-wide, received the Gold level.

The WTP recently received an award: the North Carolina Area Wide Optimization Award (AWOP). This marks the sixth consecutive year in a row that the WTP has received the State award. The NC Division of Water Resources has included the Utilities Commission among the 55 out of 149 water treatment plants in the State honored for surpassing federal and state drinking water standards in 2020. The award recognition is a state effort to enhance the performance of existing surface water treatment facilities.

The Gas Department was once again presented with the prestigious System Operational Achievement Award (SOAR) for excellence in operations by the American Public Gas Association (APGA). Out of approximately 750 APGA members, the Utilities Commission was one of 15 SOAR recipients recognized in 2021, joining the 41 previous SOAR recipients. The designation is good for three years. The Gas Department previously received this award at the Silver level in 2015 and 2018. This is the first time the Gas Department has achieved Gold status.

The Human Resources department at the Utilities Commission was recognized by the International Public Management Association for Human Resources (IPMA-HR) in two categories, innovative staffing and career growth/development. This is a result of the recent implementation of the Utilities Commission iGrow program. The main objective of the iGrow program is to produce a pipeline of diverse, talented, and prepared internal water treatment plant and wastewater treatment plant operators, as well as to provide an entry point into Water Resources careers.

The Utilities Commission's Public Information Office recently received two Viddy Awards from the Association of Marketing and Communication Professionals. The Office developed videos that offered a virtual tour experience of the Utilities Commission facilities. The Utilities Commission was awarded a Gold Viddy for the Water and Wastewater Plant tour videos and an Honorable Mention Viddy Award for the Remembering Hurricane Floyd—20 Years video.

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,



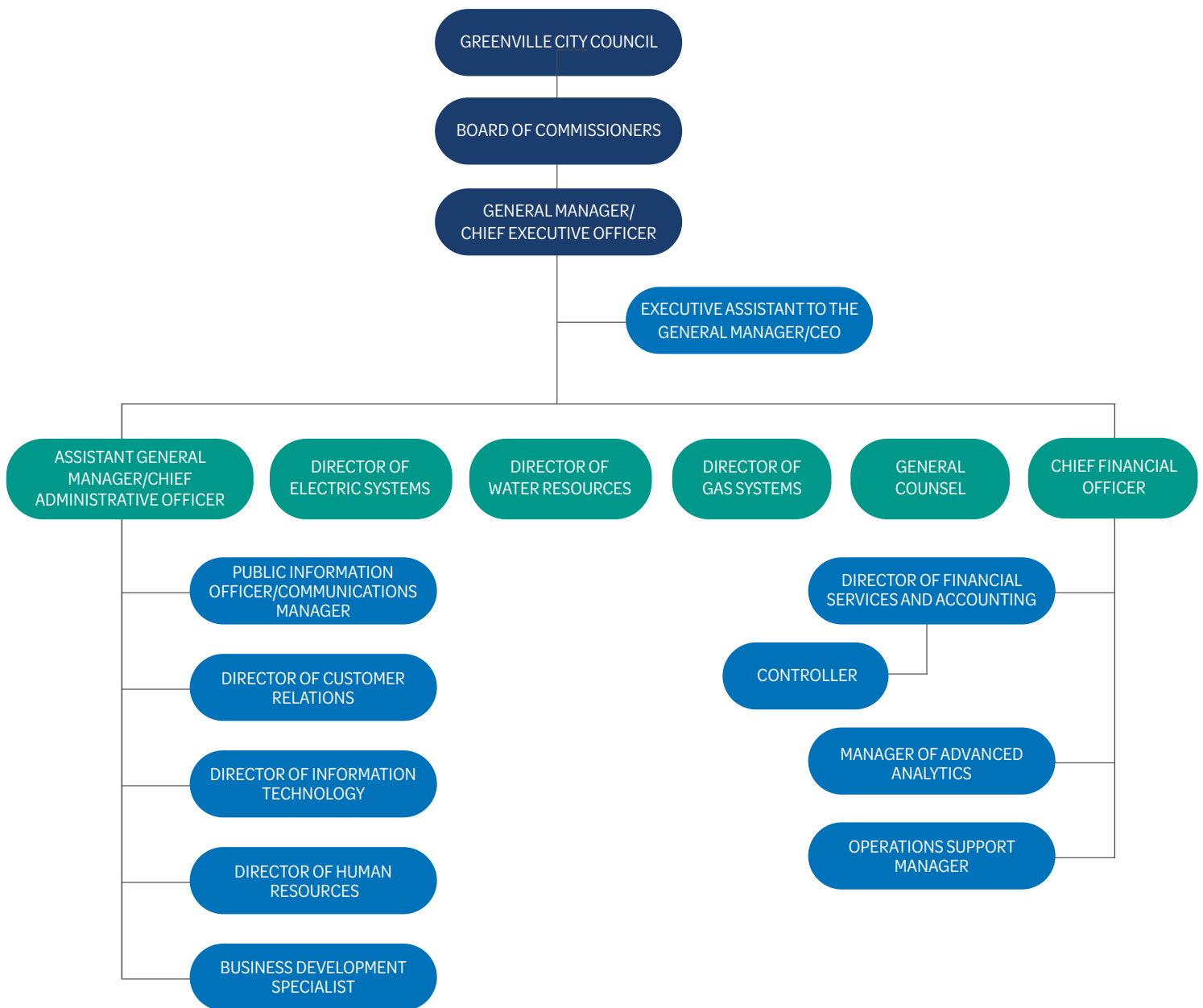
Anthony C. Cannon
General Manager/Chief Executive Officer



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



Kristin Braswell
Board Member



Ferrell Blount III
Board Member



Tommy Stoughton
Board Member



Marcus Jones
Board Member

Executive Management



Anthony C. Cannon
General Manager/CEO

Chris N. Padgett
Assistant General Manager/CAO

Jeff McCauley, CPA
Chief Financial Officer



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Certificate of
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Presented to

**Greenville Utilities Commission
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITOR'S REPORT





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"), certain funds of the City of Greenville, North Carolina (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Utilities Commission's basic 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, 2022, 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 of Greenville, North Carolina, as of June 30, 2022, 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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.

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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 Utilities Commission'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 basic 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 that collectively comprise the Utilities Commission's basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the 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 basic 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 basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 October 27, 2022, on our consideration of the Utilities Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 Utilities Commission'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 Utilities Commission's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2022

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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, 2022. 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 \$441,531,280 (net position). Of this amount, \$106,110,865 (unrestricted net position) may be used to meet the Commission's ongoing obligations to its customers and creditors.
- Operating revenues increased by \$10,534,054, or 4.1%, primarily due to higher volumes delivered to customers in the electric fund and purchased gas adjustments adopted to cover the increased cost of natural gas.
- Total revenues and contributions increased by \$28,844,151 or 11.0%.
- Interest revenues increased by \$568,945 primarily due to higher interest rates on cash accounts, however, the Utilities Commission also recognized a \$3.5 million unrealized loss due to the change in the market value of investments held at June 30, 2022.
- The Utilities Commission's total net position increased by \$24,004,436 primarily due to positive operating income and an increase in capital contributions.
- The Utilities Commission's total debt increased by \$12,932,671 (7.4%) during the current fiscal year. The key factor in this increase was the issuance of \$20,686,025 of new debt, the addition of \$508,032 of lease liabilities, and the net decrease in discounts and premiums totaling \$1,089,773, which exceeded the retirement of \$7,019,272 of existing debt and the payment of leases totaling \$148,606.
- The Utilities Commission maintains a bond rating of AA- with a stable outlook from Fitch Ratings and a bond rating of Aa1 with a stable outlook from Moody's Investors Services.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Utilities Commission's basic financial statements. The Utilities Commission's basic financial statements are comprised of two components: (1) individual fund financial statements, and (2) notes to the financial statements. This report also contains 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	2022	2021
Current and other assets	\$188,827,801	\$198,851,406
Capital assets	521,193,295	473,453,517
Total Assets	710,021,096	672,304,923
Deferred Outflows of Resources	22,697,564	23,994,754
Current liabilities	36,839,338	37,028,183
Non-current liabilities	222,443,799	216,922,336
Total Liabilities	259,283,137	253,950,519
Deferred Inflows of Resources	31,904,243	24,822,314
Net Position		
Net investment in capital assets	335,420,415	305,355,611
Unrestricted	106,110,865	112,171,233
Total Net Position	\$441,531,280	\$417,526,844

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 \$441,531,280 as of June 30, 2022. The Utilities Commission's net position increased by \$24,004,436 during the fiscal year ended June 30, 2022.

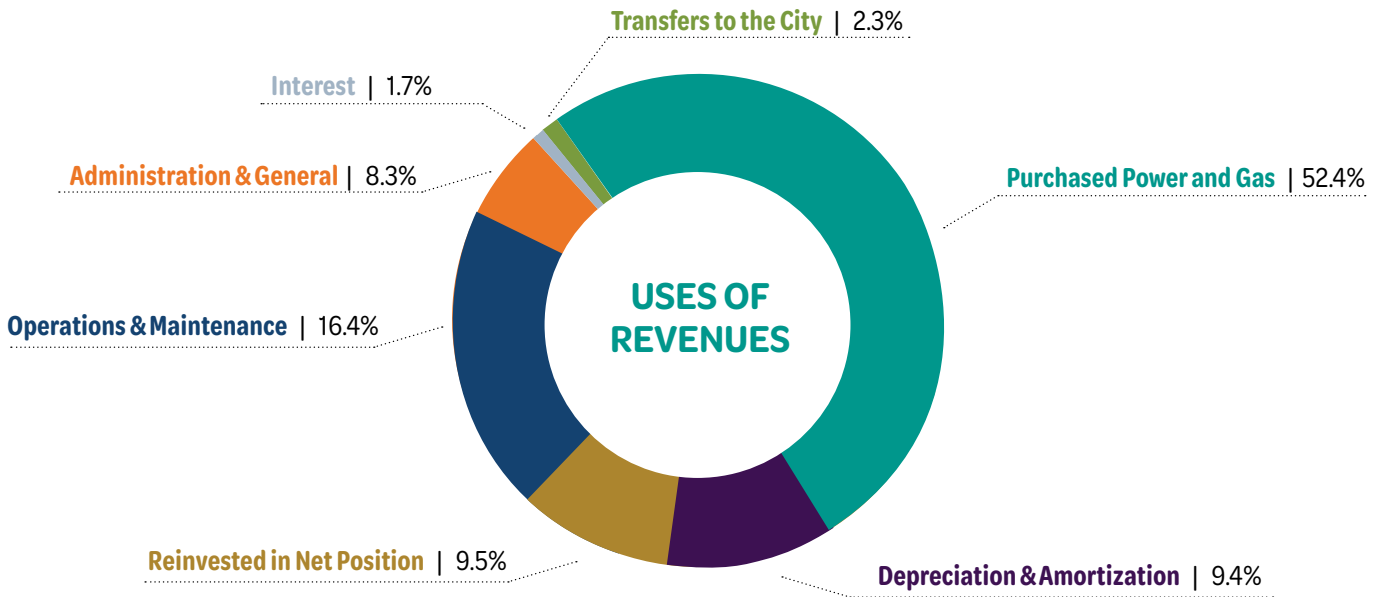
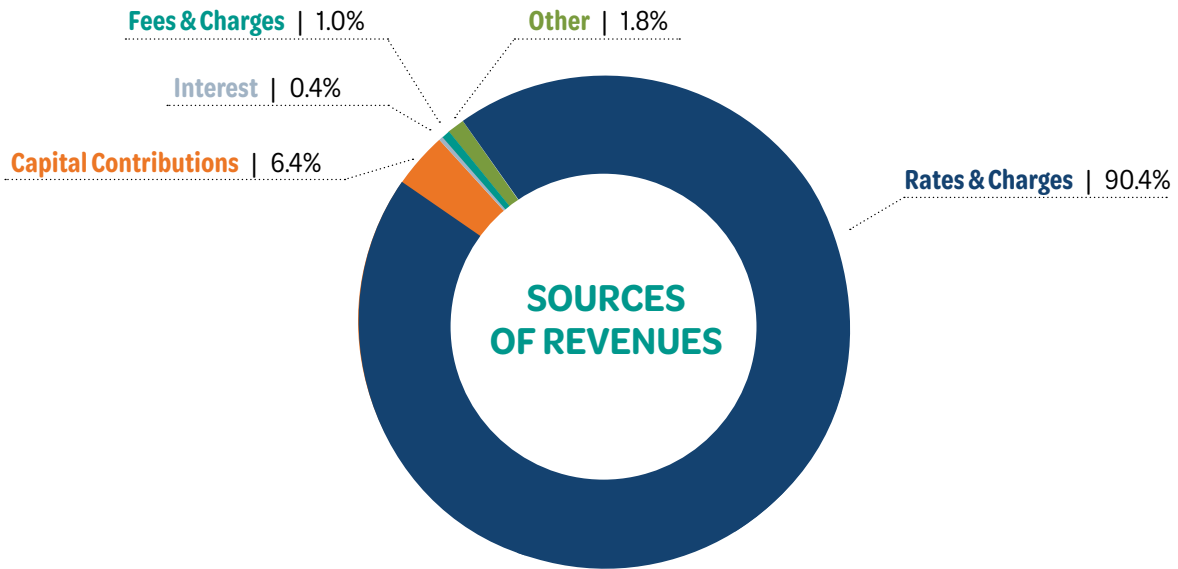
The largest portion of the Utilities Commission's net position (76.0%) reflects its net investment in capital assets (e.g., plants, distribution systems, equipment, land, machinery). The Utilities Commission uses these capital assets to provide electric, water, sewer, and gas services to customers, consequently 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 (\$106,110,865) may be used to meet the Utilities Commission's ongoing obligations to citizens and creditors. This balance decreased \$6,060,368 primarily due to increases in operating expenses.

The \$24,004,436 increase in net position is primarily due to the increase in operating revenues and capital contributions.

GREENVILLE UTILITIES COMMISSION CHANGES IN NET POSITION	2022	2021
Revenues		
Operating revenues		
Charges for services	\$266,997,051	\$254,249,501
Other operating revenues	594,208	2,807,704
Non-operating revenues		
Interest income	1,042,893	473,948
Other non-operating revenues	4,845,347	3,548,933
Total Revenues	273,479,499	261,080,086
Expenses		
Operating expenses	252,282,216	241,712,694
Non-operating expenses	9,034,364	6,397,750
Total Expenses	261,316,580	248,110,444
Increase in net position before contributions and transfers	12,162,919	12,969,642
Contributions	18,570,868	2,126,130
Transfers	(6,729,351)	(6,500,141)
Increase in Net Position	24,004,436	8,595,631
Net position, July 1	417,526,844	408,931,213
Net Position, June 30	\$441,531,280	\$417,526,844



Charges for services increased by \$12,747,550 or 5.0%, primarily due to higher volumes delivered to customers in the electric fund 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 \$24,004,436. Net position at the end of the fiscal year for the electric fund was \$160,842,916, \$93,086,612 for the water fund, \$133,645,371 for the sewer fund, and \$53,956,381 for the gas fund.

Capital Assets and Debt Administration

Capital assets—The Utilities Commission's investment in capital assets as of June 30, 2022 totals \$521,193,295 (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 10.1% increase. Additional information on the Utilities Commission's capital assets can be found in note 2.A of this report.

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

- Investment in a new operations center phase 2, including the fleet maintenance building, totaling \$7,257,196
- Electric transmission line extensions and improvements totaling \$1,748,541
- Electric substation improvements totaling \$786,581
- Electric underground lines totaling \$4,961,652
- Electric street and area light installations and replacements totaling \$1,027,163
- Water treatment plant improvements totaling \$19,104,712
- Water mains and services improvements and extensions totaling \$4,327,042
- Wastewater treatment plant improvements totaling \$1,352,087
- Sewer pumping stations improvements totaling \$913,288
- Sewer main extensions and improvements totaling \$5,353,055
- Natural gas distribution services improvements totaling \$3,920,649

Greenville Utilities Commission Capital Assets (net of depreciation)

CAPITAL ASSETS	2022	2021
Land	\$8,564,678	\$8,546,447
Easements	640,937	640,937
Land improvements	1,740,081	1,917,143
General plant	55,847,728	57,725,509
Utility Plant	93,335,235	96,799,328
Computer software	14,558,332	16,279,291
Vehicles and equipment	4,266,174	4,605,855
Distribution systems	250,450,013	230,272,317
Transmission system	18,627,320	18,858,494
Computer hardware	696,058	719,216
Fiber optics	869,723	802,218
Right to use leased assets	401,621	-
Construction in progress	71,195,395	36,286,762
Total Capital Assets	\$521,193,295	\$473,453,517

Long-term debt—At the end of the current fiscal year, the Utilities Commission had total debt outstanding of \$187,535,284. 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	2022	2021
Direct placement revenue bonds	\$ -	\$1,210,000
Public sales revenue bonds	127,200,001	132,690,000
Leases	355,690	-
Loans	40,558,569	20,191,816
Unamortized bond discount/premium	19,421,024	20,510,797
Total Outstanding Debt	\$187,535,284	\$174,602,613

Of the total debt, \$6,092,878 is the current portion.

Economic Factors and Next Year's Budgets and Rates

The Utilities Commission service area includes a diverse local economy including a solid manufacturing base, the 3rd largest university in the state and a 974 licensed bed teaching hospital that serves more than 1.4 million people in 29 counties of Eastern North Carolina. The Utilities Commission provides services in the Greenville metropolitan statistical area, including Greenville, the 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 2023 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

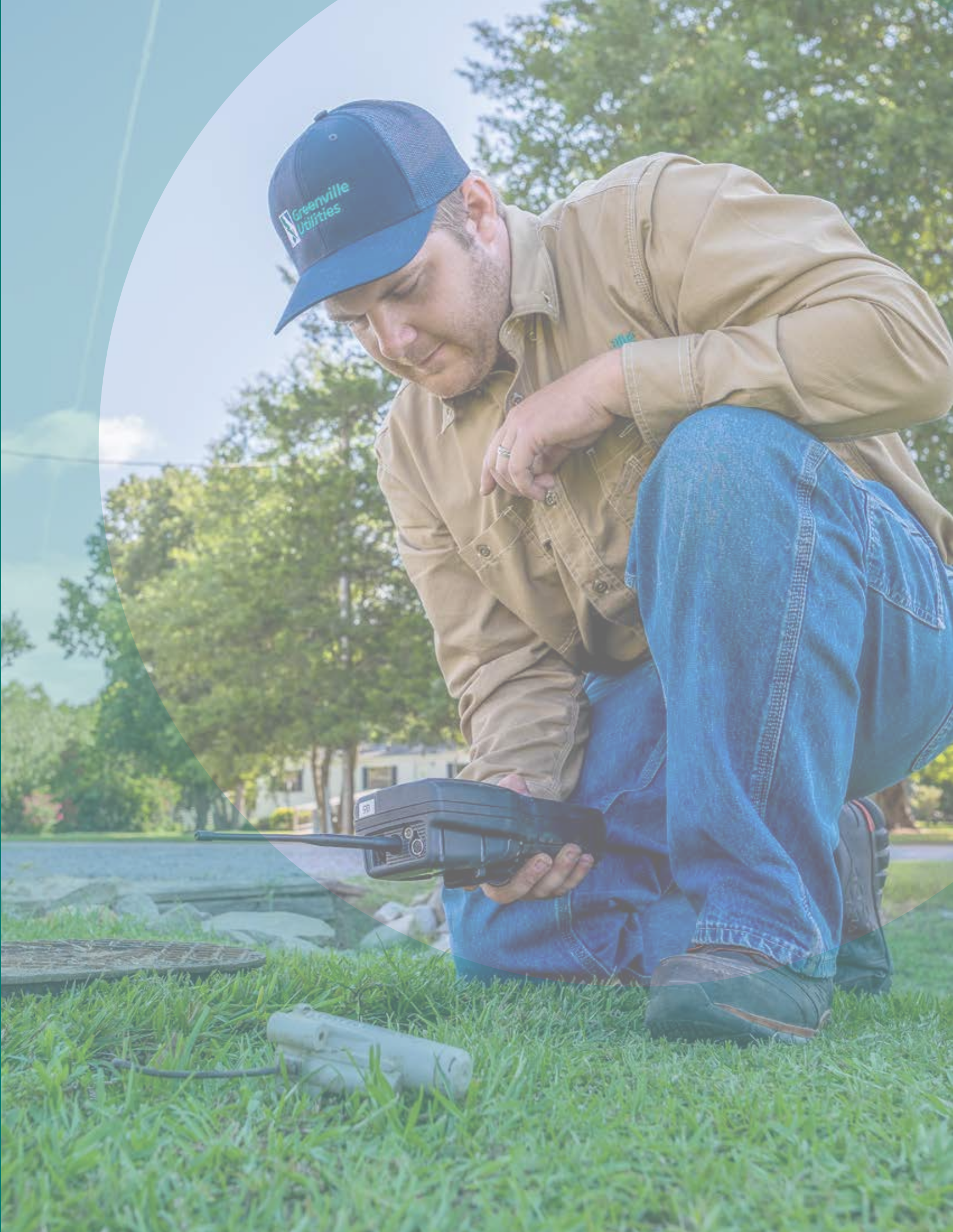


Exhibit 1. Statement of Net Position | June 30, 2022

	MAJOR FUNDS				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Assets					
Current Assets					
Cash and cash equivalents	\$9,776,805	\$2,463,748	\$3,465,864	\$4,289,996	\$19,996,413
Investments	30,765,724	8,260,061	8,326,264	10,645,736	57,997,785
Accounts receivable, net	18,162,397	2,528,856	2,513,863	2,704,163	25,909,279
Lease receivable	128,495	132,501	55,249	61,309	377,554
Dues from other governments	1,153,434	464,695	350,408	180,033	2,148,570
Inventories	8,990,571	1,528,947	273,815	1,134,472	11,927,805
Prepaid expenses and deposits	515,739	60,823	73,166	82,869	732,597
Restricted cash and cash equivalents	4,348,342	1,327,051	355,317	595,663	6,626,373
Total Current Assets	73,841,507	16,766,682	15,413,946	19,694,241	125,716,376
Non-current Assets					
Restricted Assets					
Restricted cash and cash equivalents:					
Bond proceeds	32,238	229,928	284,593	188,509	735,268
System development fees	-	1,494,230	1,702,990	-	3,197,220
Total restricted cash and cash equivalents	32,238	1,724,158	1,987,583	188,509	3,932,488
Total Restricted Assets	32,238	1,724,158	1,987,583	188,509	3,932,488
Investments	29,782,924	7,996,196	8,060,285	10,305,661	56,145,066
Notes receivable	-	135,852	-	-	135,852
Lease receivable, non-current	1,016,104	799,923	383,848	698,144	2,898,019
Total Non-current Assets	30,799,028	8,932,171	8,444,133	11,003,815	57,179,147
Total Assets	261,604,200	170,219,196	193,149,166	85,048,534	710,021,096
Deferred Outflows of Resources					
Pension deferrals	4,041,214	2,168,456	2,069,890	1,577,060	9,856,620
OPEB deferrals	4,843,660	2,599,038	2,480,901	1,890,209	11,813,808
Deferred charges on bond refundings	209,638	408,617	382,029	26,852	1,027,136
Total Deferred Outflows of Resources	9,094,512	5,176,111	4,932,820	3,494,121	22,697,564
Liabilities					
Current Liabilities					
Accounts payable and accrued expenses	14,505,634	1,879,967	1,202,628	2,608,525	20,196,754
Customer deposits payable from restricted assets	4,348,342	1,327,051	355,317	595,663	6,626,373
Accrued interest payable	747,939	281,582	399,206	221,281	1,650,008
Due to City of Greenville	94,266	41,056	14,480	6,113	155,915
Unearned revenue	-	18,600	10,080	-	28,680
Current portion of compensated absences	925,888	441,640	369,752	351,450	2,088,730
Current portion of long-term leases	29,710	61,727	44,460	12,709	148,606
Current portion of long-term debt	1,654,211	1,154,272	2,677,155	458,634	5,944,272
Total Current Liabilities	22,305,990	5,205,895	5,073,078	4,254,375	36,839,338
Non-current Liabilities					
Compensated absences	252,561	165,641	228,307	199,639	846,148
Long-term leases, excluding current portion	37,800	119,386	30,669	19,229	207,084
Long-term debt, excluding current portion	57,904,851	60,762,580	44,218,125	18,349,766	181,235,322
Net OPEB liability	13,857,316	7,435,635	7,097,652	5,407,734	33,798,337
Net pension liability	2,606,332	1,398,519	1,334,950	1,017,107	6,356,908
Total Non-current Liabilities	74,658,860	69,881,761	52,909,703	24,993,475	222,443,799
Total Liabilities	96,964,850	75,087,656	57,982,781	29,247,850	259,283,137

Exhibit 1. Statement of Net Position | June 30, 2022 *continued...*

	MAJOR FUNDS				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Deferred Inflows of Resources					
Leases	1,133,803	912,330	431,884	750,270	3,228,287
Pension deferrals	3,872,033	2,077,676	1,983,237	1,511,037	9,443,983
OPEB deferrals	7,885,110	4,231,033	4,038,713	3,077,117	19,231,973
Total Deferred Inflows of Resources	12,890,946	7,221,039	6,453,834	5,338,424	31,904,243
Net Position					
Net investment in capital assets	97,546,731	81,336,965	120,999,717	35,537,002	335,420,415
Unrestricted	63,296,185	11,749,647	12,645,654	18,419,379	106,110,865
Total Net Position	\$160,842,916	\$93,086,612	\$133,645,371	\$53,956,381	\$441,531,280

Exhibit 2. Statement of Revenues, Expenses and Changes in Fund Net Position |

For the Year Ended June 30, 2022

	MAJOR FUNDS				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Operating Revenues					
Charges for services	\$177,646,528	\$24,294,329	\$24,611,325	\$40,444,869	\$266,997,051
Other operating revenues	443,634	57,902	55,659	37,013	594,208
Total Operating Revenues	178,090,162	24,352,231	24,666,984	40,481,882	267,591,259
Operating Expenses					
Administration and general	12,100,457	4,031,830	3,979,007	3,961,739	24,073,033
Operations and maintenance	18,113,205	11,214,013	11,471,028	7,123,224	47,921,470
Purchased power and gas	127,950,613	-	-	24,824,774	152,775,387
Depreciation and amortization	12,301,489	4,793,404	7,572,573	2,844,860	27,512,326
Total Operating Expenses	170,465,764	20,039,247	23,022,608	38,754,597	252,282,216
Operating Income	7,624,398	4,312,984	1,644,376	1,727,285	15,309,043
Non-operating Revenues (Expenses)					
Interest income	528,249	160,232	160,471	193,941	1,042,893
Unrealized gain (loss) on investments	(1,875,160)	(503,448)	(507,483)	(648,854)	(3,534,945)
Interest expense and service charges	(2,018,447)	(876,524)	(1,315,957)	(635,214)	(4,846,142)
Other non-operating revenues	3,234,394	728,006	623,252	259,695	4,845,347
Other non-operating expenses	(653,277)	-	-	-	(653,277)
Net Non-operating Revenues (Expenses)	(784,241)	(491,734)	(1,039,717)	(830,432)	(3,146,124)
Income Before Contributions and Transfers	6,840,157	3,821,250	604,659	896,853	12,162,919
Contributions and Transfers					
Capital contributions	31,250	6,972,565	11,567,053	-	18,570,868
Transfer to City of Greenville, General Fund	(4,020,920)	-	-	(1,669,723)	(5,690,643)
Transfer to City of Greenville, street lighting reimb.	(1,038,708)	-	-	-	(1,038,708)
Total Contributions and Transfers	(5,028,378)	6,972,565	11,567,053	(1,669,723)	11,841,517
Changes in Net Position	1,811,779	10,793,815	12,171,712	(772,870)	24,004,436
Net Position, Beginning of Year	159,031,137	82,292,797	121,473,659	54,729,251	417,526,844
Net Position, End of Year	\$160,842,916	\$93,086,612	\$133,645,371	\$53,956,381	\$441,531,280

Exhibit 3. Statement of Cash Flows | For the Year Ended June 30, 2022

	MAJOR FUNDS				
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	Total
Cash Flows from Operating Activities:					
Receipts from customers and users	\$178,106,823	\$23,941,685	\$24,177,103	\$39,769,387	\$265,994,998
Other operating receipts	2,120,418	(673,758)	(388,299)	(505,580)	552,781
Payments for goods and services	(146,418,489)	(8,554,928)	(8,996,513)	(29,345,744)	(193,315,674)
Payments to employees	(13,096,907)	(6,730,323)	(6,492,286)	(5,519,568)	(31,839,084)
Payments received on loans	-	46,247	-	-	46,247
Net Cash Provided by Operating Activities	20,711,845	8,028,923	8,300,005	4,398,495	41,439,268
Cash Flows from Operating Activities:					
Transfers to City of Greenville, General Fund	(5,135,151)	-	-	(1,669,723)	(6,804,874)
Noncapital contributions	75,637	20,929	20,929	18,313	135,808
Net Cash Provided (used) by Non-capital Financing Activities	(5,059,514)	20,929	20,929	(1,651,410)	(6,669,066)
Cash Flows from Capital and Related Financing Activities:					
Proceeds from issuance of debt	-	20,686,025	-	-	20,686,025
Lease liabilities issued	97,383	246,582	119,876	44,191	508,032
Capital grants/cash capital contributions	31,250	-	1,052,464	-	1,083,714
Capital related receipts from customers	-	420,480	525,954	-	946,434
Principal payments on leases	(29,874)	(65,469)	(44,748)	(12,253)	(152,344)
Principal payments on debt obligations	(2,005,165)	(1,313,591)	(2,906,481)	(794,034)	(7,019,271)
Debt issuance costs	-	(19,310)	-	-	(19,310)
Acquisition and construction of capital assets	(19,120,205)	(26,027,725)	(8,915,362)	(5,878,232)	(59,941,524)
Payment of interest and service charges on leases	(2,267)	(1,872)	(1,601)	(944)	(6,684)
Payment of interest and service charges on debt obligations	(2,310,894)	(985,357)	(1,780,933)	(725,346)	(5,802,530)
Net Cash Provided (used) by Capital and Related Financing Activities	(23,339,772)	(7,060,237)	(11,950,831)	(7,366,618)	(49,717,458)
Cash flows from operating activities:					
Purchase of investments	(62,179,571)	(16,694,132)	(16,827,933)	(21,515,739)	(117,217,375)
Proceeds from sale and maturity of investments	29,218,511	5,862,687	8,069,126	10,795,941	53,946,265
Interest received on investments	555,727	163,259	168,262	204,954	1,092,202
Net Cash Provided (used) by Investing Activities	(32,405,333)	(10,668,186)	(8,590,545)	(10,514,844)	(62,178,908)
Net Increase (Decrease) in Cash and Cash Equivalents	(40,092,775)	(9,678,570)	(12,220,443)	(15,134,376)	(77,126,164)
Cash and Cash Equivalents, Beginning of Year	54,250,160	15,193,527	18,029,207	20,208,544	107,681,438
Cash and Cash Equivalents, End of Year	\$14,157,385	\$5,514,957	\$5,808,764	\$5,074,168	\$30,555,274
Other Disclosures					
Interest incurred	2,294,394	982,777	1,773,380	719,322	5,769,873
Interest paid	2,313,161	987,229	1,782,534	726,290	5,809,214
Contributions of capital assets	-	6,972,565	10,514,589	-	17,487,154
Change in unrealized gain/loss on investments	(1,879,024)	(491,764)	(509,566)	(654,591)	(3,534,945)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income	\$7,624,398	\$4,312,984	\$1,644,376	\$1,727,285	\$15,309,043
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation and amortization	12,301,489	4,793,404	7,572,573	2,844,860	27,512,326
Changes in deferrals					
Deferred outflows of resources for pensions	(455,136)	(244,219)	(233,118)	(177,614)	(1,110,087)
Deferred outflows of resources for OPEB	926,824	497,320	474,714	361,687	2,260,545
Deferred inflows of resources for leases	1,133,803	912,330	431,884	750,270	3,228,287
Deferred inflows of resources for pensions	3,820,936	2,050,259	1,957,066	1,491,097	9,319,358
Deferred inflows of resources for OPEB	(2,240,943)	(1,202,458)	(1,147,801)	(874,514)	(5,465,716)

Exhibit 3. Statement of Cash Flows | For the Year Ended June 30, 2022 *continued...*

	MAJOR FUNDS				Total
	Electric Fund	Water Fund	Sewer Fund	Gas Fund	
Changes in assets and liabilities					
Accounts receivable	(666,651)	(162,356)	25,218	(832,734)	(1,636,523)
Lease receivable	(1,144,599)	(932,424)	(439,097)	(759,453)	(3,275,573)
Notes receivable	-	46,247	-	-	46,247
Due from other governments	17,577	(37,264)	(70,475)	26,973	(63,189)
Inventories	(1,461,668)	(498,630)	(17,160)	(218,843)	(2,196,301)
Prepaid expenses and deposits	(186,398)	(33,786)	(33,740)	(36,440)	(290,364)
Accounts payable and accrued expenses	902,197	165,582	124,116	989,664	2,181,559
Customer deposits	771,995	(238,857)	(470,194)	105,757	168,701
Due to City of Greenville	83,455	32,430	7,571	3,889	127,345
Compensated absences	(59,032)	(21,615)	17,203	(10,865)	(74,309)
Net pension liability	(3,838,662)	(2,059,771)	(1,966,145)	(1,498,014)	(9,362,592)
Net OPEB liability	676,778	363,150	346,644	264,109	1,650,681
Miscellaneous income (expense)	2,505,482	286,597	76,370	241,381	3,109,830
Total Adjustments	13,087,447	3,715,939	6,655,629	2,671,210	26,130,225
Net Cash Provided by Operating Activities	\$20,711,845	\$8,028,923	\$8,300,005	\$4,398,495	\$41,439,268

Exhibit 4. Statement of Fiduciary Net Position | June 30, 2022*

	OPEB Trust Fund	Custodial Funds
Assets		
Cash and cash equivalents	\$1,594,278	\$1,394,514
Accounts receivable, net	-	929,229
Investments at fair value	5,044,966	-
Total Assets	6,639,244	2,323,743
Liabilities		
Accounts payable	-	1,394,514
Total Liabilities	-	1,394,514
Net Position		
Restricted For:		
Postemployment benefits other than pensions	6,639,244	-
The City of Greenville	-	929,229
Total Fiduciary Net Position	\$6,639,244	\$929,229

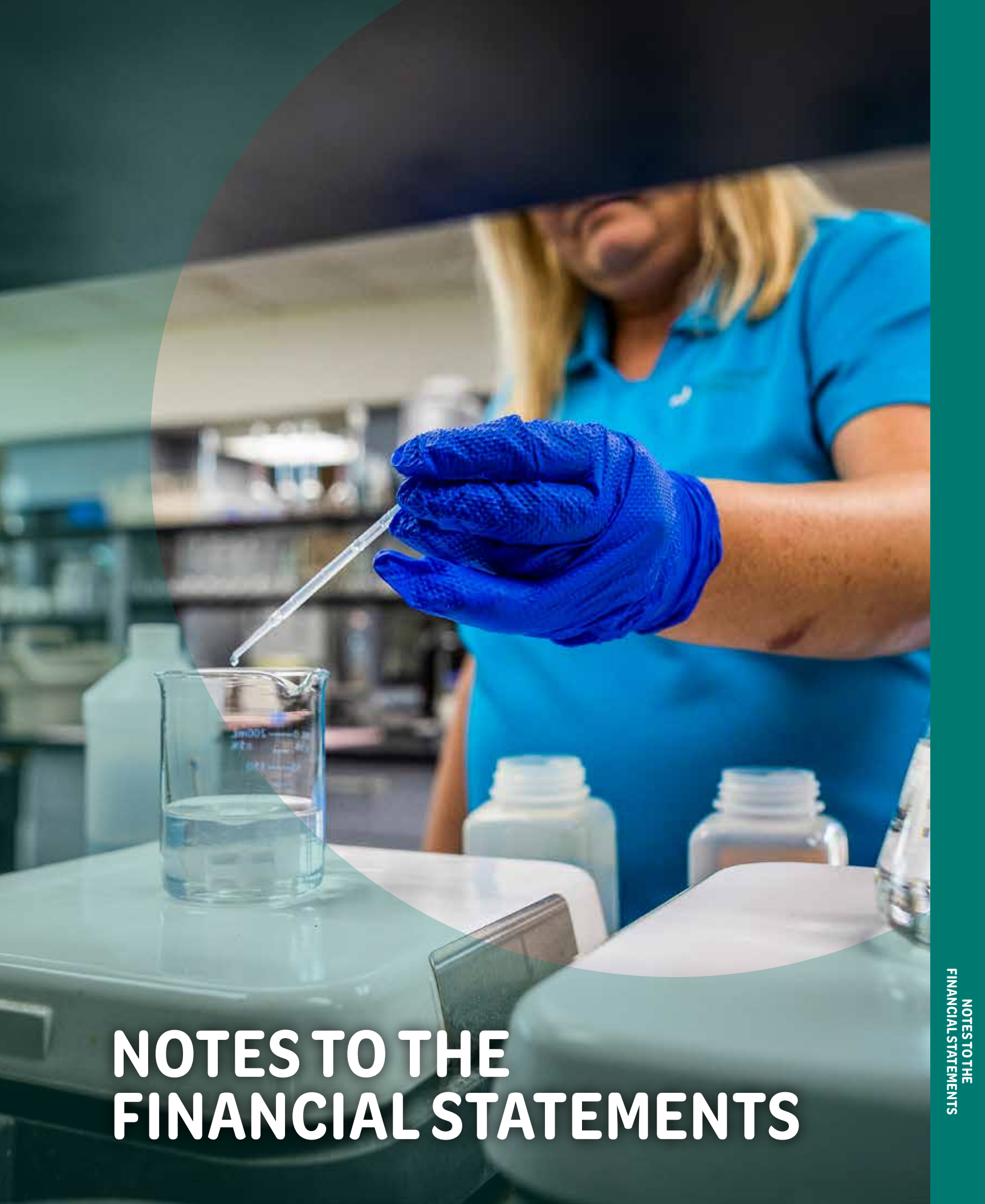
*The Notes to the Financial Statements are an integral part of these statements.

Exhibit 5. Statement of Changes in Fiduciary Net Position | For the Year Ended June 30, 2022*

	OPEB Trust Fund	Custodial Funds
Additions		
Contributions		
Employer contributions	\$2,534,331	\$ -
Total Contributions	2,534,331	-
Investment Earnings		
Interest	30,568	-
Net decrease in the fair value of investments	(895,276)	-
Total Investment Earnings	(864,708)	-
Less investment expense	1,098	-
Net Investment Loss	(865,806)	-
Refuse fees collected for the City of Greenville	-	8,448,292
Stormwater fees collected for the City of Greenville	-	7,382,765
Total Additions	1,668,525	15,831,057
Deductions		
Benefits paid to participants or beneficiaries	2,034,331	-
Refuse fees distributed to the City of Greenville	-	8,458,188
Stormwater fees distributed to the City of Greenville	-	7,320,977
Total Deductions	2,034,331	15,779,165
Change in Net Position	(365,806)	51,892
Net Position, Beginning of Year, as Previously Reported	7,005,050	877,337
Net Position, End of Year	\$6,639,244	\$929,229

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

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NOTES TO THE FINANCIAL STATEMENTS



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, 2022, two amendments to the original budget were 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 \$27.230307 per share at June 30, 2022.

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	\$6,626,373
Unexpended bond proceeds	735,268
Unexpended system development fees	3,197,220
Total	\$10,558,861

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

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

Capital Assets

Capital assets are defined by the Utilities Commission as assets with an initial cost of more than \$5,000 and an estimated useful life of at least two years. Capital assets purchased or constructed are recorded at cost. Contributed capital assets 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:

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

Right to Use Assets

The Commission has recorded right to use lease assets as a result of implementing Governmental Accounting Standards Board (GASB) Statement 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense 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 position 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 deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

Compensated Absences

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

The Utilities Commission's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Utilities Commission has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position

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

Defined Benefit Pension and OPEB Plans

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

The Utilities Commission participates in a single-employer, defined benefit other postemployment benefit plan (OPEB), the Greenville Utilities Commission Other Postemployment Benefits Plan (GUC OPEB Plan). For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the GUC OPEB Plan and additions to/deductions from the GUC OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the GUC OPEB Plan. For this purpose, the GUC OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Investments for both plans are reported at fair value.

NOTE 2—DETAIL NOTES ON ALL FUNDS

A. ASSETS

Deposits

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

At June 30, 2022, the Utilities Commission's deposits had a carrying amount of \$20,574,554 and a bank balance of \$19,673,085. Of the bank balance, \$1,939,685 was covered by Federal depository insurance, and \$17,733,400 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, 2022, consisted of various petty cash funds totaling \$5,800.

Investments

At June 30, 2022, 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	\$24,761,866	\$4,201,722	\$ -	\$20,560,144
US Treasury Bills	Fair Value—Level 1	4,985,180	4,985,180	-	-
US Treasury Notes	Fair Value—Level 1	41,851,624	4,284,821	1,981,880	35,584,923
Commercial Paper	Fair Value—Level 1	42,544,181	24,820,470	17,723,711	-
NC Capital Management Trust—Government Portfolios	Fair Value—Level 1	11,369,434	11,369,434	-	-
Totals		\$125,512,285	\$49,661,627	\$19,705,591	\$56,145,067

*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, 2022, the Utilities Commission OPEB Trust had \$6,639,244 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) 24%, which is reported as cash and cash equivalents; State Treasurer's Bond Index Fund (BIF) 15% and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund 61% (the equities were split with 60.68% in domestic securities and 39.32% 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, 2022, of 0.9 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 8.75 years at June 30, 2022.

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, 2022, the fair value of the funds was \$27.230307 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:

	2022
Cash	\$20,574,554
Petty Cash	5,800
Investments	125,512,285
Investments—OPEB Trust Fund	6,639,244
Total	\$152,731,883

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

	2022
Cash and cash equivalents—unrestricted	\$19,996,413
Investments—current	57,997,785
Restricted cash and cash equivalents	6,626,373
Restricted cash and cash equivalents—non-current	3,932,488
Investments—non-current	56,145,066
Cash and investments—OPEB Trust Fund	6,639,244
Cash and cash equivalents—Custodial Funds	1,394,514
Total	\$152,731,883

Receivables

Receivables at June 30, 2022, were as follows:

	2022
Billed customer accounts	\$18,780,181
Estimated unbilled customer services	14,051,805
Other receivables	376,644
Total Accounts Receivable	33,208,630
Allowance for uncollectible accounts	(7,299,351)
Net Accounts Receivable	\$25,909,279

The due from other governments that is owed to the Utilities Commission at June 30, 2022, consists of the following:

	2022
Sales tax refund	\$2,138,201
Utilities sales tax refund	10,368
Total Due from Other Governments	\$2,148,569

The Commission has entered into an agreement to supply supplemental water to Stokes Regional Water Corporation (SRWC). The agreement required the Commission to construct a water transmission main to connect with SRWC and to finance a portion of the project's cost. At the end of the fiscal year the note receivable due from SRWC was \$135,852 payable in monthly installments for 15 years at a 5.25% interest rate.

Leases Receivable

In July 2021, 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. 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, 2022 the receivable balance due from Wells Fargo Bank totaled \$100,342.

In July 2021, the Utilities Commission entered into a 10-year lease with EL Land, LLC. Under the lease, EL Land, LLC pays the Utilities Commission \$5,250 annually 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, 2022 the receivable balance due from EL Land, LLC totaled \$55,420.

In July 2021, 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 \$36,099 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, 2022 the receivable balance due from NCEMPA totaled \$330,815.

In July 2021, 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 \$1,732 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, 2022 the receivable balance due from BVP First Street Place totaled \$376,776.

In July 2021, the Utilities Commission entered into multiple leases with East Carolina University (ECU), ECU Health (formerly Vidant 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, and 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, 2022 was \$1,434,368.

In July 2021, 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 monthly fixed payments of \$2,476, 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, 2022 was \$362,424.

In July 2021, 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 monthly fixed payments of \$2,930, 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, 2022 was \$209,787.

In July 2021, 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 monthly fixed payments of \$4,177, 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, 2022 was \$186,322.

In July 2021, 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 of \$520. 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 Fibertech Networks as of June 30, 2022 was \$2,381.

In July 2021, 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 of \$24,940. 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 Metro Fibernet, LLC as of June 30, 2022 was \$212,743.

In July 2021, 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 of \$740. 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, 2022 was \$5,195.

In fiscal year 2022, the Utilities Commission recognized \$410,192 of lease revenue and \$91,817 of interest revenue under the leases.

Capital Assets

During the fiscal year ended June 30, 2022, the Utilities Commission recorded six right to use leased assets. The assets are right to use assets for a leased building and leased equipment. The related leases are discussed in the leases subsection of the liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital Assets Not Being Depreciated					
Land	\$8,546,447	\$18,231	\$ -	\$ -	\$8,564,678
Easements	640,937	-	-	-	640,937
Construction in progress	36,286,762	43,278,160	-	(8,369,527)	71,195,395
Total Capital Assets Not Being Depreciated	45,474,146	43,296,391	-	(8,369,527)	80,401,010
Capital Assets Being Depreciated					
Land improvements	3,781,930	-	-	-	3,781,930
General plant	67,743,202	280,773	-	-	68,023,975
Utility plant	182,741,707	2,386,741	(98,728)	-	185,029,720
Computer software	33,655,026	124,567	-	-	33,779,593
Vehicles and equipment	31,663,518	1,585,854	(395,009)	-	32,854,363
Distribution systems	509,155,671	26,300,798	-	7,230,069	542,686,538
Transmission systems	46,996,455	178,649	-	1,139,458	48,314,562
Computer hardware	4,518,039	306,166	-	-	4,824,205
Fiber optics	2,503,992	198,393	-	-	2,702,385
Right to use leased buildings	-	319,031	-	-	319,031
Right to use leased equipment	-	274,741	-	-	274,741
Total Capital Assets Being Depreciated	882,759,540	31,955,713	(493,737)	8,369,527	922,591,043
Less Accumulated Depreciation for					
Land improvements	1,864,787	177,062	-	-	2,041,849
General plant	10,017,693	2,158,554	-	-	12,176,247
Utility plant	85,942,379	5,850,833	(98,728)	-	91,694,484
Computer software	17,375,735	1,845,526	-	-	19,221,261
Vehicles and equipment	27,057,663	1,925,535	(395,009)	-	28,588,189
Distribution systems	278,883,354	13,353,172	-	-	292,236,526
Transmission systems	28,137,961	1,549,281	-	-	29,687,242
Computer hardware	3,798,823	329,324	-	-	4,128,147
Fiber optics	1,701,774	130,888	-	-	1,832,662
Right to use leased buildings	-	100,363	-	-	100,363
Right to use leased equipment	-	91,788	-	-	91,788
Total Accumulated Depreciation	454,780,169	27,512,326	(493,737)	-	481,798,758
Total Capital Assets Being Depreciated, Net	427,979,371				440,792,285
Net Capital Assets	\$473,453,517				\$521,193,295

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, 2022, totaled \$12,301,489, \$4,793,404, \$7,572,573, and \$2,844,860, respectively.

Capital asset activity by fund for the year ended June 30, 2022, 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	6,428,946	7,604,943	-	(2,164,658)	11,869,231
Total Capital Assets Not Being Depreciated	10,238,853	7,604,943	-	(2,164,658)	15,679,138
Capital Assets Being Depreciated					
Land improvements	515,165	-	-	-	515,165
General plant	34,412,839	112,964	-	-	34,525,803
Computer software	16,702,422	16,588	-	-	16,719,010
Vehicles and equipment	15,211,297	943,205	(10,601)	-	16,143,901
Distribution systems	242,372,013	8,403,029	-	1,025,200	251,800,242
Transmission systems	46,996,455	178,649	-	1,139,458	48,314,562
Computer hardware	3,515,643	224,616	-	-	3,740,259
Fiber optics	1,826,324	49,598	-	-	1,875,922
Right to use leased buildings	-	130,803	-	-	130,803
Right to use leased equipment	-	1,734	-	-	1,734
Total Capital Assets Being Depreciated	361,552,158	10,061,186	(10,601)	2,164,658	373,767,401
Less Accumulated Depreciation for					
Land improvements	293,243	31,321	-	-	324,564
General plant	4,941,108	1,085,604	-	-	6,026,712
Computer software	8,715,132	881,797	-	-	9,596,929
Vehicles and equipment	12,862,655	1,018,147	(10,601)	-	13,870,201
Distribution systems	160,979,559	7,346,325	-	-	168,325,884
Transmission systems	28,137,961	1,549,281	-	-	29,687,242
Computer hardware	2,962,628	252,802	-	-	3,215,430
Fiber optics	1,331,938	93,796	-	-	1,425,734
Right to use leased buildings	-	41,149	-	-	41,149
Right to use leased equipment	-	1,267	-	-	1,267
Total Accumulated Depreciation	220,224,224	12,301,489	(10,601)	-	232,515,112
Total Capital Assets Being Depreciated, Net	141,327,934				141,252,289
Net Capital Assets	\$151,566,787				\$156,931,427

Water Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital Assets Not Being Depreciated					
Land	\$1,327,238	\$7,431	\$ -	\$ -	\$1,334,669
Easements	14,590	-	-	-	14,590
Construction in progress	25,893,025	23,735,264	-	(3,156,109)	46,472,180
Total Capital Assets Not Being Depreciated	27,234,853	23,742,695	-	(3,156,109)	47,821,439
Capital Assets Being Depreciated					
Land improvements	2,573,743	-	-	-	2,573,743
General plant	11,182,292	54,958	-	-	11,237,250
Utility plant	58,773,102	516,822	(98,728)	-	59,224,285
Computer software	5,321,300	623	-	-	5,321,923
Vehicles and equipment	5,038,325	206,146	(287,164)	-	4,979,244
Distribution systems	89,500,620	7,230,218	-	3,156,109	101,269,838
Computer hardware	282,942	35,570	-	-	318,512
Fiber optics	282,287	49,598	-	-	331,885
Right to use leased buildings	-	70,187	-	-	70,187
Right to use leased equipment	-	195,258	-	-	195,258
Total Capital Assets Being Depreciated	172,954,611	8,359,380	(385,892)	3,156,109	185,522,125
Less Accumulated Depreciation for					
Land improvements	1,189,042	89,688	-	-	1,278,730
General plant	1,722,210	360,603	-	-	2,082,813
Utility plant	33,521,807	1,527,350	(98,728)	-	34,950,429
Computer software	2,804,976	290,964	-	-	3,095,940
Vehicles and equipment	4,431,016	259,931	(287,164)	-	4,403,783
Distribution systems	40,615,074	2,148,187	-	-	42,763,261
Computer hardware	237,949	23,283	-	-	261,232
Fiber optics	179,676	12,364	-	-	192,040
Right to use leased buildings	-	22,080	-	-	22,080
Right to use leased equipment	-	58,954	-	-	58,954
Total Accumulated Depreciation	84,701,750	4,793,404	(385,892)	-	89,109,262
Total Capital Assets Being Depreciated, Net	88,252,861				94,974,946
Net Capital Assets	\$115,487,714				\$142,796,385

Sewer Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital Assets Not Being Depreciated					
Land	\$2,412,679	\$10,800	\$ -	\$ -	\$2,423,479
Easements	82,403	-	-	-	82,403
Construction in progress	2,935,690	7,608,821	-	(3,048,760)	7,495,751
Total Capital Assets Not Being Depreciated	5,430,772	7,619,621	-	(3,048,760)	10,001,633
Capital Assets Being Depreciated					
Land improvements	297,028	-	-	-	297,028
General plant	10,806,753	54,958	-	-	10,861,711
Utility plant	108,823,607	1,869,919	-	-	110,693,526
Computer software	5,086,801	623	-	-	5,087,424
Vehicles and equipment	7,072,744	295,317	(10,601)	-	7,357,460
Distribution systems	127,706,689	9,528,703	-	3,048,760	140,284,152
Computer hardware	263,261	16,463	-	-	279,724
Fiber optics	197,689	49,598	-	-	247,287
Right to use leased buildings	-	66,996	-	-	66,996
Right to use leased equipment	-	70,885	-	-	70,885
Total Capital Assets Being Depreciated	260,254,572	11,953,462	(10,601)	3,048,760	275,246,193
Less Accumulated Depreciation for					
Land improvements	164,691	20,432	-	-	185,123
General plant	1,475,833	351,452	-	-	1,827,285
Utility plant	45,696,882	3,822,924	-	-	49,519,806
Computer software	2,579,391	286,537	-	-	2,865,928
Vehicles and equipment	6,156,609	368,651	(10,601)	-	6,514,659
Distribution systems	53,995,594	2,639,216	-	-	56,634,810
Computer hardware	218,271	19,462	-	-	237,733
Fiber optics	95,079	12,364	-	-	107,443
Right to use leased buildings	-	21,076	-	-	21,076
Right to use leased equipment	-	30,459	-	-	30,459
Total Accumulated Depreciation	110,382,350	7,572,573	(10,601)	-	117,944,322
Total Capital Assets Being Depreciated, Net	149,872,222				157,301,871
Net Capital Assets	\$155,302,994				\$167,303,504

Gas Fund

	Beginning Balances	Additions	Deletions	Transfers	Ending Balances
Capital Assets Not Being Depreciated					
Land	\$1,400,115	\$ -	\$ -	\$ -	\$1,400,115
Easements	140,452	-	-	-	140,452
Construction in progress	1,029,101	4,329,132	-	-	5,358,233
Total Capital Assets Not Being Depreciated	2,569,668	4,329,132	-	-	6,898,800
Capital Assets Being Depreciated					
Land improvements	395,994	-	-	-	395,994
General plant	11,341,318	57,893	-	-	11,399,211
Utility plant	15,144,998	-	-	-	15,144,998
Computer software	6,544,503	106,733	-	-	6,651,236
Vehicles and equipment	4,341,152	141,186	(86,643)	-	4,395,695
Distribution systems	49,576,349	1,138,848	-	-	50,715,197
Computer hardware	456,193	29,517	-	-	485,710
Fiber optics	197,692	49,599	-	-	247,291
Right to use leased buildings	-	51,045	-	-	51,045
Right to use leased equipment	-	6,864	-	-	6,864
Total Capital Assets Being Depreciated	87,998,199	1,581,685	(86,643)	-	89,493,241
Less Accumulated Depreciation for					
Land improvements	217,811	35,621	-	-	253,432
General plant	1,878,542	360,895	-	-	2,239,437
Utility plant	6,723,690	500,559	-	-	7,224,249
Computer software	3,276,236	386,228	-	-	3,662,464
Vehicles and equipment	3,607,383	278,806	(86,643)	-	3,799,546
Distribution systems	23,293,127	1,219,444	-	-	24,512,571
Computer hardware	379,975	33,777	-	-	413,752
Fiber optics	95,081	12,364	-	-	107,445
Right to use leased buildings	-	16,058	-	-	16,058
Right to use leased equipment	-	1,108	-	-	1,108
Total Accumulated Depreciation	39,471,845	2,844,860	(86,643)	-	42,230,062
Total Capital Assets Being Depreciated, Net	48,526,354				47,263,179
Net Capital Assets	\$51,096,022				\$54,161,979

A summary of capital assets, by fund, at June 30, 2022 is as follows:

	Electric	Water	Sewer	Gas	Total
At June 30, 2022					
Land	\$3,406,415	\$1,334,669	\$2,423,479	\$1,400,115	\$8,564,678
Easements	403,492	14,590	82,403	140,452	640,937
Land improvements	515,165	2,573,743	297,028	395,994	3,781,930
General plant	34,525,803	11,237,250	10,861,711	11,399,211	68,023,975
Utility plant	-	59,191,196	110,693,526	15,144,998	185,029,720
Computer software	16,719,010	5,321,923	5,087,424	6,651,236	33,779,593
Vehicles and equipment	16,143,901	4,957,307	7,357,460	4,395,695	32,854,363
Distribution systems	251,800,242	99,886,947	140,284,152	50,715,197	542,686,538
Transmission systems	48,314,562	-	-	-	48,314,562
Computer hardware	3,740,259	318,512	279,724	485,710	4,824,205
Fiber optics	1,875,922	331,885	247,287	247,291	2,702,385
Right to use leased buildings	130,803	70,187	66,996	51,045	319,031
Right to use leased equipment	1,734	195,258	70,885	6,864	274,741
	377,577,308	185,433,467	277,752,075	91,033,808	931,796,658
Less accumulated depreciation	(232,515,112)	(89,109,262)	(117,944,322)	(42,230,062)	(481,798,758)
	145,062,196	96,324,205	159,807,753	48,803,746	449,997,900
Construction in Progress	11,869,231	46,472,180	7,495,751	5,358,233	71,195,395
Net Capital Assets	\$156,931,427	\$142,796,385	\$167,303,504	\$54,161,979	\$521,193,295

Construction Commitments

The Utilities Commission has active construction projects as of June 30, 2022. At year-end, the Utilities Commission's commitments with contractors are as follows:

PROJECT NAME	Spent-to-date	Remaining Commitments
Electric transmission system	\$2,692,811	\$5,394,487
Electric distribution system	5,107,134	1,619,726
Water treatment and distribution system	45,337,082	11,200,699
Sewer treatment and collection system	6,385,135	4,292,626
Natural gas distribution system	4,246,497	791,953
Administrative facilities	7,090,440	1,259,320
Totals	\$70,859,099	\$24,558,811

B. LIABILITIES

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses as of June 30, 2022, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Electric	\$14,202,627	\$290,838	\$12,169	\$14,505,634
Water	1,425,802	454,165	-	1,879,967
Sewer	766,457	436,171	-	1,202,628
Gas	2,241,875	366,650	-	2,608,525
Totals	\$18,636,761	\$1,547,824	\$12,169	\$20,196,754

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, 2022 was 11.35% for general employees. Contributions to the pension plan from the Utilities Commission were \$3,818,244 for the year ended June 30, 2022.

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, 2022, the Utilities Commission reported a liability of \$6,356,908 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2021, the Utilities Commission's proportion was 0.41451%, which was a decrease of 0.02539% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Utilities Commission recognized pension expense of \$2,664,923. At June 30, 2022, the Utilities Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$2,022,360	\$ -
Changes of assumptions	3,993,762	-
Net difference between projected and actual earnings on pension plan investments	-	9,082,112
Changes in proportion and differences between employer contributions and proportionate share of contributions	22,254	361,871
Employer contributions subsequent to the measurement date	3,818,244	-
Totals	\$9,856,620	\$9,443,983

\$3,818,244 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, 2023. 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	
2023	\$480,707
2024	(325,304)
2025	(781,829)
2026	(2,779,181)
Thereafter	-
Totals	(\$3,405,607)

Actuarial Assumptions

The total pension liability in the December 31, 2020 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, 2020 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	26.7%	1.4%
Public Equity	36.8%	5.3%
Cash and Receivables	10.9%	4.3%
Other*	25.6%	8.9%
Total	100.0%	

*Real Estate, Alternatives, Inflation, and Credit

The information above is based on 30-year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount Rate

The discount rate used to measure the total pension liability was 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)	\$24,676,991	\$6,356,908	(\$8,719,454)

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, 2020, the valuation date, the GUC OPEB Plan membership consisted of the following:

Inactive members or beneficiaries currently receiving benefits	188
Inactive members entitled to but not yet receiving benefits	0
Active members	459
	647

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 \$2,534,331. 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, 2022, the annual money weighted rate of return on investments, net of investment expense, was -11.633%. 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, 2022 were as follows:

Total OPEB Liability (TOL)	\$40,437,581
Plan fiduciary net position (FNP)	6,639,244
Net OPEB Liability (NOL)	\$33,798,337
Plan fiduciary net position as a percentage of the total OPEB liability	16.42%

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020 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	2.16%
Measurement date	3.54%
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 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

The total OPEB liability (TOL) determined by the June 30, 2020 valuation date was rolled forward to the June 30, 2022 measurement date using standard roll forward techniques. The roll forward calculation begins with the TOL, as of June 30, 2020, 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, 2020 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, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 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, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 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	\$38,995,602	\$33,798,337	\$29,491,697

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	\$28,649,437	\$33,798,337	\$40,092,983

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

At June 30, 2022, the Utilities Commission reported a net OPEB liability of \$33,798,337. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2022 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, 2021	\$39,152,706	\$7,005,050	\$32,147,656
Changes for the Year:			
Service Cost at the end of the year*	484,576	-	484,576
Interest on TOL and Cash Flows	2,670,691	-	2,670,691
Difference between expected and actual experience	163,939	-	163,939
Changes of assumptions or other inputs	-	-	-
Contributions—employer	-	2,534,331	(2,534,331)
Net investment income	-	(865,806)	865,806
Benefit payments	(2,034,331)	(2,034,331)	-
Net changes	1,284,875	(365,806)	1,650,681
Balance as of June 30, 2022	\$40,437,581	\$6,639,244	\$33,798,337

* The service cost includes interest for the year.

For the year ended June 30, 2022, the Utilities Commission recognized OPEB expense of \$979,841. At June 30, 2022, 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	\$2,431,995	\$273,861
Changes of assumptions or other inputs	8,713,661	18,958,112
Net difference between projected and actual earnings on OPEB plan investments	668,152	-
Totals	\$11,813,808	\$19,231,973

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	
2023	(\$1,668,059)
2024	(1,684,608)
2025	(954,086)
2026	(1,960,001)
2027	(1,161,174)
Thereafter	9,763
Totals	(\$7,418,165)

Leases

The Utilities Commission has executed various lease agreements that qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

In July 2021, the Utilities Commission entered into an agreement to lease office space on Red Banks Road. Under the lease agreement, the Utilities Commission is required to make monthly payments of \$6,270 for 39 months. The lease has an interest rate of 3.00%. The Utilities Commission recorded an initial liability of \$233,292 and a corresponding asset in the buildings category of the right to use lease assets. As of the end of the fiscal year, the value of the lease liability was \$163,506 and the accumulated amortization on the lease asset was \$71,782.

In July 2021, the Utilities Commission entered into an agreement to lease two liquid oxygen tanks for use at the water treatment plant. Under the lease agreement, the Utilities Commission is required to make annual payments of \$46,071 for 3 years. The lease has an interest rate of 3.00%. The Utilities Commission recorded an initial liability of \$176,183 and a corresponding asset in the equipment category of the right to use lease assets. As of the end of the fiscal year, the value of the lease liability was \$130,317 and the accumulated amortization on the lease asset was \$54,210.

In July 2021, the Utilities Commission entered into an agreement to lease computer equipment for use at the wastewater treatment plant. Under the lease agreement, the Utilities Commission is required to make annual payments of \$25,924 for 2 years. The lease has an interest rate of 3.00%. The Utilities Commission recorded an initial liability of \$51,470 and a corresponding asset in the equipment category of the right to use lease assets. As of the end of the fiscal year, the value of the lease liability was \$25,547 and the accumulated amortization on the lease asset was \$25,735.

In July 2021, the Utilities Commission entered into an agreement to lease a postage machine feeder for use in our administrative offices. Under the lease agreement, the Utilities Commission is required to make monthly payments of \$170 for 14 months. The lease has an interest rate of 3.00%. The Utilities Commission recorded an initial liability of \$2,339 and a corresponding asset in the equipment category of the right to use lease assets. As of the end of the fiscal year, the value of the lease liability was \$339 and the accumulated amortization on the lease asset was \$2,005.

During fiscal year 2022, the Utilities Commission 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 the table below.

LEASE	Initial Liability/ Asset	Monthly Payment	Term	June 30,2022 Liability	JUNE 30,2022 Amortization
Gas Administration	\$6,135	\$110	60 months	\$5,644	\$511
Water Resources 1 st Floor	7,873	141	60 months	6,376	1,575
Water Treatment Plant	8,900	160	60 months	7,207	1,780
Water Resources 2 nd Floor	11,162	233	51 months	8,640	2,626
Wastewater Treatment Plant	9,240	166	60 months	7,629	1,694
Garage	1,436	82	18 months	485	958

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$148,606	\$9,556	\$158,162
2024	125,936	5,084	131,020
2025	72,750	1,839	74,589
2026	7,471	142	7,613
2027	927	8	935
Totals	\$355,690	\$16,629	\$372,319

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 \$52,782,940 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 19% of net revenues, or less than 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$80,982,736. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,316,059, \$18,815,685, and \$181,451,877, 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	\$20,746,697
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	612,858
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	2,822,461
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	26,674,985
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	1,925,939
TOTALS	\$52,782,940

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
2023	\$1,654,211	\$2,249,277	\$3,903,488
2024	1,765,943	2,164,965	3,930,908
2025	1,880,003	2,075,135	3,955,138
2026	2,006,505	1,979,464	3,985,969
2027	1,979,815	1,876,911	3,856,726
2028-2032	9,568,290	7,965,850	17,534,140
2033-2037	11,270,348	5,457,431	16,727,779
2038-2042	12,557,792	3,532,884	16,090,676
2043-2046	10,100,033	897,879	10,997,912
TOTALS	\$52,782,940	\$28,199,796	\$80,982,736

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 \$20,580,400 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 23% of net revenues, or less than 9% of total revenues. The total principal and interest remaining to be paid on the bonds is \$29,982,779. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$2,150,151, \$8,510,669, and \$24,647,709, 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	\$2,051,964
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	318,667
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	6,158,072
Series 2019 Revenue Bonds with an original issue amount of \$8,206,842, due in annual installments with varying interest rates from 3.0% to 5.0%, final payment will be made on August 1, 2044	8,080,284
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	1,284,745
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	22,562
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	208,864
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	90,617
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	586,539
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	1,778,086
	\$20,580,400

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
2023	\$1,020,776	\$947,755	\$1,968,531
2024	991,688	896,231	1,887,919
2025	1,040,863	846,183	1,887,046
2026	1,101,724	793,633	1,895,357
2027	1,076,510	737,872	1,814,382
2028-2032	5,876,644	2,816,158	8,692,802
2033-2037	4,205,636	1,396,556	5,602,192
2038-2042	3,202,170	797,488	3,999,658
2043-2046	2,064,389	170,503	2,234,892
Totals	\$20,580,400	\$9,402,379	\$29,982,779

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	\$941,166
1.110% DWSRF loan issued in 2021 to finance improvements to the water treatment plant, \$40,000,000 authorized and \$36,246,228 drawn to date, due in annual installments of \$1,812,311 with a final payment on May 1, 2043	36,246,228
	\$37,187,394

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
2023	\$58,823	\$14,400	\$73,223
2024	1,871,134	243,877	2,115,011
2025	1,871,134	394,816	2,265,950
2026	1,871,134	373,800	2,244,934
2027	1,871,134	352,783	2,223,917
2028-2032	9,355,672	1,448,665	10,804,337
2033-2037	9,355,672	923,249	10,278,921
2038-2042	9,120,380	403,233	9,523,613
2043	1,812,311	20,117	1,832,428
Totals	\$37,187,394	\$4,174,940	\$41,362,334

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	\$588,430
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	10,076
	\$598,506

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
2023	\$74,673	\$ -	\$74,673
2024	74,673	-	74,673
2025	74,673	-	74,673
2026	74,673	-	74,673
2027	74,673	-	74,673
2028-2031	225,141	-	225,141
Totals	\$598,506	\$ -	\$598,506

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 \$37,041,255 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 48% of net revenues, or less than 17% of total revenues. The total principal and interest remaining to be paid on the bonds is \$50,722,915. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$4,477,396, \$8,648,309, and \$24,837,360, 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	\$4,316,984
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	948,475
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	5,621,293
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	6,695,056
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	4,627,622
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	3,663,626
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	6,192,580
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	3,803,933
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	1,171,686
	\$37,041,255

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
2023	\$2,491,379	\$1,686,145	\$4,177,524
2024	2,518,503	1,561,174	4,079,677
2025	2,599,817	1,434,864	4,034,681
2026	2,693,904	1,304,454	3,998,358
2027	2,521,748	1,169,200	3,690,948
2028-2032	12,641,226	3,905,428	16,546,654
2033-2037	6,016,827	1,571,244	7,588,071
2038-2042	3,232,157	845,138	4,077,295
2043-2046	2,325,694	204,013	2,529,707
Totals	\$37,041,255	\$13,681,660	\$50,722,915

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	\$1,398,200
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	1,374,469
	\$2,772,669

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
2023	\$185,776	\$22,816	\$208,592
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
2028-2032	928,878	64,171	993,049
2033-2037	829,007	28,520	857,527
2038	85,904	1,426	87,330
Totals	\$2,772,669	\$193,937	\$2,966,606

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 \$16,795,406 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 27% of net revenues, or less than 3% of total revenues. The total principal and interest remaining to be paid on the bonds is \$25,949,593. Principal and interest paid for the current year, total customer net revenues, and total revenues were \$1,519,380, \$4,138,896, and \$40,779,964, 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	\$ 9,379,357
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	518,174
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	6,434,675
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	463,200
	\$16,795,406

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
2023	\$458,634	\$705,998	\$1,164,632
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
2028-2032	2,973,840	2,582,440	5,556,280
2033-2037	3,617,189	1,798,493	5,415,682
2038-2042	4,127,882	1,170,415	5,298,297
2043-2046	3,464,884	321,479	3,786,363
Totals	\$16,795,406	\$9,154,187	\$25,949,593

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, 2022 is as follows:

	2022
Operating revenues	\$267,591,259
Operating expenses ¹	(227,477,699)
Operating Income	40,113,560
Non-operating Revenues (Expenses)	
Miscellaneous revenues ²	3,585,259
Interest income ²	540,392
Other non-operating expenses	(653,277)
Income Available for Debt Service	\$43,585,934
Parity debt service (principal and interest paid)	\$12,462,986
Parity debt service coverage ratio	350%
Subordinate and other debt service (principal and interest paid)	\$517,842
Subordinate and other debt service coverage ratio	6010%

¹In accordance with rate covenants, operating expenses excludes depreciation and amortization expense of \$27,512,326; unfunded OPEB expense of (\$1,554,490); and pension expense of (\$1,153,321).

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, 2022, the Utilities Commission had no arbitrage liabilities.

Changes in Long-term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

LONG-TERM LIABILITIES	June 30, 2021	Additions	Retirements	June 30, 2022	Current Portion
Direct placement revenue bonds	\$1,210,000	\$ -	(\$1,210,000)	\$ -	\$ -
Public sales revenue bonds	132,690,000	-	(5,489,999)	127,200,001	5,625,000
Other types of debt	20,191,816	20,686,025	(319,272)	40,558,569	319,272
Discounts and premiums	20,510,797	-	(1,089,773)	19,421,024	-
Leases	-	508,032	(152,344)	355,688	148,606
Compensated absences	3,009,187	2,189,489	(2,263,798)	2,934,878	2,088,730
Net OPEB liability	32,147,656	1,650,681	-	33,798,337	-
Net pension liability (LRS)	15,719,500	-	(9,362,592)	6,356,908	-
Total Long-Term Liabilities	\$225,478,956	\$25,034,227	(\$19,887,778)	\$230,625,405	\$8,181,608

Changes in long-term liabilities by fund for the year ended June 30, 2022 are as follows:

ELECTRIC FUND	June 30, 2021	Additions	Retirements	June 30, 2022	Current Portion
Direct placement revenue bonds	\$429,048	\$ -	(\$429,048)	\$ -	\$ -
Public sales revenue bonds	54,359,057	-	(1,576,117)	52,782,940	1,654,211
Discounts and premiums	7,085,004	-	(308,882)	6,776,122	-
Leases	-	97,383	(29,874)	67,509	29,710
Compensated absences	1,237,481	930,346	(989,378)	1,178,449	925,888
Net OPEB liability	13,180,538	676,778	-	13,857,316	-
Net pension liability (LRS)	6,444,994	-	(3,838,662)	2,606,332	-
Electric Fund Long-Term Liabilities	\$82,736,122	\$1,704,507	(\$7,171,961)	\$77,268,668	\$2,609,809

WATER FUND	June 30, 2021	Additions	Retirements	June 30, 2022	Current Portion
Direct placement revenue bonds	\$186,439	\$ -	(\$186,439)	\$ -	\$ -
Public sales revenue bonds	21,574,056	-	(993,656)	20,580,400	1,020,776
Other types of debt	17,233,371	20,686,025	(133,496)	37,785,900	133,496
Discounts and premiums	3,729,266	-	(178,714)	3,550,552	-
Leases	-	246,582	(65,469)	181,113	61,727
Compensated absences	628,896	458,027	(479,642)	607,281	441,640
Net OPEB liability	7,072,485	363,150	-	7,435,635	-
Net pension liability (LRS)	3,458,290	-	(2,059,771)	1,398,519	-
Water Fund Long-Term Liabilities	\$53,882,803	\$21,753,784	(\$4,097,187)	\$71,539,400	\$1,657,639

SEWER FUND	June 30, 2021	Additions	Retirements	June 30, 2022	Current Portion
Direct placement revenue bonds	\$238,882	\$ -	(\$238,882)	\$ -	\$ -
Public sales revenue bonds	39,523,078	-	(2,481,823)	37,041,255	2,491,379
Other types of debt	2,958,445	-	(185,776)	2,772,669	185,776
Discounts and premiums	7,593,289	-	(511,933)	7,081,356	-
Leases	-	119,876	(44,748)	75,128	44,460
Compensated absences	580,856	423,999	(406,796)	598,059	369,752
Net OPEB liability	6,751,008	346,644	-	7,097,652	-
Net pension liability (LRS)	3,301,095	-	(1,966,145)	1,334,950	-
Sewer Fund Long-Term Liabilities	\$60,946,653	\$890,519	(\$5,836,103)	\$56,001,069	\$3,091,367

GAS FUND	June 30, 2021	Additions	Retirements	June 30, 2022	Current Portion
Direct placement revenue bonds	\$355,631	\$ -	(\$355,631)	\$ -	\$ -
Public sales revenue bonds	17,233,809	-	(438,403)	16,795,406	458,634
Discounts and premiums	2,103,238	-	(90,244)	2,012,994	-
Leases	-	44,191	(12,253)	31,938	12,709
Compensated absences	561,954	377,117	(387,982)	551,089	351,450
Net OPEB liability	5,143,625	264,109	-	5,407,734	-
Net pension liability (LRS)	2,515,121	-	(1,498,014)	1,017,107	-
Gas Fund Long-Term Liabilities	\$27,913,378	\$685,417	(\$2,782,527)	\$25,816,268	\$822,793

C. NET INVESTMENT IN CAPITAL ASSETS

Capital Assets	\$521,193,295
plus: unexpended bond proceeds	735,268
plus: deferred charges on bond refundings	1,027,136
less: long-term debt and leases	(187,535,284)
Net Investment in Capital Assets	\$335,420,415

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, 2022, 2021, and 2020 were \$477,400, \$481,800, and \$482,960, respectively. These contributions represent 1.5%, 1.6% and 1.5%, respectively, of covered payroll.

NOTE 4—OTHER EMPLOYMENT BENEFITS

The Utilities Commission has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System ("Death Benefit Plan"), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at the time of death, are eligible for death benefits.

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

NOTE 5—TRANSFER ACTIVITY WITH THE CITY OF GREENVILLE

Balances due to/from the City of Greenville

Balances due to the City of Greenville at June 30, 2022 consist of the following:

Street lighting reimbursement	\$88,241
Street repairs	43,498
MWBE program	19,586
Dumpster collection and landfill fees	4,590
Total	\$155,915

Balances due from the City of Greenville at June 30, 2022 on utility accounts totaled \$287,924. 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 2022 consist of the following:

Electric Fund general transfer	\$4,020,920
Gas Fund general transfer	1,669,723
Electric Fund street lighting reimbursement	1,038,708
Total	\$6,729,351

The transfers to the City's General Fund of \$6,729,351 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, 2022 and 2021 are as follows:

	2022	2021
Unpaid claims, beginning	\$790,711	\$780,399
Incurred claims	8,714,940	6,904,352
Claim payments	(8,529,939)	(6,894,040)
Unpaid Claims, Ending	\$975,712	\$790,711

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, 2022 and 2021 are as follows:

	2022	2021
Unpaid claims, beginning	\$52,289	\$43,601
Incurred claims	408,399	464,582
Claim payments	(413,400)	(455,894)
Unpaid Claims, Ending	\$47,288	\$52,289

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 \$50,000.

The Utilities Commission carries commercial coverage for all other risks of loss. Through this coverage, the Utilities Commission obtains general liability coverage of \$1 million per occurrence with a general aggregate of \$3 million, auto liability coverage of \$1 million per occurrence, property coverage up to \$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, 2022, 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, 2022 was approximately \$28.7 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 \$29,610.66. 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, 2022, the Utilities Commission had commitments to take delivery on a total of 1,110,000 dekatherms at fixed prices ranging from \$4.594 to \$10.683 per dekatherm and in varying amounts from July 2022 through June 2024. In addition, the Utilities Commission had commitments to take delivery on 2,262,300 additional dekatherms during the period July 2022 through June 2024 for which there is not yet a fixed price.

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

winter period, November through March). The Utilities Commission receives a price discount projected to be between \$0.42 and \$0.47 per dekatherm and pays a fee of \$0.015 per dekatherm to PEG to cover the administrative costs of the agreement. Deliveries under this agreement ended January 31, 2022.

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 receives a price discount projected to be \$0.40 per dekatherm during the initial reset period from November 1, 2018 to October 31, 2023 and pays a fee of \$0.03 per dekatherm to Black Belt Energy to cover the administrative costs of the agreement. The Utilities Commission may elect to remarket the commodity in future reset periods when the available discount realized from the initial reset period through the end of such reset period is less than \$0.25 per dekatherm, excluding any period for which the Utilities Commission delivered a remarking election.

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

Litigation

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

NOTE 8—TRANSFER OF OPERATIONS

On July 1, 2021, the Town of Bethel transferred ownership of its water and sewer utility systems to the Utilities Commission. The Town of Bethel’s water and sewer customers have become retail customers of the Utilities Commission and the Utilities Commission has assumed responsibility for the repair and maintenance of the water and sewer utility infrastructure. Part of the proceeds of the Utilities Commission’s 2021 revenue bonds were used to retire debt owed by the Town of Bethel on the water and sewer infrastructure. Cash on hand at June 30, 2021 and cash collected after June 30, 2021 was transferred to the Utilities Commission. The amounts recognized by the Utilities Commission are detailed below.

DESCRIPTION	
Cash	\$367,411
Receivables	63,399
Carrying value of assets	14,761,681
	\$15,192,491

NOTE 9—PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

The GASB has issued several pronouncements prior to June 30, 2022 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. 91, “Conduit Debt Obligations”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

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

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

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

GASB Statement No. 99, “Omnibus”. The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- 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.

NOTE 10—SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

All operations at the Old Operations Center ceased during June 2022 and this property has been deemed, by the Utilities Commission and the City Council of the City of Greenville, surplus to the needs of the Utilities Commission. A sale of the property could generate substantial revenue for the Utilities Commission. The Utilities Commission decided to sell the property under the upset bid procedure set forth in the General Statutes of North Carolina in Chapter 160A (G.S. 160A-269). The upset bid period expired on September 12, 2022, with a final offer of \$2.9 million.

Management has evaluated subsequent events through October 27, 2022, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION



SCHEDULE 1: Greenville Utilities Commission's Proportionate Share of Net Pension Liability (Asset) | Last Nine 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**
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%

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

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

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

SCHEDULE 2: Greenville Utilities Commission's Contributions | Last Nine 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
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%

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

SCHEDULE 3: Schedule of Changes in the Net OPEB Liability and Related Ratios | Last Six Fiscal Years

	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost at end of year	\$484,576	\$1,479,356	\$1,163,959	\$781,098	\$1,035,590	\$1,146,045
Interest	2,670,692	2,002,347	2,071,547	2,212,486	2,051,825	1,930,674
Differences between expected and actual experience	163,939	2,384,719	863,252	(623,845)	518,960	-
Changes of assumptions	-	(24,518,333)	6,344,926	11,477,272	(7,046,562)	(3,865,249)
Benefit payments	(2,034,331)	(1,815,244)	(2,186,125)	(2,031,176)	(1,692,179)	(1,442,003)
Net Change in Total OPEB Liability	1,284,876	(20,467,155)	8,257,559	11,815,835	(5,132,366)	(2,230,533)
Total OPEB Liability—Beginning	39,152,706	59,619,861	51,362,302	39,546,467	44,678,833	46,909,366
Total OPEB Liability—Ending	\$40,437,582	\$39,152,706	\$59,619,861	\$51,362,302	\$39,546,467	\$44,678,833
Plan Fiduciary Net Position						
Contributions—employer	\$2,534,331	\$2,315,244	\$2,686,125	\$2,531,176	\$2,192,179	\$1,942,003
Net investment income	(865,805)	1,247,980	162,374	206,816	237,188	321,437
Benefit payments	(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	(365,805)	1,747,980	662,374	706,816	737,188	821,437
Plan Fiduciary Net Position—Beginning	7,005,050	5,257,070	4,594,696	3,887,880	3,150,692	2,329,255
Plan Fiduciary Net Position—Ending	\$6,639,245	\$7,005,050	\$5,257,070	\$4,594,696	\$3,887,880	\$3,150,692
Net OPEB Liability—Ending	\$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	16.42%	17.89%	8.82%	8.95%	9.83%	7.05%
Covered payroll	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	112.20%	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.

SCHEDULE 4: Greenville Utilities Commission's Contributions | Last Ten Fiscal Years

Year Ending June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
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%
2013	\$1,769,981	\$1,000,888	\$769,093	\$23,730,460	4.22%

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 5: Schedule of Investment Returns | Last Ten Fiscal Years

Year Ending June 30	Annual Money-Weighted Rate of Return, Net of Investment Expense
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%
2013	10.61%



SUPPLEMENTARY INFORMATION



SCHEDULE 6: All Operating Funds | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Electric Revenues				
Rates and charges	\$175,399,535	\$175,816,560	\$417,025	\$171,600,161
Fees and charges	1,680,230	1,829,968	149,738	1,779,019
Miscellaneous	3,059,396	3,607,390	547,994	4,572,426
Interest on investments	280,000	362,551	82,551	393,533
FEMA/Insurance Reimbursements	70,637	70,637	-	195,117
Total Electric Revenues	180,489,798	181,687,106	1,197,308	178,540,256
Water Revenues				
Rates and charges	23,575,034	23,775,785	200,751	22,845,024
Fees and charges	597,920	518,544	(79,376)	470,134
Miscellaneous	371,372	368,007	(3,365)	270,089
Interest on investments	52,000	86,237	34,237	67,560
FEMA/Insurance Reimbursements	20,929	20,929	-	15,392
Total Water Revenues	24,617,255	24,769,502	152,247	23,668,199
Sewer Revenues				
Rates and charges	23,972,997	24,202,207	229,210	23,818,227
Fees and charges	486,285	409,118	(77,167)	501,385
Miscellaneous	174,316	181,063	6,747	278,120
Interest on investments	51,000	68,527	17,527	66,225
FEMA/Insurance Reimbursements	20,929	20,929	-	41,528
Total Sewer Revenues	24,705,527	24,881,844	176,317	24,705,485
Gas Revenues				
Rates and charges	39,857,713	40,267,857	410,144	33,040,070
Fees and charges	179,780	177,012	(2,768)	195,481
Miscellaneous	255,908	278,394	22,486	294,465
Interest on investments	75,000	114,895	39,895	114,473
FEMA/Insurance Reimbursements	18,313	18,313	-	13,468
Total Gas Revenues	40,386,714	40,856,471	469,757	33,657,957
Total Revenues	270,199,294	272,194,923	1,995,629	260,571,897
EXPENDITURES				
Electric Fund				
Operations and maintenance		164,987,382		159,452,414
Capital Outlay		9,963,801		10,333,131
Debt Service		4,348,201		4,413,490
Total	178,639,798	179,299,384	(659,585)	174,199,035
Water Fund				
Operations and maintenance		15,841,561		17,551,266
Capital Outlay		1,350,296		1,571,693
Debt Service		2,385,598		3,219,003
Total	19,717,255	19,577,455	139,800	22,341,962
Sewer Fund				
Operations and maintenance		16,018,676		16,550,213
Capital Outlay		1,557,975		2,577,407
Debt Service		4,733,763		5,536,217
Total	23,105,527	22,310,414	795,113	24,663,837

SCHEDULE 6: All Operating Funds | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
EXPENDITURES CONT.				
Gas Fund				
Operations and maintenance		38,012,708		27,518,099
Capital Outlay		1,537,495		1,486,376
Debt Service		1,532,576		1,594,802
Total	42,472,810	41,082,779	1,390,031	30,599,277
Total Expenditures	263,935,390	262,270,032	1,665,358	251,804,111
Excess of Revenues Over (Under) Expenditures	6,263,904	9,924,891	3,660,989	8,767,786
OTHER FINANCING SOURCES (USES)				
Contributed capital	-	17,487,154	17,487,154	1,832,380
Revenue bonds issued	-	-	-	4,062,187
Intra-fund transfers in	2,086,096	275,000	(1,811,096)	-
Intra-fund transfers out	(8,350,000)	(8,400,000)	(50,000)	(12,360,022)
Total Other Financing Sources (Uses)	(6,263,904)	9,362,154	15,626,058	(6,465,455)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$19,287,045	19,287,045	\$2,302,331
Reconciling items				
Budgetary appropriations—capital		\$14,409,567		\$15,968,607
Budgetary appropriations—debt principal		7,171,615		8,029,362
Depreciation and amortization		(27,512,326)		(26,197,692)
Debt issued		-		(4,062,187)
Amortization of bond premium and discount		1,089,772		605,760
Amortization of deferred loss on refundings		(146,732)		(264,195)
Changes in accrued interest payable		39,341		(5,166)
Changes in unrealized gains/losses on investments		(3,534,945)		(633,536)
Intra-fund transfers		8,125,000		12,360,022
Changes in deferred outflows for OPEB		(2,260,545)		(873,414)
Changes in net OPEB liability		(1,650,681)		22,215,135
Changes in deferred inflows for OPEB		5,465,716		(20,154,745)
Changes in deferred outflows for pensions		1,110,087		1,357,965
Changes in net pension liability		9,362,592		(3,456,842)
Changes in deferred inflows for pensions		(9,319,358)		(31,252)
Revenue recognized in Rate Stabilization Funds		181,394		189,283
Revenue recognized in Capital Projects Funds		1,297,293		557,012
Revenue recognized in Capital Reserve Funds		889,601		689,183
Total Reconciling Items		4,717,391		6,293,300
Changes in Net Position		\$24,004,436		\$8,595,631

SCHEDULE 7: Electric Operating Fund | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating Revenues				
Rates and charges	\$175,399,535	\$175,816,560	\$417,025	\$171,600,161
Fees and charges	1,680,230	1,829,968	149,738	1,779,019
Miscellaneous	484,456	443,634	(40,822)	2,453,795
	177,564,221	178,090,162	525,941	175,832,975
Non-operating Revenues				
Interest on investments	280,000	362,551	82,551	393,533
FEMA/Insurance reimbursements	70,637	70,637	-	195,117
Miscellaneous	2,574,940	3,163,756	588,816	2,118,631
	2,925,577	3,596,944	671,367	2,707,281
Total Revenues	180,489,798	181,687,106	1,197,308	178,540,256
EXPENDITURES				
Electric Fund				
Operations and maintenance		164,987,382		159,452,414
Capital Outlay		9,963,801		10,333,131
Debt Service		4,348,201		4,413,490
Total	178,639,798	179,299,384	(659,585)	174,199,035
Excess of Revenues Over (Under) Expenditures	1,850,000	2,387,722	537,722	4,341,221
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	-	-	30,077
Intra-fund transfers out	(1,850,000)	(1,150,000)	700,000	(4,204,153)
Total Other Financing Sources (Uses)	(1,850,000)	(1,150,000)	700,000	(4,174,076)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$1,237,722	1,237,722	\$167,145
Reconciliation to Full Accrual Basis from Modified Accrual Basis				
Reconciling Items				
Budgetary appropriations—capital		\$9,963,801		\$10,333,131
Budgetary appropriations—debt principal		2,035,039		2,047,265
Depreciation and amortization		(12,301,489)		(11,998,783)
Debt issued		-		(30,077)
Amortization of bond premium and discount		308,882		281,487
Amortization of deferred loss on refundings		(32,935)		(126,973)
Changes in accrued interest payable		18,767		10,690
Changes in unrealized gains/losses on investments		(1,875,160)		(343,078)
Intra-fund transfers		1,150,000		4,204,153
Changes in deferred outflows for OPEB		(926,824)		(358,100)
Changes in net OPEB liability		(676,778)		9,108,206
Changes in deferred inflows for OPEB		2,240,943		(8,263,446)
Changes in deferred outflows for pensions		455,136		556,765
Changes in net pension liability		3,838,662		(1,417,304)
Changes in deferred inflows for pensions		(3,820,936)		(12,814)
Revenue recognized in Rate Stabilization Fund		156,760		174,102
Revenue recognized in Capital Projects Fund		40,189		142,084
Total Reconciling Items		574,057		4,307,308
Changes in Net Position		\$1,811,779		\$4,474,453

SCHEDULE 8: Electric Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest on investments	\$ -	\$1,429,099	\$156,760	\$1,585,859	\$1,585,859
OTHER FINANCING SOURCES (USES)					
Transfer from Electric Operating Fund	\$23,100,000	\$23,100,000	\$ -	\$23,100,000	\$ -
Transfer to Electric Operating Fund	(23,100,000)	-	-	-	23,100,000
Total Other Financing Sources (Uses)	-	23,100,000	-	23,100,000	23,100,000
Total Other Financing Sources (Uses)	\$ -	\$24,529,099	\$156,760	\$24,685,859	\$24,685,859

SCHEDULE 9: Electric Capital Projects Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest and misc income	\$ -	\$441,254	\$8,939	\$450,193	\$450,193
APPA DEED Grant	125,000	93,750	31,250	125,000	-
Total Revenues	125,000	535,004	40,189	575,193	450,193
EXPENDITURES					
FCP10072 New Operations Center Phase 2	28,402,975	27,495,204	170,623	27,665,827	737,148
FCP10160 New Operations Center—Fleet Maintenance Building	4,262,500	150,800	3,747,493	3,898,293	364,207
FCP10210 New Operations Center—Building 1	1,100,000	-	-	-	1,100,000
ICP10189 Asset Management Software	1,550,000	-	-	-	1,550,000
ICP10211 Customer Care & Billing Software Upgrade	3,600,000	-	-	-	3,600,000
ECP-133 Sugg Parkway Transmission Line*	1,700,000	1,095,495	43,963	1,139,458	560,542
ECP-134 Sugg Parkway Substation	3,400,000	2,828,404	331,539	3,159,943	240,057
ECP10168 POD #3 to Simpson Substation Trans. Loop	600,000	170,474	149,650	320,124	279,876
ECP10174 Electric System Expansion	2,500,000	-	891,691	891,691	1,608,309
ECP10208 Battery Storage Pilot Program 1MW*	1,600,000	1,025,200	-	1,025,200	574,800
ECP10218 Mt. Pleasant to Wellcome 115 kV Transmission	8,892,000	249,517	1,316,008	1,565,525	7,326,475
ECP10219 Peak Shaving Generator(s) Replacement	15,500,000	316,650	738,850	1,055,500	14,444,500
ECP10220 Transmission Structure Replacement(s)	5,292,000	592,036	215,126	807,162	4,484,838
Total Expenditures	78,399,475	33,923,780	7,604,943	41,528,723	36,870,752
Excess of Revenues Over (Under) Expenditures	(78,274,475)	(33,388,776)	(7,564,754)	(40,953,530)	37,320,945
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	13,525,475	-	-	-	(13,525,475)
Revenue bonds issued	23,815,000	23,706,858	-	23,706,858	(108,142)
Long-term financing	40,934,000	-	-	-	(40,934,000)
Intra-fund transfers in	-	13,418,502	1,150,000	14,568,502	14,568,502
Total Other Financing Sources (Uses)	78,274,475	37,125,359	1,150,000	38,275,359	(39,999,116)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$3,736,583	(\$6,414,754)	(\$2,678,171)	(\$2,678,171)

*Project(s) already closed.

SCHEDULE 10: Water Operating Fund | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating Revenues				
Rates and charges	\$23,575,034	\$23,775,785	\$200,751	\$22,845,024
Fees and charges	597,920	518,544	(79,376)	470,134
Miscellaneous	117,849	57,902	(59,947)	81,265
	24,290,803	24,352,231	61,428	23,396,423
Non-operating Revenues				
Interest on investments	52,000	86,237	34,237	67,560
FEMA/Insurance reimbursements	20,929	20,929	-	15,392
Miscellaneous	253,523	310,105	56,582	188,824
	326,452	417,271	90,819	271,776
Total Revenues	24,617,255	24,769,502	152,247	23,668,199
EXPENDITURES				
Water Fund				
Operations and maintenance	-	15,841,561	-	17,551,266
Capital Outlay	-	1,350,296	-	1,571,693
Debt Service	-	2,385,598	-	3,219,003
Total	19,717,255	19,577,455	139,800	22,341,962
Excess of Revenues Over (Under) Expenditures	4,900,000	5,192,047	292,047	1,326,237
OTHER FINANCING SOURCES (USES)				
Capital contributions	-	6,972,565	6,972,565	637,195
Revenue bonds issued	-	-	-	2,294,153
Intra-fund transfers out	(4,900,000)	(4,900,000)	-	(3,522,533)
Total other financing sources (uses)	(4,900,000)	2,072,565	6,972,565	(591,185)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$7,264,612	\$7,264,612	\$735,052
Reconciliation to Full Accrual Basis from Modified Accrual Basis				
Reconciling Items				
Budgetary appropriations—capital		\$1,350,296		\$1,571,693
Budgetary appropriations—debt principal		1,379,060		1,455,837
Depreciation and amortization		(4,793,404)		(4,458,059)
Debt issued		-		(2,294,153)
Amortization of bond premium and discount		178,714		117,971
Amortization of deferred loss on refundings		(53,152)		(47,374)
Changes in accrued interest payable		4,452		(5,248)
Changes in unrealized gains/losses on investments		(503,448)		(69,031)
Intra-fund transfers		4,900,000		3,522,533
Changes in deferred outflows for OPEB		(497,320)		(192,151)
Changes in net OPEB liability		(363,150)		4,887,330
Changes in deferred inflows for OPEB		1,202,458		(4,434,044)
Changes in deferred outflows for pensions		244,219		298,752
Changes in net pension liability		2,059,771		(760,505)
Changes in deferred inflows for pensions		(2,050,259)		(6,875)
Revenue recognized in Capital Projects Fund		66,567		41,761
Revenue recognized in Capital Reserve Fund		404,399		321,282
Total Reconciling Items		3,529,203		(50,281)
Changes in Net Position		\$10,793,815		\$684,771

SCHEDULE 11: Water Capital Projects Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest and misc income	\$ -	\$367,800	\$66,567	\$434,367	\$434,367
Capacity fees	1,920,812	1,920,812	-	1,920,812	-
Total Revenues	1,920,812	2,288,612	66,567	2,355,179	434,367
EXPENDITURES					
FCP10072 New Operations Center Phase 2	7,746,266	7,498,600	46,582	7,545,182	201,084
FCP10160 New Operations Center-- Fleet Maintenance Building	1,162,500	41,127	1,022,544	1,063,671	98,829
FCP10210 New Operations Center--Building 1	300,000	-	-	-	300,000
ICP10189 Asset Management Software	465,000	-	-	-	465,000
ICP10211 Customer Care & Billing Software Upgrade	225,000	-	-	-	225,000
WCP-117 WTP Upgrade Phase I	55,000,000	24,670,712	18,571,511	43,242,223	11,757,777
WCP-121 10th Street Connector Project*	1,896,000	5,875	1,889,792	1,895,667	333
WCP-123 COG Town Creek Culvert Improvement*	1,260,000	150	1,228,923	1,229,073	30,927
WCP-124 Residual Lagoon Improvements	1,250,000	948,982	2,300	951,282	298,718
WCP10030 Water Distribution System Improvements	6,250,000	-	29,836	29,836	6,220,164
WCP10032 Water Main Rehabilitation Program Phase II	1,000,000	154,225	565,357	719,582	280,418
WCP10033 Water Treatment Plant Riverbank Stabilization	1,500,000	-	25,000	25,000	1,475,000
WCP10035 Bethel Water System Improvements	300,000	-	-	-	300,000
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	139,675	110,325
Total Expenditures	80,546,766	33,335,411	23,735,264	57,070,675	23,476,091
Excess of Revenues Over (Under) Expenditures	(78,625,954)	(31,046,799)	(23,668,697)	(54,715,496)	23,910,458
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	16,702,954	-	-	-	(16,702,954)
Revenue bonds issued	9,491,000	9,329,805	-	9,329,805	(161,195)
State grants	1,367,000	-	-	-	(1,367,000)
State loans	-	15,560,203	20,686,025	36,246,228	36,246,228
Long-term financing	51,065,000	-	-	-	(51,065,000)
Intra-fund transfers in	-	16,517,916	4,900,000	21,417,916	21,417,916
Total Other Financing Sources (uses)	78,625,954	41,407,924	25,586,025	66,993,949	(11,632,005)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$10,361,125	\$1,917,328	\$12,278,453	\$12,278,453

*Project(s) already closed.

SCHEDULE 12: Water Capital Reserve Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
System development fees	\$ -	\$1,078,512	\$396,971	\$1,475,483	\$1,475,483
Interest on investments	-	18,750	7,428	26,178	26,178
Total Revenues	-	1,097,262	404,399	1,501,661	1,501,661
OTHER FINANCING SOURCES (USES)					
Transfer to Water Capital Projects Fund	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues Over Other Financing Sources (Uses)	\$ -	\$1,097,262	\$404,399	\$1,501,661	\$1,501,661

SCHEDULE 13: Sewer Operating Fund | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating Revenues				
Rates and charges	\$23,972,997	\$24,202,207	\$229,210	\$23,818,227
Fees and charges	486,285	409,118	(77,167)	501,385
Miscellaneous	114,137	55,659	(58,478)	200,140
	24,573,419	24,666,984	93,565	24,519,752
Non-operating Revenues				
Interest on investments	51,000	68,527	17,527	66,225
FEMA/Insurance reimbursements	20,929	20,929	-	41,528
Miscellaneous	60,179	125,404	65,225	77,980
	132,108	214,860	82,752	185,733
Total Revenues	24,705,527	24,881,844	176,317	24,705,485
EXPENDITURES				
Sewer Fund				
Operations and maintenance	-	16,018,676	-	16,550,213
Capital Outlay	-	1,557,975	-	2,577,407
Debt Service	-	4,733,763	-	5,536,217
Total expenditures	23,105,527	22,310,414	795,113	24,663,837
Excess of Revenues Over (Under) Expenditures	1,600,000	2,571,430	971,430	41,648
OTHER FINANCING SOURCES (USES)				
Capital contributions	-	10,514,589	10,514,589	1,195,185
Revenue bonds issued	-	-	-	1,730,723
Intra-fund transfers out	(1,600,000)	(2,350,000)	(750,000)	(1,683,336)
Total Other Financing Sources (Uses)	(1,600,000)	8,164,589	9,764,589	1,242,572
Revenues and Other Financing Sources Over Expenditures	\$ -	\$10,736,019	\$10,736,019	\$1,284,220
Reconciliation to Full Accrual Basis from Modified Accrual Basis				
Reconciling Items				
Budgetary appropriations—capital		\$1,557,975		\$2,577,407
Budgetary appropriations—debt principal		2,951,229		3,681,674
Depreciation and amortization		(7,572,573)		(7,028,108)
Debt issued		-		(1,730,723)
Amortization of bond premium and discount		511,933		122,624
Amortization of deferred loss on refundings		(54,509)		(51,028)
Changes in accrued interest payable		9,154		(16,564)
Changes in unrealized gains/losses on investments		(507,483)		(94,730)
Intra-fund transfers		2,350,000		1,683,336
Changes in deferred outflows for OPEB		(474,714)		(183,417)
Changes in net OPEB liability		(346,644)		4,665,178
Changes in deferred inflows for OPEB		1,147,801		(4,232,496)
Changes in deferred outflows for pensions		233,118		285,173
Changes in net pension liability		1,966,145		(725,937)
Changes in deferred inflows for pensions		(1,957,066)		(6,563)
Revenue recognized in Capital Projects Fund		1,136,125		297,117
Revenue recognized in Capital Reserve Fund		485,202		367,901
Total Reconciling Items		1,435,693		(389,156)
Changes in Net Position		\$12,171,712		\$895,064

SCHEDULE 14: Sewer Capital Projects Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest and misc income	\$ -	\$745,877	\$83,661	\$829,538	\$829,538
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	450,000	1,028,494	1,478,494	(271,506)
Total Revenues	4,964,038	4,409,915	1,112,155	5,522,070	558,032
EXPENDITURES					
FCP10072 New Operations Center Phase 2	8,654,494	8,406,664	46,581	8,453,245	201,249
FCP10160 New Operations Center–Fleet Maintenance Building	1,162,500	41,127	1,023,062	1,064,189	98,311
FCP10210 New Operations Center–Building 1	300,000	-	-	-	300,000
ICP10189 Asset Management Software	465,000	-	-	-	465,000
ICP10211 Customer Care & Billing Software Upgrade	225,000	-	-	-	225,000
SCP-123 COG Town Creek Culvert Improvement*	2,950,000	50,592	2,710,290	2,760,882	189,118
SCP10217 10th Street Connector Project*	306,000	-	242,984	242,984	63,016
SCP10221 Southeast Sewer Service Area Project	7,000,000	205,102	81,634	286,736	6,713,264
SCP10222 Sewer Outfall Rehabilitation Phase 4	2,480,000	376,929	1,706,784	2,083,713	396,287
SCP10223 Regional Pump Station Upgrades	1,800,000	1,180,935	349,686	1,530,621	269,379
SCP10229 Greene Street Pump Station and Force Main	2,200,000	138,339	9,175	147,514	2,052,486
SCP10230 Forlines Pump Station Expansion	2,450,000	156,597	63,575	220,172	2,229,828
SCP10233 WWTP Headworks Improvements	4,640,660	318,000	750,148	1,068,148	3,572,512
SCP10235 Duplex Pump Station Improvements	500,000	414,949	15,312	430,261	69,739
SCP10238 WWTP Clarifier Replacement Project	7,500,000	-	220,222	220,222	7,279,778
SCP10241 Bethel Wastewater System Improvements	3,424,000	8,379	190,007	198,386	3,225,614
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	9,947	3,234,053
SCP10245 Frog Level Pump Station Improvements	1,500,000	-	-	-	1,500,000
Total Expenditures	52,007,654	11,297,613	7,608,822	18,906,435	33,101,219
Excess of Revenues Over (Under) Expenditures	(47,043,616)	(6,887,698)	(6,496,667)	(13,384,365)	33,659,251
OTHER FINANCING SOURCES (USES)					
Appropriated fund balance	17,913,956	-	-	-	(17,913,956)
Revenue bonds issued	8,375,000	8,079,315	-	8,079,315	(295,685)
Federal grants	4,500,000	-	-	-	(4,500,000)
State grants	3,424,000	-	23,970	23,970	(3,400,030)
Long-term financing	12,630,660	-	-	-	(12,630,660)
Intra-fund transfers in	200,000	15,336,127	2,350,000	17,686,127	17,486,127
Total Other Financing Sources (Uses)	47,043,616	23,415,442	2,373,970	25,789,412	(21,254,204)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$16,527,744	(\$4,122,697)	\$12,405,047	\$12,405,047

*Project(s) already closed.

SCHEDULE 15: Sewer Capital Reserve Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
System development fees	\$200,000	\$1,206,242	\$476,919	\$1,683,161	\$1,483,161
Interest on investments	-	21,177	8,283	29,460	29,460
Total Revenues	200,000	1,227,419	485,202	1,712,621	1,512,621
OTHER FINANCING SOURCES (USES)					
Transfer to Sewer Capital Projects Fund	(200,000)	-	-	-	200,000
Total Other Financing Sources (Uses)	(200,000)	-	-	-	200,000
Revenues Over Other Financing Sources (Uses)	\$ -	\$1,227,419	\$485,202	\$1,712,621	\$1,712,621

SCHEDULE 16: Gas Operating Fund | Year Ended June 30, 2022 (With Comparative Actual Totals For June 30, 2021)

	2022			2021
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Operating Revenues				
Rates and charges	\$39,857,713	\$40,267,857	\$410,144	\$33,040,070
Fees and charges	179,780	177,012	(2,768)	195,481
Miscellaneous	93,671	37,013	(56,658)	72,504
	40,131,164	40,481,882	350,718	33,308,055
Non-operating Revenues				
Interest on investments	75,000	114,895	39,895	114,473
FEMA/Insurance reimbursements	18,313	18,313	-	13,468
Miscellaneous	162,237	241,381	79,144	221,961
	255,550	374,589	119,039	349,902
Total Revenues	40,386,714	40,856,471	469,757	33,657,957
EXPENDITURES				
Gas Fund				
Operations and maintenance	-	38,012,708	-	27,518,099
Capital Outlay	-	1,537,495	-	1,486,376
Debt Service	-	1,532,576	-	1,594,802
Total Expenditures	42,472,810	41,082,779	1,390,031	30,599,277
Excess of Revenues Over (Under) Expenditures	(2,086,096)	(226,308)	1,859,788	3,058,680
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	-	-	7,234
Intra-fund transfers in	2,086,096	275,000	(1,811,096)	-
Intra-fund transfers out	-	-	-	(2,950,000)
Total Other Financing Sources (Uses)	2,086,096	275,000	(1,811,096)	(2,942,766)
Revenues and Other Financing Sources Over Expenditures	\$ -	\$48,692	\$48,692	\$115,914
Reconciliation to Full Accrual Basis from Modified Accrual Basis				
Reconciling Items				
Budgetary appropriations—capital		\$1,537,495		\$1,486,376
Budgetary appropriations—debt principal		806,287		844,586
Depreciation and amortization		(2,844,860)		(2,712,742)
Debt issued		-		(7,234)
Amortization of bond premium and discount		90,243		83,678
Amortization of deferred loss on refundings		(6,136)		(38,820)
Changes in accrued interest payable		6,968		5,956
Changes in unrealized gains/losses on investments		(648,854)		(126,697)
Intra-fund transfers		(275,000)		2,950,000
Changes in deferred outflows for OPEB		(361,687)		(139,746)
Changes in net OPEB liability		(264,109)		3,554,421
Changes in deferred inflows for OPEB		874,514		(3,224,759)
Changes in deferred outflows for pensions		177,614		217,275
Changes in net pension liability		1,498,014		(553,096)
Changes in deferred inflows for pensions		(1,491,097)		(5,000)
Revenue recognized in Capital Projects Fund		24,634		15,181
Revenue recognized in Capital Reserve Fund		54,412		76,050
Total Reconciling Items		(821,562)		2,425,429
Changes in Net Position		(\$772,870)		\$2,541,343

SCHEDULE 17: Gas Rate Stabilization Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest on investments	\$ -	\$74,554	\$24,634	\$99,188	\$99,188
OTHER FINANCING SOURCES (USES)					
Transfer from Gas Operating Fund	\$4,295,999	\$4,295,999	\$ -	\$4,295,999	\$ -
Transfer to Gas Operating Fund	(4,295,999)	(400,000)	(275,000)	(675,000)	3,620,999
Total Other Financing Sources (Uses)	-	3,895,999	(275,000)	3,620,999	3,620,999
Revenues Over Other Financing Sources (Uses)	\$ -	\$3,970,553	(\$250,366)	\$3,720,187	\$3,720,187

SCHEDULE 18: Gas Capital Projects Fund | From Inception and for the Year Ended June 30, 2022

	ACTUAL				
	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
REVENUES					
Interest and misc income	\$ -	\$627,301	\$54,412	\$681,713	\$681,713
Total Revenues	-	627,301	54,412	681,713	681,713
EXPENDITURES					
FCP10072 New Operations Center Phase 2	7,746,266	7,498,731	46,450	7,545,181	201,085
FCP10160 New Operations Center—Fleet Maintenance Building	1,162,500	41,127	1,023,166	1,064,293	98,207
FCP10210 New Operations Center—Building 1	300,000	-	-	-	300,000
ICP10189 Asset Management Software	620,000	-	-	-	620,000
ICP10211 Customer Care & Billing Software Upgrade	450,000	-	-	-	450,000
GCP-92 LNG Liquefaction Additions	8,000,000	28,428	451,272	479,700	7,520,300
GCP10099 High-Pressure Multiple Gas Facilities Relocation	5,200,000	91,505	44,231	135,736	5,064,264
GCP10101 Firetower Road Widening	1,300,000	-	-	-	1,300,000
GCP10104 Memorial Drive Bridge Replacement	2,000,000	403,032	1,579,133	1,982,165	17,835
GCP10108 Allen Road Widening (NCDOT U05875)	1,000,000	-	-	-	1,000,000
GCP10109 Integrity Management Replacement Project	1,750,000	354,764	1,119,966	1,474,730	275,270
GCP10112 VOA Road Loop	1,200,000	109,252	64,914	174,166	1,025,834
GCP10113 Evans Street Widening (NCDOT U-2817)	136,000	-	-	-	136,000
GCP10114 14th Street Widening (NCDOT U-5917)	100,000	-	-	-	100,000
Total Expenditures	30,964,766	8,526,839	4,329,132	12,855,971	18,108,795
Excess of Revenues Over (Under) Expenditures	(30,964,766)	(7,899,538)	(4,274,720)	(12,174,258)	18,790,508
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	12,906,000	-	-	-	(12,906,000)
Intra-fund transfers in	-	12,127,080	-	12,127,080	12,127,080
Total Other Financing Sources (Uses)	30,964,766	18,702,824	-	18,702,824	(12,261,942)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$10,803,286	(\$4,274,720)	\$6,528,566	\$6,528,566

*Project(s) already closed.

SCHEDULE 19: Custodial Funds | June 30, 2022

	Refuse Fund	Stormwater Fund	Total
Assets			
Cash and cash equivalents	\$733,425	\$661,089	\$1,394,514
Accounts receivable, net	531,952	397,277	929,229
Total Assets	1,265,377	1,058,366	2,323,743
Liabilities			
Accounts payable	733,425	661,089	1,394,514
Total Liabilities	733,425	661,089	1,394,514
Net Position			
Restricted for the City of Greenville	531,952	397,277	929,229
Total Net Position	\$531,952	\$397,277	\$929,229

SCHEDULE 20: Custodial Funds | For the Year Ended June 30, 2022

	Refuse Fund	Stormwater Fund	Total
Additions			
Refuse fees collected for the City of Greenville	\$8,448,292	\$ -	\$8,448,292
Stormwater fees collected for the City of Greenville	-	7,382,765	7,382,765
Total Additions	8,448,292	7,382,765	15,831,057
Deductions			
Refuse fees distributed to the City of Greenville	8,458,188	-	8,458,188
Stormwater fees distributed to the City of Greenville	-	7,320,977	7,320,977
Total Deductions	8,458,188	7,320,977	15,779,165
Change in Net Position	(9,896)	61,788	51,892
Net Position, Beginning of Year	541,848	335,489	877,337
Net Position, End of Year	\$531,952	\$397,277	\$929,229

SCHEDULE 21: 2022-2023 Projected Transfer to the City of Greenville General Fund

	Electric Fund	Gas Fund	Total
General Transfer			
Capital assets, net of depreciation	\$136,218,294	\$48,836,792	\$185,055,086
Less long-term debt	63,604,095	20,461,524	84,065,619
Net Transfer Base	72,614,199	28,375,269	100,989,467
Transfer rate	6.00%	6.00%	6.00%
Projected General Transfer to City of Greenville	4,356,852	1,702,516	6,059,368
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	\$5,336,796	\$1,702,516	\$7,039,312

SCHEDULE 22: Schedule of Indebtedness | June 30, 2022

	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	
Electric Fund:												
2010 Rev Bonds Refund 2001	3,902,210	11/12/2010	9/1/2021	429,048	-	429,048	5,385	-	-	-	-	
2016 Rev Bonds New Money	22,679,530	6/14/2016	4/1/2046	21,229,905	-	483,208	861,419	2,179,477	22,926,174	494,578	848,940	
2016 Rev Bonds Refund 2005	1,369,152	6/14/2016	4/1/2026	751,403	-	138,545	34,799	184,243	797,101	141,805	30,643	
2016 Rev Bonds Refund 2008A	3,470,208	6/14/2016	4/1/2034	2,996,065	-	173,604	146,331	633,109	3,455,570	177,337	141,123	
2019 Rev Bonds	27,092,783	6/6/2019	8/1/2044	27,092,783	-	417,798	1,154,556	3,478,398	30,153,383	473,504	1,132,273	
2021 Rev Bonds Refund 2013	2,288,901	5/20/2021	5/1/2027	2,288,901	-	362,962	108,405	300,895	2,226,834	366,987	96,297	
	60,802,784			54,788,105	-	2,005,165	2,310,895	6,776,122	59,559,062	1,654,211	2,249,276	
Water Fund:												
2010 Rev Bonds Refund 2001	1,695,666	11/12/2010	9/1/2021	186,439	-	186,439	2,340	-	-	-	-	
2016 Rev Bonds New Money	2,243,132	6/14/2016	4/1/2046	2,099,756	-	47,792	85,199	215,562	2,267,526	48,917	83,965	
2016 Rev Bonds Refund 2005	711,915	6/14/16	4/1/26	390,706	-	72,039	18,095	95,801	414,468	73,734	15,933	
2016 Rev Bonds Refund 2008A	7,571,332	6/14/2016	4/1/2034	6,536,842	-	378,770	319,267	1,381,323	7,539,395	386,916	307,904	
2019 Rev Bonds	8,206,842	6/6/2019	8/1/2044	8,206,842	-	126,558	349,734	1,053,663	9,133,947	143,432	342,984	
2021 Rev Bonds Refund DWSRF Loan 4A	1,433,496	5/20/2021	5/1/2030	1,433,497	-	148,752	67,892	270,031	1,554,776	148,198	64,237	
2021 Rev Bonds Refund DWSRF Loan 4B	25,175	5/20/2021	5/1/2030	25,175	-	2,613	1,192	4,742	27,304	2,603	1,128	
2021 Rev Bonds Refund DWSRF Loan 7	226,450	5/20/2021	5/1/2033	226,450	-	17,586	10,334	48,486	257,350	17,314	10,030	
2021 Rev Bonds Refund DWSRF Loan 9	101,271	5/20/2021	5/1/2030	101,271	-	10,654	4,796	19,003	109,620	10,583	4,531	
2021 Rev Bonds Refund DWSRF Loan 12	634,249	5/20/2021	5/1/2033	634,249	-	47,710	28,913	136,675	723,214	47,187	28,139	
2021 Rev Bonds Retire Bethel Debt	1,919,268	5/20/2021	5/1/2041	1,919,268	-	141,182	82,296	325,267	2,103,353	141,893	88,904	
DWSRF Loan #15	1,176,457	10/29/2018	5/1/2038	999,988	-	58,822	15,300	-	941,166	58,823	14,400	
DWSRF Loan #17	15,560,203	10/5/2023	5/1/2043	15,560,203	20,686,025	-	-	-	36,246,228	-	-	
DWSRF Loan #6 (ARRA)	2,942,152	5/1/2011	5/1/2030	661,984	-	73,554	588,430	-	588,430	73,554	-	
DWSRF Loan #8 (ARRA)	44,782	1/28/2011	5/1/2031	11,196	-	1,120	10,076	-	10,076	1,120	-	
	44,492,391			38,993,866	20,686,025	1,313,591	985,358	3,550,553	61,916,853	1,154,274	962,155	
											281,582	

SCHEDULE 22: Schedule of Indebtedness | June 30, 2022

	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 Principal	Maturing Next Year Interest	Accrued Interest 2022
Sewer Fund:												
2010 Rev Bonds Refund 2001	1,695,666	11/12/2010	9/1/2021	238,882	-	238,882	-	-	-	-	-	-
2016 Rev Bonds New Money	4,719,168	6/14/2016	4/1/2046	4,417,530	-	100,546	4,316,984	453,507	4,770,491	102,912	176,648	44,162
2016 Rev Bonds Refund 2005	2,118,933	6/14/2016	4/1/2026	1,162,891	-	214,416	948,475	285,139	1,233,614	219,461	47,424	11,856
2016 Rev Bonds Refund 2008A	6,911,365	6/14/2016	4/1/2034	5,967,047	-	345,754	5,621,293	1,260,918	6,882,211	353,190	281,065	70,266
2019 Rev Bonds	6,799,917	6/6/2019	8/1/2044	6,799,917	-	104,861	6,695,056	873,030	7,568,086	118,843	284,185	119,648
2021 Rev Bonds Refund CWSRF Loan 5	5,171,136	5/20/2021	5/1/2030	5,171,136	-	543,514	4,627,622	970,582	5,598,204	539,979	231,381	38,564
2021 Rev Bonds Refund CWSRF Loan 10	4,003,742	5/20/2021	5/1/2032	4,003,742	-	340,116	3,663,626	842,760	4,506,386	335,885	179,171	29,862
2021 Rev Bonds Refund CWSRF Loan 11	6,712,369	5/20/2021	5/1/2033	6,712,369	-	519,789	6,192,580	1,438,052	7,630,632	511,957	297,364	49,561
2021 Rev Bonds Refund CWSRF Loan 14	4,023,727	5/20/2021	5/1/2037	4,023,727	-	219,794	3,803,933	770,782	4,574,715	215,651	162,237	27,039
2021 Rev Bonds Retire Bethel Debt	1,264,719	5/20/2021	5/1/2041	1,264,719	-	93,033	1,171,686	186,586	1,358,272	93,502	26,671	4,445
CWSRF Loan #13	2,098,250	7/30/2016	5/1/2036	1,498,072	-	99,872	1,398,200	-	1,398,200	99,871	-	-
CWSRF Loan #16	1,718,086	3/8/2018	5/1/2038	1,460,373	-	85,904	1,374,469	-	1,374,469	85,904	22,816	3,803
	47,237,078			42,720,405	-	2,906,481	39,813,924	7,081,357	46,895,280	2,677,155	1,708,962	399,206
Gas Fund:												
2010 Rev Bonds Refund 2001	3,234,480	11/12/2010	9/1/2021	355,631	-	355,631	-	-	-	-	-	-
2016 Rev Bonds New Money	10,253,170	6/14/2016	4/1/2046	9,597,810	-	218,453	9,379,357	985,318	10,364,675	223,593	383,797	95,949
2016 Rev Bonds Refund 2008A	637,094	6/14/2016	4/1/2034	550,046	-	31,872	518,174	116,232	634,406	32,557	25,909	6,477
2019 Rev Bonds	6,535,458	6/6/2019	8/1/2044	6,535,458	-	100,783	6,434,675	839,077	7,273,752	114,221	273,133	114,995
2021 Rev Bonds Refund 2013	550,495	5/20/2021	5/1/2027	550,495	-	87,295	463,200	72,367	535,567	88,263	23,160	3,860
	21,210,697			17,589,440	-	794,034	16,795,406	2,012,994	18,808,400	458,634	705,999	221,281
Total All Funds	\$173,742,951			\$154,091,816	\$20,686,025	\$7,019,271	\$167,758,570	\$19,421,025	\$187,179,595	\$5,944,274	\$5,626,392	\$1,650,008

SCHEDULE 23: Schedule of Expenditures of Federal and State Awards |

For the Fiscal Year Ended June 30, 2022

Grantor/Pass-through Grantor/Program Title	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:							
Non-cash 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	H-SRF-F-20-1984	\$15,329,288	\$ -	\$ -	\$3,157,673	\$18,486,961
Total Drinking Water State Revolving Fund			15,329,288	-	-	3,157,673	18,486,961
Total U.S. Environmental Protection Agency			15,329,288	-	-	3,157,673	18,486,961
Total Federal Assistance			\$15,329,288	\$ -	\$ -	\$3,157,673	\$18,486,961
Total Federal and State Assistance			\$15,329,288	\$ -	\$ -	\$3,157,673	\$18,486,961

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Enterprise Fund Activities										
Net investment in capital assets	\$246,776	\$253,843	\$272,213	\$264,725	\$266,668	\$277,995	\$282,968	\$293,506	\$305,356	\$335,420
Unrestricted	79,035	77,924	69,458	101,797	112,258	97,101	111,488	115,425	112,171	106,111
Total Enterprise Fund Activities Net Position	\$325,811	\$331,767	\$341,671	\$366,522	\$378,926	\$375,096	\$394,456	\$408,931	\$417,527	\$441,531

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating Revenues										
Charges for services	\$260,272	\$269,776	\$270,859	\$246,112	\$245,486	\$254,569	\$259,045	\$248,350	\$254,250	\$266,997
Other operating revenues	773	996	1,128	1,096	519	923	1,037	824	2,808	594
Total Operating Revenues	261,045	270,772	271,987	247,208	246,006	255,492	260,081	249,173	257,057	267,591
Operating Expenses										
Administration and general	15,916	17,493	17,711	19,226	22,322	21,710	24,985	29,245	26,113	24,073
Operations and maintenance	33,916	33,915	35,032	35,827	39,474	39,467	41,344	41,442	49,961	47,921
Purchased power and gas	179,141	188,110	180,031	140,033	145,675	149,657	148,465	141,309	139,441	152,775
Depreciation	17,565	18,181	18,140	18,662	20,999	21,404	22,204	23,072	26,198	27,512
Total Operating Expenses	246,538	257,700	250,914	213,746	228,471	232,239	236,998	235,068	241,713	252,282
Operating Income (loss)	14,507	13,072	21,072	33,462	17,535	23,253	23,083	14,105	15,345	15,309
Non-operating Revenues (Expenses)										
Interest income	226	208	284	330	528	1,159	3,559	4,016	474	1,043
Interest expense and service charges	(4,091)	(3,574)	(3,683)	(4,154)	(3,358)	(4,153)	(4,883)	(5,272)	(6,398)	(4,846)
Other, net	2,721	1,761	1,444	2,572	4,230	3,115	2,492	2,753	3,549	657
Net Non-operating Revenues	(1,143)	(1,604)	(1,955)	(1,252)	1,399	122	1,168	1,497	(2,375)	(3,146)
Income Before Contributions and Transfers	13,364	11,468	19,117	32,210	18,934	23,376	24,250	15,602	12,970	12,163
Contributions and Transfers										
Capital Contributions	-	568	602	-	135	1,214	1,828	5,528	2,126	18,571
Transfer to City of Greenville, General Fund	(5,038)	(5,360)	(5,748)	(6,592)	(5,900)	(5,853)	(5,909)	(5,770)	(5,542)	(5,691)
Transfer to City of Greenville, street lighting reimb.	(696)	(721)	(757)	(766)	(765)	(748)	(809)	(885)	(958)	(1,039)
Total Contributions and Transfers	(5,733)	(5,513)	(5,903)	(7,358)	(6,530)	(5,387)	(4,890)	(1,126)	(4,374)	11,842
Changes in Net Position	\$7,630	\$5,955	\$13,214	\$24,851	\$12,404	\$17,989	\$19,360	\$14,475	\$8,596	\$24,004

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
2013	194,108,566	1,233,242	504,564	15,410,078	383,665	90,114
2014	199,134,647	1,286,852	699,404	15,819,721	348,287	98,063
2015	196,828,376	1,341,514	822,672	16,753,280	277,287	96,915
2016	177,785,263	1,670,655	710,641	17,792,061	340,521	97,450
2017	173,232,911	1,932,362	159,433	18,983,628	384,290	79,809
2018	173,216,856	2,127,927	581,463	19,380,229	582,827	111,896
2019	174,263,970	2,978,207	691,439	21,037,132	445,694	116,747
2020	168,333,697	1,727,012	502,904	22,565,044	502,057	109,495
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

Fiscal Year	SEWER FUND			GAS FUND		
	Rates & Charges	Fees & Charges	Other Operating Revenue	Rates & Charges	Fees & Charges	Other Operating Revenue
2013	17,124,153	363,627	90,648	31,513,234	135,445	87,753
2014	17,539,513	329,446	101,204	35,181,326	136,379	97,094
2015	18,896,038	280,526	111,569	36,342,568	139,335	96,432
2016	20,835,158	337,938	105,693	27,221,435	129,310	182,283
2017	22,232,340	395,878	81,396	28,173,864	151,126	198,807
2018	22,439,848	549,067	124,065	36,113,602	159,092	105,347
2019	23,859,199	489,939	119,184	35,796,087	174,328	109,291
2020	23,369,041	459,081	113,024	31,200,552	193,063	98,108
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

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
2013	695,864,293	117,071,188	332,957,674	489,990,456	18,064,409	2,718,765	1,656,666,785	\$0.11717
2014	714,076,550	116,525,549	337,651,551	495,199,376	18,433,379	2,960,481	1,684,846,886	\$0.11819
2015	719,680,705	119,699,090	337,550,002	511,184,520	18,637,900	3,147,325	1,709,899,542	\$0.11511
2016	678,819,366	116,229,245	361,126,164	510,353,608	18,683,136	40,809	1,685,252,328	\$0.10549
2017	712,955,477	124,936,945	356,742,531	503,637,480	18,700,481	-	1,716,972,914	\$0.10089
2018	751,195,332	142,403,883	340,237,388	512,352,456	18,616,342	-	1,764,805,401	\$0.09815
2019	752,650,490	142,826,165	330,521,996	537,289,736	18,294,271	-	1,781,582,658	\$0.09781
2020	730,472,461	137,317,964	302,717,083	527,537,912	17,748,165	-	1,715,793,585	\$0.09811
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

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 Hours Sold | Last Ten Fiscal Years

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

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
2013	1,599,305	1,023,339	106,849	2,729,493	\$6.27375
2014	1,615,090	1,010,964	116,070	2,742,124	\$6.39632
2015	1,620,718	1,013,803	124,347	2,758,868	\$6.84920
2016	1,641,074	1,060,248	133,034	2,834,356	\$7.35093
2017	1,661,150	1,068,663	123,964	2,853,778	\$7.79049
2018	1,686,245	1,097,738	114,371	2,898,354	\$7.74227
2019	1,687,197	1,159,287	129,612	2,976,096	\$8.01695
2020	1,716,115	1,103,542	73,025	2,892,682	\$8.07868
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

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
2013	8,770,015	6,052,098	1,305,580	15,267,893	24,568	31,420,154	\$1.00296
2014	9,480,133	6,366,093	1,517,889	15,344,473	252,094	32,960,682	\$1.06737
2015	9,568,069	6,584,310	1,891,424	15,104,558	263,557	33,411,918	\$1.08771
2016	6,954,321	5,514,777	1,668,283	15,007,843	246,598	29,391,822	\$0.92616
2017	6,941,053	5,481,832	1,865,882	15,419,520	189,875	29,898,162	\$0.94233
2018	9,010,170	6,603,733	2,618,575	16,009,496	225,807	34,467,781	\$1.04775
2019	7,968,341	6,148,840	2,804,196	17,394,338	172,402	34,488,117	\$1.03793
2020	7,298,902	5,549,826	2,744,829	16,680,380	181,460	32,455,397	\$0.96134
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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Effective Rate (per kWh)	\$0.11717	\$0.11819	\$0.11511	\$0.10549	\$0.10089	\$0.09815	\$0.09781	\$0.09811	\$0.09844	\$0.09987
Residential										
Base facilities charge (per month)	\$10.99	\$10.99	\$10.99	\$13.00	\$15.00	\$17.00	\$19.00	\$21.00	\$21.00	\$21.00
Energy (per kWh) Summer	\$0.12600	\$0.12600	\$0.12600	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Winter	\$0.11514	\$0.11514	\$0.11514	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all kWh	n/a	n/a	n/a	\$0.11086	\$0.10014	\$0.09814	\$0.09614	\$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	n/a	\$19.47	\$21.47	\$23.47	\$25.47	\$27.47	\$27.47	\$27.47
Demand (per kW) all kW	n/a	n/a	n/a	\$7.94	\$6.82	\$6.55	\$6.11	\$5.67	\$5.67	\$5.67
Energy (per kWh) all on-peak kWh	n/a	n/a	n/a	\$0.13668	\$0.12829	\$0.12829	\$0.14026	\$0.14228	\$0.14228	\$0.14228
all off-peak kWh	n/a	n/a	n/a	\$0.04393	\$0.03873	\$0.03873	\$0.03474	\$0.03569	\$0.03569	\$0.03569
Small General Service										
Base facilities charge (per month)	\$15.76	\$15.76	\$15.76	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$24.00
Energy (per kWh) a. first 1,000 kWh	\$0.13177	\$0.13177	\$0.13177	\$0.11938	\$0.11066	\$0.11066	\$0.11066	\$0.11066	\$0.11066	\$0.11066
b. next 5,000 kWh	\$0.12558	\$0.12558	\$0.12558	\$0.11319	\$0.10447	\$0.10447	\$0.10447	\$0.10447	\$0.10447	\$0.10447
c. all additional kWh	\$0.10696	\$0.10696	\$0.10696	\$0.09457	\$0.08585	\$0.08585	\$0.08585	\$0.08585	\$0.08585	\$0.08969
Medium General Service										
Base facilities charge (per month)	\$16.30	\$16.30	\$16.30	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$57.00
Demand (per kW) a. first 35 kW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. all additional kW	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17	\$4.17
Energy (per kWh) a. first 12,500 kWh	\$0.12323	\$0.12323	\$0.12323	\$0.10464	\$0.09592	\$0.09592	\$0.09592	\$0.09592	\$0.09592	\$0.08705
b. all additional kWh	\$0.09233	\$0.09233	\$0.09233	\$0.08900	\$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	n/a	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$70.00
Demand (per kW) a. all coincident peak	n/a	n/a	n/a	\$14.95	\$14.57	\$17.00	\$17.40	\$18.14	\$18.13	\$16.97
b. allocated non-coincident peak	n/a	n/a	n/a	\$16.75	\$15.61	\$15.61	\$15.61	\$15.61	\$15.61	\$12.77
c. excess non-coincident peak	n/a	n/a	n/a	\$5.38	\$5.38	\$5.38	\$5.38	\$5.38	\$5.38	\$6.77
d. all rKVA	n/a	n/a	n/a	\$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	n/a	\$0.04224	\$0.03677	\$0.03027	\$0.03071	\$0.02815	\$0.02827	\$0.03105
Large General Service										
Base facilities charge (per month)	n/a	n/a	n/a	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$170.00
Demand (per kW) a. all coincident peak	\$12.71	\$12.71	\$12.71	\$19.53	\$19.03	\$22.20	\$22.73	\$23.69	\$23.68	\$22.16
b. allocated non-coincident peak	\$17.42	\$17.42	\$17.42	\$15.19	\$13.13	\$13.13	\$13.13	\$13.13	\$13.13	\$13.13
c. excess non-coincident peak	\$4.98	\$4.98	\$4.98	\$6.82	\$6.82	\$6.82	\$6.82	\$6.82	\$6.82	\$7.50
d. all rKVA	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Energy (per kWh) all kWh per month	\$0.04928	\$0.04928	\$0.04928	\$0.03522	\$0.03066	\$0.02524	\$0.02560	\$0.02347	\$0.02357	\$0.02589
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	n/a	\$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	n/a	\$22.04
b. allocated non-coincident peak	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$3.14
c. all rKVA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$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	n/a	\$0.02574
Seasonal General Service										
Base facilities charge (per month)	\$18.14	\$18.14	\$18.14	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	\$0.14306	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 coincident peak	\$0.13184	\$0.13184	\$0.13184	n/a	n/a	n/a	n/a	n/a	n/a	n/a
c. all additional kWh coincident peak	\$0.10647	\$0.10647	\$0.10647	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Winter										
a. first 750 kWh	\$0.12235	\$0.12235	\$0.12235	n/a	n/a	n/a	n/a	n/a	n/a	n/a
b. all additional kWh	\$0.09382	\$0.09382	\$0.09382	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Communications Network Device Service										
Base facilities charge (per month)	\$1.58	\$1.58	\$1.58	\$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	n/a	\$0.60	\$0.56	\$0.56	\$0.56	\$0.56	\$0.56
	Public safety cameras	n/a	n/a	n/a	\$1.20	\$1.11	\$1.11	\$1.11	\$1.11	\$1.11
	CAD 12 ONU installations	\$1.45	\$1.45	\$1.45	\$1.32	\$1.22	\$1.22	\$1.22	\$1.22	\$1.22
	MLU 48 ONU installations	5.79	5.79	5.79	\$5.26	\$4.87	\$4.87	\$4.87	\$4.87	\$4.87
Bilateral Metering for Solar Energy Facilities										
Base facilities charge (per month)										
Residential	n/a	\$6.48	\$6.48	\$7.67	\$8.85	\$10.03	\$11.21	\$12.39	\$12.39	\$12.39
Small General Service	n/a	\$10.44	\$10.44	\$13.86	\$13.86	\$13.86	\$13.86	\$13.86	\$13.86	\$13.86
Medium General Service	n/a	\$10.88	\$10.88	\$33.00	\$33.00	\$33.00	\$33.00	\$33.00	\$33.00	\$33.00
Energy credit (per kWh)	n/a	0.07000	\$0.07000	\$0.07000	\$0.06163	\$0.06257	\$0.06257	\$0.06446	\$0.05755	\$0.06399
Outdoor Lighting Service (Rate Per Unit Per Month)										
General Customers										
175W (7,000 lumens) MV	\$12.85	\$12.85	\$12.85	\$12.57	\$12.37	\$12.37	\$12.37	\$12.37	\$12.37	\$14.87
250W (11,000 lumens) MV	\$16.47	\$16.47	\$16.47	\$16.06	\$15.78	\$15.78	\$15.78	\$15.78	\$15.78	\$15.78
400W (20,000 lumens) MV	\$22.77	\$22.77	\$22.77	\$22.16	\$21.73	\$21.73	\$21.73	\$21.73	\$21.73	\$21.73
100W (8,500 lumens) HPS	n/a	\$12.85	\$12.85	\$12.57	\$12.37	\$12.37	\$12.37	\$12.37	\$12.37	\$12.37
150W (14,000 lumens) HPS	\$15.92	\$15.92	\$15.92	\$15.64	\$15.44	\$15.44	\$15.44	\$15.44	\$15.44	\$16.06
250W (23,000 lumens) HPS	\$21.24	\$21.24	\$21.24	\$20.81	\$20.51	\$20.51	\$20.51	\$20.51	\$20.51	\$20.51
400W (45,000 lumens) HPS	\$32.21	\$32.21	\$32.21	\$31.56	\$31.10	\$31.10	\$31.10	\$31.10	\$31.10	\$32.14
400W-F (45,000 lumens) HPS	\$33.29	\$33.29	\$33.29	\$32.64	\$32.18	\$32.18	\$32.18	\$32.18	\$32.18	\$33.79
400W (40,000 lumens) MH	\$34.84	\$34.84	\$34.84	\$34.19	\$33.73	\$33.73	\$33.73	\$33.73	\$33.73	\$33.21
400W-F (40,000 lumens) MH	n/a	\$34.84	\$34.84	\$34.19	\$33.73	\$33.73	\$33.73	\$33.73	\$33.73	\$33.21
70W (4,500 lumens) LED	n/a	n/a	n/a	n/a	\$25.64	\$25.64	n/a	n/a	n/a	n/a
50W (5,000 lumens) LED	n/a	\$20.18	\$20.18	\$20.09	\$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	n/a	\$25.64	\$25.64	\$25.64	\$25.64
110W (8,000 lumens) LED	n/a	\$21.74	\$21.74	\$21.61	\$21.48	\$21.48	\$21.48	\$21.48	\$21.48	\$18.89
150W (13,500 lumens) LED	n/a	\$26.67	\$26.67	\$26.37	\$23.61	\$23.61	\$23.61	\$23.61	\$23.61	\$21.96
210W (24,000 lumens) LED	n/a	n/a	n/a	n/a	\$33.21	\$33.21	\$33.21	\$33.21	\$33.21	\$33.21
280W-F (25,000 lumens) LED	n/a	\$39.55	\$39.55	\$39.14	\$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	\$11.84	\$11.56	\$11.36	\$11.36	\$11.36	\$11.36	\$11.36	\$14.12
250W (11,000 lumens) MV	\$15.76	\$15.76	\$15.76	\$15.35	\$15.07	\$15.07	\$15.07	\$15.07	\$15.07	\$15.07
400W (20,000 lumens) MV	\$21.83	\$21.83	\$21.83	\$21.22	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79
400W-T (20,000 lumens) MV	\$17.50	\$17.50	\$17.50	\$17.20	\$16.98	\$16.98	\$16.98	\$16.98	\$16.98	\$16.98
100W (8,500 lumens) HPS	n/a	\$11.84	\$11.84	\$11.56	\$11.36	\$11.36	\$11.36	\$11.36	\$11.36	\$11.36
150W (14,000 lumens) HPS	\$14.51	\$14.51	\$14.51	\$14.23	\$14.03	\$14.03	\$14.03	\$14.03	\$14.03	\$16.47
250W (23,000 lumens) HPS	\$19.32	\$19.32	\$19.32	\$18.89	\$18.59	\$18.59	\$18.59	\$18.59	\$18.59	\$19.87
400W (45,000 lumens) HPS	\$29.21	\$29.21	\$29.21	\$28.56	\$28.10	\$28.10	\$28.10	\$28.10	\$28.10	\$29.42
400W-F (45,000 lumens) HPS	\$30.30	\$30.30	\$30.30	\$29.65	\$29.19	\$29.19	\$29.19	\$29.19	\$29.19	\$31.67
400W (40,000 lumens) MH	\$31.85	\$31.85	\$31.85	\$31.20	\$30.74	\$30.74	\$30.74	\$30.74	\$30.74	\$30.79
400W-F (40,000 lumens) MH	n/a	\$31.85	\$31.85	\$31.20	\$30.74	\$30.74	\$30.74	\$30.74	\$30.74	\$30.79
70W (4,500 lumens) LED	n/a	\$30.96	\$30.96	\$30.83	\$23.08	\$23.08	n/a	n/a	n/a	n/a
50W (5,000 lumens) LED	n/a	\$18.16	\$18.16	\$18.07	\$16.87	\$16.87	\$16.87	\$16.87	\$16.87	\$16.87
100W (8,000 lumens) LED	n/a	n/a	n/a	n/a	n/a	n/a	\$23.08	\$23.08	\$23.08	\$23.08
110W (8,000 lumens) LED	n/a	\$19.57	\$19.57	\$19.44	\$19.34	\$19.34	\$19.34	\$19.34	\$19.34	\$19.34
150W (13,500 lumens) LED	n/a	\$24.00	\$24.00	\$23.70	\$21.25	\$21.25	\$21.25	\$21.25	\$21.25	\$21.25
210W (24,000 lumens) LED	n/a	n/a	n/a	n/a	\$29.89	\$29.89	\$29.89	\$29.89	\$29.89	\$30.79
280W-F (25,000 lumens) LED	n/a	\$35.60	\$35.60	\$35.19	\$34.24	\$34.24	\$34.24	\$34.24	\$34.24	\$34.24
Rural Street Lighting Service (Rate Per Customer Per Month)										
Fixture per 4 Customers	100W HPS	n/a	n/a	n/a	n/a	n/a	n/a	\$3.09	\$3.09	\$3.72
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$4.69	\$4.69	\$4.44
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	\$6.41	\$6.41	\$6.41
Fixture per 6 Customers	175W (7K lumens) MV	\$2.62	\$2.62	\$2.62	\$2.09	\$2.06	\$2.06	\$2.06	n/a	n/a
	100W HPS	n/a	n/a	n/a	n/a	n/a	n/a	\$2.06	\$2.06	\$2.48
	150W HPS	n/a	n/a	n/a	n/a	n/a	n/a	\$2.57	\$2.57	\$2.68
	50W LED	n/a	n/a	n/a	n/a	n/a	n/a	\$3.13	\$3.13	\$2.96
	100W LED*	n/a	n/a	n/a	n/a	n/a	n/a	\$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

MV—Mercury vapor; HPS—High pressure sodium; MH—Metal halide; LED—Light emitting diode *Decorative post top
 Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022 | Greenville Utilities Commission of the City of Greenville, North Carolina

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

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Rural Street Lighting Service (Rate Per Customer Per Month)											
Fixture per 8 Customers	150W HPS	\$2.45	\$2.45	\$2.45	\$1.95	\$1.93	\$1.93	\$1.93	\$1.93	\$1.93	\$2.01
	50W (5K lumens) LED	n/a	n/a	n/a	\$2.51	\$2.31	\$2.31	\$2.31	n/a	n/a	n/a
	110W LED	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$2.68	\$2.68	\$2.36
Sports Field Lighting Service											
Base facilities charge (per month)		n/a	n/a	n/a	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
Demand (per kW)		\$2.27	\$2.27	\$2.27	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Energy (per kWh)		\$0.10476	\$0.10476	\$0.10476	\$0.09190	\$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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Effective Rate (per kgallon)	\$3.99477	\$4.03401	\$4.27625	\$4.48208	\$4.72322	\$4.71144	\$5.07791	\$5.42153	\$5.43216	\$5.53150
Base Facilities Charge (Based on Meter Size)										
Inside City										
¾"	\$6.61	\$7.04	\$7.04	\$7.46	\$7.80	\$7.80	\$8.00	\$8.00	\$8.00	\$8.00
1"	\$10.77	\$11.51	\$11.51	\$12.20	\$12.76	\$12.76	\$13.04	\$13.04	\$13.04	\$13.04
1½"	\$20.28	\$21.74	\$21.74	\$23.03	\$24.08	\$24.08	\$24.56	\$24.56	\$24.56	\$24.56
2"	\$32.16	\$34.52	\$34.52	\$36.57	\$38.24	\$38.24	\$38.96	\$38.96	\$38.96	\$38.96
3"	\$70.17	\$75.41	\$75.41	\$79.90	\$83.56	\$83.56	\$85.04	\$85.04	\$85.04	\$85.04
4"	\$119.47	\$128.45	\$128.45	\$136.09	\$142.32	\$142.32	\$144.80	\$144.80	\$144.80	\$144.80
6"	\$248.37	\$267.11	\$267.11	\$283.00	\$295.96	\$295.96	\$301.04	\$301.04	\$301.04	\$301.04
8"	\$357.07	\$384.05	\$384.05	\$406.89	\$425.52	\$425.52	\$432.80	\$432.80	\$432.80	\$432.80
10"	\$575.07	\$618.56	\$618.56	\$655.35	\$685.36	\$685.36	\$697.04	\$697.04	\$697.04	\$697.04
12"	\$851.88	\$916.34	\$916.34	\$970.83	\$1,015.28	\$1,015.28	\$1,032.56	\$1,032.56	\$1,032.56	\$1,032.56
16"	n/a	n/a	n/a	n/a	n/a	n/a	\$1,800.80	\$1,800.80	\$1,800.80	\$1,800.80
Outside City										
¾"	\$7.50	\$8.10	\$8.10	\$8.59	\$8.97	\$8.97	\$9.20	\$9.20	\$9.20	\$9.20
1"	\$12.29	\$13.24	\$13.24	\$14.04	\$14.68	\$14.68	\$15.00	\$15.00	\$15.00	\$15.00
1½"	\$23.22	\$25.00	\$25.00	\$26.49	\$27.69	\$27.69	\$28.24	\$28.24	\$28.24	\$28.24
2"	\$36.88	\$39.70	\$39.70	\$42.06	\$43.98	\$43.98	\$44.80	\$44.80	\$44.80	\$44.80
3"	\$80.60	\$86.73	\$86.73	\$91.89	\$96.10	\$96.10	\$97.80	\$97.80	\$97.80	\$97.80
4"	\$137.29	\$147.72	\$147.72	\$156.51	\$163.67	\$163.67	\$166.52	\$166.52	\$166.52	\$166.52
6"	\$285.53	\$307.18	\$307.18	\$325.46	\$340.36	\$340.36	\$346.20	\$346.20	\$346.20	\$346.20
8"	\$410.53	\$441.66	\$441.66	\$467.93	\$489.35	\$489.35	\$497.72	\$497.72	\$497.72	\$497.72
10"	\$661.23	\$711.35	\$711.35	\$753.66	\$788.17	\$788.17	\$801.60	\$801.60	\$801.60	\$801.60
12"	\$979.56	\$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
16"	n/a	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
Volume Charge (Per kgal)										
Inside City										
Residential, non irrigation	\$3.35	\$3.59	\$3.59	\$3.78	\$4.00	\$4.00	\$4.37	\$4.77	\$4.77	\$4.77
Commercial, non irrigation	\$2.71	\$2.90	\$2.90	\$3.05	\$3.23	\$3.23	\$3.53	\$3.99	\$3.99	\$3.99
Industrial, non irrigation	\$2.53	\$2.71	\$2.71	\$2.85	\$3.02	\$3.02	\$3.30	\$3.75	\$3.75	\$3.75
Irrigation, all customers	\$5.03	\$5.39	\$5.39	\$5.67	\$6.00	\$6.00	\$6.56	\$7.16	\$7.16	\$7.16
Outside City										
Residential, non irrigation	\$5.20	\$5.56	\$5.56	\$5.86	\$6.20	\$6.20	\$6.78	\$7.40	\$7.40	\$7.40
Commercial, non irrigation	\$4.20	\$4.50	\$4.50	\$4.73	\$5.01	\$5.01	\$5.47	\$6.18	\$6.18	\$6.18
Industrial, non irrigation	\$2.53	\$2.71	\$2.71	\$2.85	\$3.02	\$3.02	\$3.30	\$3.75	\$3.75	\$3.75
Irrigation, residential	\$7.80	\$8.35	\$8.35	\$8.79	\$9.30	\$9.30	\$10.17	\$11.10	\$11.10	\$11.10
Irrigation, commercial	\$7.80	\$8.35	\$8.35	\$8.79	\$9.30	\$9.30	\$10.17	\$11.10	\$11.10	\$11.10
Irrigation, industrial	\$5.03	\$5.39	\$5.39	\$5.67	\$6.00	\$6.00	\$6.56	\$7.16	\$7.16	\$7.16

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	n/a	\$9.20
1"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$15.00
1½"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$28.24
2"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$44.80
3"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$97.80
4"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$166.52
6"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$346.20
8"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$497.72
10"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$801.60
12"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$1,187.44
16"	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$2,070.92
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	n/a	\$5.49
Commercial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$4.59
Industrial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$3.75
Irrigation, residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$8.23
Irrigation, commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$8.23
Irrigation, industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$7.16
Outside Corp. Limits										
Residential, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$7.40
Commercial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$6.18
Industrial, non irrigation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$3.75
Irrigation, residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$11.10
Irrigation, commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$11.10
Irrigation, industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$7.16
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	n/a	\$14.36
Commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$14.36
Industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$14.36

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Effective Rate (per kgallon)	\$6.27375	\$6.39632	\$6.84920	\$7.35093	\$7.79049	\$7.74227	\$8.01695	\$8.07868	\$8.01529	\$8.11272
Base Facilities Charge (Based on Water/Wastewater Meter Size)										
¾"	\$10.24	\$10.37	\$10.37	\$10.96	\$11.70	\$11.70	\$11.70	\$11.70	\$11.70	\$11.70
1"	\$16.78	\$17.01	\$17.01	\$17.97	\$19.21	\$19.21	\$19.21	\$19.21	\$19.21	\$19.21
1½"	\$31.73	\$32.17	\$32.17	\$34.01	\$36.38	\$36.38	\$36.38	\$36.38	\$36.38	\$36.38
2"	\$50.41	\$51.13	\$51.13	\$54.05	\$57.84	\$57.84	\$57.84	\$57.84	\$57.84	\$57.84
3"	\$110.18	\$111.81	\$111.81	\$118.17	\$126.51	\$126.51	\$126.51	\$126.51	\$126.51	\$126.51
4"	\$187.70	\$190.49	\$190.49	\$201.34	\$215.57	\$215.57	\$215.57	\$215.57	\$215.57	\$215.57
6"	\$390.38	\$396.21	\$396.21	\$418.77	\$448.41	\$448.41	\$448.41	\$448.41	\$448.41	\$448.41
8"	\$561.30	\$569.69	\$569.69	\$602.14	\$644.77	\$644.77	\$644.77	\$644.77	\$644.77	\$644.77
10"	\$904.08	\$917.61	\$917.61	\$969.87	\$1,038.56	\$1,038.56	\$1,038.56	\$1,038.56	\$1,038.56	\$1,038.56
12"	\$1,339.33	\$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
16"	n/a	n/a	n/a	n/a	n/a	n/a	\$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"	\$15.36	\$15.56	\$15.56	\$16.44	\$17.55	\$17.55	\$17.55	\$17.55	\$17.55	\$17.55
1"	\$25.17	\$25.52	\$25.52	\$29.96	\$28.82	\$28.82	\$28.82	\$28.82	\$28.82	\$28.82
1½"	\$47.60	\$48.26	\$48.26	\$51.02	\$54.57	\$54.57	\$54.57	\$54.57	\$54.57	\$54.57
2"	\$75.62	\$76.70	\$76.70	\$81.08	\$86.76	\$86.76	\$86.76	\$86.76	\$86.76	\$86.76
3"	\$165.27	\$167.72	\$167.72	\$177.26	\$189.77	\$189.77	\$189.77	\$189.77	\$189.77	\$189.77
4"	\$281.55	\$285.74	\$285.74	\$302.01	\$323.36	\$323.36	\$323.36	\$323.36	\$323.36	\$323.36
6"	\$585.57	\$594.32	\$594.32	\$628.16	\$672.62	\$672.62	\$672.62	\$672.62	\$672.62	\$672.62
8"	\$841.95	\$854.54	\$854.54	\$903.21	\$967.16	\$967.16	\$967.16	\$967.16	\$967.16	\$967.16
10"	\$1,356.12	\$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
12"	\$2,009.00	\$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
16"	n/a	n/a	n/a	n/a	n/a	n/a	\$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	\$4.450	\$4.980	\$4.980	\$5.320	\$5.660	\$5.660	\$5.900	\$5.900	\$5.900	\$5.900
Commercial/Industrial	\$4.930	\$5.510	\$5.510	\$5.890	\$6.270	\$6.270	\$6.530	\$6.530	\$6.530	\$6.530
Metered wastewater (100%)	\$5.430	\$6.080	\$6.080	\$6.490	\$6.910	\$6.910	\$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	n/a	\$11.33
Commercial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$11.33
Industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Effective rate (per CCF)	\$1.00296	\$1.06737	\$1.08771	\$0.92616	\$0.94233	\$1.04775	\$1.03793	\$0.96134	\$0.97937	\$1.19224
Residential Service										
Base facilities charge	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$11.00	\$13.00	\$13.00	\$13.00
Commodity first 10 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 20 ccf	\$1.1800	\$1.3010	\$1.1927	\$1.1080	\$1.1865	\$1.3501	n/a	n/a	n/a	n/a
all additional ccf	\$1.0440	\$1.1650	\$1.0567	\$0.9720	\$1.0505	\$1.2141	n/a	n/a	n/a	n/a
Commodity all ccf	n/a	n/a	n/a	n/a	n/a	n/a	\$0.9918	\$0.9600	n/a	n/a
all ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.9433	\$1.5929
all ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.9244	\$1.5740
Residential Service—Heat Only										
Base facilities charge	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$13.00	\$15.00	\$15.00	\$15.00
Commodity first 10 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 20 ccf	\$1.2610	\$1.3820	\$1.2737	\$1.1890	\$1.2675	\$1.4311	n/a	n/a	n/a	n/a
all additional ccf	\$1.1233	\$1.2443	\$1.1360	\$1.0513	\$1.1298	\$1.2934	n/a	n/a	n/a	n/a
all ccf	n/a	n/a	n/a	n/a	n/a	n/a	\$1.0717	\$1.0399	n/a	n/a
all ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$1.0248	\$1.6744
all ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$1.0095	\$1.6591
Commercial Service										
Base facilities charge	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$25.00	\$27.00	\$27.00	\$27.00
Commodity first 50 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
51 to 300 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
301 to 500 ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
all additional ccf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity first 50 ccf	\$1.1591	\$1.2801	\$1.1718	\$1.0871	\$1.1656	\$1.3292	n/a	n/a	n/a	n/a
51 to 500 ccf	\$1.0695	\$1.1905	\$1.0822	\$0.9975	\$1.0760	\$1.2396	n/a	n/a	n/a	n/a
all additional ccf	\$0.8849	\$1.0059	\$0.8976	\$0.8129	\$0.8914	\$1.0550	n/a	n/a	n/a	n/a
Commodity first 500 ccf	n/a	n/a	n/a	n/a	n/a	n/a	\$1.0281	\$1.0178	n/a	n/a
all additional ccf	n/a	n/a	n/a	n/a	n/a	n/a	\$0.8643	\$0.8628	n/a	n/a
first 500 ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$1.0023	\$1.6519
all add. ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.8437	\$1.4933
first 500 ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.9873	\$1.6369
all add. ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.8347	\$1.4843
Industrial Service										
Base facilities charge	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$113.00	\$115.00	\$115.00	\$115.00
Commodity first 500 ccf	\$0.8887	\$1.0097	\$0.9014	\$0.8167	\$0.8952	\$1.0588	\$0.8340	\$0.8285	n/a	n/a
all additional ccf	\$0.8245	\$0.9455	\$0.8372	\$0.7525	\$0.8310	\$0.9946	\$0.7766	\$0.7751	n/a	n/a
first 500 ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.8058	\$1.4554
all add. ccf (Nov.-Mar.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.7519	\$1.4015
first 500 ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.8046	\$1.4542
all add. ccf (Apr.-Oct.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$0.7514	\$1.4010
Interruptible Service										
Base facilities charge	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$213.00	\$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	\$36.00	\$39.00	\$41.00	\$41.00	\$41.00
Commodity first 100 ccf	\$1.2094	\$1.3304	\$1.2221	\$1.1374	\$1.2159	\$1.3795	n/a	n/a	n/a	n/a
all additional ccf	\$0.8022	\$0.9232	\$0.8149	\$0.7302	\$0.8087	\$0.9723	n/a	n/a	n/a	n/a
all ccf	n/a	n/a	n/a	n/a	n/a	n/a	\$0.7580	\$0.7563	\$0.7328	\$1.3824
LNG Storage Service (Per mcf)										
Reservation charge	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62	\$1.62
Daily demand charge	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
Commodity charge	\$12.55	\$12.55	\$12.55	\$12.55	\$12.55	\$12.55	\$12.55	\$12.55	\$12.55	\$15.67

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

ELECTRIC FUND		Fiscal Year 2022		Fiscal Year 2013	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$5,640,848	3.23%	\$6,898,675	3.68%
DSM Dyneema, LLC	High Performance Fibers	5,051,582	2.89%	4,004,949	2.13%
ECU Health ²	Health Care	4,308,073	2.47%	5,248,948	2.80%
East Carolina University	Education	3,591,151	2.06%	4,722,671	2.52%
Attends Healthcare Products	Medical Products	3,463,022	1.98%	3,122,023	1.66%
East Carolina University	Education	2,671,647	1.53%	3,309,054	1.76%
East Carolina University	Education	2,470,180	1.41%	2,102,771	1.12%
ECU Health ²	Health Care	2,168,885	1.24%	1,777,981	0.95%
City of Greenville	Government	2,009,171	1.15%		
Mayne Pharma Inc. ³	Pharmaceuticals	1,530,706	0.88%		
ASMO of Greenville	Motors			1,511,554	0.81%
Hyster Yale Group ⁴	Fork Lift Trucks			1,262,624	0.67%
Totals		\$32,905,265	18.84%	\$33,961,250	18.10%

WATER FUND		Fiscal Year 2022		Fiscal Year 2013	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$931,064	3.92%	\$657,614	4.24%
Town of Farmville	Government	918,769	3.87%	682,978	4.41%
Town of Winterville	Government	361,199	1.52%	96,517	0.62%
ECU Health ²	Health Care	262,245	1.11%	238,997	1.54%
DSM Dyneema, LLC	High Performance Fibers	183,335	0.77%	108,053	0.70%
DSM Dyneema, LLC	High Performance Fibers	177,057	0.75%		
ECU Health ²	Health Care	166,115	0.70%	67,912	0.44%
Fuji Silysia Chemical USA, LTD	Silica Gel	148,747	0.63%	72,869	0.47%
ECU Health ²	Health Care	127,992	0.54%	65,106	0.42%
Stokes Regional Water Corporation	Water Utility	104,688	0.44%		
East Carolina University	Education			71,905	0.46%
Greenville Housing Authority	Apartments			52,335	0.34%
Totals		\$3,381,211	14.25%	\$2,114,286	13.64%

¹Formerly DSM Pharmaceuticals, Inc.²Formerly Vidant Health³Formerly Metrics, Inc.⁴Formerly NACCO Materials Handling

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

SEWER FUND		Fiscal Year 2022		Fiscal Year 2013	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$843,081	3.46%	\$756,068	4.43%
DSM Dyneema, LLC	High Performance Fibers	730,409	3.00%	287,639	1.69%
ECU Health ²	Health Care	401,144	1.65%	406,135	2.38%
ECU Health ²	Health Care	253,404	1.04%	112,175	0.66%
Fuji Silysia Chemical USA, LTD	Silica Gel	240,195	0.99%	130,523	0.77%
ECU Health ²	Health Care	195,783	0.80%	110,555	0.65%
Mayne Pharma Inc. ³	Pharmaceuticals	148,919	0.61%		
Town of Bethel	Government	117,307	0.48%	445,843	2.62%
East Carolina University	Education	111,216	0.46%	122,076	0.72%
Greenville Housing Authority	Apartments	97,286	0.40%		
Pitt County	Government			57,777	0.34%
Town of Grimesland	Government			55,143	0.32%
Totals		\$3,138,744	12.90%	\$2,483,934	14.58%

GAS FUND		Fiscal Year 2022		Fiscal Year 2013	
Customer	Product/Service	Amount Billed	Percentage of Total Revenue	Amount Billed	Percentage of Total Revenue
Thermo Fisher Scientific ¹	Pharmaceuticals	\$2,984,384	7.59%	\$3,022,635	9.63%
East Carolina University	Education	2,527,577	6.43%	2,889,629	9.21%
ECU Health ²	Health Care	2,158,285	5.49%	1,780,473	5.68%
DSM Dyneema, LLC	High Performance Fibers	1,668,732	4.24%	1,027,759	3.28%
Mayne Pharma Inc. ³	Pharmaceuticals	1,194,175	3.04%	354,926	1.13%
ECU Health ²	Health Care	1,170,862	2.98%	598,668	1.91%
East Carolina University	Education	868,268	2.21%	910,058	2.90%
Fuji Silysia Chemical USA, LTD	Silica Gel	734,937	1.87%	393,416	1.25%
Hyster Yale Group ⁴	Fork Lift Trucks	620,579	1.58%	302,919	0.97%
Thermo Fisher Scientific ¹	Pharmaceuticals	564,725	1.44%		
DSM Dyneema, LLC	High Performance Fibers			732,396	2.33%
Totals		\$14,492,524	36.86%	12,012,879	38.29%

¹Formerly DSM Pharmaceuticals, Inc.²Formerly Vidant Health³Formerly Metrics, Inc.⁴Formerly NACCO Materials Handling

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

Fiscal Year	General Obligation Bonds	Revenue Bonds	Notes	Leases	Total	Per Capita	Percentage of Per Capita Personal Income
2013	-	80,643,105	36,029,680	-	116,672,785	669	1.89%
2014	-	73,025,115	38,488,921	-	111,514,036	637	1.73%
2015	-	65,181,025	35,559,334	-	100,740,359	572	1.51%
2016	-	103,728,334	36,587,040	-	140,315,374	790	2.05%
2017	-	95,269,797	38,587,279	-	133,857,076	748	1.87%
2018	-	87,628,861	38,764,625	-	126,393,486	703	1.71%
2019	-	133,746,227	37,631,290	-	171,377,517	948	2.19%
2020	-	129,132,468	34,785,641	-	163,918,109	896	1.98%
2021	-	154,410,797	20,191,816	-	174,602,613	945	*
2022	-	146,621,025	40,558,569	355,688	187,535,282	1,101	*

*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	
2013	264,251,248	228,066,646	36,184,602	9,388,432	4,061,308	13,449,740	2.69
2014	272,354,329	238,628,174	33,726,155	11,229,452	3,905,269	15,134,721	2.23
2015	273,193,091	233,792,956	39,400,135	11,476,429	3,670,885	15,147,314	2.60
2016	249,567,397	195,145,037	54,422,360	10,743,316	3,461,146	14,204,462	3.83
2017	248,339,349	206,715,407	41,623,942	10,420,893	2,660,634	13,081,527	3.18
2018	258,946,457	211,661,875	47,284,582	9,962,771	4,320,675	14,283,446	3.31
2019	263,078,745	213,488,783	49,589,962	11,982,498	4,004,494	15,986,992	3.10
2020	251,981,322	207,347,680	44,633,642	6,853,648	5,054,519	11,908,167	3.75
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

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, and principal and interest of leases.

TABLE 15: Demographic and Economic Statistics | Last Ten Calendar Years

Calendar Year	Population	Personal Income (\$000) ¹	Per Capita Personal Income ¹	June 30 Unemployment Rate ¹
2013	174,434	\$6,182,742	\$35,445	9.0%
2014	175,082	6,437,372	36,768	7.0%
2015	176,238	6,683,570	37,924	6.8%
2016	177,628	6,844,894	38,535	6.0%
2017	179,042	7,143,838	39,900	5.2%
2018	179,917	7,410,874	41,191	4.9%
2019	180,740	7,830,577	43,325	5.2%
2020	182,923	8,262,413	45,169	7.3%
2021	184,842	*	*	5.1%
2022	170,273	*	*	4.6%

Note: Information reported is for Pitt County
¹North Carolina Office of State Budget and Management
 *Information unavailable at time of report

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

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
ECU Health ¹	6,996	1	8.31%	6,857	1	8.46%
East Carolina University	5,508	2	6.54%	5,392	2	6.65%
Pitt County Public Schools	3,359	3	3.99%	2,754	3	3.40%
Thermo Fisher Scientific ²	1,954	4	2.32%	1,500	4	1.85%
County of Pitt	921	5	1.09%	914	8	1.13%
Pitt Community College	900	6	1.07%	953	7	1.18%
Hyster-Yale Group ³	785	7	0.93%	1,000	6	1.23%
City of Greenville	732	8	0.87%	764	10	0.94%
Physicians East	606	9	0.72%	-	-	-
The Roberts Company Fabrication Services, Inc.	500	10	0.59%	1,100	5	1.36%
Alliance One International	-	-	-	825	9	1.02%
Total	22,261		26.43%	22,059		27.22%

Sources: Pitt County Development Commission

¹Formerly Vidant Health

²Formerly DSM Pharmaceuticals, Inc.

³Formerly NACCO Materials Handling

TABLE 17: Employees by Function | Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Electric										
Management	3	3	3	3	4	4	4	4	4	5
Engineering	14	18	19	16	16	15	16	18	20	16
Load Management	5	6	6	5	6	6	7	6	2	
Dispatching	7	7	8	9	7	7	8	8	8	8
Electric System Maintenance	71	78	75	78	85	80	84	77	83	77
Water/Wastewater										
Management	4	4	4	4	4	5	6	6	6	6
Engineering	10	12	12	13	14	13	13	13	13	13
Water Plant	27	29	29	30	31	31	31	30	29	29
Wastewater Plant	25	28	28	28	31	32	31	32	31	33
Water/Wastewater Systems Maintenance	45	42	42	43	44	45	45	43	44	46
Natural Gas										
Management	5	5	5	4	6	6	6	6	6	7
Engineering	8	9	8	10	10	10	10	10	10	9
Natural Gas System Maintenance	25	30	33	30	31	31	34	31	31	29
Administration										
Executive Administration	12	15	13	15	13	17	14	15	13	20
Finance and Accounting	31	31	32	33	31	34	37	38	36	35
Human Resources	9	9	9	8	9	9	9	9	9	10
Information Technology	26	27	31	28	29	29	35	33	33	32
Customer Relations	38	36	36	43	37	39	38	37	35	32
Economic Development	-	-	-	-	-	-	-	1	6	5
Fleet Management	13	12	13	11	13	13	13	14	13	12
Warehouse	7	7	8	8	9	8	6	8	7	8
Meter Services	32	33	35	34	33	34	35	32	33	32
Utility Locating Services	5	6	6	7	7	7	8	6	7	7
Total Employees	422	447	455	460	470	475	490	477	479	471

Sources: Various Utilities Commission Departments

TABLE 18: Operating Indicators | Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Electric System										
Peaks (MW)	353.6	336.5	370.2	357.9	367.4	383.2	353.6	376.9	378.6	369.6
Average daily purchase (MWH)	4,671	4,771	4,844	4,710	4,836	5,008	5,005	4,813	4,890	4,978
Total MWH sold	1,656,667	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
Water System										
Peaks (MGD)	14.871	16.070	17.779	15.070	14.412	17.347	18.112	18.605	17.987	18.775
Average daily treatment (Mgals)	12.008	12.394	13.044	12.384	12.600	13.106	13.734	13.642	14.108	14.785
Total kgals sold	3,857,562	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
Wastewater System										
Peaks (MGD)	14.810	20.040	17.320	21.040	13.590	17.340	25.910	18.210	24.796	21.580
Average daily treatment (Mgals)	10.426	10.530	11.290	11.195	10.220	9.540	11.247	9.948	12.051	10.430
Total kgals collected	2,729,493	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
Natural Gas System										
Peaks (MCFs)	20,537	20,092	26,459	27,241	23,537	25,910	23,165	25,239	20,427	22,494
Average daily purchase (MCFs)	8,870	9,277	9,452	8,462	8,537	10,099	9,896	9,354	9,733	9,467
Total MCFs sold	3,142,015	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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Electric System										
Miles of lines	2,719	2,781	2,884	2,901	2,921	2,939	2,994	3,039	3,077	3,106
Substations	23	23	23	23	23	24	24	24	24	24
Customer connections	64,362	64,673	65,347	66,252	66,508	67,964	68,894	70,073	71,359	72,270
Maximum capacity transmission (MVA)	480	480	480	480	480	600	600	720	720	720
Maximum capacity distribution (MVA)	560	560	560	560	560	560	560	560	560	560
Water System										
Miles of lines	628	627	627	629	631	631	633	634	639	724
Customer connections	34,742	34,959	35,179	35,599	35,794	36,338	36,673	37,195	37,801	38,638
Maximum capacity (MGD)	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5
Wastewater System										
Miles of lines	479	471	471	479	479	480	482	483	489	520
Customer connections	28,435	28,640	28,885	29,253	29,478	30,034	30,363	30,828	31,366	32,222
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	1,043	1,049	1,051	1,054	1,067	1,070	1,072	1,207	1,233	1,236
Customer connections	22,434	22,554	22,837	23,066	23,108	23,379	23,493	23,784	24,162	24,390
Maximum capacity (MCF)	36,891	36,891	45,674	45,674	45,674	45,674	45,674	45,674	45,674	47,606

Sources: Various Utilities Commission Departments

MW—megawatt = 1,000,000 watts

MGD—million gallons per day

MCF—thousand cubic feet = 1,000 cubic feet

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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"), certain funds of the City of Greenville, North Carolina (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Utilities Commission's financial statements, and have issued our report thereon dated October 27, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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*.

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Purpose of this Report

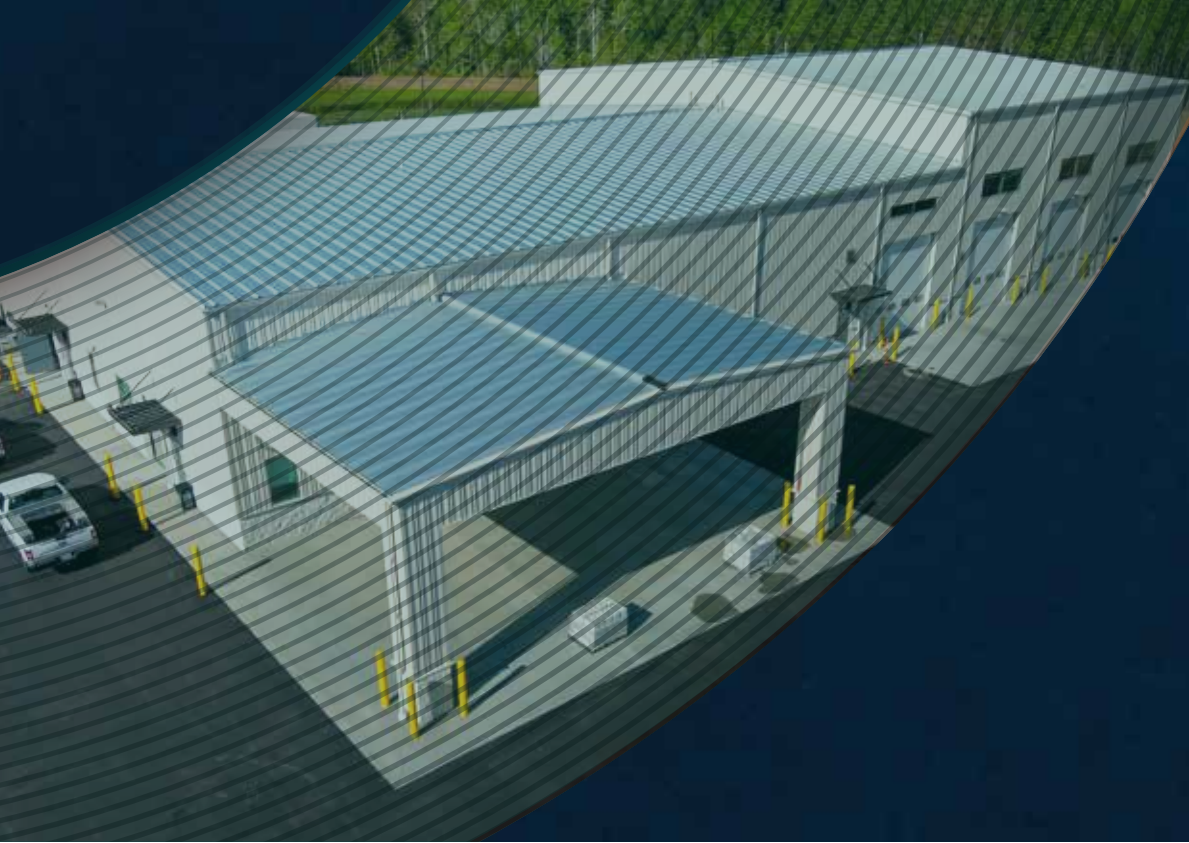
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2022

Greenville Utilities





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