



CITY OF GREENVILLE, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022



Vredeveld Haefner LLC
CPAs and Consultants

CITY OF GREENVILLE

TABLE OF CONTENTS

FINANCIAL SECTION	<u>PAGE</u>
Independent Auditors' Report	1-3
Management's Discussion and Analysis	5-10
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12-13
Fund Financial Statements	
Balance Sheet - Governmental Funds	14-15
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to the Net Position of Governmental Activities on the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18-19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23
Statement of Fiduciary Net Position - Fiduciary Funds	24
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	25
Notes to Financial Statements	27-51
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	53
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Major Streets	54
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Solid Waste	55
Defined Benefit Pension Plan - Schedule of Changes in Employers Net Pension Liability and Related Ratios	56
Defined Benefit Pension Plan - Schedule of Employer Contributions	57
Defined Benefit OPEB Plan - Schedule of Changes in Employers Net OPEB Liability and Related Ratios	58
Defined Benefit OPEB Plan - Schedule of Employer Contributions	59
Combining and Individual Fund Statements and Schedules	
General Fund	
Schedule of Expenditures - Budget and Actual	61
Nonmajor Governmental Funds	
Combining Balance Sheet	62-63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	64-65

CITY OF GREENVILLE

TABLE OF CONTENTS

	<u>PAGE</u>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Local Streets	66
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Community Center	67
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Parking	68
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Drug Forfeiture Fund	69
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Industrial Park	70
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Recreation	71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Assessments	72
Enterprise Funds	
Combining Statement of Net Position	73
Combining Statement of Revenues, Expenses and Changes in Net Position	74
Combining Statement of Cash Flows	75
Internal Service Funds	
Combining Statement of Net Position	76-77
Combining Statement of Revenues, Expenses and Changes in Net Position	78-79
Combining Statement of Cash Flows	80-81
Downtown Development Authority	
Balance Sheet/Statement of Net Position	82
Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	83
DIAL-A-RIDE TRANSIT SECTION	
Schedule of Local Revenues (1)	85
Schedule of Expenditures of State and Federal Awards (2)	86
Schedule of State and Federal Awards (2a, 2b, 4r)	87
Schedule of Operating and Contract Expenses (3)	88
Schedule of Operating Expenses Split Between a June 30 and September 30 Year End	89
Operating Assistance Calculation (5)	90
Schedule of Nonfinancial Information	91
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	93-94
Schedule of Finding and Responses	95



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INDEPENDENT AUDITORS' REPORT

October 21, 2022

Honorable Mayor and Members of the City Council
City of Greenville, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Greenville, Michigan, (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City'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 the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Greenville, Michigan, 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 of Greenville, Michigan, 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.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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 on pages 5 through 10, and the budgetary comparison information and benefit plan schedules on pages 53 through 59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Greenville, Michigan's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Dial-A-Ride transit schedules section balances at June 30, 2022, are the responsibility of management and, except for the Schedule of Nonfinancial Information, were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Dial-A-Ride transit schedules section balances at June 30, 2022, except for the Schedule of Nonfinancial Information, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Dial-A-Ride transit schedules section balances at other than June 30, 2022, and the Schedule of Nonfinancial Information, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Uroderfeld Haefner LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management for the City of Greenville, we offer readers of the City's financial statements this narrative of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and associated notes.

Financial Highlights

The foregoing financial reports reflect the City's on-going goal of implementing sound financial processes in order to deliver high quality services to City residents while recognizing the current economic challenges in the State of Michigan. The City has been able to combat these challenges through organizational changes, improved efficiencies, participation from represented employee union groups and prioritizing capital projects.

- Governmental activities increased net position by \$257,480 while business-type activities increased net position by \$896,905.
- Approximately \$5,900,000 of expense was incurred for wastewater plant expansion construction in progress.
- General fund fund balance increased by \$394,138.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City'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., earned but unused compensated absences, accrued interest, etc.).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government administration, public safety, public works including major and local street construction and maintenance, community development, culture and recreation, debt service and capital outlay activities. The business-type activities of the City include sewer, water, dial-a-ride and solar operations.

The government-wide financial statements include the City (the *primary government*) as well as the Downtown Development Authority component unit for which the City is financially accountable. Financial information for the component unit is reported separately from the financial information for the primary government.

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 City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains multiple individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, major street, solid waste, west city drain special assessment, and capital projects funds, which are considered to be major funds.

Data is combined into a single aggregated presentation for the other governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements and schedules.

The City adopts an annual budget for its general and special revenue funds. Budgetary comparison schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary funds. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer, water, dial-a-ride and solar projects funds. The City uses several internal service funds for allocating centralized costs to the respective funds that receive the benefit.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer and water operations, each of which are considered to be major funds of the City. The internal service fund is included as a single column in the proprietary fund financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This is limited to this management discussion and analysis, major fund budgetary schedules, and benefit plan schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$44,433,237 at the close of the most recent fiscal year.

A portion of the City's net position reflects unrestricted net position which are available for future operations while a significant portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of 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 be used to liquidate these liabilities. All categories of net position are positive in the governmental and business-type activities.

Summary of Net Position

	Governmental Activities		Business-type Activities		Totals	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$18,355,288	\$14,668,846	\$12,311,570	\$17,440,652	\$30,666,858	\$32,109,498
Noncurrent assets	20,467,131	21,522,122	19,928,072	14,442,062	40,395,203	35,964,184
Total assets	38,822,419	36,190,968	32,239,642	31,882,714	71,062,061	68,073,682
Deferred outflows	675,445	487,315	25,313	21,785	700,758	509,100
Long-term liabilities	3,181,018	4,394,552	17,559,787	18,200,572	20,740,805	22,595,124
Other liabilities	2,473,878	1,368,221	460,627	539,340	2,934,505	1,907,561
Total liabilities	5,654,896	5,762,773	18,020,414	18,739,912	23,675,310	24,502,685
Deferred inflows	3,359,331	689,353	294,941	111,892	3,654,272	801,245
Net position						
Net investment in capital assets	20,191,656	21,021,744	9,472,141	9,509,664	29,663,797	30,531,408
Restricted	6,789,418	6,389,393	-	-	6,789,418	6,389,393
Unrestricted	3,502,563	2,815,020	4,477,459	3,543,031	7,980,022	6,358,051
Total net position	\$30,483,637	\$30,226,157	\$13,949,600	\$13,052,695	\$44,433,237	\$43,278,852

Total net position for the City increased by \$1,154,385 from the prior year primarily due to increased revenue.

Summary of Activities

	Governmental Activities		Business-type Activities		Totals	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program revenues						
Charges for services	\$2,826,118	\$2,411,987	\$3,483,407	\$3,158,831	\$ 6,309,525	\$ 5,570,818
Operating grants and Contributions	1,541,815	1,770,214	271,242	267,718	1,813,057	2,037,932
Capital grants and Contributions	13,720	199,392	-	84,941	13,720	284,333
General revenues						
Property taxes	3,172,561	3,144,116	87,532	85,962	3,260,093	3,230,078
State shared revenue	1,067,738	958,102	-	-	1,067,738	958,102
Interest	29,085	101,608	19,384	12,174	48,469	113,782
Other	28,947	8,331	-	-	28,947	8,331
Total revenues	8,679,984	8,593,750	3,861,565	3,609,626	12,541,549	12,203,376
Expenses						
General government	1,556,952	1,414,895	-	-	1,556,952	1,414,895
Public safety	2,067,063	2,238,227	-	-	2,067,063	2,238,227
Public works	3,980,091	3,316,974	-	-	3,980,091	3,316,974
Culture and recreation	841,833	795,115	-	-	841,833	795,115
Community development	64,766	52,631	-	-	64,766	52,631
Interest	12,149	18,391	-	-	12,149	18,391
Dial-a-Ride	-	-	411,481	286,595	411,481	286,595
Sewer	-	-	1,735,390	1,550,247	1,735,390	1,550,247
Water	-	-	677,878	766,566	677,878	766,566
Solar Projects	-	-	39,561	39,990	39,561	39,990
Total expenses	8,522,854	7,836,233	2,864,310	2,643,398	11,387,164	10,479,631
Increase (decrease) before transfers	157,130	757,517	997,255	966,228	1,154,385	1,723,745
Transfers	100,350	92,012	(100,350)	(92,012)	-	-
Increase (decrease) in net position	257,480	849,529	896,905	874,216	1,154,385	1,723,745
Net position-beginning of year	30,226,157	29,376,628	13,052,695	12,178,479	43,278,852	41,555,107
Net position-end of year	\$30,483,637	\$30,226,157	\$13,949,600	\$13,052,695	\$44,433,237	\$43,278,852

Governmental Activities. During the year, the City invested \$3,980,091 or 47% of governmental activities expenses in Public Works, which includes major and local streets. Public Safety was \$2,067,063 or 24% of governmental activities expenses while general government, culture and recreation, community development and interest on long-term debt made up the remaining 29% of governmental activities expenses.

Business-type Activities. Business-type activities increased the City's net position by \$896,905 in the current year due to revenue increase. In the prior year, Business-type activities also increased the City's net position by \$874,216 primarily due to revenue increase.

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,895,546, an increase of \$908,887 in comparison with the prior year. Of the \$11,895,546, \$3,053,304 is reported as unassigned. The remaining amount of fund balance is reported in various funds as assigned, restricted or non-spendable for certain uses such as street construction and maintenance, solid waste, recreation and construction.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,053,304. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 69% of total General Fund expenditures.

The fund balance of the City's general fund increased by \$394,138 during the current fiscal year which is slightly less than the prior year change.

The fund balance of the major streets fund at the most recent fiscal year end was \$1,933,458. This was an increase of \$439,829 from the previous fiscal year end.

The fund balance of the solid waste fund at the most recent fiscal year end was \$838,788. This was an increase of \$3,097 from the previous fiscal year end.

The fund balance of the West City Drain special assessment fund at the most recent fiscal year end was \$1,372. This was a decrease of \$28,974 from the previous fiscal year end.

The fund balance of the capital projects fund at the most recent fiscal year end was \$1,619,627. This was an increase of \$77,410 from the previous fiscal year end.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$4,477,459. The enterprise funds reported an increase in net position for the year of \$896,905. This increase is primarily the result of increases in revenue in the sewer and water funds.

Budgetary Highlights

Over the course of the year, the City Council monitors and amends the budget to account for unanticipated events during the year which were minimal.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of June 30, 2022, amounted to \$40,395,203 (net of accumulated depreciation).

The City's capital assets (net of depreciation) are summarized as follows:

Capital Assets			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Land	\$ 4,999,047	\$ -	\$ 4,999,047
Construction in progress	31,691	8,180,032	8,211,723
Buildings, Equipment and Infrastructure	15,436,393	11,748,040	27,184,433
Total	\$20,467,131	\$19,928,072	\$40,395,203

Current year additions to capital assets primarily included facility and infrastructure improvement in the enterprise funds. Additional information on capital assets can be found in Note 6 of these financial statements.

Debt. At the end of the current fiscal year, the City had total long-term debt outstanding of \$20,740,805 summarized as follows:

Long-term Debt			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net pension liability	\$1,949,845	\$ -	\$1,949,845
Net OPEB liability	1,057,231	249,842	1,307,073
Bonds payable & premium	173,942	17,309,945	17,483,887
Total	\$3,181,018	\$17,559,787	\$20,740,805

The City made debt principal payments of approximately \$500,000 during the year to service outstanding debt. Compensated absences payable at year end are included in accrued liabilities of the internal service funds and governmental activities at year end. Additional information on the City's long-term debt can be found in Note 9 of these financial statements.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the City's budget for the 2022-23 fiscal year:

State shared and property tax revenues are expected to be consistent with 2022 while expenditures are also budgeted to be consistent with 2022. Substantial sewer plant improvements are budgeted to be funded with bonds issued. Looking ahead, we will continue to balance the budgets with tight controls over spending, while striving to provide the City's residents with the same level of service to which they have been accustomed.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Greenville's City Manager.

BASIC FINANCIAL STATEMENTS

CITY OF GREENVILLE
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			
	Governmental	Business-Type		
	Activities	Activities	Total	DDA
Assets				
Cash and pooled investments	\$ 14,726,203	\$ 11,524,735	\$ 26,250,938	\$ 484,678
Accounts receivable	513,833	678,300	1,192,133	-
Accounts receivable-Leases	1,561,228	-	1,561,228	-
Special assessments	256,888	-	256,888	-
Due from other governments	407,600	78,535	486,135	-
Internal balances	20,000	(20,000)	-	-
Inventory	318,622	50,000	368,622	-
Inventory held for resale	385,929	-	385,929	-
Prepaid items	164,985	-	164,985	-
Capital assets				
Land	4,999,047	-	4,999,047	-
Construction in progress	31,691	8,180,032	8,211,723	-
Depreciable capital assets, net	15,436,393	11,748,040	27,184,433	3,568,807
Total assets	38,822,419	32,239,642	71,062,061	4,053,485
Deferred outflow of resources				
OPEB related	73,413	25,313	98,726	-
Pension related	602,032	-	602,032	-
Total deferred outflow of resources	675,445	25,313	700,758	-
Liabilities				
Accounts payable	878,003	30,816	908,819	1,384
Accrued liabilities	602,561	90,301	692,862	176
Customer deposits	-	24,510	24,510	-
Unearned revenue	891,781	-	891,781	-
Debt due within one year	101,533	315,000	416,533	-
Noncurrent liabilities				
Net pension liability	1,949,845	-	1,949,845	-
Net OPEB liability	1,057,231	249,842	1,307,073	-
Debt due in more than one year	173,942	17,309,945	17,483,887	-
Total liabilities	5,654,896	18,020,414	23,675,310	1,560
Deferred inflow of resources				
Lease related	1,561,228	-	1,561,228	-
Pension related	437,236	-	437,236	-
OPEB related	1,360,867	294,941	1,655,808	-
Total deferred inflow	3,359,331	294,941	3,654,272	-
Total deferred outflow of resources	3,359,331	294,941	3,654,272	-
Net position				
Net investment in capital assets	20,191,656	9,472,141	29,663,797	3,568,807
Restricted for				
Permanent trust corpus	315,887	-	315,887	-
Permanent trust cemetery maintenance	65,302	-	65,302	-
Streets and parking	3,404,690	-	3,404,690	-
Law enforcement	1,819	-	1,819	-
Special assessments	188,217	-	188,217	-
Solid waste	838,788	-	838,788	-
Capital improvements	1,974,715	-	1,974,715	-
Unrestricted	3,502,563	4,477,459	7,980,022	483,118
Total net position	\$ 30,483,637	\$ 13,949,600	\$ 44,433,237	\$ 4,051,925

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 1,556,952	\$ 763,428	\$ (45,616)	\$ -	\$ (839,140)
Public safety	2,067,063	100,450	-	-	(1,966,613)
Public works and streets	3,980,091	1,742,756	1,511,132	-	(726,203)
Culture and recreation	841,833	219,484	26,299	13,720	(582,330)
Community development	64,766	-	50,000	-	(14,766)
Interest on long-term debt	12,149	-	-	-	(12,149)
Total governmental activities	8,522,854	2,826,118	1,541,815	13,720	(4,141,201)
Business-type activities					
Sewer	1,735,390	2,367,432	-	-	632,042
Water	677,878	984,123	-	-	306,245
Solar projects	39,561	53,644	-	-	14,083
Dial-a-ride	411,481	78,208	271,242	-	(62,031)
Total business-type activities	2,864,310	3,483,407	271,242	-	890,339
Total primary government	\$ 11,387,164	\$ 6,309,525	\$ 1,813,057	\$ 13,720	\$ (3,250,862)
DDA	\$ 210,299	\$ -	\$ 203	\$ -	\$ (210,096)
Total component units	\$ 210,299	\$ -	\$ 203	\$ -	\$ (210,096)

(Continued)

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Primary Government			
	Governmental	Business-type	Total	DDA
	Activities	Activities		
Changes in net position				
Net (expense) revenue	<u>\$ (4,141,201)</u>	<u>\$ 890,339</u>	<u>\$ (3,250,862)</u>	<u>\$ (210,096)</u>
General revenues				
Property taxes	3,172,561	87,532	3,260,093	486,770
State shared revenues - unrestricted	1,067,738	-	1,067,738	-
Interest earnings	29,085	19,384	48,469	444
Other unrestricted revenue	28,947	-	28,947	-
Transfers - internal activities	<u>100,350</u>	<u>(100,350)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>4,398,681</u>	<u>6,566</u>	<u>4,405,247</u>	<u>487,214</u>
Change in net position	257,480	896,905	1,154,385	277,118
Net position, beginning of year	<u>30,226,157</u>	<u>13,052,695</u>	<u>43,278,852</u>	<u>3,774,807</u>
Net position, end of year	<u>\$ 30,483,637</u>	<u>\$ 13,949,600</u>	<u>\$ 44,433,237</u>	<u>\$ 4,051,925</u>

(Concluded)

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	<u>General</u>	<u>Major Streets</u>	<u>Solid Waste</u>	<u>West City Drain Special Assessment</u>
Assets				
Cash and pooled investments	\$ 4,029,473	\$ 1,774,962	\$ 695,850	\$ 7,735
Accounts receivable	14,420	-	279,245	-
Accounts receivable	1,502,228	-	59,000	-
Special assessments	-	-	-	73,333
Advance to other funds	25,000	-	-	-
Due from other governments	189,254	166,815	-	-
Inventory	208,732	-	-	-
Inventory - held for sale	127,694	-	-	-
Prepaid items	164,985	-	-	-
Total assets	<u>\$ 6,261,786</u>	<u>\$ 1,941,777</u>	<u>\$ 1,034,095</u>	<u>\$ 81,068</u>
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 141,169	\$ 5,969	\$ 129,974	\$ 6,363
Accrued liabilities	146,427	2,350	6,333	-
Due to other funds	-	-	-	-
Unearned revenue	884,847	-	-	-
Total liabilities	<u>1,172,443</u>	<u>8,319</u>	<u>136,307</u>	<u>6,363</u>
Deferred inflows				
Lease related	1,502,228	-	59,000	-
Unavailable revenues	-	-	-	73,333
Total deferred inflows	<u>\$ 1,502,228</u>	<u>\$ -</u>	<u>\$ 59,000</u>	<u>\$ 73,333</u>
Fund balances				
Non-Spendable				
Permanent fund corpus	-	-	-	-
Inventory	336,426	-	-	-
Prepaid items	164,985	-	-	-
Advance to other funds	25,000	-	-	-
Restricted				
Permanent fund spendable	-	-	-	-
Streets and parking	-	1,933,458	-	-
Law enforcement	-	-	-	-
Special Assessments	-	-	-	1,372
Solid waste	-	-	838,788	-
Capital projects	-	-	-	-
Assigned				
Subsequent year expenditures	7,400	-	-	-
Recreation	-	-	-	-
Economic development	-	-	-	-
Debt Service	-	-	-	-
Unassigned	3,053,304	-	-	-
Total fund balances	<u>3,587,115</u>	<u>1,933,458</u>	<u>838,788</u>	<u>1,372</u>
Total liabilities and fund balances	<u>\$ 6,261,786</u>	<u>\$ 1,941,777</u>	<u>\$ 1,034,095</u>	<u>\$ 81,068</u>

The accompanying notes are an integral part of these financial statements.

<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 2,330,249	\$ 3,636,400	\$ 12,474,669
195,683	11,209	500,557
-	-	1,561,228
-	183,555	256,888
-	-	25,000
-	51,531	407,600
109,890	-	318,622
-	258,235	385,929
-	-	164,985
<u>\$ 2,635,822</u>	<u>\$ 4,140,930</u>	<u>\$ 16,095,478</u>
\$ 566,195	\$ 12,761	\$ 862,431
-	22,494	177,604
254,317	-	254,317
-	6,934	891,781
<u>820,512</u>	<u>42,189</u>	<u>2,186,133</u>
-	-	1,561,228
195,683	183,555	452,571
<u>\$ 195,683</u>	<u>\$ 183,555</u>	<u>\$ 2,013,799</u>
-	315,887	315,887
109,890	258,235	704,551
-	-	164,985
-	-	25,000
-	65,302	65,302
-	1,471,232	3,404,690
-	1,819	1,819
-	186,845	188,217
-	-	838,788
1,509,737	464,978	1,974,715
-	-	7,400
-	256,891	256,891
-	890,384	890,384
-	3,613	3,613
-	-	3,053,304
<u>1,619,627</u>	<u>3,915,186</u>	<u>11,895,546</u>
<u>\$ 2,635,822</u>	<u>\$ 4,140,930</u>	<u>\$ 16,095,478</u>

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CITY OF GREENVILLE

RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

JUNE 30, 2022

Fund balances - total governmental funds	\$ 11,895,546
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - land	4,999,047
Add - construction in progress	31,691
Add - capital assets (net of accumulated depreciation)	15,241,757
Certain assets are not due and receivable in the current period and therefore are offset with deferred revenue in the funds.	
Add - deferred inflows	452,571
Deferred benefit items are not reported in the funds.	
Add - deferred outflows - OPEB related	71,190
Add - deferred outflows - pension related	602,032
Deduct - deferred inflows - pension related	(437,236)
Deduct - deferred inflows - OPEB related	(1,333,858)
Internal service funds are used by management to charge the costs of centralized costs, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.	
Add - net position of governmental activities accounted for in the internal service funds	2,229,510
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - net OPEB liability	(1,037,264)
Deduct - net pension liability	(1,949,845)
Deduct - debt payable	(275,475)
Deduct - accrued interest on debt payable	(6,029)
Net position of governmental activities	<u>\$ 30,483,637</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>General</u>	<u>Major Streets</u>	<u>Solid Waste</u>	<u>West City Drain Special Assessment</u>
Revenues				
Taxes	\$ 2,498,574	\$ -	\$ 121,424	\$ -
Special assessments	-	-	-	51,485
Intergovernmental revenues				
Federal	50,000	-	-	-
State	1,069,061	1,002,086	-	-
Local	122,469	-	-	-
Licenses and permits	122,716	-	-	-
Charges for services	286,301	-	1,602,765	-
Rental income	180,704	-	-	-
Fines	16,728	-	12,808	-
Interest	28,409	2,687	728	144
Miscellaneous	148,369	3,700	15,089	-
Total revenues	<u>4,523,331</u>	<u>1,008,473</u>	<u>1,752,814</u>	<u>51,629</u>
Expenditures				
Current				
General government	1,383,799	-	-	-
Public safety	1,975,359	-	-	-
Public works	867,922	398,599	1,578,504	-
Community development	60,425	-	-	-
Culture and recreation	143,434	-	-	-
Debt service				
Principal	-	-	-	84,896
Interest	-	-	-	1,844
Capital outlay	-	-	-	6,363
Total expenditures	<u>4,430,939</u>	<u>398,599</u>	<u>1,578,504</u>	<u>93,103</u>
Revenues over (under) expenditures	<u>92,392</u>	<u>609,874</u>	<u>174,310</u>	<u>(41,474)</u>
Other financing sources (uses)				
Transfers in	709,646	7,455	47,791	12,500
Transfers out	(407,900)	(177,500)	(219,004)	-
Total other financing sources (uses)	<u>301,746</u>	<u>(170,045)</u>	<u>(171,213)</u>	<u>12,500</u>
Net changes in fund balances	394,138	439,829	3,097	(28,974)
Fund balances, beginning of year	<u>3,192,977</u>	<u>1,493,629</u>	<u>835,691</u>	<u>30,346</u>
Fund balances, end of year	<u>\$ 3,587,115</u>	<u>\$ 1,933,458</u>	<u>\$ 838,788</u>	<u>\$ 1,372</u>

The accompanying notes are an integral part of these financial statements.

<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 564,434	\$ 156,065	\$ 3,340,497
	113,462	164,947
-	-	50,000
7,680	333,880	2,412,707
6,040	-	128,509
-	-	122,716
-	221,884	2,110,950
-	-	180,704
-	-	29,536
-	(40,735)	(8,767)
-	30,565	197,723
<u>578,154</u>	<u>815,121</u>	<u>8,729,522</u>
-	38,543	1,422,342
-	-	1,975,359
-	534,250	3,379,275
-	37,130	97,555
-	448,816	592,250
-	98,198	183,094
-	13,201	15,045
<u>294,872</u>	<u>-</u>	<u>301,235</u>
<u>294,872</u>	<u>1,170,138</u>	<u>7,966,155</u>
<u>283,282</u>	<u>(355,017)</u>	<u>763,367</u>
-	495,404	1,272,796
<u>(205,872)</u>	<u>(117,000)</u>	<u>(1,127,276)</u>
<u>(205,872)</u>	<u>378,404</u>	<u>145,520</u>
77,410	23,387	908,887
<u>1,542,217</u>	<u>3,891,799</u>	<u>10,986,659</u>
<u>\$ 1,619,627</u>	<u>\$ 3,915,186</u>	<u>\$ 11,895,546</u>

CITY OF GREENVILLE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Net changes in fund balances - total governmental funds	\$ 908,887
Amounts reported for <i>governmental activities</i> in the statement of activities are different because	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	
Add - capital outlay	196,559
Deduct - net book value of disposals	(7,459)
Deduct - depreciation expense	(1,177,506)
Special assessments receivable are long-term in nature and are collectable over several years. They are recognized when issued in the government-wide financial statements, however the assessments are reflected as deferred inflows on the fund statements.	
Deduct - decrease in special assessment/long-term receivables	(49,538)
Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Add - principal payments on debt	183,105
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Add - decrease in net OPEB liability	1,020,227
Deduct - decrease in deferred outflows OPEB related	(24,004)
Deduct - increase in deferred inflows OEPB related	(844,934)
Add - decrease in net pension liability	28,433
Add - increase in deferred outflows pension related	211,801
Deduct - increase in deferred inflows pension related	(246,516)
Add - decrease in accrued interest	2,896
Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	
Add - net income from the internal service funds	55,529
Change in net position of governmental activities	\$ 257,480

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2022

	Enterprise Funds			Governmental Activities	
			Nonmajor Enterprise Funds	Enterprise Fund Total	Internal Service Funds
Assets	Sewer	Water			
Current assets					
Cash and pooled investments	\$ 10,021,614	\$ 1,040,077	\$ 463,044	\$ 11,524,735	\$ 2,251,534
Accounts receivable	515,847	162,190	263	678,300	13,276
Due from other funds	-	5,000	-	5,000	254,317
Due from other governments	-	-	78,535	78,535	-
Inventory	-	50,000	-	50,000	-
Total current assets	10,537,461	1,257,267	541,842	12,336,570	2,519,127
Long-term assets					
Construction in progress	8,180,032	-	-	8,180,032	-
Depreciable capital assets	15,113,519	7,570,360	2,083,663	24,767,542	1,656,920
Less accumulated depreciation	(8,265,641)	(4,023,260)	(730,601)	(13,019,502)	(1,462,284)
Total long-term assets	15,027,910	3,547,100	1,353,062	19,928,072	194,636
Total assets	25,565,371	4,804,367	1,894,904	32,264,642	2,713,763
Deferred outflow of resources					
OPEB related	16,267	6,780	2,266	25,313	2,223
Liabilities					
Current liabilities					
Accounts payable	16,154	8,613	6,049	30,816	15,572
Accrued liabilities	68,328	11,396	10,577	90,301	418,928
Due to other funds	-	-	-	-	5,000
Customer deposits	-	24,510	-	24,510	-
Current portion of long-term debt	250,000	65,000	-	315,000	-
Total current liabilities	334,482	109,519	16,626	460,627	439,500
Long-term liabilities					
Advances from other funds	-	-	25,000	25,000	-
Net OPEB liability	150,610	78,308	20,924	249,842	19,967
Bonds payable, net of current portion	16,865,101	444,844	-	17,309,945	-
Total long-term liabilities	17,015,711	523,152	45,924	17,584,787	19,967
Total liabilities	17,350,193	632,671	62,550	18,045,414	459,467
Deferred inflow of resources					
OPEB related	195,052	72,679	27,210	294,941	27,009
Net position					
Net investment in capital assets	5,081,823	3,037,256	1,353,062	9,472,141	194,636
Unrestricted	2,954,570	1,068,541	454,348	4,477,459	2,034,874
Total net position	\$ 8,036,393	\$ 4,105,797	\$ 1,807,410	\$ 13,949,600	\$ 2,229,510

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Funds			Enterprise Fund	Governmental Activities
	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating revenue					
Charges for services	\$ 2,348,553	\$ 976,791	\$ 100,954	\$ 3,426,298	\$ 647,191
Other	18,879	7,332	13,898	40,109	-
Total operating revenue	<u>2,367,432</u>	<u>984,123</u>	<u>114,852</u>	<u>3,466,407</u>	<u>647,191</u>
Operating expense					
Personnel services	405,881	138,120	209,742	753,743	57,061
Contractual services	85,026	18,575	25,652	129,253	64,089
Benefits	162,832	32,445	56,583	251,860	167,861
Materials and supplies	146,294	76,529	38,612	261,435	60,678
Utilities	105,588	146,563	5,798	257,949	23,436
Repair and maintenance	80,941	35,903	1,247	118,091	106,339
Equipment rentals	37,307	31,772	-	69,079	1,092
Depreciation	293,014	180,474	112,271	585,759	66,585
Miscellaneous	3,515	-	768	4,283	-
Total operating expense	<u>1,320,398</u>	<u>660,381</u>	<u>450,673</u>	<u>2,431,452</u>	<u>547,141</u>
Operating income (loss)	<u>1,047,034</u>	<u>323,742</u>	<u>(335,821)</u>	<u>1,034,955</u>	<u>100,050</u>
Non-operating revenue (expense)					
Federal operating grants	-	-	132,794	132,794	-
State operating grants	-	-	128,448	128,448	-
Property taxes	-	-	87,532	87,532	-
Gain on sale of fixed asset	-	-	27,000	27,000	-
Interest income	19,318	66	-	19,384	993
Interest expense	(414,992)	(17,497)	(369)	(432,858)	(344)
Total non-operating revenue (expense)	<u>(395,674)</u>	<u>(17,431)</u>	<u>375,405</u>	<u>(37,700)</u>	<u>649</u>
Income (loss) before contributions and transfers	<u>651,360</u>	<u>306,311</u>	<u>39,584</u>	<u>997,255</u>	<u>100,699</u>
Transfers in	304	14,377	35,969	50,650	55,830
Transfers out	(96,000)	(55,000)	-	(151,000)	(101,000)
Total contributions and transfers	<u>(95,696)</u>	<u>(40,623)</u>	<u>35,969</u>	<u>(100,350)</u>	<u>(45,170)</u>
Changes in net position	555,664	265,688	75,553	896,905	55,529
Net position, beginning of year	<u>7,480,729</u>	<u>3,840,109</u>	<u>1,731,857</u>	<u>13,052,695</u>	<u>2,173,981</u>
Net position, end of year	<u>\$ 8,036,393</u>	<u>\$ 4,105,797</u>	<u>\$ 1,807,410</u>	<u>\$ 13,949,600</u>	<u>\$ 2,229,510</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Funds			Enterprise Fund Total	Governmental Activities Internal Service Funds
	Sewer	Water	Nonmajor Enterprise Funds		
Cash flows from operating activities					
Receipts from internal services provided	\$ -	\$ -	\$ -	\$ -	\$ 653,442
Receipts from customers and users	2,286,108	972,712	114,747	3,373,567	-
Operating grants	-	-	178,039	178,039	-
Payments to employees	(593,087)	(179,938)	(267,322)	(1,040,347)	(211,273)
Payments to suppliers	(527,618)	(309,212)	(66,356)	(903,186)	(203,363)
Net cash provided by (used in) operating activities	<u>1,165,403</u>	<u>483,562</u>	<u>(40,892)</u>	<u>1,608,073</u>	<u>238,806</u>
Cash flows from non-capital financing activities					
Transfers in	304	14,377	35,969	50,650	55,830
Transfers out	(96,000)	(55,000)	-	(151,000)	(101,000)
Property taxes	-	-	87,532	87,532	-
Net cash provided by (used in) non-capital financing activities	<u>(95,696)</u>	<u>(40,623)</u>	<u>123,501</u>	<u>(12,818)</u>	<u>(45,170)</u>
Cash flows from capital and related financing activities					
Interest paid	(481,328)	(18,015)	(369)	(499,712)	(344)
Principal on bonds	(245,000)	(60,040)	(67,000)	(372,040)	(41,798)
Acquisitions of capital assets	(5,943,587)	(122,580)	(5,602)	(6,071,769)	-
Sale of capital assets	-	-	27,000	27,000	-
Net cash provided by (used in) capital and related financing activities	<u>(6,669,915)</u>	<u>(200,635)</u>	<u>(45,971)</u>	<u>(6,916,521)</u>	<u>(42,142)</u>
Cash flows from investing activities					
Interest income	<u>19,318</u>	<u>66</u>	<u>-</u>	<u>19,384</u>	<u>993</u>
Net increase (decrease) in cash and pooled investments	(5,580,890)	242,370	36,638	(5,301,882)	152,487
Cash and pooled investments, beginning of year	<u>15,602,504</u>	<u>797,707</u>	<u>426,406</u>	<u>16,826,617</u>	<u>2,099,047</u>
Cash and pooled investments, end of year	<u>\$ 10,021,614</u>	<u>\$ 1,040,077</u>	<u>\$ 463,044</u>	<u>\$ 11,524,735</u>	<u>\$ 2,251,534</u>
Cash flows from operating activities					
Operating income (loss)	\$ 1,047,034	\$ 323,742	\$ (335,821)	\$ 1,034,955	\$ 100,050
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	293,014	180,474	112,271	585,759	66,585
OPEB	(149,429)	(50,732)	(20,865)	(221,026)	(20,889)
Deferred outflow related to OPEB	(2,385)	78,649	29,143	105,407	(333)
Deferred inflow related to OPEB	123,754	(37,444)	(12,196)	74,114	17,300
Operating Grants	-	-	261,242	261,242	-
Change in operating assets and liabilities which provided (used) cash					
Accounts receivable	(81,324)	(12,836)	(105)	(94,265)	6,733
Due from other governments	-	-	(78,535)	(78,535)	-
Prepaid items	-	-	-	-	44,534
Accounts payable	(68,947)	130	5,721	(63,096)	7,255
Accrued liabilities	3,686	154	2,921	6,761	17,571
Unearned revenue	-	-	(4,668)	(4,668)	-
Customer deposits	-	1,425	-	1,425	-
Net cash provided by (used in) operating activities	<u>\$ 1,165,403</u>	<u>\$ 483,562</u>	<u>\$ (40,892)</u>	<u>\$ 1,608,073</u>	<u>\$ 238,806</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Other Post-employment Benefits <u>Trust</u>	Custodial <u>Funds</u>
Assets		
Cash and pooled investments	\$ -	\$ 16,410
Investments	<u>104,820</u>	<u>-</u>
Total assets	<u>\$ 104,820</u>	<u>\$ 16,410</u>
Liabilities		
Accounts payable	-	5,745
Other liabilities	<u>-</u>	<u>10,665</u>
Total liabilities	<u>-</u>	<u>\$ 16,410</u>
Net position		
Restricted for other post-employment benefits	<u>\$ 104,820</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENVILLE

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2022

	Other Post-employment Benefits <u>Trust</u>	Custodial <u>Funds</u>
Additions		
Contributions:		
Employer	\$ 25,000	\$ -
Taxes and benefits collected for other entities	-	9,396,756
Investment income:		
Net appreciation (depreciation) in fair value of securities	<u>(7,468)</u>	<u>-</u>
Total additions	<u>17,532</u>	<u>9,396,756</u>
Deductions		
Taxes and benefit to other entities	<u>-</u>	<u>9,396,756</u>
Total deductions	<u>-</u>	<u>9,396,756</u>
Changes in net position	17,532	-
Net position, beginning of year	<u>87,288</u>	<u>-</u>
Net position, end of year	<u>\$ 104,820</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

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CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Greenville, Michigan (the "City") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

These financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations, so data from these units are combined with data of the primary government. The City has no blended component units. Discretely presented component units are reported in a separate column in the financial statements to emphasize they are legally separate from the City.

Discretely Presented Component Units

The component unit columns in the basic financial statements include the financial data of the Downtown Development Authority (DDA), the Tax Increment Finance Authority (TIFA) and the Local Development Finance Authority (LDFA). These entities are reported in separate columns to emphasize that they are legally separate from the City. The members of the governing boards of these Authorities are appointed by the City Council. The budgets of these Authorities must be approved by the City Council, and the City has the ability to significantly influence their operations. Financial statements are not separately issued for the component units. The LDFA and TIFA are currently inactive with no activity for the current fiscal year.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between enterprise functions and other various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

Likewise, the *primary government* is reported separately from discretely presented *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants and interest which use a one year collection period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, state revenue, grants, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 enterprise fund are charges for services. The principal operating revenues of the City's internal service funds are charges to City departments for, equipment utilization, and employee benefit programs. Operating expenses for the enterprise funds include depreciation on capital assets, labor, supplies and contracted services. Operating expenses for the internal service funds include the cost of services (including claims), administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

The *general fund* is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *major streets fund* accounts for the construction and maintenance of streets. Financing is provided by the City's share of the state's fuel and weight taxes.

The *solid waste fund* accounts for the activities in the City regarding solid waste. Revenues are derived from a tax millage and charges for services.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The *west city drain special assessment fund* is used to account for the receipt and expenditures of related to drainage special assessment debt.

The *capital projects fund* accounts for the resources and expenses of capital assets. Revenues are derived from a tax millage and grants.

The City reports the following major proprietary funds:

The *sewer enterprise fund* is used to account for the operations of the City's sewer department that provides sewer services to most residents of the City on a user charge basis.

The *water enterprise fund* is used to account for the operations of the City's water department that provides water services to most residents of the City on a user charge basis.

Additionally, the City reports the following fund types:

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The *debt service funds* are used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs of governmental funds.

The *capital projects funds* account for the accumulation and disbursement of resources for the construction and purchase of governmental fund capital assets.

The *permanent funds* are used to account for resources that are legally restricted to the extent that only earnings, and not principal may be used for purposes that support the City programs.

The *enterprise funds* account for the operations activities that provide services to customers and a charge for services basis.

The *internal service funds* are used to account for major machinery and equipment purchases, maintenance, and benefits provided to the City departments and funds on a cost reimbursement basis.

The *Other Post-Employment Benefits Trust Fund* is used to account for the operations of the City other post-employment benefits plan which provides other post-employment benefits to the City's employees.

The *custodial fund* is used to account for the collection and disbursement of resources that are held on behalf of outside governments, entities and individuals.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Budgets and Budgetary Accounting

Comparisons to budget are presented for General and Special Revenue funds. General and Special Revenue funds adopt a legal budget with remaining funds maintaining budgets as a management control device. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget is adopted by activity.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed for the governmental fund types as a management control device.
5. Budgets for the General and Special Revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets lapse at fiscal year-end.
6. Adoption and amendments of all budgets used by the City are governed by Michigan state law. The appropriations resolution is based on the projected expenditures budget of the department heads of the City. Any amendment to the original budget must meet the requirements of Michigan law. Any revision that alters the total expenditures of any activity must be approved by the City Council. The City Manager is authorized to transfer budgeted amounts within an activity subject to the condition that the total expenditures do not exceed the approved appropriations by activity (department). Thus, the legal level of budgetary control is at the department level. Supplemental appropriations were necessary during the year.

Cash and Cash Pooled Investments

For the purpose of the statement of cash flows, the City considers cash and pooled investments to be cash and cash equivalents because the pooling of these balances allows for withdrawal of these balances at any time similar to a demand deposit account. Restricted cash consists of amounts set aside in accordance with bond provisions for principal payment in the event of default.

Investments

Investments are stated at fair value at the balance sheet date.

State statutes and City policy authorize the City to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.
- h. The OPEB and cemetery trust funds may invest in corporate debt and equity securities.

Receivables

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible balances are immaterial to the financial statements.

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. (consumption basis of accounting).

Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased (consumption basis of accounting).

Capital Assets

Capital assets, which include land, construction in progress, buildings and equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental and business-type activities columns in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with an equivalent service potential in an orderly market transaction) on the date received. The amount reported for infrastructure includes only assets added since 2003.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been incurred or capitalized on capital assets.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Depreciation on capital assets (including infrastructure) is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and Improvements	10-60
Land improvements	15-30
Water and Sewer System	50-70
Vehicles	3-10
Machinery and Equipment	3-7
Infrastructure	20-40

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures/expense regardless of the fund/activity.

Pensions

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 Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

Under contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick time benefits under formulas and conditions specified in the contracts. Accumulated vacation and sick time of City employees is recorded as accrued liabilities of the internal service funds and governmental activities.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Property Taxes

City property taxes are attached as an enforceable lien on property as of July 1. Taxes are levied July 1 and are due without penalty on or before August 15. These summer tax bills include the City's own property taxes and taxes billed on behalf of other taxing units within the City limits. Real property taxes not collected as of March 1 are turned over to the County for collection, which advances the City 100% for the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the City Treasurer.

Property taxes levied in July of each year are recognized as revenue in that year.

Grants and Other Intergovernmental Revenues

Grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenue when entitlement occurs. Reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditure/expenses are incurred.

Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds, including expenditures and transfers of resources to provide services and to service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has items that qualify for reporting in this category related to the net pension and OPEB liability which is discussed in Notes 7 and 8.

In addition to liabilities, the statement of financial 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has an item which arises under a modified accrual basis of accounting, which qualify for reporting in this category. Accordingly, unavailable revenue, is reported in the governmental funds balance sheet from special assessments and long-term receivables which are unavailable in the current year. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has items that qualify for reporting in this category related to the net pension and OPEB liability which is discussed in Notes 7 and 8 and items relating to leases discussed in Note 16.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the entity's governing board.
4. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

The governing Board has not delegated the authority to assign amounts to be used for specific purpose.

Net Position and Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. COMPLIANCE

Expenditures Over Appropriations

Michigan law provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the City's actual expenditures and budgeted expenditures for the budgeted funds have been shown on a functional basis. The approved budgets of the City for these budgeted funds were adopted at the activity level.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

During the year ended June 30, 2022, the City incurred expenditures in budgetary funds which were in excess of the amounts appropriated, as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (Unfavorable)</u>
General fund			
General government			
Assessor	\$ 109,000	\$ 163,690	\$(54,690)
Clerk	272,600	286,850	(14,250)
Election	11,000	12,272	(1,272)
Manager	339,800	367,973	(28,173)
Public safety building	86,100	90,901	(4,801)
Transfers	404,000	407,900	(3,900)
Public works			
General	298,300	338,470	(40,170)
Tree planting	9,800	18,251	(8,451)
Solid waste fund			
Public works	1,535,200	1,578,504	(43,304)
Transfers out	219,000	219,004	(4)
Local streets fund			
Transfers out	274,000	341,926	(67,926)
Industrial park			
Community development	5,500	37,130	(31,630)
Recreation fund			
Culture and recreation	288,100	298,439	(10,339)
Special assessments fund			
Debt service	86,400	86,422	(22)
Transfers	-	12,500	(12,500)

3. CASH AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and pooled investments	\$26,250,938	\$484,678	\$ 16,410	\$26,752,026
Investments	-	-	104,820	104,820
	<u>\$26,250,938</u>	<u>\$484,678</u>	<u>\$121,230</u>	<u>\$26,856,846</u>

Cash and pooled investments and investments captions consist of the following at June 30, 2022:

Deposits and certificates of deposit	\$21,685,237
Investments	5,171,097
Petty cash	<u>512</u>
Total	<u>\$26,856,846</u>

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the Treasurer's investing options to financial institutions located in Michigan. All accounts are in the name of the City and a specific fund or common account. They are recorded in City records at fair value. Interest is recorded when earned.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. State law does not require, and the City does not have, a policy for deposit custodial credit risk. As of year-end, \$18,909,334 of the City's bank balance of \$21,944,946 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The City chooses to disclose its investments by specifically identifying each. As of year-end, the City had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
MI Class Pooled Investments	N/A	\$4,060,009	AAAm	S&P
MERS Total Market Portfolio	N/A	104,820	N/A	N/A
Equity Investments				
Raymond James Cemetery Fund	N/A	359,886	N/A	N/A
Fixed Income				
Federal Home Loan Bond	2/28/23	453,898	N/A	N/A
Money Market Mutual Fund				
Dreyfus Govt Cash Mngt	N/A	48,708	N/A	N/A
Asset Backed Securities (Pools)				
GNMA	10/15/23	766	N/A	N/A
GNMA	6/15/24	939	N/A	N/A
FNMA	7/1/24	27	N/A	N/A
FNMA	9/1/24	954	N/A	N/A
FNMA	9/1/25	1,245	N/A	N/A
GNMA	12/16/25	69,452	N/A	N/A
FNMA	5/1/29	4,530	N/A	N/A
FNMA	9/1/29	6,334	N/A	N/A
GNMA	2/20/32	168	N/A	N/A
GNMA	2/15/33	7,800	N/A	N/A
GNMA	8/20/34	10,949	N/A	N/A
GNMA	2/20/38	6,650	N/A	N/A
GNMA	5/15/39	16,658	N/A	N/A
GNMA	6/20/28	17,304	N/A	N/A
Total		<u>\$5,171,097</u>		

The above investments do not include certificates of deposit which are classified as deposits for risk identification purposes.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Investment and Deposit Risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments. Note 1, the summary of significant accounting policies, identifies state law governing investments. The City's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each investment is identified above for investments held at year-end.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools. Note 1, the summary of significant accounting policies identifies state law governing investments. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the City does not have a policy for investment custodial credit risk. For the above MI Class, MERS and money market funds, the City's custodial credit risk exposure cannot be determined because the investments do not consist of specifically identifiable securities. The City has custodial credit risk for the remaining \$552,370 of investments because the related securities are uninsured, unregistered and held by the government's brokerage firm which is also the counterparty for these particular securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The City's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

The City categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of year-end.

- The City equity investments are reported fair value based on quoted market prices (Level 1 inputs).
- Remaining City investments are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determining the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The City does not has any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

4. INTERFUND TRANSACTIONS

Transfers in and out for the year ended June 30, 2022 are as follows:

<u>Transfers out</u>	<u>Transfers in</u>									<u>Total</u>
	<u>General fund</u>	<u>Major streets</u>	<u>Drain special assessment</u>	<u>Solid waste</u>	<u>Nonmajor government</u>	<u>Sewer</u>	<u>Water</u>	<u>Nonmajor enterprise</u>	<u>Internal service</u>	
General fund	\$ -	\$ -	\$ -	\$ -	\$307,300	\$ -	\$13,000	\$32,600	\$55,000	\$407,900
Major streets	71,000	-	-	-	106,500	-	-	-	-	177,500
Solid waste	152,004	-	-	-	67,000	-	-	-	-	219,004
Capital projects	165,142	7,455	-	12,791	14,604	304	1,377	3,369	830	205,872
Nonmajor government	69,500	-	12,500	35,000	-	-	-	-	-	117,000
Sewer	96,000	-	-	-	-	-	-	-	-	96,000
Water	55,000	-	-	-	-	-	-	-	-	55,000
Internal service	101,000	-	-	-	-	-	-	-	-	101,000
Total	\$709,646	\$7,455	\$12,500	\$47,791	\$495,404	\$304	\$14,377	\$35,969	\$55,830	\$1,379,276

Transfers are used to (1) move unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

5. INTERFUND / INTER-ENTITY BALANCES

Interfund/inter-entity balances represent short-term borrowing (due to/from) and long-term borrowing (advances payable/receivable) between the various County funds. This borrowing is used to assist the borrowing fund with additional cash flow.

The balances consisted of the following at fiscal year-end:

	<u>Due to Other Funds</u>
	Internal Service Fund
<u>Due from Other Funds</u>	\$ 5,000
Water Fund	
	<u>Advance Payable</u>
	Solar Projects Enterprise Fund
<u>Advance Receivable</u>	\$25,000
General Fund	

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

6. CAPITAL ASSETS

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 4,999,047	\$ -	\$ -	\$ 4,999,047
Construction in progress	17,845	109,236	95,390	31,691
Total capital assets, not being depreciated	5,016,892	109,236	95,390	5,030,738
Capital assets, being depreciated				
Land improvements	6,912,212	115,805	-	7,028,017
Buildings and improvements	4,577,752	-	-	4,577,752
Furniture and equipment	2,797,639	33,992	165,841	2,665,790
Motor vehicles	2,282,698	-	61,999	2,220,699
Infrastructure	27,666,147	32,916	-	27,699,063
Total capital assets, being depreciated	44,236,448	182,713	227,840	44,191,321
Less accumulated depreciation for				
Land improvements	3,935,506	263,827	-	4,199,333
Buildings and improvements	3,335,928	92,383	-	3,428,311
Furniture and equipment	2,110,570	135,519	158,382	2,087,707
Motor vehicles	1,619,810	114,122	61,999	1,671,933
Infrastructure	16,729,404	638,240	-	17,367,644
Total accumulated depreciation	27,731,218	1,244,091	220,381	28,754,928
Net capital assets, being depreciated	16,505,230	(1,061,378)	7,459	15,436,393
Governmental activities capital assets, net	\$21,522,122	\$(952,142)	\$102,849	\$20,467,131
Business-type activities				
Capital assets, not being depreciated				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	2,266,555	5,913,477	-	8,180,032
Total capital assets, not being depreciated	2,266,555	5,913,477	-	8,180,032
Capital assets being depreciated				
Buildings and improvements	6,010,903	-	-	6,010,903
Furniture and equipment	1,181,008	15,608	28,827	1,167,789
Vehicles	656,263	-	210,193	446,070
Water system	6,911,486	112,574	-	7,024,060
Sewer system	10,088,610	30,110	-	10,118,720
Total capital assets, being depreciated	24,848,270	158,292	239,020	24,767,542
Less accumulated depreciation for				
Buildings and improvements	3,440,521	131,993	-	3,572,514
Furniture and equipment	1,075,088	30,959	28,827	1,077,220
Vehicles	375,385	44,607	210,193	209,799
Water system	3,367,642	175,826	-	3,543,468
Sewer system	4,414,127	202,374	-	4,616,501
Total accumulated depreciation	12,672,763	585,759	239,020	13,019,502
Net capital assets, being depreciated	12,175,507	(427,467)	-	11,748,040
Business-type activities capital assets, net	\$14,442,062	\$5,486,010	\$ -	\$19,928,072

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

	Balance July 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2022</u>
Component Units				
Capital assets being depreciated				
Land improvements	\$6,281,230	\$ -	\$ -	\$6,281,230
Less accumulated depreciation for				
Land improvements	2,555,392	157,031	-	2,712,423
Net capital assets, being depreciated	<u>3,725,838</u>	<u>(157,031)</u>	<u>-</u>	<u>3,568,807</u>
Component Units capital assets, net	<u>\$3,725,838</u>	<u>\$(157,031)</u>	<u>\$ -</u>	<u>\$3,568,807</u>

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

Governmental Activities

General government	\$ 146,762
Public safety	127,685
Public works and streets	653,575
Culture and recreation	249,484
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets	<u>66,585</u>

Total depreciation expense - governmental activities	<u>\$1,244,091</u>
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Business-type activities

Sewer	\$293,014
Water	180,474
Nonmajor enterprise funds	<u>112,271</u>

Total depreciation expense - business-type activities	<u>\$585,759</u>
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Component Unit

Community development	<u>\$157,031</u>
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CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

7. PENSION PLANS

Defined Contribution Pension Plan

The City of Greenville's Employee Retirement System is a defined contribution plan, which provides pension benefits to substantially all employees, except public safety employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately upon full-time employment. The City contributes 6% of each participant's base salary to the plan and the participants must contribute at least 4%. The City's contributions are vested at a rate of 20% after three year or service and 20% per year for each year thereafter with full vesting after seven years of continuous service. City contributions and interest are forfeited by employees who leave the plan and are not fully vested and are reallocated among remaining participants. The plan provisions and contribution amounts were established by City Council and may be amended by City Council.

During the year, the City contributed \$146,930 and plan members contributed \$74,186 to the plan.

Defined Benefit Plan

Plan Description

The employer's defined benefit plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

The plan provides benefits to all full-time public safety department employees. Benefits provided include a multiplier of 2.5 times final average compensation. Vesting period of 10 years. Normal retirement age is 60 with early retirement at 50 with 25 years of service. Final average compensation is calculated based on a 3 year average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2021):

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled but not yet receiving benefits	7
Active plan members	16
Total	39

Contributions

The City is required to contribute an actuarially determined fixed amount, which for the current year was 10% of gross wages to the Plan based on position and classification. Participating employees are required to contribute 14.61% percent of gross wages to the Plan based on position and classification. The contribution requirements of the City are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

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

Inflation: 2.5%

Salary Increases: base wage inflation of 3.00% in the long-term (plus merit and longevity from 0 to 6.7% based on years of service)

Investment rate of return: 7.00%, net of investment expense, including inflation

Mortality rates used for non-disabled plan member were based on a weighted blend of MP-2019 mortality tables of a 50% Male and 50% Female blend. Mortality rates used for disabled plan member were based on a blend of MP-2019 disabled retiree mortality tables of a 50% Male and 50% Female blend of disabled retirees

The actuarial assumptions used in the valuation were based on the results of the 2022 actuarial experience study.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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 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 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	60.0%	4.50%	2.70%
Global Fixed Income	20.0%	2.00%	0.40%
Private Investments	20.0%	7.00%	1.40%
Inflation			2.50%
Administrative fee			0.25%
Investment rate of return			7.25%

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Discount rate. The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balance at 12/31/20	\$7,436,382	\$5,458,104	\$1,978,278
Changes for the Year:			
Service cost	135,377	-	135,377
Interest	552,733	-	552,733
Change in benefits	(25)	-	(25)
Differences between expected and actual experience	90,171	-	90,171
Change in assumptions	291,810	-	291,810
Contributions: employer	-	107,642	(107,642)
Contributions: employee	-	235,411	(235,411)
Net investment income	-	764,207	(764,207)
Benefit payments, including refunds	(462,526)	(462,526)	-
Administrative expense	-	(8,760)	8,760
Other changes	1	-	1
Net changes	607,541	635,974	(28,433)
Balance at 12/31/21	\$8,043,923	\$6,094,078	\$1,949,845

Sensitivity of the Net Pension Liability to Changes in the Discount Rate.

The following presents the net pension liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (6.25%) or higher (8.25%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total Pension Liability	\$8,925,429	\$8,043,923	\$7,323,888
Fiduciary Net Position	6,094,078	6,094,078	6,094,078
Net Pension Liability	\$2,831,351	\$1,949,845	\$1,229,810

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

For the year ended June 30, 2022 the employer recognized pension expense of \$125,103. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences in experience	\$121,301	\$ 17,526
Differences in assumptions	426,048	-
Excess(deficit) investment returns	-	419,710
Contributions subsequent to the measurement date*	54,683	-
Total	<u>\$602,032</u>	<u>\$437,236</u>

* The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2022.

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

2023	\$119,443
2024	(33,047)
2025	18,172
2026	5,545
2027	-
Thereafter	-
Total	<u>\$110,113</u>

8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City administers a single-employer defined benefit healthcare plan (the "Plan"). In addition to the retirement benefits described in Note 7, the Plan provides health insurance benefits to certain retirees, which are funded on a discretionary basis. The Retiree Health Plan does not issue a publicly available financial report and a legal trust has not been established for the plan.

Benefits provided

The City covers both union and non-union members. The City pays \$9.19 per month through 12/31/21 and \$9.5071 per month through 12/31/22, indexed up to 5% per year, for each year of service at retirement, up to the amount of the single retiree premium; payments are made for up to 25 years. To be eligible, an employee must be 55 at age of retirement with 25 years of service (union) or 62 at age of retirement with 15 years of service (nonunion). Retirees pay the balance of premiums in excess of employer contributions.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (June 30, 2022):

Retirees and beneficiaries receiving benefits	27
Active plan members	49
	<hr/>
Total	76
	<hr/>

Contributions

The contribution requirements of Plan members and the City are established and may be amended by the City Council. The City's contributions are based on pay-as-you-go financing requirements.

Net OPEB Liability

The employer's net OPEB liability was measured as of June 30, 2022.

The total OPEB liability in the June 30, 2022 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary increases: 5.0% (for purpose of allocating liability)

Investment rate of return: 7.0% (including inflation)

Index on employer contribution maximum: 5%

Healthcare cost trend rates: Pre-65: 7.25% graded down to 4.5% by .25% per year; Post-65: 5.5% graded down to 4.5% by .25% per year

Mortality rates: 2010 public safety and public general employees and healthy retirees, head count weighted, 2021 improvement scale

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on retirement plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of retirement plan 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 target asset allocation percentage and by adding expected inflation. The sum of each target allocation times its long-term expected real rate, plus inflation, is 7.0%.

Discount rate. The discount rate used to measure the total OPEB liability was 5.09%. The projection of cash flows used to determine the discount rate assumed that the City will make annual contributions of \$25,000 for each of the next two years, \$35,000 in each of the subsequent three years and \$45,000 in 2028 and 2029. Based on this assumption, the retirement plan's fiduciary net position was projected to be sufficient to make projected future benefit payments of current plan members through 2043 – the cross-over point. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the Total OPEB Liability. As of June 30, 2021 the discount rate used to value OPEB liabilities was 2.75%.

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Net Position	OPEB Liability
Balance at June 30, 2021	\$2,656,503	\$ 87,288	\$2,569,215
Changes for the Year:			
Service cost	69,114	-	69,114
Interest	74,020	-	74,020
Change in benefits	-	-	-
Differences between expected and actual experience	(839,532)	-	(839,532)
Change in assumptions	(480,219)	-	(480,219)
Contributions: employer	-	92,993	(92,993)
Contributions: employee	-	-	-
Net investment income	-	(7,310)	7,310
Benefit payments, including refunds	(67,993)	(67,993)	-
Administrative expense	-	(158)	158
Other changes	-	-	-
Net changes	(1,244,610)	17,532	(1,262,142)
Balance at June 30, 2022	\$1,411,893	\$104,820	\$1,307,073

In addition to the OPEB trust fund held at MERS, the City is setting aside money in the retiree health benefits internal service fund. During the year the City transferred \$0 into this fund. The retiree health benefits fund had \$104,820 in cash and pooled investments at year end.

Sensitivity of the Net OPEB Liability to changes in the discount rate.

The following presents the net OPEB liability of the employer, calculated using the discount rate of 2.75%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (1.75%) or higher (3.75%) than the current rate.

	1% decrease	Current discount rate	1% increase
Total OPEB liability	\$1,558,262	\$1,411,893	\$1,285,593
Fiduciary net position	104,820	104,820	104,820
Net OPEB liability	\$1,453,442	\$1,307,073	\$1,180,773

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates.

The net OPEB liability is not affected by changes in the healthcare cost trend rates because the benefit is a fixed amount.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022 the employer recognized OPEB expense of \$(103,723). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ -	\$1,192,993
Differences in assumptions	95,653	462,815
Excess(deficit) investment returns	3,073	-
Contributions subsequent to the measurement date*	-	-
	<hr/>	<hr/>
Total	\$98,726	\$1,655,808

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

2023	\$ (240,370)
2024	(240,368)
2025	(240,729)
2026	(237,792)
2027	(157,906)
Thereafter	(439,917)
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Total	\$(1,557,082)

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

9. LONG-TERM DEBT

The following is a summary of the debt transactions of the City for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental activities					
\$636,815, 2008 Special Assessment Bonds. Payments due in annual installments of \$42,455 through June 2022, plus interest at 3.84%.	\$ 84,907	\$ -	\$ 84,907	\$ -	\$ -
\$310,000 2006 Capital Improvement Bonds. Payments due in annual installments of \$5,000 to \$24,000 through October 2026, plus interest at 4.88%.	129,000	-	19,000	110,000	20,000
\$202,870 2017 Installment purchase due in semi-annual installments of \$19,670 to \$20,987 through May 2022, plus interest at 1.64%.	41,798	-	41,798	-	-
\$397,987 2017 installment purchase due in annual installments of \$86,423 through Sept 2023, including interest at 2.955%.	244,673	-	79,198	165,475	81,533
Total bonds	500,378	-	224,903	275,475	101,533
Accrued employee benefits	398,265	16,567	-	414,832	-
Total governmental activities	\$898,643	\$16,567	\$224,903	\$690,307	\$101,533
Business-type activities					
\$800,000 2010 Capital Improvement Bonds due in annual installments of \$16,000 to \$73,000 through June 2022; plus interest at .60%.	\$ 67,000	\$ -	\$ 67,000	\$ -	\$ -
\$719,884 2010 DWRP Bonds due in annual installments of \$25,000 to \$49,884 through April 2030, plus interest at 2.5%	369,884	-	35,040	334,844	40,000
\$270,000 2008 Capital Improvement Bonds due in annual installments of \$20,000 to \$35,000 through October 1, 2027, plus interest at 4.35% to 4.8%	200,000	-	25,000	175,000	25,000
\$11,515,000 2021 Revenue and refunding bonds due in annual installments of \$245,000 to \$680,000 through June, 2035, plus interest at 4%	11,515,000	-	-	11,515,000	-

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

	Balance July 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2022</u>	Due Within <u>One Year</u>
\$4,000,000 2020 General obligation limited tax Bonds due in annual installments of \$245,000 to \$295,000 through June, 2035, plus interest at 1.43%	\$ 3,755,000	\$ -	\$245,000	\$ 3,510,000	\$250,000
Total business-type activities	15,906,884	-	372,040	15,534,844	315,000
Premium on long-term debt	2,194,820	-	104,719	2,090,101	-
Total business-type activities	\$18,101,704	\$ -	\$476,759	\$17,624,945	\$315,000
Component Units					
\$3,193,000 2012 DDA Refunding Bonds due in annual installments of \$289,000 to \$357,000 through April 1, 2022, plus interest at .85% to 2.45%	\$357,000	\$ -	\$357,000	\$ -	\$ -
Total Component Units	\$357,000	\$ -	\$357,000	\$ -	\$ -

All of the City's outstanding debt has been financed through privately placed bond and notes. The City has pledged its limited faith and credit within legal limits for the repayment of debt noted above.

The annual requirements to amortize all debt outstanding (excluding accrued employee benefits and unamortized discounts) as of June 30, 2022 are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$101,533	\$ 9,765	\$ 315,000	\$ 526,842
2024	104,942	6,356	315,000	521,129
2025	22,000	2,828	570,000	515,274
2026	23,000	1,731	585,000	499,400
2027	24,000	585	595,000	483,050
2028-2032	-	-	3,019,844	2,165,098
2033-2037	-	-	2,680,000	1,739,026
2038-2042	-	-	2,200,000	1,321,800
2043-2047	-	-	2,680,000	845,400
2048-2052	-	-	2,575,000	262,200
Total	\$275,475	\$21,265	\$15,534,844	\$8,879,219

Compensated absences of governmental funds are generally liquidated with General fund resources. Other post-employment benefits and net pension liabilities of governmental activities are generally liquidated with General fund resources.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

10. DEFERRED INFLOWS OF RESOURCES

On the governmental funds balance sheet, the aggregate deferred inflows represent items that will be recognized as revenue in future periods. These balances are included in net position on the statement of net position. They are as follows:

	<u>Special Assessments</u>	<u>Long-term Receivables</u>
West City Drain Special assessment fund	\$ 73,333	\$ -
Hathaway Land, LLC	-	195,683
Special assessments	183,555	-
Leases		1,561,228
Total	<u>\$256,888</u>	<u>\$1,756,911</u>

11. TAX ABATEMENTS

The City entered into property tax abatements agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 12 years as determined by the local unit of government. The agreements entered into by the City include claw back provisions should the recipient of the tax abatement fail to fully meet its commitments, such as employment levels and timelines for relocation. The IFT is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended June 30, 2022 the City abated property tax revenues of approximately \$178,000.

The City entered into a property tax abatement agreement with a local organization to provide housing for Low Income Persons and Families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCL 125.1401, et seq, MSA 116.11-4(1), et seq). Under the agreement the organization pays 12% of annual shelter rent in lieu of taxes or the ad valorem property taxes whichever is smaller. The agreement is approved for a term dependent on the status of outstanding loans, participation in low income housing tax credits, and rehabilitation of the property.

For the year ended June 30, 2022 the amount of abated taxes was approximately \$53,000.

12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the government carries commercial insurance. The City carries commercial health insurance. Generally accepted accounting principles require that a liability for claims be reported if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

CITY OF GREENVILLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

13. CONTINGENCIES

Under the terms of various Federal and State grants and regulatory requirements, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement to the grantor or regulatory agencies. However, management believes such disallowances, if any, will not be material to the financial position of the City.

14. COMMITMENTS

The City has entered into agreements with engineers and contractors to expand the wastewater treatment plant for approximately \$7,900,000.

15. CONCENTRATIONS

The City has a significant economic dependence on two businesses that are major employers. One is a large user of sewer services and one is a large user of water. These businesses accounted for approximately 25% of sewer sales and approximately 47% of water sales, respectively.

16. LEASES

The City has entered into several leasing arrangements with various companies for area on and around the City's water tower for installation of cellular equipment and a lease for the City transfer station site. The terms of the leases are as follows.

Initial three-year term ending December 31, 2020, with options to extend for additional three-year terms up to a total of 26 additional years; currently in the second three-year extension with extensions available until 2045; current monthly payments of \$3,111.37 with 2.5% annual increases. The lessee may terminate the lease upon 30 days prior written notice upon certain specific occurrences as provided for in the contract.

Initial five-year term ending February 28, 2015, with options to extend for an additional three five-year terms; currently in the second five-year extension with one extension left available upon completion of the current extension; current annual payment of \$55,303.64 with 3% annual increases. Lessee may terminate the lease at any time upon specific instances within agreement.

Initial five-year term ending January 8, 2018, with options to extend for an additional five five-year terms; currently in first five-year extension with four extensions left available upon completion of the current extension; current monthly payments of \$506.71 with 3% annual increases and a \$2,400 annual increase in 2023. The lessee may terminate the lease upon 30 days prior written notice upon certain specific occurrences as provided for in the contract.

Initial seven-year term ending May 31, 2027, with no option to extend; current monthly payments of \$1,000.00 with no annual increase.

2022 was the first year of implementation of the new guidance under GASB Statement 87. The City has recognized a total deferred inflow of resources of \$1,561,228 in the current fiscal year along with the corresponding lease receivable of the same amount. The City recognized a total of \$95,609 in lease revenue and no interest revenue for the current fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GREENVILLE

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 2,614,100	\$ 2,614,100	\$ 2,498,574	\$ (115,526)
Intergovernmental revenues				
Federal	-	-	50,000	50,000
State	917,500	917,500	1,069,061	151,561
Local	102,000	102,000	122,469	20,469
Licenses and permits	130,000	130,000	122,716	(7,284)
Charges for services	279,500	279,500	286,301	6,801
Rental income	172,900	172,900	180,704	7,804
Fines	11,000	11,000	16,728	5,728
Interest	80,000	80,000	28,409	(51,591)
Miscellaneous	139,000	139,000	148,369	9,369
Total revenues	<u>4,446,000</u>	<u>4,446,000</u>	<u>4,523,331</u>	<u>77,331</u>
Expenditures				
Current				
General government	1,303,000	1,307,900	1,383,799	(75,899)
Public safety	2,246,700	2,199,300	1,975,359	223,941
Public works	911,100	931,600	867,922	63,678
Community development	61,000	61,000	60,425	575
Culture and recreation	155,600	155,600	143,434	12,166
Total expenditures	<u>4,677,400</u>	<u>4,655,400</u>	<u>4,430,939</u>	<u>224,461</u>
Revenues over (under) expenditures	<u>(231,400)</u>	<u>(209,400)</u>	<u>92,392</u>	<u>301,792</u>
Other financing sources (uses)				
Transfers in	695,800	695,800	709,646	13,846
Transfers out	(382,000)	(404,000)	(407,900)	(3,900)
Total other financing sources (uses)	<u>313,800</u>	<u>291,800</u>	<u>301,746</u>	<u>9,946</u>
Net changes in fund balance	<u>82,400</u>	<u>82,400</u>	<u>394,138</u>	<u>311,738</u>
Fund balances, beginning of year	<u>3,192,977</u>	<u>3,192,977</u>	<u>3,192,977</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,275,377</u>	<u>\$ 3,275,377</u>	<u>\$ 3,587,115</u>	<u>\$ 311,738</u>

CITY OF GREENVILLE

MAJOR STREETS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
State	\$ 892,000	\$ 892,000	\$ 1,002,086	\$ 110,086
Interest	-	-	2,687	2,687
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>3,700</u>	<u>700</u>
Total revenues	895,000	895,000	1,008,473	113,473
Expenditures				
Current				
Public works	<u>952,500</u>	<u>952,500</u>	<u>398,599</u>	<u>553,901</u>
Revenues over (under) expenditures	<u>(57,500)</u>	<u>(57,500)</u>	<u>609,874</u>	<u>667,374</u>
Other financing sources (uses)				
Transfers in	-	-	7,455	7,455
Transfers out	<u>(177,500)</u>	<u>(177,500)</u>	<u>(177,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(177,500)</u>	<u>(177,500)</u>	<u>(170,045)</u>	<u>7,455</u>
Net changes in fund balance	(235,000)	(235,000)	439,829	674,829
Fund balance, beginning of year	<u>1,493,629</u>	<u>1,493,629</u>	<u>1,493,629</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,258,629</u>	<u>\$ 1,258,629</u>	<u>\$ 1,933,458</u>	<u>\$ 674,829</u>

CITY OF GREENVILLE

SOLID WASTE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 137,900	\$ 137,900	\$ 121,424	\$ (16,476)
Charges for services	1,554,300	1,554,300	1,602,765	48,465
Fines	12,000	12,000	12,808	808
Interest	5,000	5,000	728	(4,272)
Miscellaneous	<u>12,200</u>	<u>12,200</u>	<u>15,089</u>	<u>2,889</u>
Total revenues	1,721,400	1,721,400	1,752,814	31,414
Expenditures				
Current				
Public works	<u>1,535,200</u>	<u>1,535,200</u>	<u>1,578,504</u>	<u>(43,304)</u>
Revenues over (under) expenditures	<u>186,200</u>	<u>186,200</u>	<u>174,310</u>	<u>(11,890)</u>
Other financing sources (uses)				
Transfers in	35,000	35,000	47,791	12,791
Transfers out	<u>(219,000)</u>	<u>(219,000)</u>	<u>(219,004)</u>	<u>(4)</u>
Total other financing sources (uses)	<u>(184,000)</u>	<u>(184,000)</u>	<u>(171,213)</u>	<u>12,787</u>
Net changes in fund balance	2,200	2,200	3,097	897
Fund balance, beginning of year	<u>835,691</u>	<u>835,691</u>	<u>835,691</u>	<u>-</u>
Fund balance, end of year	<u>\$ 837,891</u>	<u>\$ 837,891</u>	<u>\$ 838,788</u>	<u>\$ 897</u>

CITY OF GREENVILLE
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 135,377	\$ 224,902	\$ 197,571	\$ 188,916	\$ 165,620	\$ 149,517	\$ 156,288	\$ 153,793
Interest	552,733	537,321	532,943	514,424	490,321	470,734	462,517	440,745
Changes in benefit terms	(25)	(354,376)	(41,439)	(9,741)	(15,574)	(26,381)	(14,793)	-
Difference between expected and actual experience	90,171	81,940	(27,626)	(53,097)	38,451	1,280	(232,213)	-
Changes in assumptions	291,810	228,021	197,517	-	-	-	228,277	-
Benefit payments including employee refunds	(462,526)	(477,988)	(450,808)	(375,891)	(402,453)	(314,272)	(323,300)	(340,464)
Other	1	-	-	-	-	-	-	-
Net change in total pension liability	607,541	239,820	408,158	264,611	276,365	280,878	276,776	254,074
Total pension liability, beginning of year	7,436,382	7,196,562	6,788,404	6,523,793	6,247,428	5,966,550	5,689,774	5,435,700
Total pension liability, end of year	\$ 8,043,923	\$ 7,436,382	\$ 7,196,562	\$ 6,788,404	\$ 6,523,793	\$ 6,247,428	\$ 5,966,550	\$ 5,689,774
Plan Fiduciary Net Position								
Contributions-employer	\$ 107,642	\$ 89,948	\$ 71,348	\$ 66,870	\$ 63,717	\$ 63,297	\$ 61,855	\$ 60,868
Contributions-employee	235,411	229,460	248,028	210,462	191,032	192,040	179,143	147,789
Net investment income	764,207	620,855	613,176	(188,941)	576,881	458,317	(62,216)	254,198
Benefit payments including employee refunds	(462,526)	(477,988)	(450,808)	(375,891)	(402,453)	(314,272)	(323,300)	(340,464)
Administrative expense	(9,975)	(9,975)	(10,564)	(9,352)	(9,135)	(9,044)	(9,110)	(9,324)
Net change in plan fiduciary net position	634,759	452,300	471,180	(296,852)	420,042	390,338	(153,628)	113,067
Plan fiduciary net position, beginning of year	5,458,104	5,005,804	4,534,624	4,831,476	4,411,434	4,021,096	4,174,724	4,061,657
Plan fiduciary net position, end of year	\$ 6,092,863	\$ 5,458,104	\$ 5,005,804	\$ 4,534,624	\$ 4,831,476	\$ 4,411,434	\$ 4,021,096	\$ 4,174,724
Employer net pension liability	\$ 1,951,060	\$ 1,978,278	\$ 2,190,758	\$ 2,253,780	\$ 1,692,317	\$ 1,835,994	\$ 1,945,454	\$ 1,515,050
Plan fiduciary net position as a percentage of the total pension liability	76%	73%	70%	67%	74%	71%	67%	73%
Covered employee payroll	\$ 1,163,031	\$ 1,262,074	\$ 1,190,184	\$ 1,158,283	\$ 1,054,231	\$ 992,157	\$ 1,030,921	\$ 1,014,463
Employer's net pension liability as a percentage of covered employee payroll	168%	157%	184%	195%	161%	185%	189%	149%

Notes to schedule:

Above data is based on a December 31 measurement date.

This schedule is being accumulated prospectively until ten years of data is presented.

CITY OF GREENVILLE
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022

Fiscal Year end	Actuarially determined contributions	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
6/30/2013	\$ 59,419	\$ 59,419	\$ -	\$ 945,652	6%
6/30/2014	60,294	60,294	-	1,003,098	6%
6/30/2015	60,868	60,868	-	1,014,463	6%
6/30/2016	61,855	61,855	-	1,030,921	6%
6/30/2017	63,297	63,297	-	992,157	6%
6/30/2018	63,717	63,717	-	1,054,231	6%
6/30/2019	70,341	70,341	-	1,158,283	6%
6/30/2020	70,246	70,246	-	1,190,084	6%
6/30/2021	98,063	98,063	-	1,262,074	8%
6/30/2022	118,821	118,821	-	1,163,031	10%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	17 years
Asset valuation method	5 year smoothed (10 year smoothing 2014)
Inflation	2.5% (3.5% 2014)
Salary increases	3.00% (3.75% for 2015 through 2019)
Investment rate of return	7.00% (7.35% 2020-21, 7.75% for 2015-2019)
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male RP-2014 mortality table

CITY OF GREENVILLE

DEFINED BENEFIT OPEB PLAN SCHEDULE OF CHANGES IN EMPLOYERS NET OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 69,114	\$ 77,305	\$ 66,890	\$ 64,942	\$ 70,685
Interest	74,020	73,083	93,758	90,155	89,273
Changes in benefit terms	-	-	29,614	-	-
Difference between expected and actual experience	(839,532)	(33,083)	(733,552)	-	-
Changes in assumptions	(480,219)	(53,408)	165,301	-	-
Benefit payments including employee refunds	(67,993)	(53,786)	(67,952)	(70,929)	(113,728)
Other	-	-	-	-	-
Net change in total OPEB liability	(1,244,610)	10,111	(445,941)	84,168	46,230
Total OPEB liability, beginning of year	2,656,503	2,646,392	3,092,333	3,008,165	2,961,935
Total OPEB liability, ending of year	\$ 1,411,893	\$ 2,656,503	\$ 2,646,392	\$ 3,092,333	\$ 3,008,165
Plan Fiduciary Net Position					
Contributions-general operating funds	\$ 92,993	\$ 78,786	\$ 102,952	\$ 80,929	\$ 113,728
Contributions-employee	-	-	-	-	-
Net investment income	(7,310)	17,269	(731)	892	-
Benefit payments including employee refunds	(67,993)	(53,786)	(67,952)	(70,929)	(113,728)
Administrative expense	(158)	(105)	(29)	(8)	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	17,532	42,164	34,240	10,884	-
Plan fiduciary net position, beginning of year	87,288	45,124	10,884	-	-
Plan fiduciary net position, ending of year	\$ 104,820	\$ 87,288	\$ 45,124	\$ 10,884	\$ -
Employer net OPEB liability	\$ 1,307,073	\$ 2,569,215	\$ 2,626,268	\$ 3,081,449	\$ 3,008,165
Plan fiduciary net position as a percentage of the total OPEB liability	8%	3%	2%	0%	0%
Covered employee payroll	\$ 3,530,786	\$ 3,429,453	\$ 3,078,761	\$ 2,955,778	n/a
Employer's net OPEB liability as a percentage of covered employee payroll	37%	75%	85%	104%	n/a

Notes to schedule:

Above data is based on a June 30 measurement date.

This schedule is being accumulated prospectively until ten years of data is presented.

CITY OF GREENVILLE

DEFINED BENEFIT PENSION PLAN

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2022

Fiscal Year end	Actuarially determined contributions	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
6/30/2018	\$ 277,748	\$ 113,728	\$ 164,020	\$ 3,078,761	n/a
6/30/2019	287,854	70,929	216,925	2,955,778	2%
6/30/2020	295,244	102,952	192,292	3,078,761	3%
6/30/2021	280,882	78,786	202,096	3,429,453	2%
6/30/2022	283,127	92,993	190,134	3,530,786	3%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	13 years
Inflation	2.50%
Salary increases	2.0% (for purpose of allocating liability)
Discount rate	5.09% (including inflation, 2.75% before 2022)
Mortality	2010 Public General Employees and Healthy Retirees, Headcount weighted Improvement Scale MP-2021

The schedule is being accumulated prospectively until 10 years of information is presented

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF GREENVILLE
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures				
Current				
General government				
City Council	\$ 89,700	\$ 89,700	\$ 85,065	\$ 4,635
City Manager	339,800	339,800	367,973	(28,173)
Elections	10,200	11,000	12,272	(1,272)
Assessor	105,900	109,000	163,690	(54,690)
Attorney	85,000	85,000	71,513	13,487
Board of review	500	1,500	1,373	127
City Clerk / Treasurer	272,600	272,600	286,850	(14,250)
City hall and grounds	134,500	134,500	131,417	3,083
Public safety building	86,100	86,100	90,901	(4,801)
Insurance and bonds	178,700	178,700	172,745	5,955
	<u>1,303,000</u>	<u>1,307,900</u>	<u>1,383,799</u>	<u>(75,899)</u>
Public safety				
Public safety	<u>2,246,700</u>	<u>2,199,300</u>	<u>1,975,359</u>	<u>223,941</u>
Public works				
General	298,300	298,300	338,470	(40,170)
Engineer	247,700	247,700	155,374	92,326
Street lighting	95,300	95,300	93,032	2,268
Airport	189,500	210,000	198,537	11,463
Cemetery	70,500	70,500	64,258	6,242
Tree planting	9,800	9,800	18,251	(8,451)
	<u>911,100</u>	<u>931,600</u>	<u>867,922</u>	<u>63,678</u>
Economic development	<u>61,000</u>	<u>61,000</u>	<u>60,425</u>	<u>575</u>
Culture and recreation				
Parks	150,300	150,300	142,217	8,083
Other culture and recreation	<u>5,300</u>	<u>5,300</u>	<u>1,217</u>	<u>4,083</u>
	<u>155,600</u>	<u>155,600</u>	<u>143,434</u>	<u>12,166</u>
Total expenditures	<u>\$ 4,677,400</u>	<u>\$ 4,655,400</u>	<u>\$ 4,430,939</u>	<u>\$ 160,208</u>

CITY OF GREENVILLE
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2022

	Special Revenue					
	<u>Local Streets</u>	<u>Community Center</u>	<u>Parking</u>	<u>Drug Forfeiture</u>	<u>Industrial Park</u>	<u>Recreation</u>
Assets						
Cash and pooled investments	\$ 1,415,837	\$ 241,475	\$ 14,523	\$ 1,819	\$ 890,419	\$ 35,702
Accounts receivable	-	8,482	-	-	-	2,727
Special assessments	-	-	-	-	-	-
Due from other governments	51,531	-	-	-	-	-
Inventory - held for sale	-	-	-	-	258,235	-
Total assets	<u>\$ 1,467,368</u>	<u>\$ 249,957</u>	<u>\$ 14,523</u>	<u>\$ 1,819</u>	<u>\$ 1,148,654</u>	<u>\$ 38,429</u>
Liabilities and fund balances						
Liabilities						
Accounts payable	\$ 2,285	\$ 2,317	\$ 1,521	\$ -	\$ -	\$ 6,638
Accrued liabilities	6,256	3,271	597	-	35	12,335
Unearned revenue	-	-	-	-	-	6,934
Total liabilities	<u>8,541</u>	<u>5,588</u>	<u>2,118</u>	<u>-</u>	<u>35</u>	<u>25,907</u>
Deferred inflows						
Unavailable revenues	-	-	-	-	-	-
Fund balances						
Non-Spendable						
Permanent fund corpus	-	-	-	-	-	-
Inventory	-	-	-	-	258,235	-
Restricted						
Permanent trust cemetery	-	-	-	-	-	-
Streets & parking	1,458,827	-	12,405	-	-	-
Law enforcement	-	-	-	1,819	-	-
Special assessments	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Assigned						
Recreation	-	244,369	-	-	-	12,522
Economic development	-	-	-	-	890,384	-
Debt service	-	-	-	-	-	-
	<u>1,458,827</u>	<u>244,369</u>	<u>12,405</u>	<u>1,819</u>	<u>1,148,619</u>	<u>12,522</u>
Total liabilities and fund balances	<u>\$ 1,467,368</u>	<u>\$ 249,957</u>	<u>\$ 14,523</u>	<u>\$ 1,819</u>	<u>\$ 1,148,654</u>	<u>\$ 38,429</u>

<u>Debt Service</u>		<u>Capital Projects</u>			<u>Permanent</u>	<u>Total</u>
<u>Special Assessment</u>	<u>General Debt</u>	<u>Fire Equipment Donations</u>	<u>Community Center Donations</u>	<u>Development and Rehabilitation</u>	<u>Cemetery Perpetual Care</u>	
\$ 186,845	\$ 3,613	\$ 2,467	\$ 194,499	\$ 268,012	\$ 381,189	\$ 3,636,400
-	-	-	-	-	-	11,209
183,555	-	-	-	-	-	183,555
-	-	-	-	-	-	51,531
-	-	-	-	-	-	258,235
<u>\$ 370,400</u>	<u>\$ 3,613</u>	<u>\$ 2,467</u>	<u>\$ 194,499</u>	<u>\$ 268,012</u>	<u>\$ 381,189</u>	<u>\$ 4,140,930</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,761
-	-	-	-	-	-	22,494
-	-	-	-	-	-	6,934
-	-	-	-	-	-	42,189
183,555	-	-	-	-	-	183,555
-	-	-	-	-	315,887	315,887
-	-	-	-	-	-	258,235
-	-	-	-	-	65,302	65,302
-	-	-	-	-	-	1,471,232
-	-	-	-	-	-	1,819
186,845	-	-	-	-	-	186,845
-	-	2,467	194,499	268,012	-	464,978
-	-	-	-	-	-	256,891
-	-	-	-	-	-	890,384
-	3,613	-	-	-	-	3,613
186,845	3,613	2,467	194,499	268,012	381,189	3,915,186
<u>\$ 370,400</u>	<u>\$ 3,613</u>	<u>\$ 2,467</u>	<u>\$ 194,499</u>	<u>\$ 268,012</u>	<u>\$ 381,189</u>	<u>\$ 4,140,930</u>

CITY OF GREENVILLE
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue					
	<u>Local Streets</u>	<u>Community Center</u>	<u>Parking</u>	<u>Drug Forfeiture</u>	<u>Industrial Park</u>	<u>Recreation</u>
Revenues						
Taxes	\$ 156,065	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	11,815	-	-	-
Intergovernmental revenues						
State	333,880	-	-	-	-	-
Charges for services	-	87,128	-	-	-	132,356
Interest	3,815	-	82	-	2,627	-
Miscellaneous	4,800	11,139	-	-	-	14,626
Total revenues	<u>498,560</u>	<u>98,267</u>	<u>11,897</u>	<u>-</u>	<u>2,627</u>	<u>146,982</u>
Expenditures						
Current						
General government	-	-	38,543	-	-	-
Public works	534,250	-	-	-	-	-
Community development	-	-	-	-	37,130	-
Culture and recreation	-	150,377	-	-	-	298,439
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>534,250</u>	<u>150,377</u>	<u>38,543</u>	<u>-</u>	<u>37,130</u>	<u>298,439</u>
Revenues over (under) expenditures	<u>(35,690)</u>	<u>(52,110)</u>	<u>(26,646)</u>	<u>-</u>	<u>(34,503)</u>	<u>(151,457)</u>
Other financing sources (uses)						
Transfers in	183,797	110,200	33,726	-	142	142,539
Transfers out	<u>(94,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>89,797</u>	<u>100,200</u>	<u>33,726</u>	<u>-</u>	<u>142</u>	<u>142,539</u>
Net changes in fund balances	54,107	48,090	7,080	-	(34,361)	(8,918)
Fund balances, beginning of year	<u>1,404,720</u>	<u>196,279</u>	<u>5,325</u>	<u>1,819</u>	<u>1,182,980</u>	<u>21,440</u>
Fund balances, end of year	<u>\$ 1,458,827</u>	<u>\$ 244,369</u>	<u>\$ 12,405</u>	<u>\$ 1,819</u>	<u>\$ 1,148,619</u>	<u>\$ 12,522</u>

<u>Debt Service</u>		<u>Capital Projects</u>			<u>Permanent</u>	<u>Total</u>
<u>Special Assessment</u>	<u>General Debt</u>	<u>Fire Equipment Donations</u>	<u>Community Center Donations</u>	<u>Development and Rehabilitation</u>	<u>Cemetery Perpetual Care</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,065
101,647	-	-	-	-	-	113,462
-	-	-	-	-	-	-
-	-	-	-	-	-	333,880
-	-	-	-	-	2,400	221,884
676	-	-	534	-	(48,469)	(40,735)
-	-	-	-	-	-	30,565
<u>102,323</u>	<u>-</u>	<u>-</u>	<u>534</u>	<u>-</u>	<u>(46,069)</u>	<u>815,121</u>
-	-	-	-	-	-	38,543
-	-	-	-	-	-	534,250
-	-	-	-	-	-	37,130
-	-	-	-	-	-	448,816
79,198	19,000	-	-	-	-	98,198
<u>7,224</u>	<u>5,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,201</u>
<u>86,422</u>	<u>24,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,170,138</u>
<u>15,901</u>	<u>(24,977)</u>	<u>-</u>	<u>534</u>	<u>-</u>	<u>(46,069)</u>	<u>(355,017)</u>
-	25,000	-	-	-	-	495,404
<u>(12,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>(117,000)</u>
<u>(12,500)</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>378,404</u>
3,401	23	-	534	-	(46,569)	23,387
<u>183,444</u>	<u>3,590</u>	<u>2,467</u>	<u>193,965</u>	<u>268,012</u>	<u>427,758</u>	<u>3,891,799</u>
<u>\$ 186,845</u>	<u>\$ 3,613</u>	<u>\$ 2,467</u>	<u>\$ 194,499</u>	<u>\$ 268,012</u>	<u>\$ 381,189</u>	<u>\$ 3,915,186</u>

CITY OF GREENVILLE

LOCAL STREETS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 158,800	\$ 158,800	\$ 156,065	\$ (2,735)
Intergovernmental revenues				
State	292,100	292,100	333,880	41,780
Interest	-	-	3,815	3,815
Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>4,800</u>	<u>2,300</u>
Total revenues	453,400	453,400	498,560	45,160
Expenditures				
Current				
Public works	<u>509,300</u>	<u>509,300</u>	<u>534,250</u>	<u>(24,950)</u>
Revenues over (under) expenditures	<u>(55,900)</u>	<u>(55,900)</u>	<u>(35,690)</u>	<u>20,210</u>
Other financing sources (uses)				
Transfers in	173,500	173,500	183,797	10,297
Transfers out	<u>(94,000)</u>	<u>(94,000)</u>	<u>(94,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>79,500</u>	<u>79,500</u>	<u>89,797</u>	<u>10,297</u>
Net changes in fund balance	23,600	23,600	54,107	30,507
Fund balance, beginning of year	<u>1,404,720</u>	<u>1,404,720</u>	<u>1,404,720</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,428,320</u>	<u>\$ 1,428,320</u>	<u>\$ 1,458,827</u>	<u>\$ 30,507</u>

CITY OF GREENVILLE

COMMUNITY CENTER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Intergovernmental revenues				
Local	\$ 18,000	\$ 18,000	\$ -	\$ (18,000)
Charges for services	98,000	98,000	87,128	(10,872)
Miscellaneous	<u>11,000</u>	<u>11,000</u>	<u>11,139</u>	<u>139</u>
Total revenues	127,000	127,000	98,267	(28,733)
Expenditures				
Current				
Culture and recreation	<u>227,200</u>	<u>227,200</u>	<u>150,377</u>	<u>76,823</u>
Revenues over (under) expenditures	<u>(100,200)</u>	<u>(100,200)</u>	<u>(52,110)</u>	<u>48,090</u>
Other financing sources (uses)				
Transfers in	110,200	110,200	110,200	-
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>100,200</u>	<u>100,200</u>	<u>100,200</u>	<u>-</u>
Net changes in fund balance	-	-	48,090	48,090
Fund balance, beginning of year	<u>196,279</u>	<u>196,279</u>	<u>196,279</u>	<u>-</u>
Fund balance, end of year	<u>\$ 196,279</u>	<u>\$ 196,279</u>	<u>\$ 244,369</u>	<u>\$ 48,090</u>

CITY OF GREENVILLE

PARKING FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Special assessments	\$ 11,800	\$ 11,800	\$ 11,815	\$ 15
Interest	200	200	82	(118)
Total revenues	12,000	12,000	11,897	(103)
Expenditures				
Current				
General government	40,300	40,300	38,543	1,757
Revenues over (under) expenditures	(28,300)	(28,300)	(26,646)	1,654
Other financing sources (uses)				
Transfers in	30,000	30,000	33,726	3,726
Net changes in fund balance	1,700	1,700	7,080	5,380
Fund balances, beginning of year, as restated	5,325	5,325	5,325	-
Fund balance, end of year	<u>\$ 7,025</u>	<u>\$ 7,025</u>	<u>\$ 12,405</u>	<u>\$ 5,380</u>

CITY OF GREENVILLE

DRUG FOREITURE FUND **SCHEDULE OF REVENUES, EXPENDITURES** **AND CHANGES IN FUND BALANCE** **BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
Public safety	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Revenues over (under) expenditures	(1,500)	(1,500)	-	1,500
Other financing sources (uses)				
Transfers in	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	<u>1,819</u>	<u>1,819</u>	<u>1,819</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,819</u>	<u>\$ 1,819</u>	<u>\$ 1,819</u>	<u>\$ -</u>

CITY OF GREENVILLE

INDUSTRIAL PARK FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
Revenues				
Intergovernmental revenues				
Interest	\$ 12,500	\$ 12,500	\$ 2,627	\$ (9,873)
Total revenues	12,500	12,500	2,627	(9,873)
Expenditures				
Current				
Community development	-	5,500	37,130	(31,630)
Net changes in fund balance	12,500	7,000	(34,361)	(41,361)
Fund balance, beginning of year	<u>1,182,980</u>	<u>1,182,980</u>	<u>1,182,980</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,195,480</u>	<u>\$ 1,189,980</u>	<u>\$ 1,148,619</u>	<u>\$ (41,361)</u>

CITY OF GREENVILLE

RECREATION FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Charges for services	\$ 144,400	\$ 144,400	\$ 132,356	\$ (12,044)
Miscellaneous	<u>11,600</u>	<u>11,600</u>	<u>14,626</u>	<u>3,026</u>
Total revenues	156,000	156,000	146,982	(9,018)
Expenditures				
Current				
Culture and recreation	<u>288,100</u>	<u>288,100</u>	<u>298,439</u>	<u>(10,339)</u>
Revenues over (under) expenditures	(132,100)	(132,100)	(151,457)	(19,357)
Other financing sources (uses)				
Transfers in	<u>133,700</u>	<u>133,700</u>	<u>142,539</u>	<u>8,839</u>
Net changes in fund balance	1,600	1,600	(8,918)	(10,518)
Fund balance, beginning of year	<u>21,440</u>	<u>21,440</u>	<u>21,440</u>	<u>-</u>
Fund balance, end of year	<u>\$ 23,040</u>	<u>\$ 23,040</u>	<u>\$ 12,522</u>	<u>\$ (10,518)</u>

CITY OF GREENVILLE

SPECIAL ASSESSMENTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive (Negative)</u>
Revenues				
Special assessments	\$ 94,900	\$ 94,900	\$ 101,647	\$ 6,747
Interest	-	-	676	676
Total revenues	<u>94,900</u>	<u>94,900</u>	<u>102,323</u>	<u>7,423</u>
Expenditures				
Debt service				
Principal	79,200	79,200	79,198	2
Interest	<u>7,200</u>	<u>7,200</u>	<u>7,224</u>	<u>(24)</u>
Total expenditures	<u>86,400</u>	<u>86,400</u>	<u>86,422</u>	<u>(22)</u>
Revenues over (under) expenditures	8,500	8,500	15,901	7,401
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(12,500)</u>	<u>(12,500)</u>
Net changes in fund balance	8,500	8,500	3,401	(5,099)
Fund balance, beginning of year	<u>183,444</u>	<u>183,444</u>	<u>183,444</u>	<u>-</u>
Fund balance, end of year	<u>\$ 191,944</u>	<u>\$ 191,944</u>	<u>\$ 186,845</u>	<u>\$ (5,099)</u>

CITY OF GREENVILLE

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2022

	Dial-a-Ride Transit	Solar Projects	Enterprise Fund Total
Assets			
Current assets			
Cash and pooled investments	\$ 450,965	\$ 12,079	\$ 463,044
Accounts receivable	263	-	263
Due from other governments	78,535	-	78,535
	<u>529,763</u>	<u>12,079</u>	<u>541,842</u>
Total current assets			
Long-term assets			
Depreciable capital assets	1,299,814	783,849	2,083,663
Less accumulated depreciation	(276,622)	(453,979)	(730,601)
	<u>1,023,192</u>	<u>329,870</u>	<u>1,353,062</u>
Total long-term assets			
Total assets	<u>1,552,955</u>	<u>341,949</u>	<u>1,894,904</u>
Deferred outflow of resources			
OPEB related	2,266	-	2,266
	<u>2,266</u>	<u>-</u>	<u>2,266</u>
Liabilities			
Current liabilities			
Accounts payable	6,049	-	6,049
Accrued liabilities	10,577	-	10,577
	<u>16,626</u>	<u>-</u>	<u>16,626</u>
Total current liabilities			
Long-term liabilities			
Advances from other funds	-	25,000	25,000
Net OPEB liability	20,924	-	20,924
	<u>20,924</u>	<u>25,000</u>	<u>45,924</u>
Total long-term liabilities			
Total liabilities	<u>37,550</u>	<u>25,000</u>	<u>62,550</u>
Deferred inflow of resources			
OPEB related	27,210	-	27,210
	<u>27,210</u>	<u>-</u>	<u>27,210</u>
Net position			
Net investment in capital assets	1,023,192	329,870	1,353,062
Unrestricted	467,269	(12,921)	454,348
	<u>1,490,461</u>	<u>316,949</u>	<u>1,807,410</u>
Total net position	<u>\$ 1,490,461</u>	<u>\$ 316,949</u>	<u>\$ 1,807,410</u>

CITY OF GREENVILLE

NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2022

	Dial-a-Ride Transit	Solar Projects	Enterprise Fund Total
Operating revenue			
Charges for services	\$ 47,310	\$ 53,644	\$ 100,954
Other	<u>13,898</u>	<u>-</u>	<u>13,898</u>
Total operating revenue	<u>61,208</u>	<u>53,644</u>	<u>114,852</u>
Operating expense			
Personnel services	209,742	-	209,742
Contractual services	25,652	-	25,652
Benefits	56,583	-	56,583
Materials and supplies	38,612	-	38,612
Utilities	5,798	-	5,798
Repair and maintenance	1,247	-	1,247
Depreciation	73,079	39,192	112,271
Miscellaneous	<u>768</u>	<u>-</u>	<u>768</u>
Total operating expense	<u>411,481</u>	<u>39,192</u>	<u>450,673</u>
Operating income (loss)	<u>(350,273)</u>	<u>14,452</u>	<u>(335,821)</u>
Non-operating revenue (expense)			
Federal operating grants	132,794	-	132,794
State operating grants	128,448	-	128,448
Property taxes	87,532	-	87,532
Gain on sale of fixed assets	27,000	-	27,000
Interest expense	<u>-</u>	<u>(369)</u>	<u>(369)</u>
Total non-operating revenue (expense)	<u>375,774</u>	<u>(369)</u>	<u>375,405</u>
Income (loss) before contributions and transfers	25,501	14,083	39,584
Capital contributions and transfers			
Transfers in	<u>35,969</u>	<u>-</u>	<u>35,969</u>
Changes in net position	61,470	14,083	75,553
Net position, beginning of year	<u>1,428,991</u>	<u>302,866</u>	<u>1,731,857</u>
Net position, end of year	<u>\$ 1,490,461</u>	<u>\$ 316,949</u>	<u>\$ 1,807,410</u>

CITY OF GREENVILLE

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

	Dial-a-Ride Transit	Solar Projects	Enterprise Fund Total
Cash flows from operating activities			
Receipts from customers and users	\$ 61,103	\$ 53,644	\$ 114,747
Operating grants	178,039	-	178,039
Payments to employees	(267,288)	(34)	(267,322)
Payments to suppliers	(66,356)	-	(66,356)
Net cash provided by (used in) operating activities	<u>(94,502)</u>	<u>53,610</u>	<u>(40,892)</u>
Cash flows from non-capital financing activities			
Transfers in	35,969	-	35,969
Property Taxes	87,532	-	87,532
Net cash provided by (used in) non-capital financing activities	<u>123,501</u>	<u>-</u>	<u>123,501</u>
Cash flows from capital and related financing activities			
Interest paid	-	(369)	(369)
Principal on bonds	-	(67,000)	(67,000)
Acquisitions of capital assets	(5,602)	-	(5,602)
Sale of capital assets	27,000	-	27,000
Net cash provided by (used in) capital and related financing activities	<u>21,398</u>	<u>(67,369)</u>	<u>(45,971)</u>
Net increase (decrease) in cash and pooled investments	50,397	(13,759)	36,638
Cash and pooled investments, beginning of year	<u>400,568</u>	<u>25,838</u>	<u>426,406</u>
Cash and pooled investments, end of year	<u>\$ 450,965</u>	<u>\$ 12,079</u>	<u>\$ 463,044</u>
Cash flows from operating activities			
Operating income (loss)	\$ (350,273)	\$ 14,452	\$ (335,821)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	73,079	39,192	112,271
Net OPEB liability	(20,865)	-	(20,865)
Deferred outflow related to OPEB	29,143	-	29,143
Deferred inflow related to OPEB	(12,196)	-	(12,196)
Operating Grants	261,242	-	261,242
Change in operating assets and liabilities which provided (used) cash			
Accounts receivable	(105)	-	(105)
Due from other governments	(78,535)	-	(78,535)
Accounts payable	5,721	-	5,721
Accrued liabilities	2,955	(34)	2,921
Unearned revenue	(4,668)	-	(4,668)
Net cash provided by (used in) operating activities	<u>\$ (94,502)</u>	<u>\$ 53,610</u>	<u>\$ (40,892)</u>

CITY OF GREENVILLE

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2022

	Water Bill Loan <u>Fund</u>	Motor Pool	Retiree Health <u>Benefits</u>	Accrued Sick and Vacation <u>Liability</u>
Assets				
Current assets				
Cash and pooled investments	\$ 4,870	\$ 836,106	\$ 456,723	\$ 472,818
Accounts receivable	130	-	1,051	-
Due from other funds	-	-	254,317	-
	<u>5,000</u>	<u>836,106</u>	<u>712,091</u>	<u>472,818</u>
Total current assets				
Capital assets				
Depreciable capital assets	-	1,656,920	-	-
Less accumulated depreciation	-	(1,462,284)	-	-
	<u>-</u>	<u>194,636</u>	<u>-</u>	<u>-</u>
Net capital assets				
	<u>-</u>	<u>194,636</u>	<u>-</u>	<u>-</u>
Total assets	<u>5,000</u>	<u>1,030,742</u>	<u>712,091</u>	<u>472,818</u>
Deferred outflow of resources				
OPEB related	-	2,223	-	-
	<u>-</u>	<u>2,223</u>	<u>-</u>	<u>-</u>
Liabilities				
Current liabilities				
Accounts payable	-	10,688	2,397	-
Accrued liabilities	-	4,097	-	414,831
Due to other funds	5,000	-	-	-
	<u>5,000</u>	<u>14,785</u>	<u>2,397</u>	<u>414,831</u>
Total current liabilities				
	<u>5,000</u>	<u>14,785</u>	<u>2,397</u>	<u>414,831</u>
Long-term liabilities				
Net OPEB liability	-	19,967	-	-
	<u>-</u>	<u>19,967</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>5,000</u>	<u>34,752</u>	<u>2,397</u>	<u>414,831</u>
Deferred inflow of resources				
OPEB related	-	27,009	-	-
	<u>-</u>	<u>27,009</u>	<u>-</u>	<u>-</u>
Net position				
Net investment in capital assets	-	194,636	-	-
Unrestricted	-	776,568	709,694	57,987
	<u>-</u>	<u>971,204</u>	<u>709,694</u>	<u>57,987</u>
Total net position	<u>\$ -</u>	<u>\$ 971,204</u>	<u>\$ 709,694</u>	<u>\$ 57,987</u>

Health Life <u>Dental</u>	<u>Unemployment</u>	<u>Weekly Indemnity</u>	<u>Total</u>
\$ 417,768	\$ 43,661	\$ 19,588	\$ 2,251,534
12,095	-	-	13,276
<u>-</u>	<u>-</u>	<u>-</u>	<u>254,317</u>
<u>429,863</u>	<u>43,661</u>	<u>19,588</u>	<u>2,519,127</u>
-	-	-	1,656,920
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,462,284)</u>
-	-	-	194,636
<u>429,863</u>	<u>43,661</u>	<u>19,588</u>	<u>2,713,763</u>
-	-	-	2,223
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,487	-	-	15,572
-	-	-	418,928
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
<u>2,487</u>	<u>-</u>	<u>-</u>	<u>439,500</u>
-	-	-	19,967
<u>2,487</u>	<u>-</u>	<u>-</u>	<u>459,467</u>
-	-	-	27,009
<u>-</u>	<u>-</u>	<u>-</u>	<u>194,636</u>
<u>427,376</u>	<u>43,661</u>	<u>19,588</u>	<u>2,034,874</u>
<u>\$ 427,376</u>	<u>\$ 43,661</u>	<u>\$ 19,588</u>	<u>\$ 2,229,510</u>

CITY OF GREENVILLE

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Water Bill Loan Fund</u>	<u>Motor Pool</u>	<u>Retiree Health Benefits</u>	<u>Accrued Sick and Vacation Liability</u>
Operating revenue				
Charges for services	\$ -	\$ 459,225	\$ 64,067	\$ -
Total operating revenue	<u>-</u>	<u>459,225</u>	<u>64,067</u>	<u>-</u>
Operating expense				
Personnel services	-	57,061	-	-
Contractual services	-	4,453	59,636	-
Benefits	-	24,062	-	16,566
Materials and supplies	-	60,678	-	-
Utilities	-	23,436	-	-
Repair and maintenance	-	106,339	-	-
Equipment rentals	-	1,092	-	-
Depreciation	-	66,585	-	-
Total operating expense	<u>-</u>	<u>343,706</u>	<u>59,636</u>	<u>16,566</u>
Operating income (loss)	<u>-</u>	<u>115,519</u>	<u>4,431</u>	<u>(16,566)</u>
Non-operating revenue (expense)				
Interest income	-	-	-	335
Interest expense	-	(344)	-	-
Total non-operating revenue (expense)	<u>-</u>	<u>(344)</u>	<u>-</u>	<u>335</u>
Income (loss) before transfers	<u>-</u>	<u>115,175</u>	<u>4,431</u>	<u>(16,231)</u>
Transfers				
Transfers in	-	830	-	-
Transfers out	-	(101,000)	-	-
Total transfers	<u>-</u>	<u>(100,170)</u>	<u>-</u>	<u>-</u>
Changes in net position	-	15,005	4,431	(16,231)
Net position, beginning of year	<u>-</u>	<u>956,199</u>	<u>705,263</u>	<u>74,218</u>
Net position, end of year	<u>\$ -</u>	<u>\$ 971,204</u>	<u>\$ 709,694</u>	<u>\$ 57,987</u>

<u>Health Life Dental</u>	<u>Unemployment</u>	<u>Weekly Indemnity</u>	<u>Total</u>
\$ 123,899	\$ -	\$ -	\$ 647,191
<u>123,899</u>	<u>-</u>	<u>-</u>	<u>647,191</u>
-	-	-	57,061
-	-	-	64,089
127,024	209	-	167,861
-	-	-	60,678
-	-	-	23,436
-	-	-	106,339
-	-	-	1,092
<u>-</u>	<u>-</u>	<u>-</u>	<u>66,585</u>
<u>127,024</u>	<u>209</u>	<u>-</u>	<u>547,141</u>
<u>(3,125)</u>	<u>(209)</u>	<u>-</u>	<u>100,050</u>
613	31	14	993
<u>-</u>	<u>-</u>	<u>-</u>	<u>(344)</u>
<u>613</u>	<u>31</u>	<u>14</u>	<u>649</u>
<u>(2,512)</u>	<u>(178)</u>	<u>14</u>	<u>100,699</u>
55,000	-	-	55,830
<u>-</u>	<u>-</u>	<u>-</u>	<u>(101,000)</u>
<u>55,000</u>	<u>-</u>	<u>-</u>	<u>(45,170)</u>
52,488	(178)	14	55,529
<u>374,888</u>	<u>43,839</u>	<u>19,574</u>	<u>2,173,981</u>
<u>\$ 427,376</u>	<u>\$ 43,661</u>	<u>\$ 19,588</u>	<u>\$ 2,229,510</u>

CITY OF GREENVILLE

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Internal Service</u>	<u>Motor Pool</u>	<u>Retiree Health Benefits</u>	<u>Accrued Sick and Vacation Liability</u>
Cash flows from operating activities				
Receipts from internal services provided	\$ -	\$ 459,225	\$ 63,614	\$ -
Payments to employees	-	(84,040)	-	-
Payments to suppliers	482	(191,172)	(58,718)	-
Net cash provided by (used in) operating activities	482	184,013	4,896	-
Cash flows from non-capital financing activities				
Transfers in	-	830	-	-
Transfers out	-	(101,000)	-	-
Net cash provided by (used in) non-capital financing activities	-	(100,170)	-	-
Cash flows from capital and related financing activities				
Interest expense	-	(344)	-	-
Principal paid on debt	-	(41,798)	-	-
Net cash provided by (used in) capital and related financing activities	-	(42,142)	-	-
Cash flows from investing activities				
Interest income	-	-	-	335
Net increase (decrease) in cash and pooled investments	482	41,701	4,896	335
Cash and pooled investments, beginning of year	4,388	794,405	451,827	472,483
Cash and pooled investments, end of year	\$ 4,870	\$ 836,106	\$ 456,723	\$ 472,818
Cash flows from operating activities				
Operating income (loss)	\$ -	\$ 115,519	\$ 4,431	\$ (16,566)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	-	66,585	-	-
Net OPEB liability	-	(20,889)	-	-
Deferred outflow related to OPEB	-	(333)	-	-
Deferred inflow related to OPEB	-	17,300	-	-
Change in operating assets and liabilities which provided (used) cash				
Accounts receivable	482	-	(453)	-
Prepaid items	-	-	-	-
Accounts payable	-	4,826	918	-
Accrued liabilities	-	1,005	-	16,566
Net cash provided by (used in) operating activities	\$ 482	\$ 184,013	\$ 4,896	\$ -

Health Life Dental	Unemployment	Weekly Indemnity	Total
\$ 130,603	\$ -	\$ -	\$ 653,442
(127,024)	(209)	-	(211,273)
46,045	-	-	(203,363)
49,624	(209)	-	238,806
55,000	-	-	55,830
-	-	-	(101,000)
55,000	-	-	(45,170)
-	-	-	(344)
-	-	-	(41,798)
-	-	-	(42,142)
613	31	14	993
105,237	(178)	14	152,487
312,531	43,839	19,574	2,099,047
<u>\$ 417,768</u>	<u>\$ 43,661</u>	<u>\$ 19,588</u>	<u>\$ 2,251,534</u>
\$ (3,125)	\$ (209)	\$ -	\$ 100,050
-	-	-	66,585
-	-	-	(20,889)
-	-	-	(333)
-	-	-	17,300
6,704	-	-	6,733
44,534	-	-	44,534
1,511	-	-	7,255
-	-	-	17,571
<u>\$ 49,624</u>	<u>\$ (209)</u>	<u>\$ -</u>	<u>\$ 238,806</u>

CITY OF GREENVILLE

DOWNTOWN DEVELOPMENT AUTHORITY COMBINING BALANCE SHEET/STATEMENT OF NET POSITION

JUNE 30, 2022

	Governmental Fund Type General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 484,678	\$ -	\$ 484,678
Capital assets			
Depreciable capital assets, net	<u>-</u>	<u>3,568,807</u>	<u>3,568,807</u>
Total assets	<u><u>\$ 484,678</u></u>	<u><u>3,568,807</u></u>	<u><u>4,053,485</u></u>
Liabilities and fund balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 1,384	-	1,384
Accrued liabilities	<u>176</u>	<u>-</u>	<u>176</u>
Total liabilities	1,560	<u>-</u>	<u>1,560</u>
Fund balances			
Unassigned	<u>483,118</u>		
Total liabilities and fund balances	<u><u>\$ 484,678</u></u>		
Net position			
Net investment in capital assets			3,568,807
Unrestricted			<u>483,118</u>
Total net position			<u><u>\$ 4,051,925</u></u>
Reconciliation of fund balances to net position			
Fund balances of governmental funds			\$ 483,118
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.			
Add - capital assets (net of accumulated depreciation)			<u>3,568,807</u>
Net position of governmental activities			<u><u>\$ 4,051,925</u></u>

CITY OF GREENVILLE

DOWNTOWN DEVELOPMENT AUTHORITY COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Governmental Fund Type</u> <u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues			
Taxes	\$ 486,770	\$ -	\$ 486,770
Intergovernmental revenues			
Local	203	-	203
Investment earnings	444	-	444
Total revenues	<u>487,417</u>	<u>-</u>	<u>487,417</u>
Expenditures/expenses			
Current			
Community development	46,732	157,031	203,763
Debt Service			
Principal	357,000	(357,000)	-
Interest	8,747	(2,211)	6,536
Total expenditures/expenses	<u>412,479</u>	<u>(202,180)</u>	<u>210,299</u>
Revenues over (under) expenditures/expenses	<u>74,938</u>	<u>(202,180)</u>	<u>277,118</u>
Net changes in fund balance	74,938	<u>(74,938)</u>	-
Change in net position		277,118	277,118
Fund balance/net position, beginning of year	<u>408,180</u>		<u>3,774,807</u>
Fund balance/net position, end of year	<u>\$ 483,118</u>		<u>\$ 4,051,925</u>
Reconciliation of change in fund balances to change in net position			
Net change in fund balances of governmental funds			\$ 74,938
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.			
Deduct - depreciation expense			(157,031)
Certain liabilities are not expected to be liquidated with expendable available financial resources and are not report in the funds			
Add - decrease in interest payable			2,211
Add - decrease in bonds payable			357,000
Change in net position of governmental activities			<u>\$ 277,118</u>

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DIAL-A-RIDE TRANSIT SCHEDULES

CITY OF GREENVILLE

DIAL-A-RIDE TRANSIT FUND SCHEDULE OF LOCAL REVENUES (1)

FOR THE YEAR ENDED JUNE 30, 2022

	<u>7/1/21 to 9/30/2021</u>	<u>10/1/21 to 6/30/2022</u>	<u>Total</u>
Demand response (farebox)			
Regular service	\$ 13,681	\$ 33,629	\$ 47,310
Miscellaneous	2,505	11,393	13,898
Gain on sale of capital asset	-	27,000	27,000
Property taxes	2,121	85,411	87,532
Transfer from general/other funds	<u>8,160</u>	<u>27,809</u>	<u>35,969</u>
Total local revenues	<u>\$ 26,467</u>	<u>\$ 185,242</u>	<u>\$ 211,709</u>

DIAL-A-RIDE TRANSIT FUND SCHEDULE OF LOCAL REVENUES (1A)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>10/1/20 to 6/30/2021</u>	<u>7/1/21 to 9/30/2021</u>	<u>Total</u>
Local revenue			
Demand response (farebox)			
Regular service	\$ 28,856	\$ 13,681	\$ 42,537
Miscellaneous	9,001	2,505	11,506
Property taxes	8,616	2,121	10,737
Transfer from general/other funds	<u>24,480</u>	<u>8,160</u>	<u>32,640</u>
Total local revenues	<u>\$ 70,953</u>	<u>\$ 26,467</u>	<u>\$ 97,420</u>

CITY OF GREENVILLE
DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF EXPENDITURES OF STATE AND FEDERAL AWARDS (2)
FOR THE YEAR ENDED JUNE 30, 2022

Federal and State Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant No. Authorization Number	Program Award Amount	Current year expenditures			
				Total	Federal	State	Local
U.S. Department of Transportation							
Passed through Michigan Department of Transportation							
Formula Grants for Rural Areas							
Operating assistance - section 5311 - 2018 (receipt, settlement)	20.509	2017-0057/P3	- \$ 872	\$ 872	\$ -	\$ -	-
Operating assistance - section 5311 - 2019 (PY deferred)	20.509	2017-0057/P7	- 6,636	6,636	-	-	-
Operating assistance - section 5311 - 2019 (withheld, settlement)	20.509	2017-0057/P7	- (7,048)	(7,048)	-	-	-
Operating assistance - section 5311 - 2020 CARES Act (PY accrual)	20.509	2017-0057/P9	- (13,002)	(13,002)	-	-	-
Operating assistance - section 5311 - 2020 CARES Act (accrual)	20.509	2017-0057/P9	- 13,002	13,002	-	-	-
Operating assistance - section 5311 - 2021 CARES Act (PY deferred)	20.509	2017-0057/P10	- 1,521	1,521	-	-	-
Operating assistance - section 5311 - 2021 CARES Act (receipt)	20.509	2017-0057/P10	118,260	28,392	28,392	-	-
Operating assistance - section 5311 - 2021 CARES Act (deferred)	20.509	2017-0057/P10	- (3,114)	(3,114)	-	-	-
Operating assistance - section 5311 - 2021 CARES Act (receipt)	20.509	2017-0057/P11	28,481	2,119	2,119	-	-
Operating assistance - section 5311 - 2022 (receipt)	20.509	2022-0060/P1	128,009	64,004	64,004	-	-
Operating assistance - section 5311 - 2022 (accrual)	20.509	2022-0060/P1	- 39,412	39,412	-	-	-
RTAP	N/A	N/A	-	-	-	-	-
Capital grants							
Capital grant - section 5311 (PY accrual)	20.509	2012-0090/P8	-	-	-	-	-
Capital grant - section 5311 (receipt)	20.509	2012-0090/P8	-	-	-	-	-
			274,750	132,794	132,794	-	-
Michigan Department of Transportation							
Operating Assistance - Act 51 (PY accrual)	N/A	FY18	- (9,356)	-	(9,356)	-	-
Operating Assistance - Act 51 (receipt, settlement)	N/A	FY18	- 1,563	-	1,563	-	-
Operating Assistance - Act 51 (PY deferred)	N/A	FY19	- 4,914	-	4,914	-	-
Operating Assistance - Act 51 (deferred)	N/A	FY19	- (4,914)	-	(4,914)	-	-
Operating Assistance - Act 51 (receipt, preliminary)	N/A	FY20	- 2,797	-	2,797	-	-
Operating Assistance - Act 51 (PY deferred)	N/A	FY21	- 13,955	-	13,955	-	-
Operating Assistance - Act 51 (receipt)	N/A	FY21	- 18,550	-	18,550	-	-
Operating Assistance - Act 51 (refund)	N/A	FY21	- (17,180)	-	(17,180)	-	-
Operating Assistance - Act 51 (accrual)	N/A	FY21	- 27,668	-	27,668	-	-
Operating Assistance - Act 51 (receipt)	N/A	FY22	- 83,970	-	83,970	-	-
Operating Assistance - Act 51 (accrued)	N/A	FY22	- 6,481	-	6,481	-	-
Total Michigan Department of Transportation			-	128,448	-	128,448	-
Total			\$ 274,750	\$ 261,242	\$ 132,794	\$ 128,448	\$ -

CITY OF GREENVILLE
DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF STATE AND FEDERAL AWARDS (2A)
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Grant No.</u>	<u>7/1/21 to 9/30/2021</u>	<u>10/1/21 to 6/30/2022</u>	<u>Total</u>
Michigan Department of Transportation				
Operating Assistance - Act 51 (PY accrual)	FY18	\$ -	\$ (9,356)	\$ (9,356)
Operating Assistance - Act 51 (receipt, settlement)	FY18	-	1,563	1,563
Operating Assistance - Act 51 (PY deferred)	FY19	-	4,914	4,914
Operating Assistance - Act 51 (deferred)	FY19	-	(4,914)	(4,914)
Operating Assistance - Act 51 (receipt, preliminary)	FY20	2,797	-	2,797
Operating Assistance - Act 51 (PY deferred)	FY21	-	13,955	13,955
Operating Assistance - Act 51 (receipt)	FY21	18,550	-	18,550
Operating Assistance - Act 51 (refund)	FY21	-	(17,180)	(17,180)
Operating Assistance - Act 51 (accrual)	FY21	-	27,668	27,668
Operating Assistance - Act 51 (receipt)	FY22	-	83,970	83,970
Operating Assistance - Act 51 (accrued)	FY22	-	6,481	6,481
Total Michigan Department of Transportation		<u>21,347</u>	<u>107,101</u>	<u>128,448</u>
Federal grants				
Operating assistance - section 5311 - 2018 (receipt, settlement)	2017-0057/P3	872	-	872
Operating assistance - section 5311 - 2019 (PY deferred)	2017-0057/P7	-	6,636	6,636
Operating assistance - section 5311 - 2019 (withheld, settlement)	2017-0057/P7	-	(7,048)	(7,048)
Operating assistance - section 5311 - 2020 CARES Act (PY accrual)	2017-0057/P9	-	(13,002)	(13,002)
Operating assistance - section 5311 - 2020 CARES Act (accrual)	2017-0057/P9	-	13,002	13,002
Operating assistance - section 5311 - 2021 CARES Act (PY deferred)	2017-0057/P10	-	1,521	1,521
Operating assistance - section 5311 - 2021 CARES Act (receipt)	2017-0057/P10	22,394	5,998	28,392
Operating assistance - section 5311 - 2021 CARES Act (deferred)	2017-0057/P10	-	(3,114)	(3,114)
Operating assistance - section 5311 - 2021 CARES Act (receipt)	2017-0057/P11	2,119	-	2,119
Operating assistance - section 5311 - 2022 (receipt)	2022-0060/P1	32,002	32,002	64,004
Operating assistance - section 5311 - 2022 (accrual)	2022-0060/P1	-	39,412	39,412
Total federal grants		<u>57,387</u>	<u>75,407</u>	<u>132,794</u>
Total		<u>\$ 78,734</u>	<u>\$ 182,508</u>	<u>\$ 261,242</u>

DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF STATE AND FEDERAL AWARDS (2B and 4R)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		<u>10/1/20 to 6/30/2021</u>	<u>7/1/21 to 9/30/2021</u>	<u>Total</u>
Michigan Department of Transportation				
Operating Assistance - Act 51 (final settlement)	FY17	\$ 3,406	\$ -	\$ 3,406
Operating Assistance - Act 51 (receipt)	FY20	-	2,797	2,797
Operating Assistance - Act 51 (receipt)	FY21	91,475	18,550	110,025
Operating Assistance - Act 51 (deferred)	FY21	(13,955)	-	(13,955)
Total Michigan Department of Transportation		<u>80,926</u>	<u>21,347</u>	<u>102,273</u>
Federal grants				
Operating assistance - section 5311 - 2018 (receipt)	2017-0057/P3	-	872	872
Operating assistance - section 5311 - 2020 (receipt)	2017-0057/P9	1,875	-	1,875
Operating assistance - section 5311 - 2020 CARES Act (accrual)	2017-0057/P9	13,002	-	13,002
Operating assistance - section 5311 - 2021 CARES Act (receipt)	2017-0057/P10	49,508	22,394	71,902
Operating assistance - section 5311 - 2021 CARES Act (deferred)	2017-0057/P10	(1,521)	-	(1,521)
Operating assistance - section 5311 - 2021 CARES Act (receipt)	2017-0057/P11	26,362	2,119	28,481
Operating assistance - section 5311 - 2021 CARES Act (receipt)	2020-0060/P1	-	32,002	32,002
Total federal grants		<u>89,226</u>	<u>57,387</u>	<u>145,741</u>
Total		<u>\$ 170,152</u>	<u>\$ 78,734</u>	<u>\$ 248,014</u>

CITY OF GREENVILLE
DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF OPERATING AND CONTRACT EXPENSES (3)
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Regular service</u>		<u>Total</u>
	<u>17-0057/P10/P11</u>	<u>20-0060/P1</u>	<u>System</u>
	<u>FY 2021</u>	<u>FY 2022</u>	
Operating expenses			
Labor			
Salaries and wages	\$ 48,778	\$ 160,964	\$ 209,742
Fringe benefits	13,262	43,321	56,583
Services			
Other services	123	5,529	5,652
Materials and supplies			
Fuel	4,186	9,689	13,875
Other materials and supplies	6,915	19,069	25,984
Casualty and liability costs			
Insurance	5,000	15,000	20,000
Utilities	1,999	3,799	5,798
Miscellaneous			
Other	65	703	768
Depreciation	-	73,079	73,079
Total operating expenses	\$ 80,328	\$ 331,153	\$ 411,481

The following cost allocation plans were adhered to in the preparation of the financial statements:

1991 Bus Maintenance
2015 Administrative Service

There are no capital items purchased with capital grants included above for the year end 6/30/2022
Pension expenses included in fringe benefits above include only amounts actually paid in to the City's defined contribution pension plan.
OPEB plan expense included in benefit expense above includes a current year reduction of \$3,918 to the unfunded OPEB plan liability (eligible expense year ended 6/30/2022).
Eligible depreciation expense for the transit program was \$373 for the year ended 6/30/2022.
Expenses associated with 406xx and 407xx revenues are subtracted out as ineligible expenses when required by Michigan Department of Transportation guidance.

CITY OF GREENVILLE

DIAL-A-RIDE TRANSIT FUND SCHEDULE OF OPERATING EXPENSE SPLIT BETWEEN A JUNE 30 AND SEPTEMBER 30 YEAR END (3A)

FOR THE YEAR ENDED JUNE 30, 2022

	<u>7/1/21 to 9/30/2021</u>	<u>10/1/21 to 6/30/2022</u>	<u>Total</u>
Expenses			
Labor	\$ 48,778	\$ 160,964	\$ 209,742
Fringe benefits	13,262	43,321	56,583
Service	123	5,529	5,652
Materials and supplies	11,101	28,758	39,859
Casualty and liability costs	5,000	15,000	20,000
Utilities	1,999	3,799	5,798
Miscellaneous	65	703	768
Depreciation	-	73,079	73,079
	<u> </u>	<u> </u>	<u> </u>
Total expenses	\$ <u>80,328</u>	\$ <u>331,153</u>	\$ <u>411,481</u>

DIAL-A-RIDE TRANSIT FUND SCHEDULE OF OPERATING EXPENSE SPLIT BETWEEN A JUNE 30 AND SEPTEMBER 30 YEAR END (3B)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>10/1/20 to 6/30/2021</u>	<u>7/1/21 to 9/30/2021</u>	<u>Total</u>
Expenses			
Labor	\$ 132,426	\$ 48,778	\$ 181,204
Fringe benefits	(25,334)	13,262	(12,072)
Service	814	123	937
Materials and supplies	31,967	11,101	43,068
Casualty and liability costs	15,000	5,000	20,000
Utilities	4,053	1,999	6,052
Miscellaneous	(160)	65	(95)
Depreciation	64,963	-	64,963
	<u> </u>	<u> </u>	<u> </u>
Total expenses	\$ <u>223,729</u>	\$ <u>80,328</u>	\$ <u>304,057</u>

CITY OF GREENVILLE

DIAL-A-RIDE TRANSIT FUND OPERATING ASSISTANCE CALCULATION 5

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Nonurban</u>
State eligible expenses	
Labor	\$ 181,204
Fringe benefits	(12,072)
Service	937
Materials and supplies	43,068
Casualty and liability costs	20,000
Utilities	6,052
Miscellaneous	(95)
Depreciation	<u>64,963</u>
Total expenses	304,057
Less ineligible expenses	
Ineligible depreciation	64,963
Ineligible OPEB expense accrual	(61,768)
Capital grant costs not capitalized	<u>14,008</u>
Total ineligible expenses	<u>17,203</u>
State eligible expenses	<u><u>\$ 286,854</u></u>
State operating assistance - 42.0118%	<u><u>\$ 120,513</u></u>
Federal eligible expenses	
State eligible expenses	\$ 286,854
Less additional federal ineligible expenses	
Audit costs	<u>-</u>
Federal eligible expenses	<u><u>\$ 286,854</u></u>
Section 5311 reimbursement - 36.0%	<u><u>\$ 103,267</u></u>

CITY OF GREENVILLE
DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF NONFINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Miles</u> <u>Regular</u>	<u>Hours</u> <u>Regular</u>
Demand response		
Fourth quarter (7/1/21 to 9/30/21)	13,615	1,833
First quarter (10/1/21 to 12/31/21)	14,276	1,934
Second quarter (1/1/22 to 3/31/22)	14,911	1,902
Third quarter (4/1/22 to 6/30/22)	<u>13,723</u>	<u>1,905</u>
Total	<u><u>56,525</u></u>	<u><u>7,574</u></u>

DIAL-A-RIDE TRANSIT FUND
SCHEDULE OF NONFINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Miles</u> <u>Regular</u>	<u>Hours</u> <u>Regular</u>
Demand response		
First quarter (10/1/20 to 12/31/20)	10,554	1,708
Second quarter (1/1/21 to 3/31/21)	12,669	1,734
Third quarter (4/1/21 to 6/30/21)	12,880	1,683
Fourth quarter (7/1/21 to 9/30/21)	<u>13,615</u>	<u>1,833</u>
Total	<u><u>49,718</u></u>	<u><u>6,958</u></u>

The methodology used for compiling miles and other nonfinancial data information has been reviewed and the methodology has been found to be adequate and reliable.

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INTERNAL CONTROL AND COMPLIANCE



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

October 21, 2022

Honorable Mayor and Members of the City Council
City of Greenville, Michigan

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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Greenville, Michigan, (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 21, 2022.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings as item 2022-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Greenville's Responses to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City of Greenville, Michigan's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. City of Greenville, Michigan's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 City'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.

Urodevelo Haefner LLC

CITY OF GREENVILLE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2022

2022-001 - material weakness

Condition and Criteria: Significant audit adjustments were necessary during the course of the audit to compile year-end financial statements from the City's general ledger balances.

Cause: The City did not provide a trial balance for the audit process with all necessary adjustments to prepare financial statements in accordance with generally accepted accounting principles.

Effect: Auditing standards require significant audit adjustments be reported as a material weakness.

Recommendation: The City's system of controls should be modified so that the all adjustment necessary to prepare financial statements in accordance with generally accepted accounting principles are recorded on the general ledger.

Management Response: The City has implemented the following procedures to minimize the number and extent of proposed audit adjustments with a goal of zero proposed audit adjustments being identified during the audit process. Balances reported in the audited financial statements will be reconciled to general ledger balances within 2 weeks of receiving draft audited financial statements. Prior year audit adjustments will be reviewed and considered during the audit preparation process so that audit adjustments are not repeated.