

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2019

**CITY OF ROCKY MOUNT,
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019**

**Prepared by the City of Rocky Mount Finance Office
Amy Staton, Finance Officer**



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October 9, 2019

The Honorable Mayor and
Members of City Council
City of Rocky Mount,
North Carolina

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Rocky Mount, North Carolina (City) for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2019 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the

administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Rocky Mount, North Carolina, was incorporated on February 19, 1867, and is in eastern North Carolina in the coastal plains area. The City has a population of approximately 54,486 and straddles the Nash and Edgecombe County line, encompassing 44 square miles. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City operates under the council-manager form of government. The legislative body of the government of the City is comprised of a Mayor and a seven-member City Council. The governing council is responsible, among other things for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the governing body, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments. The Mayor is elected at-large by the citizens and serves a four-year term and is the presiding officer of the Council. Members of the City Council serve four-year terms and are elected by the voters of the wards in which they reside. The City is divided into seven wards and a Council member who resides in the ward represents each ward. Elections are held every two years in order that the terms of office are staggered.

The City provides a full range of services including police and fire protection, sanitation, public improvements, planning and zoning, parks and recreational activities, transportation, general administrative services, and the construction and maintenance of highways, streets, and other infrastructure. The City also operates electric, natural gas, water, sewer, and stormwater utilities for the incorporated and surrounding areas.

The annual budget serves as the foundation for the City's financial planning and control. The City has a formal operating budget process, which begins in February of each year. The City Council receives the recommended budget in late May. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City's fiscal year. Legal budgetary control for operating budgets is exercised at the fund (e.g. General) and department (e.g. Police) level. The City Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, require the special approval of the City Council. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year. Budget to actual comparisons are provided in this report for each individual governmental fund and proprietary funds for which an appropriated annual budget has been adopted. For the General fund, this comparison is presented on page 41 as part of the basic financial statements for the governmental funds. For governmental funds, other than the General fund, with appropriated annual budgets, this comparison is presented in the governmental fund section of this report, which starts on page 115. Also included in the governmental fund section is project-length budget-to-actual comparisons for each governmental fund for which a project authorization budget has been adopted (i.e. Public Transportation). The proprietary fund budget to actual comparisons begins on page 131.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy. Rocky Mount is the principal city of its own designated metropolitan statistical area encompassing Edgecombe and Nash Counties. Rocky Mount is ranked as the 17th largest city in the state of North Carolina. Rocky Mount has an economy that is driven by knowledge-based enterprises, including advanced manufacturing, software and information technology, bio-pharmaceuticals and financial services. Among the area's leading products are pharmaceuticals, diesel engines, bakery products, processed tobacco, key systems, electronic controls, and automotive fuel systems. Situated where Interstate-95, the main north/south thoroughfare on the East Coast meets U.S. 64, Rocky Mount is in the heart of the Eastern Seaboard. With easy access to U.S. 264, U.S. 301, and Interstates 40 and 85 Rocky Mount is situated in very close proximity to an excellent overland transportation system.

Local jobs remain a challenging aspect of our overall economic picture. Our continued dependence on manufacturing, especially lesser-skilled positions, makes us susceptible to volatility due to changes in how particular businesses hire their workforce. The unemployment rate for the Rocky Mount Metropolitan Statistical Area was 6.1% as of June 30, 2019 compared to last year's rate of 6.3%, a slight decrease from last year.

City staff continues to work with Carolinas Gateway Partnership and the Rocky Mount Chamber of Commerce to recruit new business and encourage expansion of existing businesses. The following are the result of recent recruitment efforts.

Triangle Tyre Co., Ltd., a global Chinese tire maker, progresses in plans to build a large plant in rural Edgecombe County at the Kingsboro Megasite. It is anticipated that the plant will bring 800 jobs located between Rocky Mount and Tarboro. Triangle will build the tire manufacturing facilities in two phases. A passenger tire facility will be phase one and a commercial tire facility will be phase two. The company expects to complete both phases by 2023. Once both facilities reach production capacity, Triangle expects to produce six million tires annually.

In July 2019, Corning Incorporated, a world leading innovator in materials science, began construction of a global distribution center in Edgecombe County taking shape along alternate US-64. The global distribution facility will be adjacent to the Kingsboro Megasite and expand its existing Durham, NC operations. The company will create 111 new jobs in Edgecombe County and 317 new jobs in Durham. The jobs will provide future support for the company's new pharmaceutical glass packaging product, Valor Glass, and potential growth for other Corning businesses in North Carolina and elsewhere. Corning has brought innovative health products to the pharmaceutical market for more than 100 years. Corning Valor Glass packaging, introduced in July of 2017, offers chemical durability, strength and damage resistance. Corning's projects will be facilitated, in part, by two Job Development Investment Grants, approved by the state's Economic Investment Committee. Over the course of the 12-year terms of the grant, the project will add an estimated \$1.157 billion to North Carolina's economy.

CSX Corporation celebrated with a groundbreaking ceremony for the rail cargo hub. Plans were finalized in June 2018 by CSX Corporation and the North Carolina Department of Transportation to build a new intermodal transportation facility in Edgecombe County. The Carolina Connector, or CCX, will be built along CSX rail line south of U.S. 301 on the Edgecombe County side of Rocky Mount near North Carolina Wesleyan College. The 330-acre rail yard will transfer cargo containers from tractor-trailers to trains for transport. NCDOT will be investing \$118.1 million for site development and roadway construction. CSX will contribute \$40 million to the project including cost for property, equipment, design and construction oversight and operational expertise. The DOT conducted an economic impact evaluation earlier this year and determined the facility will have an indirect job impact of up to 1,300 jobs. It is anticipated that logistics firms, trucking companies and other businesses with economic ties to the terminal will set up shop nearby. Operations are expected to begin in 2020. Rocky Mount's strategic location in the state, its growing industrial market, and the company's existing rail operations and existing ties were the deciding factor in selecting the terminal's location.

Pfizer, Rocky Mount's largest employer, has completed the expansion at the \$190 million facility. In the next 18 months, the facility will be engaged in a phase of commissioning and qualification. The regulatory expectation will be in 2020 or 2021 with commercial operation beginning in 2021. While no new job creation is coming from the expansion, the new sterile injectable manufacturing facility is being added to modernize Pfizer's capabilities for sterile injectable formulation and filling processes for vials, ampules, and syringes. This addition will allow the current manufacturing space to be repurposed as new opportunities arise.

The Rocky Mount Event Center opened its doors in October 2018. Currently, events are booked for 2019 and into 2020. The facility is an indoor sports destination in the heart of downtown Rocky Mount. The 165,000 square foot multi-use facility features eight basketball and sixteen volleyball courts, a family entertainment area, meeting and conference rooms and other offices. The facility will seat approximately 4,500 attendees. The Event Center hosts a variety of events, primarily amateur sporting events, but may be used for concerts and shows, and large-scale events such as trade shows, expos, conventions, and conferences while also offering banquet, wedding and meeting room capabilities. The Rocky Mount Event Center is playing a pivotal role in indoor, safe, family fun entertainment with a 15,000 square foot Family Entertainment Center that includes an indoor ropes course and play area. Also, included in the center is a leadership and development center, banquet hall, and medical center. It is the only building of its kind in eastern North Carolina.

LarGerko, LLC from Durham, NC acquired the historic landmark Carleton House, a 61-room motel and is renovating the property as a 64-room upper mid-scale boutique motel. In paying homage to the jazz great Thelonius Monk whose birthplace is nearby, the renovated property will be known as the "Monk Hotel." The project includes \$4 million in private investment and is expected to give the downtown business a boost and create 11 jobs. The company is also purchasing single-family homes throughout both Edgecombe and Nash counties within the City limits that they are renovating for future tenants.

The Bel Air Artisans Center opened February 28, 2019. The 18,000 square foot center displays local and regional gallery art surrounded by art studios. The center is also home to the Willow Tree Yoga Studio.

The Rocky Mount Mills, owned by Capital Broadcasting Company, has a multitude of amenities in one unique location. The Mill unifies the residential, commercial, cultural, and entertainment genres at this historic location. Envolve Vision, an integrated health care solution company now occupies 23,000 square feet in the main building. Envolve Vision administers routing and medical surgical eye care benefits, serving more than 9 million customers across 22 states and Puerto Rico. They will bring 150 employees to Rocky Mount. Rocky Mount Mills is home to The Rocky Mount Telegram, Nash County Travel & Tourism, Joyner Media Strategies Inc. In May 2019, FM radio station Life 103.1 WLQC-FM relocated to the Mill on the second floor of the main building. Capital Broadcasting is doing its best to turn the Rocky Mount Mills complex into an interesting destination. The company is taking advantage of the surging craft beer industry in North Carolina. The beer and breweries are a key element in the company's strategy. The brewery incubators at Rocky Mount Mills offers an environment conducive to innovation, collaboration, mentoring for brewing, fermenting and distilling ventures. In addition, Nash Community College has on the mill campus a 360 Degree Brewer Facility, which features state of the art brewery, distillation and fermentation equipment in 1,000 square feet of instructional space for Nash Community's brewing, distillation and fermentation program. With the program built around entrepreneurship, students learn about small business development and marketing as well. The vintage venue of The Power House Event building on the campus of the Mill yields century old brick and wood and beautiful 10-foot windows. The event building encompasses 4,000 square feet of flexible space and outdoor terraces. The venue accommodates up to 200 people with a 12 foot by 12-foot stage, stage lighting, and much more.

The Mill Village, next to the Rocky Mount Mills continues to be a vibrant area with beautifully restored homes. The one and two-bedroom homes are equipped with fenced-in back yards, spacious decks and patios outside and high ceilings and architectural details inside. Much of the housing was built in the late 1800's by local carpenters. Most people assumed that when Capital Broadcasting Co. purchased the buildings that the homes would be demolished. The company had different ideas and committed to the rehabilitation of every single one of them. The Mill Village has approximately 100 historic homes. The Mill has been securing residential tenants for the apartments and loft spaces. The 69 loft apartments range from 600 to 1500 square feet of living space. Rents on these apartments will range from \$950 to \$2,200 a month. The one-to-three-bedroom apartments will boast high ceilings, exposed brick windows and hardwood floors. In 2019, Rocky Mount Mills introduced an innovative twist on hotel lodging with River and Twine, a tiny house hotel consisting of 20 tiny houses.

Rocky Mount welcomed new retail businesses during the past year. Barley and Burger, a specialty burger establishment opened in November 2018 serving gourmet burgers and local craft beers. The burger establishment has seating for 74. The owners also operate Goat Island Bottle Shop at the Rocky Mount Mills. Barley and Burger is in close proximity to US-64. Downtown's Station Square is now home to Bin & Barrel, a small high-end wine retail boutique. Bin & Barrel celebrated its opening with a ribbon cutting ceremony on February 1, 2019. The Douglas Block welcomed NABS, Never a Better Sandwich, a new deli conveniently located steps away from the Rocky Mount Event Center. The deli is owned and operated by the owners of the Prime Smokehouse Barbeque & Beyond just around the corner on East Thomas street. Nabs offers deli items, soups and sandwiches and has a coffee shop that offers bakery items as well.

On the horizon for the City of Rocky Mount are plans by three restaurant chains to build locations on the perimeter of Sam's club. Freddy's Frozen Custard & Steakburgers, established in 2002 in Wichita, Kansas will serve hot dogs, sandwiches, steak burgers as well as custards, ice cream, and sundaes.

Freddy's has proposed to construct a 2,925 square-foot building that would seat 79 people. Popeyes, originating out of New Orleans in 1972 serves chicken and seafood. The chicken and seafood establishment plans are to construct a 2,145 square foot building that would accommodate 44 people. Panera Bread was established out of Boston in 1980 as a cookie store. Panera's plans are to construct a 3,107 square foot building seating 78 people inside and 20 outside.

Long-term financial planning. The City is committed to budget and to expend available resources in a manner that will continue the improvement of the City's fiscal condition and protecting and building reserves for future operating and capital needs. One of the primary commitments of the City is the long-term community redevelopment program to bring back life and energy to the downtown community. Rocky Mount's Central City-focused initiatives of the past two decades have set the groundwork for the redevelopment of downtown Rocky Mount. The Douglas Block, an area that has been the focus of extensive revitalization efforts, is the site of the revitalized Douglas Block business district and the newly constructed Rocky Mount Event Center. Plans are underway for a proposed parking deck, hotel, and retail with condos on upper floors.

The City's annual operating budget balances projected revenues from taxes, fees and other sources of expenditures reflecting ongoing operations, strategic initiatives and other important investments. City Council's established goals and objectives serve as the guide in decision making, along with the City's shared values of excellent public service, excellent customer service, and innovation. Fiscal year 2020 focuses available resources on balancing the budget for existing services and projects, fully funding financing of the Rocky Mount Event Center, continued protection of the City's fiscal condition, and continued planning and implementation of strategic initiative and investments designed to improve quality of life and economic development opportunities for all City residents. The City maintains the goal to affirm Rocky Mount as the leader of the Twin County Region by promoting and implementing aggressive initiatives to encourage residential, commercial, and industrial development in and around Rocky Mount. The goal is to strengthen its position as an economic, cultural and educational center in Eastern North Carolina. The budget also provides for effectively maintaining and improving public infrastructure, including roadways, utility systems and public facilities and enabling implementation of recent planning activities. The proposed budget provides the framework to address priorities, accommodate challenges and continue improvement of our long-term financial picture. The tax rate for fiscal year 2020 remains at \$.685 per \$100 assessed value.

The 2020 budget includes provisional funding to cover the salary and benefit costs for pay for performance increases from 2.5% - 4.5% for all eligible full-time employees. Our investments in the Diversity and Inclusion Program and completion of the pay and classification study will serve to improve compensation and increase opportunities for workforce development. There is also continued emphasis on employee development through increased interaction with management.

Improving our capacity to better utilize technology is critical to responding to the needs and requests of our residents. The Department of Information Services was created with the fiscal year 2019 budget, based in the General Fund, to centralize and improve delivery of technology resources to all departments.

Cash management policies and practices. The deposits of the City are made in board-designated official depositories and are collateralized as required by State statute. The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by statutes or other legal reasons. Cash temporarily idle during the year was invested in the North Carolina Capital Management Trust, an SEC registered mutual fund, and public money market funds held at banking institutions. The average yield on all cash and investments was 1.78%.

All of the City's investments at June 30, 2019 were classified in the lowest risk category as defined by the Governmental Accounting Standards Board. As of June 30, 2019, the City's cash resources were invested as follows:

Cash on hand	\$	30,025
Cash in traditional bank accounts		852,838
Lease escrow funds		2,179,446
Bond escrow funds		1,678,308
North Carolina Capital Management Trust		114,149,088
Total	\$	<u>118,889,705</u>

Risk Management- The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City protects itself from potential loss through the purchase of commercial insurance for primary and/or excess coverage for individual claims exceeding specific amounts. The City retains the risk for claims below the specified amount. In addition to the excess coverage purchased, various risk control techniques are practiced by the City including employee safety programs, a drug free workplace program with mandatory drug screening for new employees, pre-employment physicals, and a vehicle accident review board which are implemented to minimize accident-related losses. The City's insurance coverage and self-insured retentions are more fully described in note 10 of the financial statements.

Pension and other postemployment benefits- The City sponsors a single-employer defined benefit pension plan for its sworn law enforcement officers. Each year, an independent actuary engaged by the pension plan calculates the amount of the annual contribution that the City must make to the pension plan to ensure that the plan will be able to fully meet its obligations to eligible retired employees on a timely basis. The City is required by State statute to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis.

The State of North Carolina contributes, on behalf of the City, to the Fireman's and Rescue Squad Workers' Pension Fund, which is a cost-sharing multiple-employer defined benefit pension plan. The State funds this plan through appropriations. Plan members, who are eligible fire personnel, are required to contribute \$10 per month. The City has no obligation in connection with employee benefits offered through this plan.

All permanent full-time City employees participate in the statewide North Carolina Local Government Employees' Retirement System, a multiple-employer, cost-sharing defined, benefit pension plan. The State of North Carolina administers the plan. Plan members are required to contribute six percent of their annual covered salary. The City is required to contribute at an actuarially determined rate, which is 7.81% for employees not engaged in law enforcement and 8.50% for law enforcement officers. The State announced that the employer contribution rates for fiscal year 2020 would be 8.95% for employees not engaged in law enforcement and increase to 9.70% for law enforcement officers.

All full-time employees of the City participate in the Supplemental Retirement Income Plan, a multiple-employer, defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Eligible employees may make voluntary contributions. State statute requires that the City contribute 5% of annual covered salary for all law enforcement officers. The City makes a similar contribution for all other full-time employees equal to 3% of the employee's covered salary.

The City provides postemployment health care benefits to retirees of the City who participate in the North Carolina Local Governmental Employees' Retirement System and who meet certain criteria that

are more fully described in note 6 of the financial statements. Currently, 190 retirees are eligible for postretirement health benefits. The City is currently funding the benefit payments on a pay as you go basis.

The City also provides death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System, a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. All death benefit payments are made from the Death Benefit Plan. The City has no liability beyond the payment of monthly contributions. Additional information on the City's pension arrangements and postemployment benefits can be found in note 6 of the financial statements.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rocky Mount, North Carolina for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the twenty-fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement; the City published an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

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

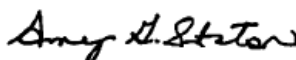
In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated June 30, 2018. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, and operations guide, and a communications device.

The preparation of this report would not have been possible without the assistance and dedication of the staff of the Finance Department. We would like to thank Martin Starnes & Associates, CPAs, P.A., the City's independent auditors, for their assistance in preparing this report. In addition, we wish to express our appreciation to the Mayor and City Council for their continued support and leadership in conducting the financial affairs of the City.

Respectfully submitted,



Rochelle D. Small-Toney
City Manager



Amy G. Staton
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Rocky Mount
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

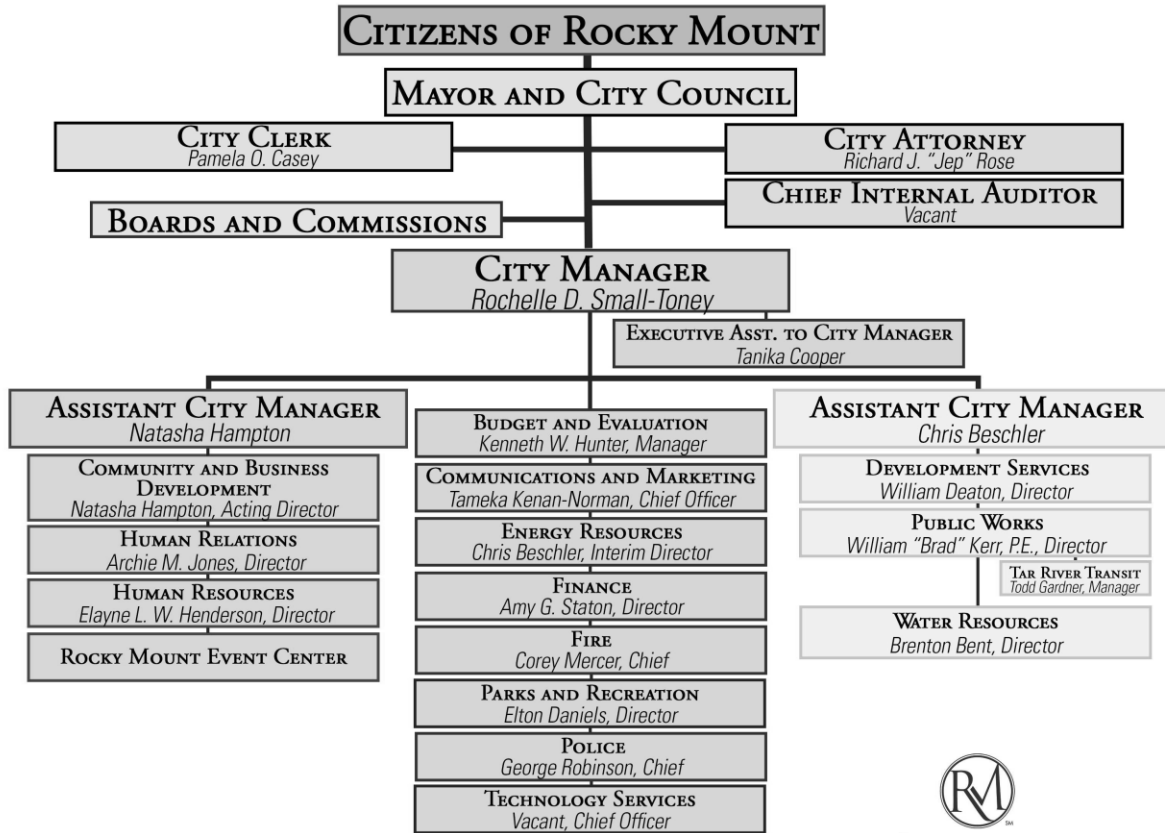
June 30, 2018

Christopher P. Morill

Executive Director/CEO

CITY OF ROCKY MOUNT

ORGANIZATIONAL CHART



CITY OF ROCKY MOUNT, NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2019

CITY COUNCIL

**David W. Combs, Mayor
Tom Rogers, Mayor Pro-tem**

Reuben C. Blackwell, IV	Lois Watkins	W.B. Bullock
Andre D. Knight	Richard Joyner	Chris Carroll Miller

CITY ADMINISTRATION

**Rochelle D. Small-Toney, City Manager
Christopher Beschler, Assistant City Manager
Natasha Hampton, Assistant City Manager**



FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplemental Financial Data**
- **Combining and Individual Fund Statements and Schedules**
- **Other Supplemental Schedules**
- **Capital Assets Used in the Operation of Governmental Funds**



MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Rocky Mount, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocky Mount, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocky Mount, North Carolina, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, the Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, and the Local Government Employees' Retirement System Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rocky Mount, North Carolina's basic financial statements. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2019, on our consideration of the City of Rocky Mount, North Carolina's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Rocky Mount's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Rocky Mount's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 9, 2019



MANAGEMENT'S DISCUSSION AND ANALYSIS





Management's Discussion and Analysis

As management of the City of Rocky Mount, we offer readers of the City of Rocky Mount's financial statements this narrative overview and analysis of the financial activities of the City of Rocky Mount (the "City") for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative and the transmittal letter which is found in the Introductory Section and begins on page 1.

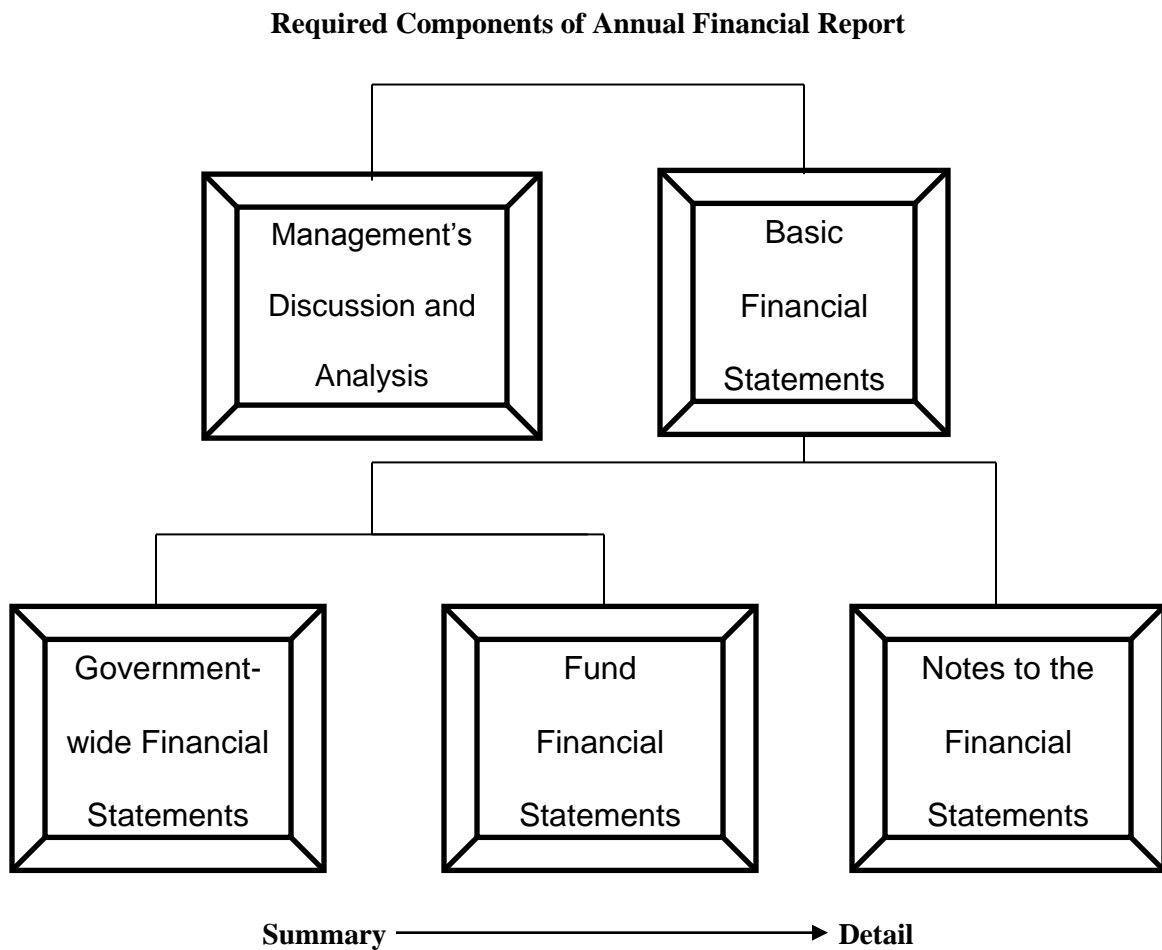
Financial Highlights

- The assets of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$310,533,051 (net position). The net position of the governmental activities is \$97,017,426, and the net position of the business-type activities is \$213,515,625.
- The government's total net position increased by \$7,683,458. Governmental net position decreased by \$131,000, and business-type activities net position increased by \$7,814,458, due to normal operations.
- As of the close of the current fiscal year, the City's governmental type funds reported combined ending fund balances of \$54,808,498, a decrease of \$4,970,068 from the prior year.
- As of the close of the current fiscal year, the City's business-type funds reported a combined ending net position of \$213,515,625, an increase of \$7,814,458.
- At the end of the current fiscal year, total unassigned fund balance for the General Fund was \$15,321,511, or 22%, of total General Fund expenditures for the fiscal year.
- During fiscal year 2017, the City issued special obligation bonds to fund the construction of the Rocky Mount Event Center. The Rocky Mount Public Facilities Corporation non-profit entity is a legally separate component unit that is essential for the tax credit portion of the Rocky Mount Event Center's financing. This entity is shown in the financial statements in a blended presentation.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City.

Figure 1:



Basic Financial Statements

The first two statements (pages 33 through 36) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements (pages 37 through 51) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statement; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes and required supplemental financial data, **supplemental information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements are the *Statement of Net Position* and the *Statement of Activities*. Net position is the difference between the City's total assets and deferred outflows of resources and their total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the City's financial condition. Over time, increases or decreases in net position help determine whether the City's financial position is improving or deteriorating. The *Statement of Activities* presents information which shows 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.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include the City's basic services which are public safety, public works, public service, parks and recreation, engineering, planning and development, emergency management, and general administration that are principally supported by taxes and intergovernmental revenues. The business-type activities are those that the City charges user fees to recover all or a significant portion of their costs. These include the electric, gas, water, sewer and stormwater services offered by the City.

The government-wide financial statements are on pages 33 through 36.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. 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 all other governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. 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 those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash inflow and outflow, and what monies are left at year-end that will be available for spending in the next year. Such information may be useful in evaluating the City's near-term financing requirements. Governmental funds are reported using an accounting method called modified accrual accounting that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City adopts an annual budget for its General fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the City Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statements have been provided to demonstrate how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the City Council; 2) the final budget as amended by the City Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds – the City maintains five enterprise 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 electric, gas, water, sewer, and stormwater activities. These funds are the same as those functions shown in the business-type activities in the *Statement of Net Position* and the *Statement of Activities*. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of City. The City uses internal service funds to account for two activities – its self-insured health and dental care along with radio and telephone communications. The internal service funds have been included within both the governmental and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the electric, gas, water, sewer and stormwater activities. With the exception of the Stormwater fund, all other proprietary funds are considered to be major funds of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements 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 and Other Information

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 52 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 98 of this report.

Government-Wide Financial Analysis of the City of Rocky Mount

Net Position

The following (Figure 2) reflects condensed information on the City's net position.

Figure 2:

City of Rocky Mount Statement of Net Position

	Governmental Activities 2019	Governmental Activities 2018	Business-Type Activities 2019	Business-Type Activities 2018	Total 2019	Total 2018
Current and other assets	\$ 74,627,277	\$ 79,287,002	\$ 100,542,117	\$ 96,209,894	\$175,169,394	\$175,496,896
Net pension asset	-	-	-	-	-	-
Capital assets	126,750,997	125,909,001	153,688,806	151,287,219	280,439,803	277,196,220
Total assets	201,378,274	205,196,003	254,230,923	247,497,113	455,609,197	452,693,116
Deferred outflows of resources	13,406,547	9,067,821	3,972,214	2,629,829	17,378,761	11,697,650
Long-term liabilities	90,849,683	94,197,686	27,649,287	28,540,089	118,498,970	122,737,775
Net pension liability	12,787,700	8,594,283	3,974,558	2,649,758	16,762,258	11,244,041
Other liabilities	10,917,509	11,719,073	12,190,003	12,504,912	23,107,512	24,223,985
Total liabilities	114,554,892	114,511,042	43,813,848	43,694,759	158,368,740	158,205,801
Deferred inflows of resources	3,212,503	2,604,356	873,664	731,016	4,086,167	3,335,372
Net position:						
Net investment in capital assets	76,922,983	80,360,386	139,979,877	137,736,874	216,902,860	218,097,260
Restricted	17,038,331	15,896,233	-	-	17,038,331	15,896,233
Unrestricted	3,056,112	891,807	73,535,748	67,964,293	76,591,860	68,856,100
Total net position	\$ 97,017,426	\$ 97,148,426	\$ 213,515,625	\$ 205,701,167	\$310,533,051	\$302,849,593

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources by \$310,533,051 as of June 30, 2019. The City's net position increased by \$7,683,458 for the fiscal year ended June 30, 2019. The largest portion of net position, 70%, reflects the City's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City's net position, 5% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 25% may be used to meet the government's ongoing obligations to citizens and creditors.

Several particular aspects of the City's financial operations influenced the change in total net position:

- There are three components of net position: net investment in capital assets, restricted, and unrestricted. There was a decrease of \$1,194,400 in the category of net position for net investment in capital assets. Net investment in capital assets is made up of several components: capital assets, current and long-term debt, and unexpended debt proceeds. During the current year, there were increases in capital assets and decreases in debt and unexpended debt proceeds. Compared to the prior year, restricted net position increased by \$1,142,098. This increase is primarily due to increases in receivables which affects stabilization by state statute along with increased in Powell Bill net position. The unrestricted net position increased by \$7,735,760 compared to the prior year.
- The total increase in net position was \$7,683,458 for the year, compared to a growth of \$7,249,522 for the prior fiscal year. The change was influenced by a decrease in revenues in total by \$2,494,864, or 1.2%, compared to the prior year and a decrease in expenses in total by \$2,928,800, or 1.5%, compared to the prior year. The governmental activities had a decrease in total revenues of \$70,104, and the business-type activities experienced a decrease in total revenues of \$2,424,760. Charges for service had a decrease of \$8,096,867. This was related to the transfer of Douglas Block property back to the City at the end of the tax credit financing term in the prior year. There was a decrease in operating grants and contributions of \$486,191, or 8.4%, over the prior year. There was an increase in capital grants and contributions of \$1,336,792 compared to the prior year.
- Ad valorem tax revenue increased by \$2,009,171 compared to the prior year. The tax rate in the current year is \$0.685, per \$100 of assessed value up from \$.66, per \$100 of assessed value in the prior year.
- The City diligently continues to collect property taxes. The City's tax collection percentage is 97.32% for property excluding motor vehicles, which is higher than the prior year. The statewide average for other municipalities with a population between 50,000 and 99,999 is 98.95%. The statewide collection percentage is based on 2018 statewide data and is the most recently published percentage and showed an increase of 0.89% from 2017. The City is slightly below the statewide average; however, the City continues to focus efforts to improve collections for taxes. The City is within 1.63% of the statewide average which was a slight increase from the prior year difference. The collection percentage continues to be impacted by unemployment and economic conditions.

Changes in Net Position

The City's total revenues and expenses for governmental and business-type activities are reflected in Figure 3.

Figure 3:

City of Rocky Mount Changes in Net Position						
	Governmental Activities 2019	Governmental Activities 2018	Business - type Activities 2019	Business - type Activities 2018	Total 2019	Total 2018
Revenues:						
Program revenues:						
Charges for services	\$ 16,087,926	\$ 20,823,436	\$ 130,132,746	\$ 133,494,103	\$ 146,220,672	\$ 154,317,539
Operating grants and contributions	5,306,611	5,792,802	-	-	5,306,611	5,792,802
Capital grants and contributions	2,239,141	1,139,989	300,000	62,360	2,539,141	1,202,349
General revenues:						
Property taxes	26,982,181	24,973,010	-	-	26,982,181	24,973,010
Other taxes	17,244,795	16,452,288	-	-	17,244,795	16,452,288
Other	5,633,645	4,382,878	1,735,877	1,036,920	7,369,522	5,419,798
Total Revenues	73,494,299	73,564,403	132,168,623	134,593,383	205,662,922	208,157,786
Expenses:						
General government	7,357,849	5,607,380	-	-	7,357,849	5,607,380
Public safety	29,825,141	29,605,046	-	-	29,825,141	29,605,046
Parks and recreation	18,943,080	21,956,422	-	-	18,943,080	21,956,422
Public works	9,021,275	9,953,708	-	-	9,021,275	9,953,708
Engineering	-	1,060,051	-	-	-	1,060,051
Public service	8,814,382	6,859,053	-	-	8,814,382	6,859,053
Economic development	106,821	29,177	-	-	106,821	29,177
Community revitalization	466,546	984,449	-	-	466,546	984,449
Interest on long-term debt	2,190,205	2,207,931	-	-	2,190,205	2,207,931
Electric	-	-	71,142,497	71,232,212	71,142,497	71,232,212
Gas	-	-	21,456,450	24,975,040	21,456,450	24,975,040
Water	-	-	11,798,893	10,373,294	11,798,893	10,373,294
Sewer	-	-	13,286,082	12,716,649	13,286,082	12,716,649
Stormwater	-	-	3,570,243	3,347,852	3,570,243	3,347,852
Component unit	-	-	-	-	-	-
Total Expenses	76,725,299	78,263,217	121,254,165	122,645,047	197,979,464	200,908,264
Change in net position before transfers	(3,231,000)	(4,698,814)	10,914,458	11,948,336	7,683,458	7,249,522
Transfers	3,100,000	3,075,000	(3,100,000)	(3,075,000)	-	-
Change in Net Position	(131,000)	(1,623,814)	7,814,458	8,873,336	7,683,458	7,249,522
Net Position, July 1	97,148,426	125,573,774	205,701,167	205,303,851	302,849,593	330,877,625
Restatement	-	(26,801,534)	-	(8,476,020)	-	(35,277,554)
Net Position, July 1, as restated	97,148,426	98,772,240	205,701,167	196,827,831	302,849,593	295,600,071
Net Position, June 30	\$ 97,017,426	\$ 97,148,426	\$ 213,515,625	\$ 205,701,167	\$ 310,533,051	\$ 302,849,593

Governmental Activities: Governmental activities decreased the City's net position by \$131,000 from operations. The prior year included a decrease of \$26,801,534 in net position due to the restatement for GASB 75 for Post-employment Benefits other than Pensions. Key elements of the current year governmental activities change in net position are as follows:

- Total revenues for governmental activities decreased \$70,104 compared to the prior year. The combined decrease in revenue is the result of decreases in charges for services of \$4,735,510 and decreases in operating grants and contributions of \$486,191 and increases in capital grants and contributions of \$1,099,152 compared to last year along with an increase of \$4,052,445 in taxes and other revenues. The decrease in charges for services primarily reflects the transfer of Douglas Block properties back to the City at the end of the tax credit financing term which occurred in the prior fiscal year and did not repeat for the current fiscal year. The decrease in operating grants and contributions reflects a decrease in state and federal grant funding. General revenues increased overall by \$2,801,678 and miscellaneous revenues and investment earnings increased by \$1,250,767.
- Total expenses for governmental activities decreased \$1,537,918 compared to the prior year. Of this decrease, \$3,013,342 is attributed to parks and recreation and the finalization of Event Center construction. Reductions in grant spending in the entitlement grants fund contributed to the decrease of \$517,903 in community revitalization from the prior year. General government, public safety, and public service experienced a combined increase of \$3,925,893. The current year expenses include additional Powell Bill funded projects along with additional spending in transit for public service.
- During the current year, organizational restructuring took place which combined engineering and public works and transferred community code to development services. This restructuring is reflected in the current year; however, the prior year information remains as originally reported.

Figure 4:

**City of Rocky Mount
Expenses and Program Revenues-Governmental Activities**

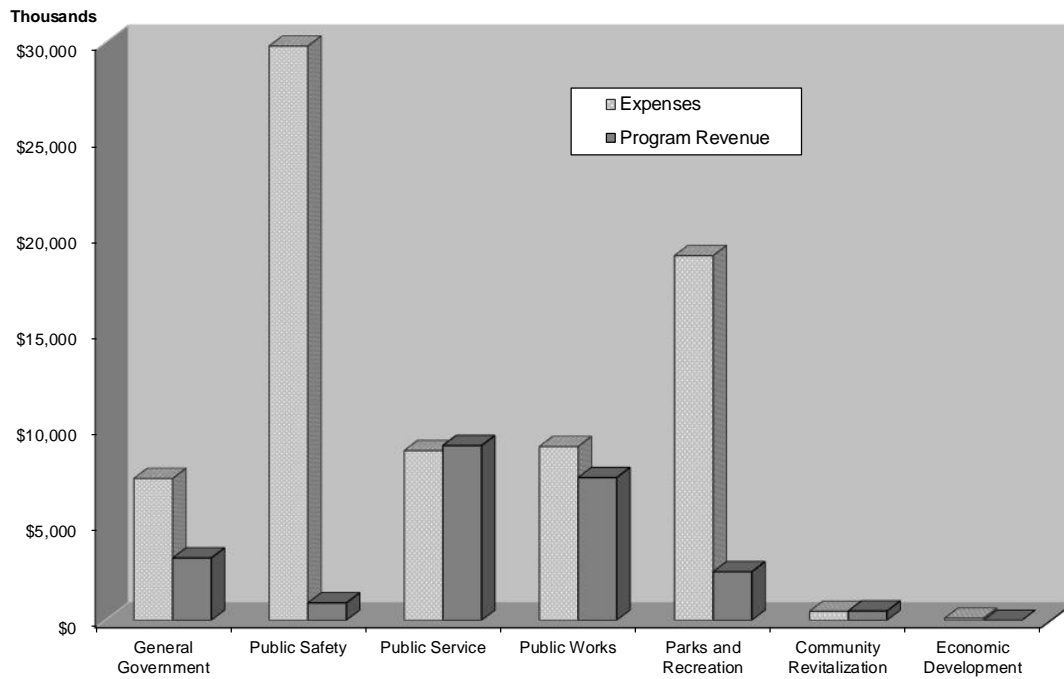
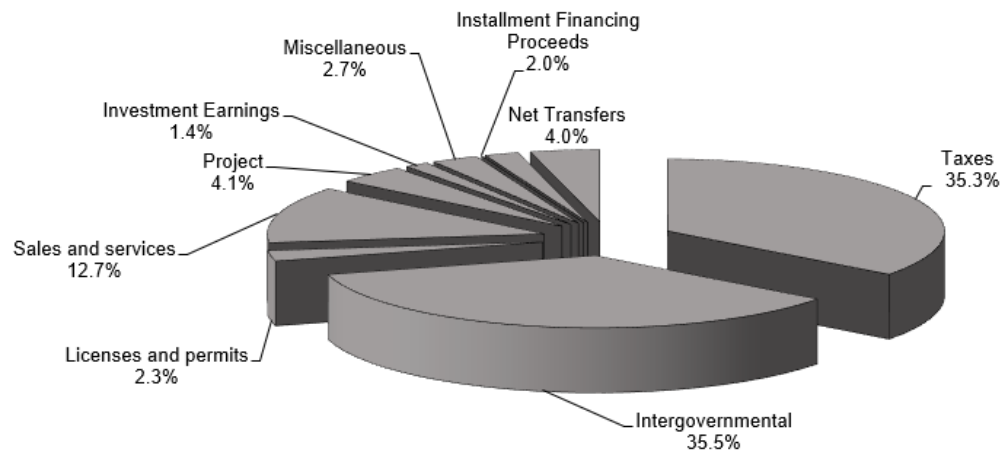


Figure 5:

**City of Rocky Mount
Revenues by Source –Governmental Activities**



Business-Type activities: Business-type activities increased the City's net position by \$7,814,458 from operations. The prior year included a decrease of \$8,476,020 in net position due to the restatement for GASB 75 for Post-employment Benefits other than Pensions. Key elements of the current year's activities are as follows:

- Total revenues for business-type activities decreased \$2,424,760 compared to the prior year. Charges for sales and services for business-type activities decreased by a combined \$3,361,357 compared to the prior year. Investment income increased \$698,657 over the prior year along with increases in capital grants and contributions of \$237,640.
- Total expenses for business-type activities decreased \$1,390,882 compared to the prior year. Total Electric expenses decreased by less than 1% or \$89,715. Total Gas expenses decreased \$3,518,590 or 14% primarily due to a mild winter with lower than expected natural gas purchases. Total Water expenses increased by \$1,425,599 or 14% from the prior year mainly due to increased capital spending. Total Sewer expenses increased by \$569,433 or 4% and total Stormwater expenses increased by \$222,391 or 7% due to increased operational expenses.
- The business-type activities transferred net funds to the governmental funds totaling \$3,100,000. This is an increase of \$25,000 compared to the prior year.
- The net change in position for all business-type activities for the current fiscal year was an increase of \$7,814,458. All business-type operations resulted in net operating income after transfers under GAAP basis reporting. The change in net position for Electric, Gas, Water, Sewer, and Stormwater was \$4,554,632, \$512,668, \$160,602, \$1,822,646, \$763,910, respectively. The change in net position for the current year compared to the change in net position for the prior year decreased \$1,033,878 mainly due to decreased charges for sales and services revenues.

Figure 6:

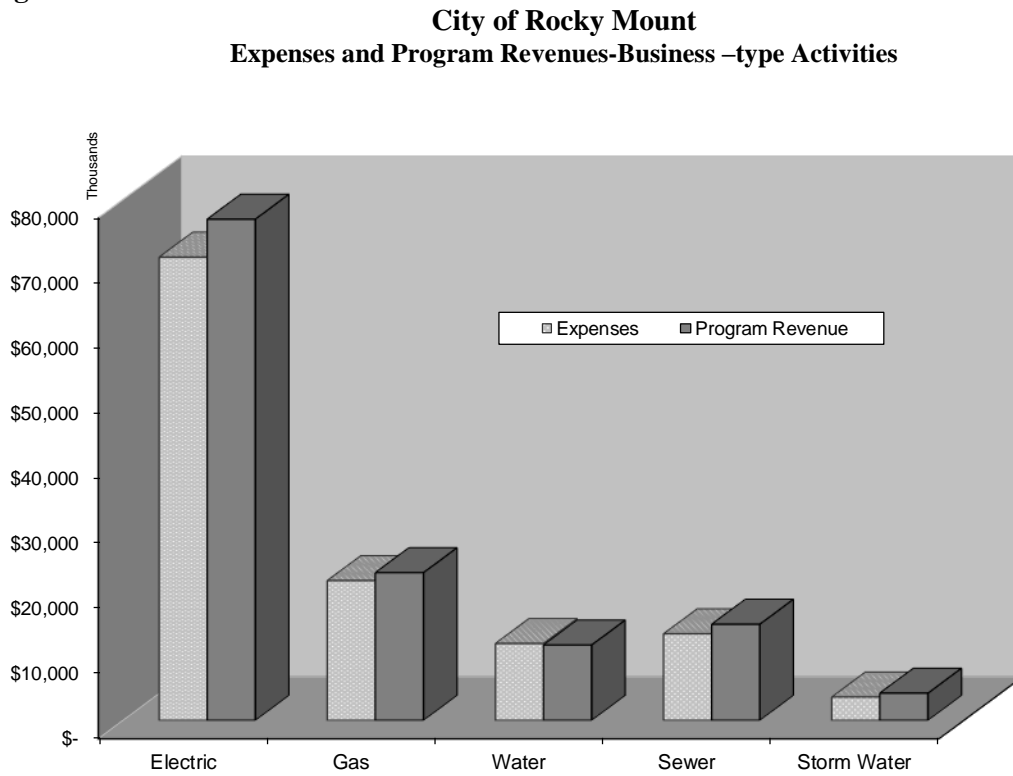
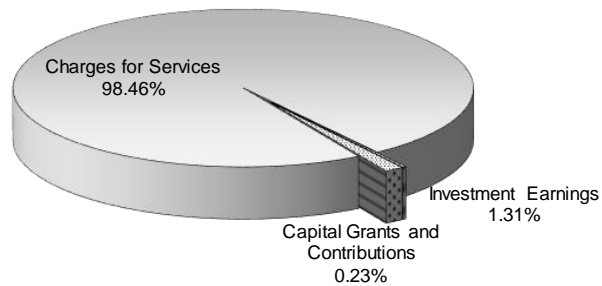


Figure 7:

City of Rocky Mount
Revenues by Source –Business-type Activities



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 usable resources. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be 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 combined governmental funds reported combined ending fund balances of \$54,808,498, a decrease of \$4,970,068 in comparison with the prior year. The unassigned fund balance is available for spending at the government's discretion. Due to restrictions related to unspent financing proceeds and long-term receivables, the total unassigned fund balance for the governmental funds is (\$1,556,433). Fund balance is categorized into four other categories: nonspendable, restricted, committed, and assigned. Please refer to note 1 under the fund balance section for information about fund balance categories. The current year fund balance that is nonspendable is \$17,386,015. The current year fund balance that has been restricted is \$18,960,102. The current year fund balance that has been committed is \$17,050,995. The current year fund balance that has been assigned is \$2,967,819, and it is designated for subsequent year's expenditures and capital projects.

The General Fund is part of the governmental funds and is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$15,321,511 while total General Fund balance was \$49,066,547. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 22% of total General Fund expenditures, while total fund balance represents 72% of that same amount.

At June 30, 2019, the governmental funds of the City reported a decrease in combined fund balance of \$4,970,068. Included in this change in fund balance is a decrease in fund balance in the General Fund by \$484,295, a decrease in the Capital Projects Development Fund of \$5,160,649, and a net increase of \$674,876 in the remaining nonmajor governmental funds. The decrease in the Capital Projects fund balance is due to completed spending for the Event Center construction. Also reflected in this year's financial statements are the transactions of the Rocky Mount Public Facilities Corporation. This entity is a major blended component unit and is essential for the tax credit financing used to supplement the special obligation bond proceeds for the Rocky Mount Event Center. Special Revenue funds increased by \$674,876. Within the Special Revenue funds, there was an increase in fund balance in all funds except for Economic Development. Levels of fund balance in Special Revenue funds and Capital Projects funds will vary as their projects transition through various project completion phases.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services.

The actual operating revenues for the General Fund exceeded the budget amount by \$1,025,539. Ad valorem tax revenues were slightly higher than budgeted. Intergovernmental revenues were less than budget by \$90,401 mostly due to decline in state grants. Licenses and permits were higher than budget mainly due to increased motor vehicle license fees. Sales and service revenues exceeded budget expectations mainly due to increases in transfer station revenues. Investment earnings were \$238,948 higher than budgeted due to rising interest rates. Miscellaneous revenues were more than budget by \$135,990 impacted mainly by increased rental revenues and expense recovery reimbursements.

The actual operating expenses for the General Fund were less than the budget amount by \$5,004,246. The most significant savings were realized due to funds appropriated to projects that were unspent at fiscal year end. General government departments have expenditures less than the budget of \$2,045,786. Within the general government departments, the central services division has expenditures less than the budget of \$599,499 due to unspent facility capital items that will be completed in fiscal year 2020. Mayor and Council has expenditures less than the budget of \$110,506 which is mainly due to the contingency budget that was not expended. Development services has expenditures less than the budget of \$271,995 which is primarily due to the salary savings. The department of community and business development had expenditures less than budget of \$629,017 due to unspent funds on downtown revitalization and housing rehabilitation projects. These projects will be continued in the coming fiscal year. There were budget savings within public safety with expenditures less than the budget by \$969,196. Of this amount, the police department has expenditures less than budget of \$259,617 for operating and capital items, and the fire department has expenditures less than budget of \$709,579. The public works department has expenditures less than the budget of \$217,081 in part due to unspent capital items and salary savings. Amounts budgeted but unspent in parks and recreation total \$576,118. There were savings within public service of \$1,195,857 as a result of not spending allocated Powell Bill funds. Of this amount, \$347,676 was re-appropriated to fiscal year 2020 for public service.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position at the end of the fiscal year amounted to \$37,193,440 for the Electric Fund, \$14,274,869 for the Gas Fund, \$8,992,242 for the Water Fund, \$9,696,569 for the Sewer Fund, and \$3,378,628 for the Stormwater Fund. The total growth of net position was \$4,554,632, \$512,668, \$160,602, \$1,822,646, and \$763,910 for the Electric, Gas, Water, Sewer, and Stormwater funds, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Capital Asset and Debt Administration

Capital Assets. The City's capital assets for its governmental and business-type activities as of June 30, 2019, totals \$280,439,803 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, vehicles, and infrastructure for electric, gas, water, sewer and stormwater services.

Major capital asset transactions during the year include the following additions:

Governmental Funds:

- General - City hall renovations \$210,005; stairwell HVAC project \$50,894
- General - City hall council chamber ceiling improvements \$76,781
- General - Douglas Block Manhattan building wall repair \$183,824
- General - Executime Time & Attendance software \$145,926
- General - Judicial center roof replacement \$378,421
- Fire - stations 4 & 5 renovations \$124,355
- Fire - (3) E-One custom pumpers \$1,567,125
- Police - (12) patrol vehicles \$296,527
- Police - integrated ballistic identification system \$197,329
- Parks - Aycok park basketball court/sidewalk paving \$65,000
- Parks - South Rocky Mount playground equipment \$89,893
- Parks - Senior center roof replacement \$438,687
- Parks - Sports Complex modular office \$86,750
- Sidewalk improvements \$515,382
- Street resurfacing \$1,831,755
- Public Works - (2) trailer mounted leaf collection machines \$72,212
- Public Works -2019 International 4300 SBA and 4400 dump body \$190,456
- Transit - (10) 2019 Mobile Transit Van \$617,063
- Transit - 2018 low floor transit bus \$434,942
- Transit - 2019 cutaway bus \$133,370

Proprietary Funds:

- Electric - substation #7 upgrade \$477,720
- Electric - 2019 derrick truck \$331,580; 2019 aerial device \$388,354
- Electric - outdoor feeder circuit breaker \$80,724
- Electric - catalyst system for generator \$56,983
- Electric - generator for substation #9 \$264,366
- Electric - power transformer for substation #7 \$426,127
- Electric - distribution lines-transformers/underground/overhead/new service \$1,013,871
- Electric - transmission pole replacement projects \$826,279
- Electric - underground cable installation & system upgrade \$437,835
- Electric - switch gears WWTP project \$140,819
- Electric - LED lights \$59,500
- Gas - meters \$196,074
- Gas - (2) trenchers \$133,000; (2) mini excavators \$67,030
- Gas - northern system gas pipeline \$1,303,841
- Gas - mains \$361,900
- Gas - distribution lines-new service \$108,264

- Water - Sunset Avenue WTP pump #2 replacement \$144,840
- Water - (2) 2019 trucks \$83,483
- Water/Wastewater - Hunter Hill to Country Club road improvements \$415,788
- Water/Wastewater - sodium hypochlorite conversion project \$117,282
- Wastewater - 27' Beech Branch outfall project \$306,271
- Wastewater - meters \$229,600
- Wastewater - 2018 track loader \$81,615
- Stormwater - (2) 2019 International 4300 SBA 4x2 \$191,084

Figure 8:

City of Rocky Mount Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 9,696,660	\$ 9,683,417	\$ 3,337,100	\$ 3,337,100	\$ 13,033,760	\$ 13,020,517
Building	48,149,877	48,501,688	33,057,199	34,234,629	81,207,076	82,736,317
Improvements other than buildings	9,208,279	9,909,900	534,610	524,704	9,742,889	10,434,604
Machinery and equipment	17,002,519	16,891,272	22,290,747	22,277,323	39,293,266	39,168,595
Infrastructure	42,402,235	40,860,303	93,197,800	89,961,213	135,600,035	130,821,516
Construction in progress	291,427	62,421	1,271,350	952,250	1,562,777	1,014,671
Total Capital Assets (net of accumulated depreciation)	\$ 126,750,997	\$ 125,909,001	\$ 153,688,806	\$ 151,287,219	\$ 280,439,803	\$ 277,196,220

Additional information on the City's capital assets can be found in note 4 of the Basic Financial Statements.

Long-term Debt. The City enters into installment purchase financings which have 3 to 15-year terms for both the governmental and business-type activities. At June 30, 2019, the City had installment financings outstanding of \$21,775,763. Under other debt for the governmental activities, the City has debt outstanding in the amount of \$1,495,000 for a HUD loan that has been used to finance the Douglas Block redevelopment, and debt obligations in the amount of \$2,618,813 to the North Carolina Department of Transportation for reimbursement of road improvement and construction. The City also has debt outstanding on revolving loans with North Carolina Department of Environment and Natural Resources, Division of Water Quality for business-type activities to finance the replacement and upgrade of equipment at the City's water and wastewater treatment plants and for other sewer system improvements in the amount of \$4,800,525. The City has issued special obligation bonds which have an outstanding balance of \$36,515,000 at June 30, 2019. There is an unamortized net premium on the bonds of \$2,539,676 and accrued unpaid interest of \$268,733.

Figure 9:

City of Rocky Mount

Outstanding Debt - Installment financings, Other Debt, Special Obligation Bonds, and Revolving Loans

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Installment financings	\$ 10,931,376	\$ 12,737,671	\$ 10,844,387	\$ 10,893,282	\$ 21,775,763	\$ 23,630,953
Other debt	4,382,546	4,789,155	-	-	4,382,546	4,789,155
Special Obligation bonds	39,054,676	39,737,093	-	-	39,054,676	39,737,093
Revolving Loans	-	-	4,800,525	5,229,953	4,800,525	5,229,953
Total	\$ 54,368,598	\$ 57,263,919	\$ 15,644,912	\$ 16,123,235	\$ 70,013,510	\$ 73,387,154

North Carolina General Statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City is \$278,290,312.

Additional information regarding the City's long-term debt can be found in note 11 of this report.

Economic Factors and Next Year's Budgets and Rates

The following are key economic indicators of the City. These factors have been considered when preparing the budget for fiscal year 2020.

- The unemployment rate for the Rocky Mount Metropolitan Statistical Area was 6.1% at June 30, 2019. This is a .2% reduction in the unemployment rate compared to the prior year.
- Our City experienced a year of positive growth in several areas. The most notable sources of revenue growth originated from local option sales tax and from the utility sales tax implemented by the state to replace the former utilities franchise tax. Both have exceeded our projections for the current year, and they are expected to maintain this year's level, or grow slightly, in fiscal year 2020.

Budget Highlights for the Fiscal Year Ending June 30, 2020

Governmental Activities: The governmental fund's primary revenue resources are property taxes and intergovernmental revenues. For the fiscal year ending June 30, 2020, the budget increased 6.3% compared to the prior year original budget. The City's budget contains several revenue sources that are dependent on the general economy. Among these are sales taxes, property tax, interest income, and permit fees. Revenue growth for the coming year is limited to ad valorem tax revenues, sales tax, and fees for services. No increase in property taxes is budgeted in fiscal year 2020. Fees and charges for services remain stable. Solid waste services provided by the Public Works department represent our largest fee-supported operation in the General fund. Interest revenues continue to steadily improve.

Budgeted expenditures in the governmental activities increased by 6.3%. City Council's established goals and objectives serve as the guide in the City's decision making, along with the shared values of excellent public service, excellent customer service, and innovation. The budget focuses available resources to continue the improvement of the City's fiscal condition and protecting reserves; to continue planning and implementation of strategic initiatives and investments designed to improve quality of life and economic development opportunities for all City residents; to affirm Rocky Mount as the leader of the Twin County Region and strengthen its position as an economic, cultural and educational center in Eastern North Carolina; to maintain competitive compensation and benefits to recruit and retain skilled and high-performing employees; and implementing service delivery innovations improving quality of service while reducing future costs. Continued initiatives, as part of the 2020 budget, include funding for the principal and interest payments of the Rocky Mount Event Center, as well as facility management and operations (utilizing facility revenues and fund reserves), expanding programs to create affordable housing, attract business development downtown and encourage entrepreneurship throughout the City. The 2020 budget includes funding for the replacement of the roof at the South Rocky Mount Community Center, renovations to Marigold and Lancaster Parks, and Denton Street Pool.

Employee compensation, including pay and benefits, represents 31% of the City's operating budget. The 2020 budget includes several organizational changes; the implementation of the Office of the Internal Audit, transferring Community Code to Development Services, the merging of Engineering with Public Works. In the General Fund, five new staff positions will be added, one position unfrozen and one part-time position will be upgraded to full time.

The long-held commitment to a management strategy that applies fiscally conservative approaches to pro-active, community-oriented problems and opportunities has enabled city management to respond effectively to current climate and upcoming demands with minimal increases to the financial burden of our citizens.

Business-type Activities: The business-type funds' fiscal year 2020 budget increased 6.2% from the fiscal year 2019 adopted budget. Charges for service represent the largest revenues in the business-type funds. There are no rate or fee increases proposed. The increase in revenues is projected by City's growing economy and expected demand in services. Other revenue sources for each of these funds include interest income, installment debt financing, and assessments.

Budgeted expenses for business-type activities increased by 6.2%. The largest expenses are due to several CIP projects scheduled in the upcoming budget year. In the Sewer Fund, repairs to one of the major sewer outfalls is planned. In the Electric Fund, the first phase of the utility improvement project to replace and expand underground electric line downtown will begin. Other major projects being funded are the rehabilitation and improvements of the downtown stormwater infrastructure and Parker's Canal.

Requests for Information

This report is designed to provide an overview of the City's finances. Questions concerning the information found in this report or requests for additional information should be directed to the Director of Finance, City of Rocky Mount, PO Box 1180, Rocky Mount, NC 27802.

BASIC FINANCIAL STATEMENTS

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current Assets:			
Cash and cash equivalents/ investments	\$ 24,757,138	\$ 75,196,761	\$ 99,953,899
Receivables, net of allowance for uncollectible accounts:			
Ad valorem taxes	1,234,297	-	1,234,297
Taxes-other	6,282	-	6,282
Customers	673,321	13,778,037	14,451,358
Other governmental agencies	4,414,832	-	4,414,832
Internal balances	(946,303)	946,303	-
Notes receivable	16,649,800	15,683	16,665,483
Assessments	4,320,021	241,317	4,561,338
Other	9,688,619	916,520	10,605,139
Prepaid items	316,001	-	316,001
Inventories	420,214	1,633,034	2,053,248
Restricted cash and investments	10,691,340	7,814,462	18,505,802
Total current assets	<u>72,225,562</u>	<u>100,542,117</u>	<u>172,767,679</u>
Noncurrent Assets:			
Investment in joint venture - RMW Airport	<u>2,401,715</u>	<u>-</u>	<u>2,401,715</u>
Capital Assets:			
Nondepreciable	9,988,087	4,608,450	14,596,537
Depreciable, net	<u>116,762,910</u>	<u>149,080,356</u>	<u>265,843,266</u>
Total capital assets	<u>126,750,997</u>	<u>153,688,806</u>	<u>280,439,803</u>
Total noncurrent assets	<u>129,152,712</u>	<u>153,688,806</u>	<u>282,841,518</u>
Total assets	<u>201,378,274</u>	<u>254,230,923</u>	<u>455,609,197</u>
Deferred Outflows of Resources:			
Pension deferrals	10,514,626	3,061,097	13,575,723
OPEB deferrals	<u>2,891,921</u>	<u>911,117</u>	<u>3,803,038</u>
Total deferred outflows of resources	<u>13,406,547</u>	<u>3,972,214</u>	<u>17,378,761</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	4,643,516	7,264,109	11,907,625
Current compensated absences	2,202,008	564,976	2,766,984
Current maturities of long-term debt	<u>4,071,985</u>	<u>4,360,918</u>	<u>8,432,903</u>
Total current liabilities	<u>10,917,509</u>	<u>12,190,003</u>	<u>23,107,512</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2019

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Noncurrent Liabilities:			
Liabilities to be paid from restricted assets	267,191	5,878,479	6,145,670
Accrued compensated absences	1,430,822	252,032	1,682,854
Long-term debt	50,296,613	11,283,994	61,580,607
Total pension liability	6,458,668	-	6,458,668
Net pension liability	12,787,700	3,974,558	16,762,258
Total OPEB liability	<u>32,396,389</u>	<u>10,234,782</u>	<u>42,631,171</u>
Total noncurrent liabilities	<u>103,637,383</u>	<u>31,623,845</u>	<u>135,261,228</u>
Total liabilities	<u>114,554,892</u>	<u>43,813,848</u>	<u>158,368,740</u>
Deferred Inflows of Resources:			
Prepaid taxes	86,938	-	86,938
Unspent cable franchise agreement	63,191	-	63,191
Pension deferrals	824,018	166,514	990,532
OPEB deferrals	<u>2,238,356</u>	<u>707,150</u>	<u>2,945,506</u>
Total deferred inflows of resources	<u>3,212,503</u>	<u>873,664</u>	<u>4,086,167</u>
Net Position:			
Net investment in capital assets	76,922,983	139,979,877	216,902,860
Restricted for:			
Stabilization by state statute	9,655,924	-	9,655,924
Streets	6,625,365	-	6,625,365
Public safety	234,447	-	234,447
Parks and recreation	522,595	-	522,595
Unrestricted	<u>3,056,112</u>	<u>73,535,748</u>	<u>76,591,860</u>
Total net position	<u>\$ 97,017,426</u>	<u>\$ 213,515,625</u>	<u>\$ 310,533,051</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

		Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 7,357,849	\$ 3,226,365	\$ 13,162	\$ -
Public safety	29,825,141	340,056	560,612	-
Public works	9,021,275	7,214,890	197,329	-
Parks and recreation	18,943,080	2,227,424	197,478	97,250
Public service	8,814,382	3,079,191	3,855,546	2,141,891
Economic development	106,821	-	-	-
Community revitalization	466,546	-	482,484	-
Interest on long-term debt	2,190,205	-	-	-
Total governmental activities	76,725,299	16,087,926	5,306,611	2,239,141
Business-Type Activities:				
Electric	71,142,497	76,969,195	-	-
Gas	21,456,450	22,678,311	-	-
Water	11,798,893	11,563,436	-	150,000
Sewer	13,286,082	14,754,290	-	150,000
Storm water management	3,570,243	4,167,514	-	-
Total business-type activities	121,254,165	130,132,746	-	300,000
Total primary government	197,979,464	146,220,672	5,306,611	2,539,141

The accompany notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Functions/Programs			
Primary Government:			
Governmental Activities:			
General government	\$ (4,118,322)	\$ -	\$ (4,118,322)
Public safety	(28,924,473)	-	(28,924,473)
Public works	(1,609,056)	-	(1,609,056)
Parks and recreation	(16,420,928)	-	(16,420,928)
Public service	262,246	-	262,246
Economic development	(106,821)	-	(106,821)
Community revitalization	15,938	-	15,938
Interest on long-term debt	(2,190,205)	-	(2,190,205)
Total governmental activities	(53,091,621)	-	(53,091,621)
Business-Type Activities:			
Electric	-	5,826,698	5,826,698
Gas	-	1,221,861	1,221,861
Water	-	(85,457)	(85,457)
Sewer	-	1,618,208	1,618,208
Storm water management	-	597,271	597,271
Total business-type activities	-	9,178,581	9,178,581
Total primary government	(53,091,621)	9,178,581	(43,913,040)
General revenues:			
Taxes:			
Ad valorem taxes	26,982,181	-	26,982,181
Local option taxes	12,545,552	-	12,545,552
Franchise taxes	4,179,452	-	4,179,452
Telecommunication taxes	519,791	-	519,791
Miscellaneous	4,578,243	-	4,578,243
Investment earnings	1,055,402	1,735,877	2,791,279
Total general revenues	49,860,621	1,735,877	51,596,498
Transfers	3,100,000	(3,100,000)	-
Total general revenues and transfers	52,960,621	(1,364,123)	51,596,498
Change in net position	(131,000)	7,814,458	7,683,458
Net Position:			
Beginning of year - July 1	97,148,426	205,701,167	302,849,593
End of year - June 30	\$ 97,017,426	\$ 213,515,625	\$ 310,533,051

The accompany notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	Major Funds		Nonmajor	Total
	General Fund	Rocky Mount Public Facilities Corporation	Governmental Funds	Governmental Funds
Assets:				
Cash and cash equivalents/investments	\$ 22,869,901	\$ -	\$ 1,887,237	\$ 24,757,138
Receivables, net of allowance for uncollectible accounts:				
Ad valorem taxes	1,228,010	-	6,287	1,234,297
Other taxes	6,282	-	-	6,282
Customers	673,321	-	-	673,321
Other governmental agencies	3,797,147	-	617,685	4,414,832
Due from other funds	16,843,163	-	-	16,843,163
Assessments	4,320,021	-	-	4,320,021
Other	7,488,817	16,649,800	2,155,591	26,294,208
Prepaid items	28,001	-	288,000	316,001
Inventories	420,214	-	-	420,214
Restricted cash and investments	7,135,519	9,000	1,678,808	8,823,327
Total assets	<u>\$ 64,810,396</u>	<u>\$ 16,658,800</u>	<u>\$ 6,633,608</u>	<u>\$ 88,102,804</u>
Liabilities, Deferred Inflows, and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenditures	\$ 4,201,103	\$ -	\$ 55,817	\$ 4,256,920
Due to other funds	301,613	16,649,800	838,053	17,789,466
Liabilities to be paid from restricted assets	266,691	-	500	267,191
Total liabilities	<u>4,769,407</u>	<u>16,649,800</u>	<u>894,370</u>	<u>22,313,577</u>
Deferred Inflows of Resources:				
Assessments receivable	4,320,021	-	-	4,320,021
Taxes receivable	1,228,010	-	6,287	1,234,297
Miscellaneous receivables	5,276,282	-	-	5,276,282
Prepaid taxes	86,938	-	-	86,938
Unspent cable franchise agreement	63,191	-	-	63,191
Total deferred inflows of resources	<u>10,974,442</u>	<u>-</u>	<u>6,287</u>	<u>10,980,729</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	Major Funds			
	General Fund	Rocky Mount Public Facilities Corporation	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Inventories	420,214	-	-	420,214
Long-term receivable	16,649,800	-	-	16,649,800
Prepaid items	28,001	-	288,000	316,001
Restricted:				
Stabilization by state statute	6,882,648	-	2,773,276	9,655,924
Streets	6,625,365	-	-	6,625,365
Future capital projects	243,463	-	1,678,308	1,921,771
Public safety	-	-	234,447	234,447
Parks and recreation	-	-	522,595	522,595
Committed:				
Public service	-	-	233,245	233,245
Future capital projects	-	16,649,800	167,950	16,817,750
Assigned:				
Subsequent year's expenditures	2,895,545	-	-	2,895,545
Capital projects	-	-	72,274	72,274
Unassigned:				
General Fund	15,321,511	-	-	15,321,511
Public service	-	-	(237,144)	(237,144)
Future capital projects	-	(16,640,800)	-	(16,640,800)
Total fund balances	<u>49,066,547</u>	<u>9,000</u>	<u>5,732,951</u>	<u>54,808,498</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 64,810,396</u>	<u>\$ 16,658,800</u>	<u>\$ 6,633,608</u>	<u>\$ 88,102,804</u>

Reconciliation of Governmental Funds Balance Sheet to the Statement of Activities:

Amounts reported for governmental activities in the Statement of Net Position are different because:

Ending fund balance-governmental funds	\$ 54,808,498
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	126,750,997
Investment in joint venture is not financial resources and, therefore is not reported in the funds.	2,401,715
Deferred outflows of resources related to pensions are not reported in the funds	10,514,626
Deferred outflows of resources related to OPEB are not reported in the funds	2,891,921
Liabilities for earned revenues considered deferred inflows of resources in fund statements	10,830,600
Assets and liabilities of the risk management fund used by management to account for certain insurance costs are included in governmental activities in the Statement of Net Position.	647,625
Assets and liabilities of the communications fund used by management to account for certain telephone and radio costs are included in the governmental activities in the Statement of Net Position	1,220,003
Some liabilities are not due and payable in the current period and therefore are not reported in the funds	
Long-term debt	(51,560,189)
Unamortized bond premium/discount	(2,539,676)
Accrued interest	(268,733)
Compensated absences	(3,632,830)
Net pension liability	(12,787,700)
Total pension liability	(6,458,668)
OPEB Liability	(32,396,389)
Claims and judgments	(342,000)
Deferred inflows of resources related to pensions are not reported in the funds	(824,018)
Deferred inflows of resources related to OPEB are not reported in the funds	(2,238,356)
Net position of governmental activities	<u>\$ 97,017,426</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Major Funds			
	General Fund	Rocky Mount Public Facilities Corporation	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 27,112,512	\$ -	\$ -	\$ 27,112,512
Intergovernmental	22,780,896	-	4,482,487	27,263,383
Licenses and permits	1,778,770	-	-	1,778,770
Sales and service	9,792,320	-	-	9,792,320
Project	-	-	3,135,089	3,135,089
Investment earnings	965,468	-	89,934	1,055,402
Miscellaneous	913,990	210,519	973,284	2,097,793
Total revenues	63,343,956	210,519	8,680,794	72,235,269
Expenditures:				
Current:				
General government	8,250,322	-	-	8,250,322
Public safety	30,592,948	-	4,953	30,597,901
Public works	9,892,601	-	-	9,892,601
Parks and recreation	11,284,337	-	6,389,829	17,674,166
Public service	2,607,122	-	6,268,358	8,875,480
Community revitalization	-	-	466,546	466,546
Economic development	-	-	106,821	106,821
Debt service:				
Principal	3,705,795	-	72,500	3,778,295
Interest	1,949,142	210,519	30,544	2,190,205
Total expenditures	68,282,267	210,519	13,339,551	81,832,337
Revenues over (under) expenditures	(4,938,311)	-	(4,658,757)	(9,597,068)
Other Financing Sources (Uses):				
Transfers to other funds	(1,565,984)	-	(500,000)	(2,065,984)
Transfers from other funds	4,493,000	-	672,984	5,165,984
Installment purchase financing issued	1,527,000	-	-	1,527,000
Total other financing sources (uses)	4,454,016	-	172,984	4,627,000
Net change in fund balances	(484,295)	-	(4,485,773)	(4,970,068)
Fund balance:				
Beginning of year, July 1	49,550,842	9,000	10,218,724	59,778,566
End of year, June 30	\$ 49,066,547	\$ 9,000	\$ 5,732,951	\$ 54,808,498

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Amounts reported for governmental activities in the Statement of Activities (Exhibit B)
are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D) \$ (4,970,068)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, the gain/loss on disposal of those assets would also differ between the two statements in an amount equal to the basis of the asset reported on the date of disposal.

Capital outlay	8,462,868
Depreciation	(7,585,365)
Basis of disposed/transferred capital assets	(35,507)
Investment in joint venture	342,923

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	3,590,277
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Benefit payments and administrative costs for the LEOSSA are not included on the Statement of Activities.	223,326
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OPEB benefit payments and administrative costs in the current fiscal year are not included on the Statement of Activities	2,977,023
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund.	590,468
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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 governmental funds.	87,598
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The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

OPEB expense	(2,452,978)
Pension expense - LGERS	(4,129,345)
Pension expense - LEOSSA	(306,577)
Debt issuance	(1,527,000)
Unamortized bond premium/discount	382,417
Accrued interest	2,000
Debt retirement	3,778,295

A portion of the revenue and expenditures reported in risk management fund has been allocated to governmental activities.	440,588
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A portion of the revenue and expenditures reported in the communications fund has been allocated to governmental activities	(1,943)
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Changes in net position of governmental activities	<u>\$ (131,000)</u>
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The accompanying notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive/(Negative)
Revenues:				
Taxes	\$ 25,935,000	\$ 26,655,000	\$ 27,112,512	\$ 457,512
Intergovernmental	22,293,040	22,871,297	22,780,896	(90,401)
Licenses and permits	1,726,200	1,726,200	1,778,770	52,570
Sales and service	9,561,400	9,561,400	9,792,320	230,920
Investment earnings	726,520	726,520	965,468	238,948
Miscellaneous	778,000	778,000	913,990	135,990
Total revenues	<u>61,020,160</u>	<u>62,318,417</u>	<u>63,343,956</u>	<u>1,025,539</u>
Expenditures:				
Current:				
General Government				
Mayor and council	427,480	496,210	385,704	110,506
City clerk	148,630	145,844	144,564	1,280
Internal audit	-	82,947	70,146	12,801
Community services	448,780	1,573,794	1,217,992	355,802
City manager	525,980	553,332	542,339	10,993
Communications and marketing	233,430	225,745	208,466	17,279
Technology services	156,008	2,160	25,074	(22,914)
Community and business development	1,150,550	1,515,963	886,946	629,017
Finance	437,370	233,294	199,744	33,550
Central services	1,617,460	1,594,897	995,398	599,499
Development services	2,572,720	2,547,746	2,275,751	271,995
Human resources	1,305,020	927,401	904,311	23,090
Human relations	391,640	396,775	393,887	2,888
Total general government	<u>9,415,068</u>	<u>10,296,108</u>	<u>8,250,322</u>	<u>2,045,786</u>
Public Safety:				
Police	17,519,640	17,003,393	16,743,776	259,617
Fire	12,819,590	14,558,751	13,849,172	709,579
Total public safety	<u>30,339,230</u>	<u>31,562,144</u>	<u>30,592,948</u>	<u>969,196</u>
Public Works:				
Administration	183,170	209,153	207,873	1,280
Street and ROW maintenance	1,893,060	2,240,770	2,229,373	11,397
Environmental service	5,982,740	6,302,325	6,301,026	1,299
Fleet maintenance	63,750	89,397	35,796	53,601
Engineering - administration	505,010	506,009	498,503	7,506
Engineering - traffic	593,360	762,028	620,030	141,998
Total public works	<u>9,221,090</u>	<u>10,109,682</u>	<u>9,892,601</u>	<u>217,081</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive/(Negative)
Parks and Recreation:				
Administration	645,590	517,275	510,834	6,441
Athletics	588,710	515,710	512,456	3,254
Cultural arts	558,090	581,230	531,228	50,002
Amusements and special events	426,370	405,818	357,776	48,042
Museum	478,710	476,462	402,996	73,466
Parks maintenance	2,164,420	2,438,854	2,256,439	182,415
Cemetery operations	543,590	529,887	486,468	43,419
Outdoor programs	206,920	247,940	230,093	17,847
Neighborhood programs	1,182,090	1,157,477	1,141,451	16,026
Senior programs	602,570	648,908	619,097	29,811
Sports complex	1,080,290	1,269,060	1,261,943	7,117
Imperial Centre	1,005,700	923,971	838,989	84,982
Event Center	1,728,530	2,147,863	2,134,567	13,296
Total parks and recreation	11,211,580	11,860,455	11,284,337	576,118
Public service	3,001,000	3,802,979	2,607,122	1,195,857
Debt service:				
Principal	3,405,800	3,405,800	3,705,795	(299,995)
Interest	2,221,492	2,249,345	1,949,142	300,203
Total debt service	5,627,292	5,655,145	5,654,937	208
Total expenditures	68,815,260	73,286,513	68,282,267	5,004,246
Revenues over (under) expenditures	(7,795,100)	(10,968,096)	(4,938,311)	6,029,785
Other Financing Sources (Uses):				
Transfers to other funds	(1,114,900)	(1,690,993)	(1,565,984)	125,009
Transfers from other funds	5,175,000	4,455,000	4,493,000	38,000
Installment purchase financing used	2,130,000	2,462,000	1,527,000	(935,000)
Total other financing sources (uses)	6,190,100	5,226,007	4,454,016	(771,991)
Fund balance appropriated	1,605,000	5,742,089	-	(5,742,089)
Net change in fund balance	\$ -	\$ -	(484,295)	\$ (484,295)
Fund Balance:				
Beginning of year, July 1			49,550,842	
End of year, June 30			<u>\$ 49,066,547</u>	

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Business-Type Activities			
	Major Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Assets:				
Current Assets:				
Cash and cash equivalents/investments	\$ 35,055,592	\$ 14,991,331	\$ 10,516,416	\$ 10,057,320
Restricted cash and investments	4,418,743	1,465,627	1,249,377	388,715
Due from other funds	777,950	168,353	-	-
Receivables - net:				
Assessments	-	-	110,921	130,396
Customers	9,383,049	983,507	1,344,250	1,632,174
Notes receivable	-	-	15,683	-
Other	540,687	59,702	83,621	216,762
Inventories	1,372,930	84,797	166,771	8,536
Total current assets	51,548,951	17,753,317	13,487,039	12,433,903
Noncurrent Assets:				
Capital Assets:				
Capital assets, nondepreciable	1,090,690	191,337	1,416,788	1,146,937
Capital assets, depreciable, net of accumulated depreciation and amortization	45,821,928	20,374,278	27,767,004	51,097,140
Total capital assets (net of accumulated depreciation)	46,912,618	20,565,615	29,183,792	52,244,077
Total noncurrent assets	46,912,618	20,565,615	29,183,792	52,244,077
Total assets	98,461,569	38,318,932	42,670,831	64,677,980
Deferred Outflows of Resources:				
Pension deferrals	1,012,032	311,584	787,035	537,950
OPEB deferrals	301,257	99,194	235,127	154,301
Total deferred outflows of resources	1,313,289	410,778	1,022,162	692,251
Liabilities:				
Current Liabilities:				
Accounts payable and accrued expenditures	5,954,676	713,284	205,618	322,552
Current accrued compensated absences	246,548	70,358	106,232	82,586
Current maturities of long-term debt	1,847,510	331,408	506,199	1,361,922
Total current liabilities	8,048,734	1,115,050	818,049	1,767,060
Noncurrent Liabilities:				
Liabilities to be paid from restricted assets	3,713,743	1,463,029	604,377	6,330
Accrued compensated absences	61,845	25,621	67,091	56,330
Net pension liability	1,314,044	407,055	1,022,230	696,235
Total OPEB liability	3,384,081	1,114,271	2,641,234	1,733,310
Noncurrent portion of long-term debt	2,819,091	1,073,892	837,581	6,362,382
Total noncurrent liabilities	11,292,804	4,083,868	5,172,513	8,854,587
Total liabilities	19,341,538	5,198,918	5,990,562	10,621,647
Deferred Inflows of Resources:				
Pension deferrals	55,047	16,022	42,687	30,098
OPEB deferrals	233,816	76,988	182,490	119,759
Total deferred inflows of resources	288,863	93,010	225,177	149,857
Net Position:				
Net investment in capital assets	42,951,017	19,162,913	28,485,012	44,902,158
Unrestricted	37,193,440	14,274,869	8,992,242	9,696,569
Total net position	\$ 80,144,457	\$ 33,437,782	\$ 37,477,254	\$ 54,598,727

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Other Nonmajor Fund Storm Water Management	Total Business-Type Activities Enterprise	Governmental Activities Internal Service Funds
Assets:			
Current Assets:			
Cash and cash equivalents/investments	\$ 4,576,102	\$ 75,196,761	\$ -
Restricted cash and investments	292,000	7,814,462	1,868,013
Due from other funds	-	946,303	-
Receivables - net:			
Assessments	-	241,317	-
Customers	435,057	13,778,037	-
Notes receivable	-	15,683	-
Other	15,748	916,520	44,211
Inventories	-	1,633,034	-
Total current assets	5,318,907	100,542,117	1,912,224
Noncurrent Assets:			
Capital Assets:			
Capital assets, nondepreciable	762,698	4,608,450	-
Capital assets, depreciable, net of accumulated depreciation and amortization	4,020,006	149,080,356	3,402,538
Total capital assets (net of accumulated depreciation)	4,782,704	153,688,806	3,402,538
Total noncurrent assets	4,782,704	153,688,806	3,402,538
Total assets	10,101,611	254,230,923	5,314,762
Deferred Outflows of Resources:			
Pension deferrals	412,496	3,061,097	-
OPEB deferrals	121,238	911,117	-
Total deferred outflows of resources	533,734	3,972,214	-
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenditures	67,979	7,264,109	44,596
Current accrued compensated absences	59,252	564,976	10,265
Current maturities of long-term debt	313,879	4,360,918	-
Total current liabilities	441,110	12,190,003	54,861
Noncurrent Liabilities:			
Liabilities to be paid from restricted assets	91,000	5,878,479	-
Accrued compensated absences	41,145	252,032	1,098
Net pension liability	534,994	3,974,558	-
Total OPEB liability	1,361,886	10,234,782	-
Noncurrent portion of long-term debt	191,048	11,283,994	-
Total noncurrent liabilities	2,220,073	31,623,845	1,098
Total liabilities	2,661,183	43,813,848	55,959
Deferred Inflows of Resources:			
Pension deferrals	22,660	166,514	-
OPEB deferrals	94,097	707,150	-
Total deferred inflows of resources	116,757	873,664	-
Net Position:			
Net investment in capital assets	4,478,777	139,979,877	3,402,538
Unrestricted	3,378,628	73,535,748	1,856,265
Total net position	\$ 7,857,405	\$ 213,515,625	\$ 5,258,803

The accompany notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities			
	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Operating Revenues:				
Charges for sales and services	\$ 75,633,092	\$ 22,478,312	\$ 11,115,824	\$ 13,639,553
Licenses and permits	-	-	39,298	74,472
Other operating revenues	1,242,647	199,999	265,113	1,039,684
Total operating revenues	<u>76,875,739</u>	<u>22,678,311</u>	<u>11,420,235</u>	<u>14,753,709</u>
Operating Expenses:				
Distribution systems	65,937,375	20,360,475	-	-
Treatment plants	-	-	6,846,465	7,353,760
Engineering	3,009,956	-	-	-
Support services	-	-	3,456,540	3,716,704
Storm water operations	-	-	-	-
Insurance claims	-	-	-	-
Cost of service and administration	-	-	-	-
Communications	-	-	-	-
Depreciation and amortization	1,950,358	667,412	1,372,721	2,004,950
Total operating expenses	<u>70,897,689</u>	<u>21,027,887</u>	<u>11,675,726</u>	<u>13,075,414</u>
Operating income (loss)	<u>5,978,050</u>	<u>1,650,424</u>	<u>(255,491)</u>	<u>1,678,295</u>
Nonoperating Revenues (Expenses):				
Other	93,456	-	143,201	581
Investment earnings	877,934	315,807	246,059	204,438
Gain (loss) on disposal of capital assets	(101,145)	(77,409)	(86,696)	(17,998)
Interest expense	(105,993)	(1,154)	(21,471)	(177,670)
Appropriation to school system	(37,670)	(350,000)	(15,000)	(15,000)
Total nonoperating revenues (expenses)	<u>726,582</u>	<u>(112,756)</u>	<u>266,093</u>	<u>(5,649)</u>
Income (loss) before capital contributions and transfers	<u>6,704,632</u>	<u>1,537,668</u>	<u>10,602</u>	<u>1,672,646</u>
Capital contributions	-	-	150,000	150,000
Transfers from other funds	-	-	-	-
Transfers to other funds	(2,150,000)	(1,025,000)	-	-
Total capital contributions and transfers	<u>(2,150,000)</u>	<u>(1,025,000)</u>	<u>150,000</u>	<u>150,000</u>
Change in net position	4,554,632	512,668	160,602	1,822,646
Net Position:				
Beginning of year - July 1	<u>75,589,825</u>	<u>32,925,114</u>	<u>37,316,652</u>	<u>52,776,081</u>
End of year - June 30	<u>\$ 80,144,457</u>	<u>\$ 33,437,782</u>	<u>\$ 37,477,254</u>	<u>\$ 54,598,727</u>

The accompany notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Other Nonmajor Fund Storm Water Management	Total Business-Type Activities Enterprise	Governmental Activities Internal Service Funds
Operating Revenues:			
Charges for sales and services	\$ 4,087,899	\$ 126,954,680	\$ 10,855,033
Licenses and permits	-	113,770	-
Other operating revenues	79,615	2,827,058	-
Total operating revenues	<u>4,167,514</u>	<u>129,895,508</u>	<u>10,855,033</u>
Operating Expenses:			
Distribution systems	-	86,297,850	-
Treatment plants	-	14,200,225	-
Engineering	-	3,009,956	-
Support services	759,306	7,932,550	-
Storm water operations	2,454,460	2,454,460	-
Insurance claims	-	-	7,307,881
Cost of service and administration	-	-	2,041,561
Communications	-	-	1,054,743
Depreciation and amortization	326,724	6,322,165	509,558
Total operating expenses	<u>3,540,490</u>	<u>120,217,206</u>	<u>10,913,743</u>
Operating income (loss)	<u>627,024</u>	<u>9,678,302</u>	<u>(58,710)</u>
Nonoperating Revenues (Expenses):			
Other	-	237,238	-
Investment earnings	91,639	1,735,877	-
Gain (loss) on disposal of capital assets	(17,308)	(300,556)	(9,756)
Interest expense	(12,445)	(318,733)	-
Appropriation to school system	-	(417,670)	-
Total nonoperating revenues (expenses)	<u>61,886</u>	<u>936,156</u>	<u>(9,756)</u>
Income (loss) before capital contributions and transfers	<u>688,910</u>	<u>10,614,458</u>	<u>(68,466)</u>
Capital contributions	-	300,000	-
Transfers from other funds	75,000	75,000	-
Transfers to other funds	-	(3,175,000)	-
Total capital contributions and transfers	<u>75,000</u>	<u>(2,800,000)</u>	<u>-</u>
Change in net position	763,910	7,814,458	(68,466)
Net Position:			
Beginning of year - July 1, restated	7,093,495	205,701,167	5,327,269
End of year - June 30	<u>\$ 7,857,405</u>	<u>\$ 213,515,625</u>	<u>\$ 5,258,803</u>

The accompany notes are an integral part of the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Cash Flows From Operating Activities:				
Receipts from customers	\$ 76,972,667	\$ 22,908,168	\$ 11,310,806	\$ 14,625,081
Payments to suppliers for goods and services	(63,884,819)	(17,982,674)	(6,979,445)	(8,515,758)
Payments to or on behalf of employees	(6,008,650)	(2,195,455)	(3,390,207)	(2,587,655)
Net cash provided (used) by operating activities	<u>7,079,198</u>	<u>2,730,039</u>	<u>941,154</u>	<u>3,521,668</u>
Cash Flows From Noncapital Financing Activities:				
Transfers to other funds	(2,150,000)	(1,025,000)	-	-
Transfers from other funds	-	-	-	-
Appropriation to school system	(37,670)	(350,000)	(15,000)	(15,000)
Net cash provided (used) by noncapital financing activities	<u>(2,187,670)</u>	<u>(1,375,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>
Cash Flows From Capital and Related Financing Activities:				
Debt issued	705,000	1,373,000	645,000	464,000
Acquisition and construction of capital assets	(4,987,339)	(2,266,158)	(684,776)	(894,951)
Interest paid	(105,993)	(1,154)	(21,471)	(177,670)
Insurance recovery	120,432	-	35,898	-
Proceeds from grants and subsidies and contributions	-	-	150,000	150,000
Principal payments on long-term debt	(1,775,309)	(42,111)	(402,016)	(1,326,609)
Net cash provided (used) by capital and related financing activities	<u>(6,043,209)</u>	<u>(936,423)</u>	<u>(277,365)</u>	<u>(1,785,230)</u>
Cash Flows From Investing Activities:				
Proceeds from sale of warehouse inventory	1,223	-	107,303	581
Investment earnings	877,934	315,807	246,059	204,438
Net cash provided (used) by investing activities	<u>879,157</u>	<u>315,807</u>	<u>353,362</u>	<u>205,019</u>
Net increase (decrease) in cash and cash equivalents/investments	(272,524)	734,423	1,002,151	1,926,457
Cash and Cash Equivalents/Investments:				
Beginning of year, July 1	<u>39,746,859</u>	<u>15,722,535</u>	<u>10,763,642</u>	<u>8,519,578</u>
End of year, June 30	<u>\$ 39,474,335</u>	<u>\$ 16,456,958</u>	<u>\$ 11,765,793</u>	<u>\$ 10,446,035</u>
Cash and cash equivalents/investments	\$ 35,055,592	\$ 14,991,331	\$ 10,516,416	\$ 10,057,320
Restricted cash and investments	4,418,743	1,465,627	1,249,377	388,715
	<u>\$ 39,474,335</u>	<u>\$ 16,456,958</u>	<u>\$ 11,765,793</u>	<u>\$ 10,446,035</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Activities	
	Other Nonmajor Fund	Internal Service Funds
	Storm Water Management	Total
Cash Flows From Operating Activities:		
Receipts from customers	\$ 4,230,046	\$ 130,046,768
Payments to suppliers for goods and services	(1,296,429)	(98,659,125)
Payments to or on behalf of employees	(1,922,553)	(16,104,520)
Net cash provided (used) by operating activities	1,011,064	15,283,123
Cash Flows From Noncapital Financing Activities:		
Transfers to other funds	-	(3,175,000)
Transfers from other funds	75,000	75,000
Appropriation to school system	-	(417,670)
Net cash provided (used) by noncapital financing activities	75,000	(3,517,670)
Cash Flows From Capital and Related Financing Activities:		
Debt issued	201,000	3,388,000
Acquisition and construction of capital assets	(191,084)	(9,024,308)
Interest paid	(12,445)	(318,733)
Insurance recovery	-	156,330
Proceeds from grants and subsidies	-	300,000
Principal payments on long-term debt	(320,278)	(3,866,323)
Net cash provided (used) by capital and related financing activities	(322,807)	(9,365,034)
Cash Flows From Investing Activities:		
Proceeds from sale of warehouse inventory	-	109,107
Investment earnings	91,639	1,735,877
Net cash provided (used) by investing activities	91,639	1,844,984
Net increase (decrease) in cash and cash equivalents/investments	854,896	4,245,403
Cash and Cash Equivalents/Investments:		
Beginning of year, July 1	4,013,206	78,765,820
End of year, June 30	\$ 4,868,102	\$ 83,011,223
Cash and cash equivalents/investments	\$ 4,576,102	\$ 75,196,761
Restricted cash and investments	292,000	7,814,462
	\$ 4,868,102	\$ 83,011,223

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:				
Operating income (loss)	\$ 5,978,050	\$ 1,650,424	\$ (255,491)	\$ 1,678,295
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and amortization	1,950,358	667,412	1,372,721	2,004,950
Change in Assets and Liabilities:				
(Increase) decrease in receivables and assessments	2,352	147,871	(116,143)	(128,803)
(Increase) decrease in inventories	(2,425)	(6,547)	(77,127)	200
(Increase) decrease in deferred outflows of resources - pensions	(358,756)	(118,127)	(280,004)	(183,753)
(Increase) decrease in deferred outflows of resources - OPEB	(85,098)	(28,020)	(66,418)	(43,586)
Increase (decrease) in accounts payable and accrued expenses	(948,473)	179,653	(12,178)	(54,587)
Increase (decrease) in liabilities to be paid from restricted assets	94,576	81,986	6,714	175
Increase (decrease) in net pension liability	438,038	144,232	341,884	224,361
Increase (decrease) in OPEB liability	(38,953)	(12,826)	(30,403)	(19,951)
Increase (decrease) in accrued compensated absences and other accrued liabilities	2,362	8,450	20,786	20,209
Increase (decrease) in deferred inflows of resources - pensions	(22,973)	(7,564)	(17,930)	(11,767)
Increase (decrease) in deferred inflows of resources - OPEB	70,139	23,095	54,743	35,925
Net cash provided (used) by operating activities	<u>\$ 7,079,198</u>	<u>\$ 2,730,039</u>	<u>\$ 941,154</u>	<u>\$ 3,521,668</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Other Nonmajor Fund Storm Water Management	Total	Governmental Activities Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:			
Operating income (loss)	\$ 627,024	\$ 9,678,302	\$ (58,710)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and amortization	326,724	6,322,165	509,558
Change in Assets and Liabilities:			
(Increase) decrease in receivables and assessments	65,604	(29,119)	(20,394)
(Increase) decrease in inventories	-	(85,899)	-
(Increase) decrease in deferred outflows of resources - pensions	(144,377)	(1,085,017)	-
(Increase) decrease in deferred outflows of resources - OPEB	(34,247)	(257,369)	-
Increase (decrease) in accounts payable and accrued expenses	(11,281)	(846,866)	(750,671)
Increase (decrease) in liabilities to be paid from restricted assets	(3,072)	180,379	-
Increase (decrease) in net pension liability	176,284	1,324,799	-
Increase (decrease) in OPEB liability	(15,677)	(117,810)	-
Increase (decrease) in accrued compensated absences and other accrued liabilities	5,100	56,907	1,285
Increase (decrease) in deferred inflows of resources - pensions	(9,245)	(69,479)	-
Increase (decrease) in deferred inflows of resources - OPEB	28,227	212,129	-
Net cash provided (used) by operating activities	<u>\$ 1,011,064</u>	<u>\$ 15,283,123</u>	<u>\$ (318,932)</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2019

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents/investments	\$ 430,004
Accounts receivable	<u>771</u>
Total assets	<u>\$ 430,775</u>
Liabilities:	
Accounts payable	\$ 448
Due to other agencies	<u>430,327</u>
Total liabilities	<u>\$ 430,775</u>

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

NOTES TO FINANCIAL STATEMENTS

These notes are intended to communicate information necessary for a fair presentation of financial position and results of operations that are not readily apparent from, or cannot be included in, the financial statements themselves. The notes supplement the financial statements, are an integral part thereof, and are intended to be read in conjunction with the financial statements.



CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

1. Summary of Significant Accounting Policies

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

Reporting Entity

The City is a municipal corporation, governed by an elected mayor and seven-member council and is located in eastern North Carolina in the coastal plains area. The City was incorporated on February 19, 1867. The City has a population of approximately 54,236 and is situated on the Nash and Edgecombe County line. The City provides a full range of services including public safety, public works, engineering, parks and recreation, public service, emergency management, and community revitalization. The City also operates electric, gas, water, and sewer utilities, as well as a storm water management system, for the incorporated and surrounding areas.

GAAP requires that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City has a blended component unit, the Rocky Mount Public Facilities Corporation, a legally separate entity that is essential for the tax credit financing used to supplement the special obligation bond proceeds for the Rocky Mount Event Center project. The entity is shown in a blended presentation as it exists for the purposes detailed below and is a major fund due to the volume and nature of the transactions occurring during the fiscal year. This financial statement presentation will enable users of the financial statements to identify balances specific to this entity and will emphasize that it is legally separate from the City.

Rocky Mount Public Facilities Corporation - The Rocky Mount Public Facilities Corporation is a non-profit entity which organized for the exclusive purpose of promoting the general welfare of the citizens of the City by assisting the City in carrying out its governmental functions, through the acquisition, construction, operation, sale or lease of real estate and improvements, facilities, equipment, and other personal property.

Basis of Presentation

Government-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities; however, interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including the fiduciary fund. Separate statements for each fund category, *governmental*, *proprietary*, and *fiduciary* are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, federal and state grants, and various other taxes and licenses. The primary expenditures are for public safety, transportation, environmental protection, cultural and recreation, and general governmental services.

Rocky Mount Public Facilities Corporation – This fund was established to provide financing for the Rocky Mount Event Center tax credit project.

The City reports the following non-major governmental funds:

Public Transportation Grants Fund – This fund accounts for federal and state grants used to finance the Rocky Mount Tar River Transit (bus) system.

Entitlement Grants Fund – This fund accounts for projects financed with Housing and Urban Development (HUD) Grants that are used for revitalization of low and moderate-income areas within the City.

Crime/Safety Control Fund – This fund accounts for federal and state grants used to finance law enforcement and fire projects including bullet proof vests, kid safety programs, law enforcement block grants, and other projects for crime and safety control.

Economic Development Fund – This fund accounts for federal and state grants used to promote improvement in economically depressed areas, improve housing, public infrastructure and promote employment and business opportunities.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Emergency Telephone System Fund – This fund accounts for state funds received related to monthly charges to telephone subscribers. Expenditures from this fund are restricted to specific purchase and maintenance of emergency telephone equipment.

Occupancy Tax Fund – This fund was established to account for monies received from the local occupancy tax. The State of North Carolina authorizes the collection of occupancy tax in General Statute 160A-215.

General Capital Projects Fund – This fund is used to account for construction of various City projects to improve City parks and operational facilities.

General Capital Development Fund – This fund is used to account for federal and state grant funds and other locally funded projects for various parks and recreation projects in addition to the construction of various multi-year projects.

The City reports the following major enterprise funds:

Electric Fund – This fund accounts for the operations of the City's electric system.

Gas Fund – This fund is used to account for the operation of the City's natural gas distribution system.

Water Fund – This fund accounts for the operations of the City's water system.

Sewer Fund – This fund accounts for the operations of the City's waste water system.

The City reports the following non-major enterprise fund:

Storm Water Management Fund – This fund accounts for the operations of the City's stormwater system.

Additionally, the City reports the following fund types:

Internal Service Funds – The City has two Internal Service funds, its Risk Management fund, which is used to account for its self-insurance health and dental care benefits and its Communications fund, which is used to account for telephone and radio expenses.

Agency Funds – These funds are used to account for assets held by the City as an agent for individuals and private organizations. Agency funds are custodial in nature and do not involve the measurement of operating results. An agency fund is used to account for assets the City holds on behalf of others. The City maintains one Agency fund, the Community Development and Governmental Activities Fund, which accounts for transactions related to revenues including commissions from vending machines sales, event receipts, drug forfeitures, and donations and the associated expenditures.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Measurement Focus and Basis of Accounting

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Proprietary funds distinguish operating revenues and expenses from non-operating 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 City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Revenues of the City's risk management internal service fund are generally premiums charged to its employees for insurance coverage. Revenues of the communications internal service fund are allocations of its operating expenses to the general and proprietary funds based on services provided. Operating expenses for enterprise funds and the internal service fund include the cost of sales and services, claims, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all general revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes which were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the state at year-end on behalf of the City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Rocky Mount because the tax is levied by the counties and then remitted to and distributed by the State. Intergovernmental revenues, sales and services, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Data

In compliance with state statutes, the City Council adopts an annual budget ordinance for all governmental and enterprise funds except funds authorized by project ordinance. The City's Risk Management and Communications funds, which are intra-governmental service funds, operate under a financial plan. As is required by North Carolina General Statutes, the governing council adopts the plan at the same time the City's budget ordinance is approved.

Appropriations are made at the departmental level and amended as necessary by City Council. The budget information shown in the basic financial statements reports the original and final budget ordinance. The original budget data represents the annual budget ordinance adopted by the City Council for the year ended June 30, 2018. The final budget data represents the budget ordinance as amended by the City Council as of June 30, 2018. Amendments can be made within any one fund by the City Manager. Amendments calling for transfers between two or more funds require the approval of the City Council.

During the year, several amendments to the original budget were necessary. The budget has been restructured to conform to the structure of the actual data which is presented in a form to provide the greatest economic meaning to the data. The budget is prepared on the modified accrual basis of accounting as required by state statute. All annual appropriations lapse at each fiscal year-end and must be re-appropriated in the following fiscal year's budget. Agency funds are not budgeted. The budget ordinance must be adopted by July 1, of the fiscal year or the governing council must adopt an interim budget that covers that time until the annual ordinance can be adopted.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Funds with Multi-Year Budgets

Certain special revenue funds and capital projects funds are budgeted under project ordinances spanning more than one fiscal year. Project appropriations for these funds continue until the projects are complete. Those funds include the special revenue funds – Entitlement Grants, Public Transportation Grants, Crime/Safety Control, Economic Development, and the Occupancy Tax fund. The Capital Project fund – General Capital Development Projects is also a multi-year budgeted fund.

Funds adopting annual budgets include the General Fund, the proprietary funds, the special revenue fund – Emergency Telephone System, as well as the capital project fund – General Capital Projects.

Encumbrances

As required by the state statutes, the City maintains encumbrance accounts during the year which are considered to be “budgetary accounts.” Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in progress and open purchase orders at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. These encumbrances outstanding are re-appropriated in the subsequent year’s budget.

Statement of Cash Flows

All cash and investments of the enterprise funds are maintained in cash and investment pools. Funds are available on demand from the pools. Accordingly, all cash and investments are considered cash and cash equivalents in the Statement of Cash Flows.

Cash and Cash Equivalents

The City pools its unrestricted cash resources from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. Interest earned as a result of pooling cash and investments is distributed to the appropriate funds based on the prior month’s ending balance of cash and investments and is recorded monthly.

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

Restricted Investments

The unexpended proceeds from the installment purchase agreements entered into by the City are classified as restricted investments in the respective funds because their use is completely restricted to the purpose for which the agreement was originally intended. In accordance with state law {G.S. 136-41.1 through 136-41.4}, Powell Bill funds are classified as restricted cash because it can be expended only for the purpose of maintaining, repairing, constructing, reconstructing or widening of local streets. Customer deposits held by the City before any utility services are supplied are restricted to the service for which the deposit was collected. All other deposits are restricted in their respective funds. These deposits are reported as liabilities to be paid from restricted assets. Risk management and communication funds are also restricted.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

City of Rocky Mount Restricted Cash

Governmental Activities

General Fund

Streets	\$ 6,625,365
Customer deposits	266,691
Unexpended debt proceeds	243,463

Entitlement Grants Fund

Customer deposits	500
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General Capital Development Fund

Unexpended debt proceeds	1,678,308
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Internal Service Funds

Risk Management	604,495
Communications	<u>1,263,518</u>

Rocky Mount Public Facilities Corp	<u>9,000</u>
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Business-Type Activities

Electric Fund

Customer deposits	3,713,743
Unexpended debt proceeds	705,000

Gas Fund

Customer deposits	1,463,029
Unexpended debt proceeds	2,598

Water Fund

Customer deposits	604,377
Unexpended debt proceeds	645,000

Sewer Fund

Customer deposits	6,330
Unexpended debt proceeds	382,385

Stormwater Fund

Customer deposits	91,000
Unexpended debt proceeds	<u>201,000</u>

Total business-type activities	<u>\$ 7,814,462</u>
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Total restricted cash	<u><u>\$ 18,505,802</u></u>
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CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Ad Valorem Taxes Receivable

In accordance with state law [G. S. 105-347 and G. S. 159-13(a)], the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1, (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, of the levy year and assessed values as of the same date. The lien of property taxes attaches to all the taxpayer's real estate in the City as of January 1, of the year in which the property is listed and assessed. The lien of property taxes attaches to personal property of the taxpayer only when that property is seized or attached by the tax collector.

Allowances for Doubtful Accounts

Allowances for doubtful accounts are maintained on all types of receivables which historically experience uncollectible accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Due To/From Other Funds

Amounts reported at June 30, 2019 as due to/from other funds generally represent advances between funds. The amounts reported at year-end are not available for appropriation and are not an expendable available financial resource.

Inventories

Inventories of the General Fund consist primarily of expendable supplies held for consumption and are stated at cost (determined on the weighted-average basis). The costs of General Fund inventories are recorded as expenditures when consumed rather than when purchased and are offset by a fund balance reserve in the balance sheet - governmental funds which indicates that inventories do not constitute a resource available for appropriations.

Inventories of the enterprise funds consist of various items used in the maintenance of existing utility systems and expansion of new systems and are stated at the lower cost or market, cost being determined on the weighted-average basis. These items will be either expensed when consumed in the future as maintenance of existing systems or capitalized as a part of the development of new systems.

Prepaid Items

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Capital Assets

Capital assets which include property, plant, and equipment and infrastructure are reported in the City's government-wide and proprietary fund financial statements. Capital assets of the City generally have an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Assets are stated at cost if purchased or constructed. Costs for assets acquired prior to June 30, 1981, were recorded in the capital asset records based on a physical inventory of such assets at that date with assignment of actual cost, where this was available, and estimated historical cost, where actual historical cost could not be determined. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. Capital assets transferred to a recipient fund are recorded at the same book value as the transferor fund.

Capital assets are depreciated using the straight-line method over the assets' estimated useful lives. Assets acquired under capital leases are amortized over the assets' estimated useful lives. Capital assets are reported in the City's basic financial statements net of accumulated depreciation. The estimated useful lives are as follows:

<u>Description</u>	<u>Estimated Useful Lives</u>
Land improvements	25 years
Buildings	50 years
Equipment	2 to 30 years
Infrastructure:	
Streets and curbing	75 years
Distribution system	30 to 75 years

Interest is capitalized on enterprise fund assets acquired with tax-exempt debt. The amount of interest is calculated by offsetting interest earned on invested proceeds with interest expense incurred from the date of the borrowings until completion of the project.

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 and so will not be recognized as an expense or expenditure until then. The City has two items that meet the criteria for deferred outflows of resources: pension deferrals and OPEB deferrals for the 2019 fiscal year. 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 and so will not be recognized as revenue until then. The City has the following items that meet the criterion for this category – assessments, tax, and miscellaneous receivables along with prepaid taxes, unspent cable franchise agreement funds, and deferrals of pension and OPEB expense.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Long-Term Obligations

The City has acquired equipment under installment purchase agreements. Installment purchase agreements are recorded in the applicable columns of the government-wide and proprietary fund financial statements. The debt service requirements for long-term debt obligations are appropriated annually in the appropriate fund.

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

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 and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

The compensated absences policy of the City provides for the accumulation of up to thirty (30) days earned vacation with such leave being fully vested when earned. The amount of accumulated vacation leave and the salary-related payments at year-end are not expected to be materially liquidated with expendable available financial resources and are reported as a liability with portions reflected as both current and non-current. The liability for accumulated vacation leave and the salary-related payments are reported in the City's government-wide and proprietary fund financial statements as an expense and liability of those activities as the benefits accrue to employees. Compensated absences reported in governmental activities are liquidated in the General Fund.

No liability is recognized for accumulated sick leave as the leave is forfeited upon termination. A certain portion of the accumulated sick leave may be used in the determination of length of service for retirement benefit purposes. This involves no obligation of the City and, therefore, no accrual has been made.

Net Position

Net position in the government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments or imposed by law through state statute. Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unexpended debt proceeds of \$1,921,771 as of June 30, 2019.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-Type</u>
Total Capital Assets	\$ 126,750,997	153,688,806
Less: Current Debt	(4,071,985)	(4,360,918)
Less: Long Term Debt	(50,296,613)	(11,283,994)
Add: Unexpended Debt Proceeds	1,921,771	1,935,983
Add: Other Debt - NCDOT	2,618,813	-
Net Investment in Capital Assets	<u>\$ 76,922,983</u>	<u>\$ 139,979,877</u>

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained in tact.

Prepaid Items – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of inventory, which are not spendable resources.

Long-term Receivable – portion of fund balance that is not an available resource because it represents the long-term receivable from the Public Facilities Corporation, which is not a spendable resource.

Restricted Fund Balance

Stabilization by State Statute – portion of fund balance that is not an available resource for appropriation in accordance with state law [G.S. 159-8(a)].

Restricted for Streets – portion of fund balance that is available for appropriation but legally segregated for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Restricted for Future Capital Projects – portion of fund balance restricted for unexpended debt proceeds.

Restricted for Public Safety – portion of fund balance restricted for certain emergency telephone system expenditures.

Restricted for Parks and Recreation – portion of fund balance restricted for future parks and recreation expenditures.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Committed Fund Balance

This classification represents the portion of fund balance that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Public Service – portion of fund balance that has been committed by the City Council for activities related to Transportation projects.

Committed for Future Capital Projects – portion of fund balance that has been committed by the Public Facilities Corporation for future capital projects related to the Event Center financing.

Assigned Fund Balance

Assigned fund balance is the portion of fund balance that the City of Rocky Mount intends to use for specific purposes. The City's governing body has the authority to assign fund balance to a specific purpose. The governing body authorizes the assignment of fund balance by the approval of a budget appropriation.

Assigned for Subsequent Year's Expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

Assigned for Future Capital Projects – portion of fund balance that has been assigned for future capital projects

Unassigned Fund Balance

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance.

The City of Rocky Mount has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following order: bond/debt proceeds, federal funds, state funds, local funds, and City funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City or when required by grant or other contractual agreements.

The city council adopted a fund balance policy on February 9, 2015. The City will maintain adequate fund balance in all operating funds and have a goal for each fund that will be reviewed at least annually. The level of fund balance will be determined based on anticipated future funding needs, historical trends, growth patterns, the economy and contractual obligations including bond covenants. The target level can be no less than (10) percent of annual budgeted expenditures for each operating fund. Fund balance results and targets are discussed with the city management team, the governing body, and department heads.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation.

Total fund balance - General Fund	\$ 49,066,547
Less:	
Inventories	420,214
Prepaid items	28,001
Other	16,649,800
Stabilization by State Statute	<u>6,882,648</u>
Total available fund balance	<u><u>\$ 25,085,884</u></u>

Interfund Transfers

Interfund transfers from the enterprise funds to the General Fund are transfers which represent a return on the investment of the utility. The principal purpose of transfers between governmental funds is to provide the required local match for certain federal and state grants. In addition, the City may have immaterial transfers between the General Fund and other funds when grant closures occur. There are sometimes transfers from the enterprise funds that represent the utility's cost share in certain capital projects.

Defined Benefit Cost-Sharing Plans

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 Local Government Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which they are due. The City of Rocky Mount's employer contributions are recognized when due and the City of Rocky Mount has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

2. Deposits and Investments

Deposits

All deposits of the City are made in council-designated official depositories and are collateralized as required by State statute. Official depositories may be established with any bank or savings and loan association whose principal office is located in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All of the City's deposits are made by using the "Pooling Method". Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or with the escrow agent. Because of the inability to measure the exact amount of collateral under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

Investments

State statute authorizes the City to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust ("NCCMT"). The NCCMT-Government Portfolio, a government money market, is measured at fair value. The NCCMT-Term Portfolio's securities are valued at fair value.

At June 30, 2019, the City had \$114,149,088 with the North Carolina Capital Management Trust. Additionally, the City had \$1,678,308 in unexpended bond proceeds also invested in the North Carolina Capital Management Trust through the Bank of New York Mellon. The North Carolina Capital Management Trust's Government Portfolio carried a credit rating of AAAM by Standard and Poor's. The City's investment in the North Carolina Capital Management Trust's Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies and in high grade money market instruments as permitted under NC General Statutes 159-30, as amended. The City has no policy regarding credit risk.

	Valuation Measurement	Reported Value	Maturity	Value	Category
	Method				
North Carolina Capital Management Trust Government Portfolio	Fair Value Level I	\$ 13,746,300	0.09	\$ 13,746,300	N/A
North Carolina Capital Management Trust Term Portfolio	Fair Value Level I	1,678,308	0.09	1,678,308	N/A
North Carolina Capital Management Trust Term Portfolio	Fair Value Level I	<u>100,402,788</u>	0.09	<u>100,402,788</u>	N/A
		<u>\$ 115,827,396</u>		<u>\$ 115,827,396</u>	

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets. Level 1 debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Total cash and investments of \$118,889,705 reported by the City include cash on hand of \$30,025 and \$430,004 held by the City in the Agency fund, Community Development and Governmental Activities fund.

At June 30, 2019, the City had \$18,505,802 in restricted cash and investments. Of this amount, there was \$1,921,771 and \$1,935,983 in governmental and business-type escrow accounts, respectively, and the escrow funds are to be used to purchase equipment and construction improvements under installment purchase agreements and for the construction of the Rocky Mount Event Center. The City has a total of \$6,145,670 in deposits that was restricted as to use and are reported as liabilities to be paid from restricted assets. The City has Powell Bill funds in the amount of \$6,625,365 that are restricted cash according to state law. The City had \$604,495 restricted for use in the Internal Service Fund for risk management and \$1,263,518 restricted for use in the Internal Service Fund for communications. Also included is restricted cash and investments of \$9,000 for the Rocky Mount Public Facilities Corporation.

At June 30, 2019, the City's deposits had a carrying amount of \$804,438 and a bank balance of approximately \$6,172,493. Of the bank balance, \$250,000 was covered by federal depository insurance and \$5,922,493 in interest-bearing deposits was covered by collateral held under the Pooling Method.

Interest Rate Risk. As a means of managing its exposure to fair value losses arising from increasing interest rates, the City has a formal investment policy that limits investment maturities to a maximum of 36 months.

3. Accounts Receivable and Allowances for Doubtful Accounts

Allowance for Doubtful Accounts

The receivables shown in the Balance Sheet and the Statement of Net Position at June 30, 2019 are net of the following allowances for doubtful accounts:

<u>Fund</u>	<u>June 30, 2019</u>
Governmental Activities:	
Ad valorem taxes	2,411,578
Planning loans	2,960,956
Miscellaneous	466,143
Customers	<u>217,752</u>
Total governmental activities	<u>6,056,429</u>
 Business-Type Activities:	
Customers:	
Electric	1,144,608
Gas	607,512
Water	175,000
Sewer	218,048
Other	<u>354,473</u>
Total business-type activities	<u>2,499,641</u>
 Total allowances for doubtful accounts	<u>\$ 8,556,070</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Accounts Receivable

At June 30, 2019 funds due from other governmental agencies consisted of the following:

Governmental Activities:	General	Nonmajor Governmental	Total
Sales tax refund	\$ 1,260,476	-	\$ 1,260,476
Vehicle fee	69,026	-	\$ 69,026
Local option tax	2,254,846	-	\$ 2,254,846
Grants receivable	69,174	588,117	\$ 657,291
Franchise tax	127,000	-	\$ 127,000
Miscellaneous receivable	16,625	29,568	\$ 46,193
	<u>\$ 3,797,147</u>	<u>617,685</u>	<u>\$ 4,414,832</u>

4. Capital Assets

Primary Government

Capital asset activity for the governmental activities for the year ended June 30, 2019, was as follows:

	July 1, 2018	Additions	Retirements	Transfers	June 30, 2019
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	9,683,417	26,220	12,977	-	9,696,660
Construction in progress	62,421	249,656	-	(20,650)	291,427
Total capital assets not being depreciated	<u>9,745,838</u>	<u>275,876</u>	<u>12,977</u>	<u>(20,650)</u>	<u>9,988,087</u>
Capital Assets Being Depreciated					
Land improvements	20,694,411	113,608	-	-	20,808,019
Buildings	69,802,695	1,286,943	179,912	20,650	70,930,376
Equipment	56,087,371	4,439,304	1,676,762	760,236	59,610,149
Infrastructure	58,062,242	2,347,137	-	-	60,409,379
Total capital assets being depreciated	<u>204,646,719</u>	<u>8,186,992</u>	<u>1,856,674</u>	<u>780,886</u>	<u>211,757,923</u>
Less Accumulated Depreciation for:					
Land improvements	10,784,511	815,229	-	-	11,599,740
Buildings	21,301,007	1,556,699	77,207	-	22,780,499
Equipment	39,196,099	4,408,232	1,651,444	654,743	42,607,630
Infrastructure	17,201,939	805,205	-	-	18,007,144
Total accumulated depreciation	<u>88,483,556</u>	<u>7,585,365</u>	<u>1,728,651</u>	<u>654,743</u>	<u>94,995,013</u>
Total capital assets being depreciated, net	<u>116,163,163</u>				<u>116,762,910</u>
Governmental activities capital assets, net	<u>125,909,001</u>				<u>126,750,997</u>

The assets of the internal service fund for communication services are shown in the governmental activities asset schedule.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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

General government	\$ 1,186,336
Public works	1,747,072
Public safety	1,079,525
Transit	1,148,333
Planning	112,805
Recreation	1,643,754
Internal Service -Comm	509,558
Community/Bus Devt	157,982
Total	<u>7,585,365</u>

Capital asset activity for the business-type activities for the year ended June 30, 2019, was as follows:

	<u>July 1, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2019</u>
Electric Fund:					
Capital Assets Not Being Depreciated:					
Land	448,196	-	-	-	448,196
Construction in progress	493,015	477,720	-	(328,241)	642,494
Total capital assets not being depreciated	<u>941,211</u>	<u>477,720</u>	<u>-</u>	<u>(328,241)</u>	<u>1,090,690</u>
Capital Assets Being Depreciated					
Land improvements	286,522	40,605	-	-	327,127
Buildings	9,117,678	-	-	-	9,117,678
Equipment	29,868,282	1,841,793	272,317	(523,606)	30,914,152
Infrastructure	39,535,184	2,627,221	-	328,241	42,490,646
Total capital assets being depreciated	<u>78,807,666</u>	<u>4,509,619</u>	<u>272,317</u>	<u>(195,365)</u>	<u>82,849,603</u>
Less Accumulated Depreciation for:					
Land improvements	119,108	9,811	-	-	128,919
Buildings	3,905,495	182,807	-	-	4,088,302
Equipment	21,711,566	1,135,596	251,354	(443,424)	22,152,384
Infrastructure	10,035,926	622,144	-	-	10,658,070
Total accumulated depreciation	<u>35,772,095</u>	<u>1,950,358</u>	<u>251,354</u>	<u>(443,424)</u>	<u>37,027,675</u>
Total capital assets being depreciated, net	<u>43,035,571</u>	<u>2,559,261</u>	<u>20,963</u>	<u>248,059</u>	<u>45,821,928</u>
Electric Fund capital assets, net	<u>43,976,782</u>	<u>3,036,981</u>	<u>20,963</u>	<u>(80,182)</u>	<u>46,912,618</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	July 1, 2018	Additions	Retirements	Transfers	June 30, 2019
Gas Fund:					
Capital Assets Not Being Depreciated:					
Land	191,337	-	-		191,337
Construction in progress	-	-	-		-
Total capital assets not being depreciated	191,337	-	-	-	191,337
Capital Assets Being Depreciated					
Land improvements	11,425	-	-		11,425
Buildings	2,243,630	-	-		2,243,630
Equipment	10,143,835	492,153	344,188	(27,084)	10,264,716
Infrastructure	16,743,533	1,774,005	62,376		18,455,162
Total capital assets being depreciated	29,142,423	2,266,158	406,564	(27,084)	30,974,933
Less Accumulated Depreciation for:					
Land improvements	4,151	457	-		4,608
Buildings	282,828	44,545	-		327,373
Equipment	7,597,709	389,680	302,328	(27,084)	7,657,977
Infrastructure	2,404,794	232,730	26,827		2,610,698
Total accumulated depreciation	10,289,482	667,412	329,155	(27,084)	10,600,655
Total capital assets being depreciated, net	18,852,941	1,598,746	77,409	-	20,374,278
Gas Fund capital assets, net	19,044,278	1,598,746	77,409	-	20,565,615

	July 1, 2018	Additions	Retirements	Transfers	June 30, 2019
Water Fund:					
Capital Assets Not Being Depreciated:					
Land	1,173,187	-	-	-	1,173,187
Construction in progress	40,120	203,481	-	-	243,601
Total capital assets not being depreciated	1,213,307	203,481	-	-	1,416,788
Capital Assets Being Depreciated					
Land improvements	9,096,932	-	-	-	9,096,932
Buildings	12,258,743	-	-	-	12,258,743
Equipment	11,488,876	170,507	-	(8,637)	11,650,746
Infrastructure	31,150,590	310,788	160,285	-	31,301,093
Total capital assets being depreciated	63,995,142	481,295	160,285	(8,637)	64,307,514
Less Accumulated Depreciation for:					
Land improvements	8,972,758	9,310	-	-	8,982,068
Buildings	7,272,937	240,489	-	-	7,513,426
Equipment	7,996,646	695,324	-	(8,637)	8,683,333
Infrastructure	11,007,674	427,598	73,589	-	11,361,683
Total accumulated depreciation	35,250,015	1,372,721	73,589	(8,637)	36,540,510
Total capital assets being depreciated, net	28,745,126	(891,426)	86,696	-	27,767,004
Water Fund capital assets, net	29,958,433	(687,945)	86,696	-	29,183,792

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	July 1, 2018	Additions	Retirements	Transfers	June 30, 2019
Sewer Fund:					
Capital Assets Not Being Depreciated:					
Land	782,025	-	-	-	782,025
Construction in progress	398,772	364,912	-	(398,772)	364,912
Total capital assets not being depreciated	1,180,797	364,912	-	(398,772)	1,146,937
Capital Assets Being Depreciated					
Land improvements	2,199,671	-	-	-	2,199,671
Buildings	40,413,912	-	-	-	40,413,912
Equipment	20,001,117	425,039	24,599	310,873	20,712,430
Infrastructure	34,445,536	105,000	-	-	34,550,536
Total capital assets being depreciated	97,060,236	530,039	24,599	310,873	97,876,549
Less Accumulated Depreciation for:					
Land improvements	2,120,743	3,807	-	-	2,124,550
Buildings	18,389,966	708,289	-	-	19,098,255
Equipment	12,986,932	833,650	14,605	(79,895)	13,726,082
Infrastructure	11,371,318	459,204	-	-	11,830,522
Total accumulated depreciation	44,868,959	2,004,950	14,605	(79,895)	46,779,409
Total capital assets being depreciated, net	52,191,277	(1,474,911)	9,994	390,768	51,097,140
Sewer Fund capital assets, net	53,372,074	(1,109,999)	9,994	(8,004)	52,244,077
	July 1, 2018	Additions	Retirements	Transfers	June 30, 2019
Storm Water Management Fund:					
Capital Assets Not Being Depreciated:					
Land	742,355	-	-	-	742,355
Construction in progress	20,343	-	-	-	20,343
Total capital assets not being depreciated	762,698	-	-	-	762,698
Capital Assets Being Depreciated					
Land improvements	182,855	-	-	-	182,855
Buildings	65,000	-	-	-	65,000
Equipment	4,036,891	191,084	59,017	(113,010)	4,055,948
Infrastructure	3,151,474	-	-	-	3,151,474
Total capital assets being depreciated	7,436,221	191,084	59,017	(113,010)	7,455,277
Less Accumulated Depreciation for:					
Land improvements	35,941	7,314	-	-	43,255
Buildings	13,108	1,300	-	-	14,408
Equipment	2,968,825	273,363	59,017	(95,702)	3,087,469
Infrastructure	245,392	44,747	-	-	290,139
Total accumulated depreciation	3,263,267	326,724	59,017	(95,702)	3,435,271
Total capital assets being depreciated, net	4,172,954	(135,640)	-	(17,308)	4,020,006
Total Storm Water Management Fund capital assets, net	4,935,652	(135,640)	-	-	4,782,704

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

5. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at June 30, 2019, were as follows:

	Governmental Activities	Business-Type Activities	Total
Accounts and vouchers	\$ 2,006,302	\$ 6,490,849	\$ 8,497,151
Claims incurred but not reported	342,000	273,900	615,900
Accrued payroll and related liabilities	2,295,214	499,360	2,794,574
Total accounts payable and accrued liabilities	<u>\$ 4,643,516</u>	<u>\$ 7,264,109</u>	<u>\$ 11,907,625</u>

6. Pension Plan Obligations

Local Government Employees' Retirement System

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

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of Rocky Mount employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Rocky Mount's contractually required contribution rate for the year ended June 30, 2019, was 8.50% of compensation for law enforcement officers and 7.75% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Rocky Mount for the year ended June 30, 2019 totaled \$3,590,277 comprised of \$2,844,746 for general employees and firefighters and \$745,531 for law enforcement officers.

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

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

At June 30, 2019, the City reported a liability of \$16,762,258 for its proportionate share of the net pension liability which was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the City's proportion was 0.70657%, which was a decrease of .02943%.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

For the year ended June 30, 2019, the City recognized pension expense of \$4,299,650. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,586,018	\$ 86,774
Changes of assumptions	4,448,056	-
Net difference between projected and actual earnings on pension plan investments	2,300,960	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	623,798
City contributions made subsequent to the measurement date	3,590,277	-
Total	<u>\$ 12,925,311</u>	<u>\$ 710,572</u>

\$3,590,277 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to will be recognized in pension expense as follows:

Year ended June 30:

2020	\$ 4,222,425
2021	2,723,069
2022	410,696
2023	1,268,272
2024	-
Thereafter	-
Total	<u>\$ 8,624,462</u>

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The projected long-term investment returns, and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 40,264,393	\$ 16,762,258	\$ (2,876,496)

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

Law Enforcement Officers Special Separation Allowance

Plan Description. The City administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G. S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A stand-alone financial report is not issued for this plan.

All full-time law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of:

Retirees receiving benefits	19
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	158
Total	177

Basis of Accounting. The City has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 73.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2017 valuation. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: (a) inflation is assumed to be 2.5 percent, (b) salary increases are 3.5 percent to 7.35 percent, including inflation and productivity factor; and (c) a discount rate of 3.64 percent. The discount rate used to measure the liability is the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2017. Mortality Rates are based on the RP-2014 Healthy Annuitant, Employee, and Disabled Retiree tables and projected forward using MP-2015.

Contributions. The City is required by Article 12D of G. S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees. Administration costs of the Separation Allowance are financed through investment earnings. The City paid \$425,117 as benefits came due for the reporting period.

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

At June 30, 2019, the City reported a total pension liability of \$6,458,668. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the City recognized pension expense of \$517,651.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 183,538	\$ -
Changes of assumptions	243,516	279,960
City contributions and plan administrative expense made subsequent to the measurement date	223,358	-
Total	<u>\$ 650,412</u>	<u>\$ 279,960</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

\$223,358 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 99,218	\$ 64,238
2021	99,218	64,238
2022	99,218	64,238
2023	99,218	44,353
2024	29,323	41,641
Thereafter	859	1,252
Total	<u>\$ 427,054</u>	<u>\$ 279,960</u>

Sensitivity of the City's Total Pension Liability to Changes in the Discount Rate. The following presents the City's total pension liability calculated using the discount rate of 3.64 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.64 percent) or 1-percentage point higher (4.64 percent) than the current rate:

	1% Decrease (2.64%)	Discount Rate (3.64%)	1% Increase (4.64%)
Total pension liability	\$ 6,994,829	\$ 6,458,668	\$ 5,971,006

Schedule of Changes in Total Pension Liability Law Enforcement Officers' Special Separation Allowance

Beginning balance	\$ 6,480,575
Service Cost	283,672
Interest on the total pension liability	198,069
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	172,567
Changes of assumptions or other inputs	(251,098)
Benefit payments	(425,117)
Other changes	-
Ending balance of the total pension liability	<u>\$ 6,458,668</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2014.

Supplemental Retirement Income Plan

Plan Description. All full-time employees of the City participate in the Supplemental Retirement Income Plan, a multiple-employer, defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the date of employment for law enforcement officers, all other employees have a one year waiting period before participation. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All amounts contributed are vested immediately. Also, all employees may make voluntary contributions to the plan. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G. S. Chapter 143 requires the City to contribute each month an amount equal to 5% of covered payroll for law enforcement officers. The City makes a similar contribution for all other full-time employees equal to 3% of the employees' salary.

The City's contributions were calculated using a covered payroll amount of \$8,717,079 for employees engaged in law enforcement and \$34,062,213 for all other full-time employees. Total contributions for the year ended June 30, 2019, were \$1,457,720 which consisted of \$435,854 for employees engaged in law enforcement and \$1,021,866 for all other employees. Voluntary contributions made by all City employees totaled \$826,006. No amounts were forfeited.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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

Following is information related to the proportionate share and pension expense for all pension plans:

	LGERS	LEOSSA	Total
Pension Expense	\$ 4,299,650	\$ 517,651	\$ 4,817,301
Pension Liability	16,762,258	6,458,668	23,220,926
Proportionate share of the net pension liability	0.707%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	\$ 2,586,018	\$ 183,538	\$ 2,769,556
Change of assumptions	4,448,056	243,516	4,691,572
Net difference between projected and actual earnings on plan investments	2,300,960	-	2,300,960
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-
Benefit payments and administrative costs paid subsequent to the measurement date	3,590,277	223,358	3,813,635

Deferred Inflows of Resources

Differences between expected and actual experience	\$ 86,774	\$ -	\$ 86,774
Change of assumptions	-	279,960	279,960
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	623,798	-	623,798

Other Post-Employment Benefits

Plan Description. The City (by local ordinance) administers a single-employer defined benefit plan which provides post-employment health care benefits to retirees of the City, provided they participate in the North Carolina Local Governmental Employees' Retirement System (LGERS) and meet the following criteria. For a disability retiree to be covered under the health plan, the retiree must have at least five years of creditable service with the City (with the exception of Law Enforcement – one year and in the line of duty injury) and the retirement must be due to a medical condition, which is subject to review by the North Carolina Medical Review Board. In addition, the City pays a portion of the coverage for these benefits for retirees with a minimum of thirty years of creditable service with the City. Retirees who do not meet the aforementioned criteria have the option to purchase basic medical insurance for themselves and their dependents through the City for eighteen months. The entire cost of this insurance is borne by the retirees. The City maintains health care coverage through a combination of self-insurance and private insurers (see Risk Management Note). The City Council may amend benefit provisions. A separate report was not issued for the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Membership of the post-employment health benefit plan consisted of the following at June 30, 2017 the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	190
Active members	843
	<hr/>
	1,033

Funding Policy. The City agrees to provide medical insurance to certain retired employees as an extended benefit. Eligible retirees who elect this coverage will be enrolled in the group health plan. For members, hired before 9/1/2009 that retire with at least 30 years of service or that retire with approved disability retirement, the City pays \$615.51 the cost for pre-65 health care coverage for the retiree. Retirees will cease to be eligible for group health insurance at age 65. If hired on or after 9/1/2009, the City pays 100% of \$615.51 for 30 or more years, 75% for 20-29 years, and 50% for 15-19 years of service. Years of service are considered years of creditable service with the Local Governmental Employees' Retirement System. Retirees must have at least 15 years of service with the City and retire under the Local Governmental Employees' Retirement System. For employees hired on or after July 1, 2009, retirees will cease to be eligible for coverage at age 65 or upon eligibility for Medicare. Disability retirees will receive coverage for twenty-four months or until eligible for Medicare, whichever comes first. In both cases above, the retiree will be responsible for paying the cost of dependent coverage if dependent coverage is elected. The City has chosen to fund healthcare benefits on a pay as you go basis. The City's obligation to contribute to the post-retirement benefit plan is established and may be amended by the City Council.

Summary of Significant Accounting Policies

Benefit expenditures are made from the proprietary funds, which are reported on the full accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Total OPEB Liability

The City's total OPEB liability of \$42,631,171 was measured as of June 30, 2018 and was determined by an actuarial valuation of June 30, 2017.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation	
General Employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law Enforcement Officers	3.50% - 7.35%
Municipal Bond Index Rate	
Prior Measurement Date	3.56%
Measurement Date	3.89%

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Health Care Cost Trends

Pre-Medicare

7.50% for 2017 decreasing to an ultimate rate of 5.00% by 2023

The discount rate used to measure the total OPEB liability was based on the June average of the Bond Buyer General Obligation 20- year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the Total OPEB Liability

Beginning Balance	\$ 43,121,881
Service Cost at the end of the year	1,645,340
Interest on Total OPEB Liability and Cash Flows	1,482,776
Changes of benefit terms	-
Differences between expected and actual experience	721,224
Changes of assumptions or other inputs	(1,372,334)
Benefit payments	(2,967,716)
Ending Balance	<u>\$ 42,631,171</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% to 3.89%.

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

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) or 1-percentage-point higher (4.89 percent).

	1% Decrease (2.89%)	Discount Rate (3.89%)	1% Increase (4.89%)
Total OPEB liability	\$46,962,824	\$42,631,171	\$38,792,578

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following present the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	\$37,699,528	\$42,631,171	\$48,509,604

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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

For the year ended June 30, 2018, the City recognized OPEB expense of \$2,776,500. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 826,015	\$ -
Changes of assumptions	-	2,945,506
City contributions and plan administrative expense made subsequent to the measurement date	2,977,023	-
Total	<u>\$ 3,803,038</u>	<u>\$ 2,945,506</u>

\$2,977,023 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows or inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2020	\$ (359,449)
2021	(359,449)
2022	(359,449)
2023	(359,449)
2024	(359,449)
Thereafter	<u>(322,246)</u>
	<u>\$ (2,119,491)</u>

Other Employment Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (the "Death Benefit Plan"), a multiple-employer, state-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the Death Benefit Plan, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the Death Benefit Plan at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. All death benefit payments are made from the Death Benefit Plan. The City has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants. For the fiscal year ended June 30, 2019, the City made contributions to the

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

state for death benefits of \$36,047. The City's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .07% and 0.14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

The City contributed a total of \$1,457,720 to the plan for the year ended June 30, 2019.

7. Operating Leases

The City had operating leases for the year ended June 30, 2019 for the purchase of computer equipment with remaining payments of \$121,109 in fiscal year 2020. Payments made in fiscal year 2019 total \$125,708.

8. Deferred Outflows/Inflows of Resources

The balance of deferred inflows of resources in the governmental fund financial statements and in the government-wide financials at year-end is composed of the following elements:

Source	Fund- Level	Government- Wide
Taxes receivable (General Fund)	\$ 1,228,010	\$ -
Accounts receivable (General Fund)	5,276,282	-
Assessments (General Fund)	4,320,021	-
Accounts receivable (other governmental funds)	6,287	-
Prepaid taxes (General Fund)	86,938	86,938
Unspent cable franchise agreement (General Fund)	63,191	63,191
Pension deferrals - LEOSSA	-	279,960
Pension deferrals - LGERS	-	710,572
OPEB deferrals	-	2,945,506
	<hr/>	<hr/>
Total	\$ 10,980,729	\$ 4,086,167
	<hr/>	<hr/>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The balance of deferred outflows of resources is \$17,378,761 and is composed of the following elements:

Source	Fund- Level	Government- Wide
Pension deferrals - LEOSSA	\$ -	\$ 650,412
Pension deferrals - LGERS	-	12,925,311
OPEB deferrals	-	3,803,038
Total	\$ -	\$ 17,378,761

9. Commitments

Construction - The City had outstanding commitments at June 30, 2019 of approximately \$200,000 for the replacement of pump #2 at Sunset water treatment plant, \$140,532 for the upgrade of substation #7, \$92,135 for dam work and valve installation at Sunset water treatment plant, and \$25,598.50 to repair and replace the sidewalk at the Martin Luther King Jr Park. A portion of these improvements are being financed with an installment note and special obligation bond proceeds.

Purchases - The City is a member of the North Carolina Eastern Municipal Power Agency ("Agency"). Under the contracts executed by the City with the Agency, the Agency became the "Full Requirements Bulk Power Supply" electrical power supplier to the City. The City is obligated to pay for this power at rates set by the Agency and to set rates at a level such that sufficient electrical revenue is generated to meet obligations to the Agency. The Agency has a "Full Requirements Power Purchase Agreement" with Duke Energy Progress ("DEP") where the Agency will purchase from DEP and DEP will sell to the Agency firm capacity and energy in amounts required by the agency to serve the current and future electrical loads of its Members.

10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City protects itself from potential loss through a combination of purchases of commercial insurance for primary and/or excess coverage and self-insured retention.

The City is self-insured for workers' compensation benefits, employers' liability, general liability, public officials/errors and omissions liability, law enforcement liability, direct damage, sexual misconduct and City vehicle damage. The Workers' Compensation Plan is administered by the City's Human Resources Department with assistance from a risk management consultant. Property

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

insurance claims are administered by a third party administrator with the exception of claims below \$10,000 which are handled by the City. All bodily injury claims are administered by a third party administrator. The City has purchased insurance to cover individual claims exceeding the following amounts:

Line of Coverage	City's Net Retention
Workers' compensation and employers' liability	\$ 650,000
Property damage	100,000
General liability	50,000
Public entity management liability, law enforcement liability, and flood and earthquake	100,000
Auto liability and physical damage	50,000

In addition, the City maintains insurance coverage for excess direct damage and umbrella liability. The City has not had a significant reduction in insurance coverage as compared to prior year coverage for any categories of risk, and settled claims have not exceeded coverage in any of the past three years.

The City carries multiple flood insurance policies subject to a maximum limit of \$500,000 per building and \$500,000 for contents.

The City currently reports its risk management activities and insurance costs in the operating funds to which such expenses apply. Claims expenditures falling within the retention coverages are generally reported when amounts are paid or, in the event of significant losses, when such amounts are probable and the amounts can be determined. The City has recorded an accrual totaling \$155,000 for estimated claims which will be covered under self-insurance retention. The self-insurance total of \$615,900 is for the estimated liability related to general property and workers compensation claims.

In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The finance officer is bonded for \$250,000, and tax collector is bonded for \$50,000.

Changes in the reported liability for possible claims and judgments during fiscal years 2019 and 2018 are summarized as follows:

Possible Claims and Judgments	2019	2018
Balance, beginning	\$ 155,000	\$ 148,069
Current year claims and changes in estimates	1,078,220	458,375
Claim payments	(617,320)	(451,444)
Balance, ending	<u>\$ 615,900</u>	<u>\$ 155,000</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

11. Long Term Obligations

Long-term debt obligations of the City at June 30, 2019 consist of the following:

Long-Term Debt:

	Serviced By	
	Governmental Activities	Business-Type Activities
Direct Placement Installment Purchases:		
Equipment; due in monthly installments of \$50,175; maturing May 2021; interest at 2.67%	\$ 257,289	\$ 866,487
Equipment; due in monthly installments of \$18,393; maturing May 2023; interest at 2.87%	800,312	-
Equipment; due in semi-annual installments of \$55,252; maturing January 2020; interest at 4.91%, after BAB rebate 3.19%	106,563	-
Improvements; due in monthly installments of \$24,167 plus interest; maturing June 2028; interest at 3.20% (LGC)	501,300	2,108,700
Building; due in monthly installments of \$53,889 plus interest; maturing June 2028; interest at 2.55% (LGC)	5,820,000	-
Improvements; due in monthly installments of \$14,119 plus interest; maturing May 2024; interest at 2.36% (LGC)	833,000	-
Improvements; due in monthly installments of \$21,017 plus interest; maturing May 2024; interest at 2.96% (LGC)	-	1,240,000
Improvements; due in monthly installments of \$23,083; maturing June 2025; interest at 2.07% (LGC)	1,326,000	336,000
Improvements; due in semi-annual installments of \$363,128; maturing February 2020; interest at 4.91%, after BAB rebate 3.19% (LGC)	-	700,361
Equipment; due in monthly installments of \$63,440; maturing May 2020; interest at 1.554%	261,452	430,993
Equipment; due in monthly installments of \$72,083; maturing April 2022; interest at 1.762%	-	2,388,926
Equipment; due in monthly installments of \$46,937; maturing April 2021; interest at 1.334%	344,031	675,505
Equipment; due in monthly installments of \$47,298; maturing May 2022; interest at 2.4523%	133,330	1,462,723
Equipment; due in monthly installments of \$21,626; maturing April 2024; interest at 2.4131%	548,099	634,692
Total direct placement installment purchases	<u>\$ 10,931,376</u>	<u>\$ 10,844,387</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The City's outstanding note from direct placement of \$1,123,776 with \$257,289 related to governmental activities and \$866,487 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the City required to return all Equipment to the bank or the bank repossess such items and sell, lease, or otherwise dispose of the items (3) termination of any leases to all equipment (4) the bank may exercise any other right, remedy, or privilege available under applicable law and/or (5) the City required to pay any expenses incurred by bank as a result of default.

The City's outstanding notes from direct placement of \$800,312 and \$106,563 related to governmental activities are secured by the fire equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the City required to return all Equipment to the bank or the bank repossess such items and sell, lease, or otherwise dispose of the items (3) termination of any leases to all equipment (4) the bank may exercise any other right, remedy, or privilege available under applicable law and/or (5) the City required to pay any expenses incurred by bank as a result of default.

The City's outstanding note from direct placement of \$2,610,000 with \$501,300 related to governmental activities and \$2,108,700 related to business-type activities is secured with collateral of the fire station at 9914 NC Hwy 4. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the bank may proceed by appropriate court action to enforce performance and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$5,820,000 related to governmental activities is secured with collateral of the Imperial Center at 270 Gay Street. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the bank may proceed by appropriate court action to enforce performance and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding notes from direct placement of \$833,000 related to governmental activities and \$1,240,000 related to business-type activities are secured with collateral of the Judicial Center at 305 Cokey Road. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the bank may proceed by appropriate court action to enforce performance and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$1,662,000 with \$1,326,000 related to governmental activities and \$336,000 related to business-type activities are secured with collateral of the South Rocky Mount Community Center at 719 Recreation Drive. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the bank may proceed by appropriate court action to enforce performance and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The City's outstanding note from direct placement of \$700,361 related to business-type activities is secured with collateral of the substation at 1251 Thorpe Road. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the bank may proceed by appropriate court action to enforce performance and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$692,445 with \$261,451 related to governmental activities and \$430,993 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately and the interest rate would increase to 12% per annum (2) the escrow agent may return proceeds to the bank (3) termination of any leases to all equipment and/or (4) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$2,388,926 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately and the interest rate would increase to 12% per annum (2) the escrow agent may return proceeds to the bank (3) termination of any leases to all equipment and/or (4) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$1,019,539 with \$344,031 related to governmental activities and \$675,505 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the City required to return all Equipment to the bank or the bank repossess such items and sell, lease, or otherwise dispose of the items and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$1,596,053 with \$133,330 related to governmental activities and \$1,462,723 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the City required to return all Equipment to the bank or the bank repossess such items and sell, lease, or otherwise dispose of the items and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

The City's outstanding note from direct placement of \$1,182,791 with \$548,099 related to governmental activities and \$634,692 related to business-type activities is secured by the various pieces of equipment financed. The note contains provisions that an event of default could result in the following remedies (1) all components become due and payable immediately (2) the City required to return all Equipment to the bank or the bank repossess such items and sell, lease, or otherwise dispose of the items and/or (3) the bank may exercise any other right, remedy, or privilege available under applicable law.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Other Long-Term Debt:	Serviced By	
	Governmental Activities	Business-Type Activities
Direct borrowing - HUD - Section 108 Loan Guarantee - Douglas Block	\$ 1,495,000	\$ -
Special Obligation Bonds - Event Center	36,515,000	-
Accrued Interest	268,733	-
Unamortized Special Obligation Bond Premium/(Discount)	2,539,676	-
Direct borrowing - NCDOT	2,618,813	-
Direct borrowing - NCDENR (LGC)	-	4,800,525
Subtotal	<u>43,437,222</u>	<u>4,800,525</u>
 Total outstanding	 54,368,598	 15,644,912
Less current portion	<u>4,071,985</u>	<u>4,360,918</u>
	<u>\$ 50,296,613</u>	<u>\$ 11,283,994</u>

Long-term debt categorized as “Direct borrowing - NCDOT” consists of various obligations due to the North Carolina Department of Transportation for reimbursement of road improvement and construction which are typically liquidated by the General Fund. Long-term debt categorized as “Direct borrowing - NCDENR” in the business-type activities includes four sewer revolving loans and one water revolving loan financed through NCDENR.

Revolving loan due in annual payments of \$29,776 plus interest; maturing May 1, 2025; interest at 2.205% (LGC)	\$ 178,658
Revolving loan due in annual payments of \$187,217 plus interest; maturing May 1, 2028; interest at 2.305% (LGC)	1,684,952
Revolving loan due in annual payments of \$112,491; maturing May 1, 2033; interest at 0% (LGC)	1,574,873
Revolving loan due in annual payments of \$87,551; maturing May 1, 2033; interest at 0.02% (LGC)	1,225,717
Revolving loan due in annual payments of \$12,393; maturing May 1, 2030; interest at 0% (LGC)	<u>136,325</u>
	<u>\$ 4,800,525</u>

Compensated absences, pension obligations, and other post-employment benefits are typically liquidated by the General Fund for governmental funds. The other post-employment benefits for the business-type activities are liquidated in their respective proprietary funds.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Special Obligation Bonds

The City issued \$36,815,000 Special Obligation Bonds on December 28, 2016, which will be used to finance construction of the Rocky Mount Event Center. Principal is due annually, in installments ranging from \$300,000 to \$2,965,000, beginning fiscal year 2019 through May 2036; interest is due semi-annually at rates ranging from 3.5% to 5.0%. Outstanding balance at June 30, 2019 is \$36,515,000.

Annual debt service requirements to maturity for the City's limited obligation bonds without regard to accrued interest are as follows:

Year Ending June 30	Principal	Interest
2020	1,455,000	1,227,166
2021	1,510,000	1,191,379
2022	1,575,000	1,151,915
2023	1,650,000	1,108,666
2024	1,735,000	1,061,819
2025-2029	10,060,000	4,465,418
2030-2034	12,700,000	2,543,670
2035-2036	5,830,000	330,816
Total	<u>36,515,000</u>	<u>13,080,849</u>

Changes in Long-Term Debt

The following are summaries of changes in the City's long-term debt for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Governmental Activities:					
Direct placement installment purchases	\$ 12,737,671	\$ 1,527,000	\$ 3,333,295	\$ 10,931,376	\$ 2,133,252
Special Obligation Bonds	36,815,000	-	300,000	36,515,000	1,455,000
Unamortized Bond Premium	2,922,093	-	382,417	2,539,676	-
LEOSSA (Total Pension Liability)	6,480,575	-	21,907	6,458,668	-
Direct borrowing - HUD Loan	1,640,000	-	145,000	1,495,000	145,000
Accrued Interest	270,733	268,733	270,733	268,733	268,733
Direct borrowing - NCDOT	2,878,422	91,475	351,084	2,618,813	70,000
Net pension liability (LGERS)	8,594,283	4,193,417	-	12,787,700	-
Total OPEB liability	32,769,290	-	372,901	32,396,389	-
Compensated absences	3,661,534	2,173,304	2,202,008	3,632,830	2,202,008
Total	<u>\$ 108,769,601</u>	<u>\$ 8,253,929</u>	<u>\$ 7,379,345</u>	<u>\$ 109,644,185</u>	<u>\$ 6,273,993</u>
All Business-Type Activities:					
Direct placement installment purchases	\$ 10,893,282	\$ 3,388,000	\$ 3,436,895	\$ 10,844,387	\$ 3,931,490
Direct borrowing - NCDENR	5,229,953	-	429,428	4,800,525	429,428
Net pension liability (LGERS)	2,649,758	1,324,800	-	3,974,558	-
Total OPEB liability	10,352,590	-	117,808	10,234,782	-
Compensated absences	760,101	621,883	564,976	817,008	564,976
Total	<u>\$ 29,885,684</u>	<u>\$ 5,334,683</u>	<u>\$ 4,549,107</u>	<u>\$ 30,671,260</u>	<u>\$ 4,925,894</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Electric Fund:					
Direct placement installment purchases	\$ 5,736,910	\$ 705,000	\$ 1,775,309	\$ 4,666,601	\$ 1,847,510
Net pension liability (LGERS)	876,006	438,038		1,314,044	-
Total OPEB liability	3,423,034	-	38,953	3,384,081	-
Compensated absences	306,031	248,910	246,548	308,393	246,548
Total	<u>\$ 10,341,981</u>	<u>\$ 1,391,948</u>	<u>\$ 2,060,810</u>	<u>\$ 9,673,119</u>	<u>\$ 2,094,058</u>
Gas Fund:					
Direct placement installment purchases	\$ 74,411	\$ 1,373,000	\$ 42,111	\$ 1,405,300	\$ 331,408
Net pension liability (LGERS)	262,822	144,233	-	407,055	-
Total OPEB liability	1,127,096	-	12,825	1,114,271	-
Compensated absences	87,529	78,808	70,358	95,979	70,358
Total	<u>\$ 1,551,858</u>	<u>\$ 1,596,041</u>	<u>\$ 125,294</u>	<u>\$ 3,022,605</u>	<u>\$ 401,766</u>
Water Fund:					
Direct placement installment purchases	\$ 952,078	645,000	\$ 389,623	\$ 1,207,455	\$ 493,806
Direct borrowing - NCDENR	148,718	-	12,393	136,325	12,393
Net pension liability (LGERS)	680,346	341,884	-	1,022,230	-
Total OPEB liability	2,671,636	-	30,402	2,641,234	-
Compensated absences	152,537	127,018	106,232	173,323	106,232
Total	<u>\$ 4,605,315</u>	<u>\$ 1,113,902</u>	<u>\$ 538,650</u>	<u>\$ 5,180,567</u>	<u>\$ 612,431</u>
Sewer Fund:					
Direct placement installment purchases	\$ 3,505,678	\$ 464,000	\$ 909,574	\$ 3,060,104	\$ 944,887
Direct borrowing - NCDENR	5,081,235	-	417,035	4,664,200	417,035
Net pension liability (LGERS)	471,874	224,361	-	696,235	-
Total OPEB liability	1,753,261	-	19,951	1,733,310	-
Compensated absences	118,707	102,795	82,586	138,916	82,586
Total	<u>\$ 10,930,755</u>	<u>\$ 791,156</u>	<u>\$ 1,429,146</u>	<u>\$ 10,292,765</u>	<u>\$ 1,444,508</u>
Stormwater Fund:					
Direct placement installment purchases	\$ 624,205	\$ 201,000	\$ 320,278	\$ 504,927	\$ 313,879
Net pension liability (LGERS)	358,710	176,284	-	534,994	-
Total OPEB liability	1,377,563	-	15,677	1,361,886	-
Compensated absences	95,297	64,352	59,252	100,397	59,252
Total	<u>\$ 2,455,775</u>	<u>\$ 441,636</u>	<u>\$ 395,207</u>	<u>\$ 2,502,204</u>	<u>\$ 373,131</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Maturities of Long-Term Debt

The annual requirements to retire all debt outstanding, other than the accrual for possible claims and judgments, unfunded special separation allowance and other long-term debt at June 30, 2019, including interest, are as follows:

	Direct placement installment purchases		Other Direct borrowing		Special Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
Governmental Activities:						
2020	2,133,252	249,087	215,000	56,434	1,455,000	958,433
2021	1,737,717	200,620	2,693,813	55,155	1,510,000	1,191,379
2022	1,461,489	161,304	145,000	51,555	1,575,000	1,151,915
2023	1,390,666	125,032	145,000	46,364	1,650,000	1,108,666
2024	1,177,785	92,971	145,000	40,883	1,735,000	1,061,819
2025-2029	3,030,467	151,703	770,000	117,204	10,060,000	4,465,418
2030-2034	-	-	-	-	12,700,000	2,543,670
2035-2036	-	-	-	-	5,830,000	330,816
Total governmental activities	<u>10,931,376</u>	<u>980,717</u>	<u>4,113,813</u>	<u>367,595</u>	<u>36,515,000</u>	<u>12,812,116</u>
Business-Type Activities:						
2020	3,931,490	237,209	429,428	67,292	-	-
2021	2,746,145	144,944	429,428	60,569	-	-
2022	1,860,074	90,832	429,428	53,846	-	-
2023	677,221	59,919	429,428	47,123	-	-
2024	636,258	40,533	429,428	40,400	-	-
2025-2029	993,199	61,858	1,840,824	105,096	-	-
2030-2034	-	-	812,561	17,510	-	-
Total business-type activities	<u>10,844,387</u>	<u>635,295</u>	<u>4,800,525</u>	<u>391,836</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 21,775,763</u>	<u>\$ 1,616,012</u>	<u>\$ 8,914,338</u>	<u>\$ 759,431</u>	<u>\$ 36,515,000</u>	<u>\$ 12,812,116</u>

Unamortized bond premium of \$2,539,676 and accrued interest of \$268,733 have reduced interest for the special obligation bonds. The liability of \$42,631,170 for other post-employment benefits, the liability of \$6,458,668 for law enforcement separation allowance, and the liability of \$16,762,258 for the pension are not included in the amounts above.

The City is subject to the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt (exclusive of certain enterprise bonds) the City may have outstanding up to 8% of the appraised value of property subject to taxation. At June 30, 2019, the City had \$36,515,000 in special obligation bond debt outstanding which was applicable to limitation and a legal debt margin of \$278,290,312.

Conduit Debt Obligation

The City of Rocky Mount, North Carolina has issued multi-family housing revenue bonds (Rolling Meadows Apartments – Series 2006) to provide financing to Rocky Rolling Limited Partnership for the acquisition and rehabilitation of a 130-unit multi-family housing project. These bonds are secured by the property financed as well as an assignment of rents and a security agreement. Credit enhancement has been provided by Fannie Mae. Ownership of the acquired property is in the name of the partnership served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, the Rolling Meadows Apartments – Series 2006 is the only revenue bond outstanding, with an aggregate principal amount payable of \$4,800,000.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

12. Interfund Balances and Activity

Due To/From Other Funds

The composition of interfund balances as of June 30, 2019, are as follows:

Payable Fund	General	Receivable Fund Electric	Gas
General	\$ -	\$ 133,260	\$ 168,353
Public Transportation	193,363	-	-
Capital Projects	-	644,690	-
RM Public Facilities Corporation	16,649,800	-	-
	<u>\$ 16,843,163</u>	<u>\$ 777,950</u>	<u>\$ 168,353</u>

The amounts due to the General Fund from the nonmajor governmental funds represent \$193,363 in cash advances to cover expenses in the Special Revenue funds. During fiscal year 2017, the General Fund loaned \$16,649,800 from special obligation bonds proceeds to the Rocky Mount Public Facilities Corporation to facilitate the tax credit financing for the Rocky Mount Event Center project. The balance on this loan at June 30, 2019 was \$16,649,800 and no portion of the loan is scheduled to be collected in the subsequent year.

During fiscal year 2015, the Gas fund loaned funds to the General Fund for the purchase of recycling and rollout carts for environmental services division. The balance on this loan at June 30, 2019 was \$168,353. During fiscal year 2017, the Electric fund loaned funds to the General Fund for the purpose of renovating the bus station and funds to Capital Projects fund for improvements at Booker T Washington High School. The balance on this loan at June 30, 2019 was \$777,950.

Transfers To/From Other Funds

Transfer Out	General Fund/Powell Bill	Transfer In Nonmajor Governmental	Nonmajor Enterprise	Total
General Fund	\$ 818,000	\$ 672,984	\$ 75,000	\$ 1,565,984
Nonmajor Governmental Funds	500,000	-	-	500,000
Electric Fund	2,150,000	-	-	2,150,000
Gas Fund	1,025,000	-	-	1,025,000
Total	<u>\$ 4,493,000</u>	<u>\$ 672,984</u>	<u>\$ 75,000</u>	<u>\$ 5,240,984</u>

General Fund, major, and nonmajor governmental fund transfers are used to move unrestricted fund revenues to support various programs that the government must account for in other funds in accordance with budgetary authorizations and to match grant funds.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The transfer between the General Fund and nonmajor enterprise fund was a contribution to the Stormwater fund for eligible drainage repairs and replacement work from Powell Bill funds. The transfer between the General Fund and Powell Bill represents additional motor vehicle fee collections after the implementation of an increased fee in the prior fiscal year to promote street repair and replacement. Transfers between the General Fund and nonmajor governmental funds represent funding of Transit, Community Development, and Public Safety programs.

Electric, Gas, and Water fund transfers to the General Fund are transfers which represent a return on the investment of the utility. These transfers are made within guidelines established in the City's administrative policy. Currently, the Electric fund may transfer a maximum of 3% of the fund's gross fixed assets; the Gas fund may transfer a maximum of 75% of the fund's income before transfers; and the Water fund may transfer a maximum of 50% of income before transfers.

13. Jointly Governed Organizations

The City, participates in two jointly governed organizations with other entities as follows:

Braswell Memorial Library

The City, in conjunction with the Library Association, Nash County and Edgecombe County, participates in a jointly governed organization to operate the Braswell Memorial Library. Each of the entities appoints members of the twelve-member Council of Trustees of the Library. The City appoints three of the twelve Council members. The City contributed \$613,260 to the library's operating purposes during the year ended June 30, 2019.

North Carolina Eastern Municipal Power Agency

On September 28, 1981, the City Council adopted an ordinance authorizing the City's participation in the North Carolina Eastern Municipal Power Agency (the "Agency") and, as such, is a part owner in several electrical generating plants operated by Carolina Power and Light Company ("CP&L").

Under the contracts executed by the City with the Agency, the Agency became the "all requirements" power supplier to the City. The City is obligated to pay for this power at rates set by the Agency and to set electrical utility rates at a level such that sufficient electrical revenues are generated to meet the obligations to the Agency. The Agency furnishes power to the City and the 31 other North Carolina municipalities participating in the Agency through its ownership of a portion of CP&L's generating capacity, together with additional purchases of power and energy as needed to meet the "all requirements" needs of the 32 municipalities. The City's share of the power and energy from the Initial Project is 16.026%. Under the terms of the agreement with the Agency, the City is obligated to pay such proportionate share of the Agency's Initial Project, whether the generators produce power or not. This is commonly referred to as a "take or pay" contract in the utility industry. This agreement expires on the later of (i) January 1, 2032, or (ii) the date upon which the last generating unit of the Initial Project is retired.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

To finance its ownership interest in the Initial Project, the Agency issued bonds. On July 31, 2015, the NCEMPA completed the sale of most of its electricity generating assets to Duke Energy. These proceeds were used to defease the NCEMPA's outstanding revenue bonds. The NCEMPA entered into contractual arrangements with its member cities and Duke Energy. Under these arrangements, the NCEMPA will supply wholesale power to its members and will purchase this power from Duke Energy. In addition to payments made for electric power, NCEMPA members will make payments for their share of the debt service on the NCEMPA's new revenue bonds. At December 31, 2018, \$308,260,000 of the bonds were outstanding (plus unamortized premium of \$916,000). The Agency bills each participant monthly for power costs and the participant's share of debt service on the Agency's bonds.

Also, on December 9, 1991, the City Council authorized the City to enter into a subsequent agreement with the Agency, whereby the Agency would construct, own and operate three combustion turbine plants totaling up to 240 megawatts (the "Peaking Project"). This agreement is also considered a "take or pay" contract and was entered into by 27 of the 32 municipalities that entered into the Initial Project. The City is obligated to pay 14.4093% of the Agency's costs of the Peaking Project and is entitled to a like percentage of energy and power from the project.

As needed, the City purchases electrical power from the Southeastern Power Administration in addition to electrical purchase from the Agency.

14. Joint Ventures

Rocky Mount-Wilson Airport Authority

The City, in conjunction with the City of Wilson, Nash County, Edgecombe County and Wilson County, participates in a joint venture to operate the Rocky Mount-Wilson Airport Authority (RMWAA). Each of the entities appoints members of the seven-member council of commissioners of the Authority. The City appoints two of the seven Council members. The City has an ongoing financial responsibility for the airport and contributed \$281,482 to the Authority for operating purposes and capital outlay during the year ended June 30, 2019. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$2,401,715 which represents 29% of the net position of the RMWAA shown in their preliminary June 30, 2018 financial statements has been reflected in the City's Statement of Net Position as a noncurrent asset at June 30, 2019. The current year investment is included in the miscellaneous revenues in the Statement of Activities. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 250 Airport Road, Elm City, North Carolina 27822.

15. Related Organization

Rocky Mount Housing Authority

The Rocky Mount Housing Authority (Authority) provides decent, safe and sanitary low rent housing for low income families who cannot afford private housing. The mayor of the City appoints the entire Council of the Authority; however, the City is unable to impose its will on the Authority. The Authority owns numerous housing properties in various locations within the City. Annually, the City receives a payment in lieu of taxes from the Authority. For the year ended June 30, 2019, this payment totaled \$31,246.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

16. Utility Service Fees

The General Fund charges the enterprise funds a utility service fee to reimburse the General Fund for overhead expenses which are not specifically identified with the utility operations. Utility service fees totaling \$18,077,505 are recorded as operational expense in the enterprise funds and as a reduction of operating expenditures of the General Fund.

17. Stewardship, Compliance and Accountability

Federal and State Funds

The City participates in a number of federal and state grant programs. For the fiscal year ended June 30, 2019, these programs were subject to audit in accordance with the Single Audit Act of 1984, the provisions of Uniform Guidance and the State Single Audit Implementation Act. The amount, if any, of expenditures which may be disallowed by the granting agencies resulting from any such audit cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

18. Significant Contingencies

Environmental Concerns

The City operated a coal gas manufacturing plant from the 1920's to 1950's. In general, manufactured gas plants (MGP) produced coal gas for lighting and heating from coal. Byproducts of this process including coal tar and oils were typically stored and disposed of on sight. This may have caused contamination of the subsurface area of the MGP. The City has had to implement a NC Department of Environmental and Natural Resources (NCDENR) approved remedial investigation (RI) to determine the extent of any subsurface contamination and to develop and implement a NCDENR approved remedial action plan (RAP) to address any subsurface contamination. A remedial investigation (RI) work plan was developed, and approved by NCDENR. A Consultant completed the RI and soil contaminants were found. The Consultant recommended performing a more in depth RI to determine the extent of soil contamination. Results of the RI and consultant's recommendation have been forwarded to NCDENR for their analysis. NCDENR approved the consultant's recommendation for a more in depth RI, and a remedial action plan (RAP) was developed and submitted to NCDENR for approval. Site cleanup activities were conducted from late December 2011 to mid-January 2012. A Remedial Action Report (RAR) was prepared and submitted to NCDENR on March 20, 2012 and was approved by NCDENR on April 26, 2012. The City is currently moving forward with establishing Declaration of Perpetual Land Use Restrictions (DPLURs) for the property which restricts groundwater use and soil exposure at the site. The restrictions, once finalized, will be included on the property deed in accordance with NCDENR requirements. The Land Use Restrictions are in the final stages of approval. Long-term groundwater monitoring was initiated during the 3rd Quarter of 2012. The monitoring is done to make sure contamination is not seeping down and spreading into the groundwater. Samples showed some contamination that had been leached into the soil. The City has recently allocated funds to remediate the leeching that is happening by using Aggressive Fluid Vapor Recovery, which vacuums out the contamination. The City will continue to monitor the contamination levels and groundwater monitoring will likely continue for the foreseeable future. As of June 30, 2019, the City has paid \$1,026,951 in costs for remediation.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Appropriation to School System

During fiscal year 1991-1992, the North Carolina General Assembly enacted legislation to provide for the merger and consolidation of the School Administrative Units in Nash County and the City of Rocky Mount. The legislation created the “Nash-Rocky Mount Council of Education” (the “Council”) and became effective on July 1, 1992.

The Council was given the responsibility to operate and administer all of the public schools in the Nash-Rocky Mount School Administrative Unit with funding originating from Edgecombe and Nash Counties and the City. The City has agreed to contribute an amount equal to the current appropriation per student differential occurring between Nash and Edgecombe Counties each year, indefinitely. The amount contributed under this agreement was \$417,670 for the year ended June 30, 2019.

Litigation Matters

The City is a defendant in various other claims and litigation arising in the normal course of operations. In the opinion of management, resolution of these matters will not result in a material adverse effect on the City’s financial position.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains information required by generally accepted accounting principles.



CITY OF ROCKY MOUNT, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

Schedule of Changes in Total Pension Liability

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 6,480,575	\$ 5,970,895	\$ 6,054,979
Service cost	283,672	240,984	251,244
Interest on the total pension liability	198,069	223,166	208,917
Differences between expected and actual experience in the measurement of the total pension liability	172,567	59,335	-
Changes of assumptions or other inputs	(251,098)	364,970	(138,294)
Benefit payments	<u>(425,117)</u>	<u>(378,775)</u>	<u>(405,951)</u>
Ending balance of the total pension liability	<u>\$ 6,458,668</u>	<u>\$ 6,480,575</u>	<u>\$ 5,970,895</u>

The amounts presented for each fiscal year were determined as of the prior fiscal year ending

Schedule of Total Pension Liability as a Percentage of Covered Payroll

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 6,458,668	\$ 6,480,575	\$ 5,970,895
Covered payroll	9,058,653	8,889,420	8,929,219
Total pension liability as a percentage of covered payroll	71.30%	72.90%	66.87%

The City of Rocky Mount has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Note: The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

CITY OF ROCKY MOUNT, NORTH CAROLINA

OTHER POST - EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

Schedule of Changes in Total OPEB Liability and Related Ratios

	2019	2018
Beginning balance	\$ 43,121,881	\$ 44,503,816
Service cost	1,645,340	1,782,808
Interest on the total OPEB liability	1,482,776	1,304,210
Differences between expected and actual experience in the measurement of the total OPEB liability	721,224	269,246
Changes of assumptions or other inputs	(1,372,334)	(2,371,524)
Benefit payments	(2,967,716)	(2,366,675)
Ending balance of the total OPEB liability	<u>\$ 42,631,171</u>	<u>\$ 43,121,881</u>
 Covered payroll	 41,459,141	 41,459,141
Total OPEB liability as a percentage of covered payroll	102.83%	104.01%

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Rate</u>
2019	3.89%
2018	3.56%

Note: The OPEB schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

CITY OF ROCKY MOUNT, NORTH CAROLINA**CITY OF ROCKY MOUNT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST SIX FISCAL YEARS ***

	LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM					
	2019	2018	2017	2016	2015	2014
City of Rocky Mount's proportion of the net pension liability (asset) (%)	0.00707%	0.73600%	0.74706%	0.77070%	0.77537%	0.81440%
City of Rocky Mount's proportion of the net pension liability (asset) (\$)	\$16,762,258	\$11,244,041	\$15,855,115	\$ 3,458,867	\$ (4,572,714)	\$ 9,816,647
City of Rocky Mount's covered payroll	\$44,459,895	\$43,549,901	\$42,215,771	\$41,170,604	\$39,599,802	\$39,111,519
City of Rocky Mount's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.70%	25.82%	37.56%	8.40%	-11.55%	25.10%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

Note: The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

* The amounts presented are for the prior fiscal year.

CITY OF ROCKY MOUNT, NORTH CAROLINA

CITY OF ROCKY MOUNT'S CONTRIBUTIONS
REQUIRED SUPPLEMENTAL INFORMATION
LAST SIX FISCAL YEARS

	LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM					
	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 3,590,277	\$ 3,422,233	\$ 3,246,821	\$ 2,879,744	\$ 2,938,437	\$ 2,815,978
Contributions in relation to the contractually required contribution	<u>3,590,277</u>	<u>3,422,233</u>	<u>3,246,821</u>	<u>2,879,744</u>	<u>2,938,437</u>	<u>2,815,978</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Rocky Mount's covered payroll	\$45,477,353	\$44,459,895	\$43,549,901	\$42,215,771	\$41,170,604	\$39,599,802
Contributions as a percentage of covered payroll	7.89%	7.70%	7.46%	6.82%	7.14%	7.11%

Note: The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is established to account for the revenues and expenditures traditionally associated with operating governmental service functions, except for those resources required to be accounted for in another fund.

ROCKY MOUNT PUBLIC FACILITIES CORPORATION

This fund is used to account for the non-profit entity which organized for the exclusive purpose of promoting the general welfare of the citizens of the City by assisting the City in carrying out its governmental functions, through the acquisition, construction, operation, sale or lease of real estate and improvements, facilities, equipment, and other personal property.



CITY OF ROCKY MOUNT, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Revenues:			
Taxes:			
Ad Valorem Taxes:			
Current year	\$ 25,862,000	\$ 26,352,227	\$ 490,227
Prior years	495,000	459,658	(35,342)
Special district	68,000	67,614	(386)
Penalties and interest	230,000	233,013	3,013
Total	26,655,000	27,112,512	457,512
Intergovernmental Revenues:			
Payment in lieu of taxes	1,874,000	1,857,246	(16,754)
Local option sales tax	11,960,000	12,545,552	585,552
Telecommunications tax	560,000	519,791	(40,209)
Franchise tax	4,025,000	4,179,452	154,452
Tax refunds	70,000	25,520	(44,480)
Beer and wine tax	270,000	236,289	(33,711)
ABC revenues	114,000	126,856	12,856
Court facilities fees	104,000	93,044	(10,956)
State grants	2,898,040	2,075,468	(822,572)
On behalf payments - fire	-	16,380	16,380
Other	996,257	1,105,298	109,041
Total	22,871,297	22,780,896	(90,401)
Licenses, Permits and Other Taxes:			
Building permits and inspection fees	694,100	673,858	(20,242)
Rental vehicle tax	80,000	86,402	6,402
Animal tax	18,000	17,056	(944)
Other	934,100	1,001,454	67,354
Total	1,726,200	1,778,770	52,570
Sales and Service:			
Solid waste and recycling charges	3,850,000	3,892,113	42,113
Reconnection charges	350,000	362,553	12,553
Weed control charges	80,000	83,091	3,091
Cemetery revenues	160,000	162,975	2,975
Sale of fixed assets	201,500	114,740	(86,760)
Recreation charges	793,500	734,982	(58,518)
Event Center revenues	933,500	1,018,056	84,556
Transfer station charges	2,510,000	2,746,508	236,508
Concessions	113,000	159,335	46,335
Other	569,900	517,967	(51,933)
Total	9,561,400	9,792,320	230,920
Investment Earnings	726,520	965,468	238,948

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Miscellaneous:			
Insurance	25,000	56,912	31,912
Demolition assessment	75,000	34,070	(40,930)
Excess utility tax	100,000	104,330	4,330
Rents	360,600	429,972	69,372
Contributions	101,250	97,001	(4,249)
Parking	3,650	3,744	94
Other	112,500	187,961	75,461
Total	778,000	913,990	135,990
Total revenues	62,318,417	63,343,956	1,025,539
Expenditures:			
General Government:			
Mayor and City Council:			
Salaries	145,890	145,880	10
Employee benefits	55,210	54,804	406
Operating expenses	840,710	610,620	230,090
Utility service fee	(545,600)	(425,600)	(120,000)
Total	496,210	385,704	110,506
City Clerk:			
Salaries	205,885	205,884	1
Employee benefits	65,789	65,603	186
Operating expenses	24,070	22,977	1,093
Utility service fee	(149,900)	(149,900)	-
Total	145,844	144,564	1,280
Internal Audit:			
Salaries	100,434	100,434	-
Employee benefits	42,522	42,521	1
Operating expenses	16,900	4,220	12,680
Capital outlay	1,000	880	120
Utility service fee	(77,909)	(77,909)	-
Total	82,947	70,146	12,801
Community Services:			
Operating expenses	2,474,594	2,206,892	267,702
Utility service fee	(900,800)	(988,900)	88,100
Total	1,573,794	1,217,992	355,802
City Manager:			
Salaries	737,392	737,391	1
Employee benefits	190,090	189,562	528
Operating expenses	183,250	182,341	909
Capital outlay	23,500	13,945	9,555
Utility service fee	(580,900)	(580,900)	-
Total	553,332	542,339	10,993

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Communications & Marketing:			
Salaries	241,734	241,640	94
Employee benefits	77,100	77,052	48
Operating expenses	130,511	113,462	17,049
Capital outlay	12,900	12,812	88
Utility service fee	(236,500)	(236,500)	-
Total	225,745	208,466	17,279
Technology Services:			
Salaries	631,020	630,984	36
Employee benefits	182,060	176,613	5,447
Operating expenses	1,426,228	1,380,501	45,727
Capital outlay	827,652	567,294	260,358
Utility service fee	(3,064,800)	(2,730,318)	(334,482)
Total	2,160	25,074	(22,914)
Finance:			
Administration:			
Salaries	255,315	255,315	-
Employee benefits	70,103	70,103	-
Operating expenses	1,336,207	1,315,620	20,587
Capital outlay	1,000	-	1,000
Utility service fee	(1,553,850)	(1,553,851)	1
Total	108,775	87,187	21,588
Accounting:			
Salaries	543,883	543,882	1
Employee benefits	156,523	156,522	1
Operating expenses	43,552	43,269	283
Capital outlay	300	214	86
Utility service fee	(693,800)	(693,800)	-
Total	50,458	50,087	371
Purchasing:			
Salaries	338,583	338,583	-
Employee benefits	103,321	103,185	136
Operating expenses	38,764	37,689	1,075
Capital outlay	1,000	902	98
Utility service fee	(434,480)	(434,481)	1
Total	47,188	45,878	1,310
Utility Billing:			
Salaries	1,898,306	1,897,632	674
Employee benefits	617,718	617,331	387
Operating expenses	926,961	919,093	7,868
Capital outlay	45,888	44,536	1,352
Utility service fee	(3,462,000)	(3,462,000)	-
Total	26,873	16,592	10,281
Total finance	233,294	199,744	33,550

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Central Services:			
Municipal Building:			
Salaries	353,779	353,778	1
Employee benefits	115,900	114,611	1,289
Operating expenses	1,305,167	1,017,728	287,439
Capital outlay	1,318,501	1,098,664	219,837
Utility service fee	(2,217,600)	(2,217,600)	-
Total	875,747	367,181	508,566
Print Shop:			
Operating expenses	145,850	145,420	430
Utility service fee	(92,000)	(92,000)	-
Total	53,850	53,420	430
Judicial Center:			
Salaries	45,800	45,737	63
Employee benefits	15,400	14,760	640
Operating expenses	129,600	128,237	1,363
Capital outlay	474,500	386,063	88,437
Total	665,300	574,797	90,503
Total central services	1,594,897	995,398	599,499
Development Services:			
Administration:			
Salaries	414,974	414,974	-
Employee benefits	136,389	136,388	1
Operating expenses	72,601	63,338	9,263
Total	623,964	614,700	9,264
Inspections:			
Salaries	495,110	495,021	89
Employee benefits	150,180	150,116	64
Operating expenses	99,159	51,000	48,159
Capital outlay	20,489	18,924	1,565
Total	764,938	715,061	49,877
Housing Code Enforcement:			
Salaries	509,780	509,592	188
Employee benefits	153,330	152,656	674
Operating expenses	459,654	250,737	208,917
Capital outlay	36,080	33,005	3,075
Total	1,158,844	945,990	212,854
Total development services	2,547,746	2,275,751	271,995

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Community & Business Development:			
Administration:			
Salaries	205,800	205,800	-
Employee benefits	69,230	69,224	6
Operating expenses	655,080	519,401	135,679
Utility service fee	(696,600)	(696,600)	-
Capital outlay	25,990	-	25,990
Total	259,500	97,825	161,675
Downtown Development:			
Salaries	23,920	23,913	7
Employee benefits	5,390	4,865	525
Operating expenses	419,865	117,103	302,762
Utility service fee	(113,600)	(113,600)	-
Capital outlay	500	-	500
Total	336,075	32,281	303,794
Community Development:			
Salaries	160,530	160,514	16
Employee benefits	36,180	35,921	259
Operating expenses	797,521	442,580	354,941
Utility service fee	(503,500)	(170,045)	(333,455)
Capital outlay	30,000	-	30,000
Total	520,731	468,970	51,761
Business Development:			
Salaries	83,800	83,799	1
Employee benefits	23,650	23,646	4
Operating expenses	119,150	32,699	86,451
Utility service fee	(125,600)	(125,600)	-
Total	101,000	14,544	86,456
Neighborhood Redevelopment:			
Operating expenses	298,657	273,326	25,331
Total	298,657	273,326	25,331
Total community & business development	1,515,963	886,946	629,017
Human Resources:			
Salaries	657,324	657,324	-
Employee benefits	1,324,357	1,318,915	5,442
Operating expenses	311,470	295,685	15,785
Capital outlay	5,850	3,987	1,863
Utility service fee	(1,371,600)	(1,371,600)	-
Total human resources	927,401	904,311	23,090

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Human Relations:			
Salaries	274,919	274,485	434
Employee benefits	81,306	81,175	131
Operating expenses	40,550	38,227	2,323
Total human relations	396,775	393,887	2,888
Total general government	10,296,108	8,250,322	2,045,786
Public Safety:			
Police:			
Administration:			
Salaries	981,409	981,409	-
Employee benefits	159,435	157,815	1,620
Operating expenses	182,294	180,013	2,281
Total	1,323,138	1,319,237	3,901
Support Services:			
Salaries	2,539,310	2,539,270	40
Employee benefits	785,380	785,187	193
Operating expenses	646,961	598,969	47,992
Capital outlay	112,400	71,595	40,805
Total	4,084,051	3,995,021	89,030
Special Operations:			
Salaries	1,290,370	1,289,943	427
Employee benefits	426,420	426,389	31
Operating expenses	385,184	316,918	68,266
Capital outlay	76,132	36,682	39,450
Total	2,178,106	2,069,932	108,174
Patrol Services:			
Salaries	5,016,690	5,015,861	829
Employee benefits	1,645,340	1,645,208	132
Operating expenses	569,630	562,022	7,608
Capital outlay	528,208	485,175	43,033
Total	7,759,868	7,708,266	51,602
Investigative Services:			
Salaries	1,151,670	1,150,993	677
Employee benefits	371,070	370,254	816
Operating expenses	86,450	86,238	212
Capital outlay	49,040	43,835	5,205
Total	1,658,230	1,651,320	6,910
Total police	17,003,393	16,743,776	259,617
Fire:			

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Administration:			
Salaries	547,866	547,865	1
Employee benefits	192,530	191,293	1,237
Operating expenses	382,180	380,078	2,102
Capital outlay	755,154	225,959	529,195
Total	1,877,730	1,345,195	532,535
Operations:			
Salaries	7,104,015	7,103,561	454
Employee benefits	2,075,410	2,075,392	18
Operating expenses	841,250	713,754	127,496
Capital outlay	1,680,816	1,634,454	46,362
Total	11,701,491	11,527,161	174,330
Prevention:			
Salaries	346,090	346,036	54
Employee benefits	93,190	92,177	1,013
Operating expenses	16,730	15,685	1,045
Capital outlay	500	470	30
Total	456,510	454,368	2,142
Training:			
Salaries	371,380	371,329	51
Employee benefits	102,890	102,665	225
Operating expenses	48,450	48,169	281
Capital outlay	300	285	15
Total	523,020	522,448	572
Total fire	14,558,751	13,849,172	709,579
Total public safety	31,562,144	30,592,948	969,196
Public Works:			
Administration:			
Salaries	128,213	128,156	57
Employee benefits	30,370	30,357	13
Operating expenses	50,570	49,360	1,210
Total	209,153	207,873	1,280
Street and ROW Maintenance:			
Salaries	813,014	812,985	29
Employee benefits	266,460	266,360	100
Operating expenses	1,329,120	1,327,423	1,697
Capital outlay	329,694	320,123	9,571
Service charges	(497,518)	(497,518)	-
Total	2,240,770	2,229,373	11,397

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Environmental Service:			
Salaries	1,779,944	1,779,943	1
Employee benefits	574,770	574,713	57
Operating expenses	3,892,331	3,892,067	264
Capital outlay	55,280	54,303	977
Total	6,302,325	6,301,026	1,299
Fleet Maintenance:			
Salaries	677,826	677,824	2
Employee benefits	213,230	212,518	712
Operating expenses	2,207,768	2,207,397	371
Capital outlay	60,000	7,484	52,516
Service charges	(3,069,427)	(3,069,427)	-
Total	89,397	35,796	53,601
Engineering:			
Administration:			
Salaries	675,876	675,875	1
Employee benefits	192,970	192,442	528
Operating expenses	79,340	72,363	6,977
Capital outlay	63,923	63,923	-
Utility service fee	(506,100)	(506,100)	-
Total	506,009	498,503	7,506
Traffic:			
Salaries	532,014	532,007	7
Employee benefits	188,170	188,153	17
Operating expenses	492,244	485,270	6,974
Capital outlay	145,000	10,000	135,000
Utility service fee	(595,400)	(595,400)	-
Total	762,028	620,030	141,998
Total public works	10,109,682	9,892,601	217,081
Parks and Recreation:			
Administration:			
Salaries	255,800	252,811	2,989
Employee benefits	87,730	85,114	2,616
Operating expenses	173,745	172,909	836
Total	517,275	510,834	6,441
Athletics:			
Salaries	247,930	247,626	304
Employee benefits	66,930	65,749	1,181
Operating expenses	199,850	199,081	769
Capital outlay	1,000	-	1,000
Total	515,710	512,456	3,254

CITY OF ROCKY MOUNT, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Cultural Arts:			
Salaries	282,350	282,346	4
Employee benefits	78,730	70,572	8,158
Operating expenses	214,450	176,278	38,172
Capital outlay	5,700	2,032	3,668
Total	581,230	531,228	50,002
Amusements & Special Events:			
Salaries	46,780	46,775	5
Employee benefits	26,740	26,737	3
Operating expenses	332,298	284,264	48,034
Total	405,818	357,776	48,042
Museum:			
Salaries	217,040	216,594	446
Employee benefits	68,000	59,342	8,658
Operating expenses	186,539	123,860	62,679
Capital outlay	4,883	3,200	1,683
Total	476,462	402,996	73,466
Parks Maintenance:			
Salaries	758,230	757,523	707
Employee benefits	265,240	232,675	32,565
Operating expenses	984,755	979,513	5,242
Capital outlay	466,629	322,728	143,901
Utility service fee	(36,000)	(36,000)	-
Total	2,438,854	2,256,439	182,415
Cemetery Operations:			
Salaries	254,450	253,576	874
Employee benefits	84,200	80,152	4,048
Operating expenses	135,261	125,573	9,688
Capital outlay	55,976	27,167	28,809
Total	529,887	486,468	43,419
Outdoor Programs:			
Salaries	176,880	176,878	2
Employee benefits	28,970	28,962	8
Operating expenses	42,090	24,253	17,837
Total	247,940	230,093	17,847

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Neighborhood Programs:			
Salaries	657,366	657,357	9
Employee benefits	103,760	103,707	53
Operating expenses	377,561	366,053	11,508
Capital outlay	18,790	14,334	4,456
Total	1,157,477	1,141,451	16,026
Senior Programs:			
Salaries	282,770	282,762	8
Employee benefits	61,850	61,847	3
Operating expenses	278,031	262,173	15,858
Capital outlay	26,257	12,315	13,942
Total	648,908	619,097	29,811
Sports Complex:			
Salaries	469,170	468,725	445
Employee benefits	117,580	117,572	8
Operating expenses	569,069	562,405	6,664
Capital outlay	113,241	113,241	-
Total	1,269,060	1,261,943	7,117
Imperial Centre:			
Salaries	245,650	245,283	367
Employee benefits	41,650	40,505	1,145
Operating expenses	580,171	552,301	27,870
Capital outlay	56,500	900	55,600
Total	923,971	838,989	84,982
Event Center:			
Salaries	637,437	631,896	5,541
Employee benefits	109,810	109,809	1
Operating expenses	1,400,616	1,392,862	7,754
Total	2,147,863	2,134,567	13,296
Total parks and recreation	11,860,455	11,284,337	576,118
Public Service:			
Capital outlay	3,802,979	2,607,122	1,195,857

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	2019		
	Final Budget	Actual	Variance Positive/(Negative)
Debt service expenditures:			
Principal	3,405,800	3,705,795	(299,995)
Interest	2,249,345	1,949,142	300,203
Total debt service expenditures	5,655,145	5,654,937	208
 Total expenditures	 73,286,513	 68,282,267	 5,004,246
 Revenues over (under) expenditures	 (10,968,096)	 (4,938,311)	 6,029,785
 Other Financing Sources (Uses):			
Transfers to other funds	(1,690,993)	(1,565,984)	125,009
Transfers from other funds	4,455,000	4,493,000	38,000
Installment purchase financing issued	2,462,000	1,527,000	(935,000)
Total other financing sources (uses):	5,226,007	4,454,016	(771,991)
 Revenues and other financing sources over (under) expenditures and other financing uses	 (5,742,089)	 (484,295)	 5,257,794
 Fund balance appropriated	 5,742,089	 -	 (5,742,089)
 Net change in fund balance	 \$ -	 (484,295)	 \$ (484,295)
 Fund Balance:			
Beginning of year, July 1		49,550,842	
End of year, June 30		\$ 49,066,547	

CITY OF ROCKY MOUNT, NORTH CAROLINA

MAJOR SPECIAL REVENUE FUND-PUBLIC FACILITIES CORPORATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual		
	Project Budget	Prior Years	Current Year	Total
Revenues:				
Contributions	\$ -	\$ 9,000	\$ -	\$ 9,000
Miscellaneous	1,473,632	232,156	210,519	442,675
Total revenues	1,473,632	241,156	210,519	451,675
Expenditures:				
Debt service:				
Interest	1,473,632	232,156	210,519	442,675
Total expenditures	1,473,632	232,156	210,519	442,675
Net change in fund balance	\$ -	\$ 9,000	-	\$ 9,000
Fund Balance:				
Beginning of year, July 1			9,000	
End of year, June 30			\$ 9,000	

NON MAJOR GOVERNMENTAL FUNDS



CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2019

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets:			
Cash and cash equivalents/investments	\$ 1,002,323	\$ 884,914	\$ 1,887,237
Receivables - net:			
Ad valorem taxes	-	6,287	6,287
Other governmental agencies	617,685	-	617,685
Other	991,491	1,164,100	2,155,591
Prepaid items	288,000	-	288,000
Restricted cash and investments	500	1,678,308	1,678,808
Total assets	<u>\$ 2,899,999</u>	<u>\$ 3,733,609</u>	<u>\$ 6,633,608</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenditures	\$ 55,817	\$ -	\$ 55,817
Liabilities to be paid from restricted assets	500	-	500
Due to other funds	193,363	644,690	838,053
Total liabilities	<u>249,680</u>	<u>644,690</u>	<u>894,370</u>
Deferred Inflows of Resources:			
Taxes receivable	-	6,287	6,287
Total deferred inflows of resources	<u>-</u>	<u>6,287</u>	<u>6,287</u>
Fund Balances:			
Nonspendable:			
Prepaid items	288,000	-	288,000
Restricted:			
Stabilization by state statute	1,609,176	1,164,100	2,773,276
Future capital projects	-	1,678,308	1,678,308
Public safety	234,447	-	234,447
Parks and recreation	522,595	-	522,595
Committed:			
Public service	233,245	-	233,245
Future capital projects	-	167,950	167,950
Assigned	-	72,274	72,274
Unassigned	<u>(237,144)</u>	<u>-</u>	<u>(237,144)</u>
Total fund balances	<u>2,650,319</u>	<u>3,082,632</u>	<u>5,732,951</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,899,999</u>	<u>\$ 3,733,609</u>	<u>\$ 6,633,608</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 4,387,487	\$ 95,000	\$ 4,482,487
Project revenues	3,135,089	-	3,135,089
Investment earnings	18,576	71,358	89,934
Miscellaneous	5,462	967,822	973,284
Total revenues	<u>7,546,614</u>	<u>1,134,180</u>	<u>8,680,794</u>
Expenditures:			
Public safety	4,953	-	4,953
Parks and recreation	-	6,389,829	6,389,829
Public service	6,268,358	-	6,268,358
Community revitalization	466,546	-	466,546
Economic development	106,821	-	106,821
Debt service:			
Principal	72,500	-	72,500
Interest	30,544	-	30,544
Total expenditures	<u>6,949,722</u>	<u>6,389,829</u>	<u>13,339,551</u>
Revenues over (under) expenditures	<u>596,892</u>	<u>(5,255,649)</u>	<u>(4,658,757)</u>
Other Financing Sources (Uses):			
Transfers to other funds	(500,000)	-	(500,000)
Transfers from other funds	577,984	95,000	672,984
Total other financing sources (uses)	<u>77,984</u>	<u>95,000</u>	<u>172,984</u>
Net change in fund balances	674,876	(5,160,649)	(4,485,773)
Fund Balances:			
Beginning of year, July 1	1,975,443	8,243,281	10,218,724
End of year, June 30	<u>\$ 2,650,319</u>	<u>\$ 3,082,632</u>	<u>\$ 5,732,951</u>

NON MAJOR SPECIAL REVENUE FUNDS

Public Transportation Grants Fund

The purpose of the Public Transportation Grants Fund is to account for federal and state grants used to finance the Rocky Mount Transit (bus) system.

Entitlement Grants Fund

The purpose of the Entitlement Grants Fund is to account for projects financed with Housing and Urban Development (HUD) Grants that are used for revitalization of low and moderate-income areas within the City.

Crime/Safety Control Fund

This fund was established to account for federal and state grants used to finance law enforcement and fire projects including bullet proof vests, kid safety programs, law enforcement block grants, and other projects for crime and safety control.

Economic Development Fund

This fund was established to account for federal and state grants used to promote improvement in economically depressed areas, improve housing, public infrastructure, employment and business opportunities.

Emergency Telephone System Fund

This fund was established to account for state funds received related to monthly charges to telephone subscribers. Expenditures from this fund are restricted to specific purchase and maintenance of emergency telephone equipment.

Occupancy Tax

This fund was established to account for monies received from the local occupancy tax.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2019

	Public Transportation Grants	Entitlement Grants	Crime/ Safety Control
Assets:			
Cash and cash equivalents/investments	\$ -	\$ 231,066	\$ 18,933
Receivables - net:			
Other governmental agencies	500,747	84,432	2,938
Other	861,810	2,356	-
Prepaid items	288,000	-	-
Restricted cash and investments	-	500	-
Total assets	<u>\$ 1,650,557</u>	<u>\$ 318,354</u>	<u>\$ 21,871</u>
Liabilities:			
Accounts payable and accrued expenditures	\$ 43,781	\$ 12,036	\$ -
Liabilities to be paid from restricted assets	-	500	-
Due to other funds	193,363	-	-
Total liabilities	<u>237,144</u>	<u>12,536</u>	<u>-</u>
Fund Balance:			
Nonspendable:			
Prepaid items	288,000	-	-
Restricted:			
Stabilization by state statute	1,362,557	86,788	2,938
Public safety	-	-	18,933
Parks and recreation	-	-	-
Committed	-	219,030	-
Unassigned	(237,144)	-	-
Total fund balance (deficit)	<u>1,413,413</u>	<u>305,818</u>	<u>21,871</u>
Total liabilities and fund balance	<u>\$ 1,650,557</u>	<u>\$ 318,354</u>	<u>\$ 21,871</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2019

	Economic Development	Emergency Telephone System	Occupancy Tax	Total
Assets:				
Cash and cash equivalents/investments	\$ 14,215	\$ 215,514	\$ 522,595	\$ 1,002,323
Receivables - net:				
Other governmental agencies	-	29,568	-	617,685
Other	7,578	-	119,747	991,491
Prepaid items	-	-	-	288,000
Restricted cash and investments	-	-	-	500
Total assets	<u>\$ 21,793</u>	<u>\$ 245,082</u>	<u>\$ 642,342</u>	<u>\$ 2,899,999</u>
Liabilities:				
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ 55,817
Liabilities to be paid from restricted assets	-	-	-	500
Due to other funds	-	-	-	193,363
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,680</u>
Fund Balance:				
Nonspendable:				
Prepaid items	-	-	-	288,000
Restricted:				
Stabilization by state statute	7,578	29,568	119,747	1,609,176
Public safety	-	215,514	-	234,447
Parks and recreation	-	-	522,595	522,595
Committed	14,215	-	-	233,245
Unassigned	-	-	-	(237,144)
Total fund balance (deficit)	<u>21,793</u>	<u>245,082</u>	<u>642,342</u>	<u>2,650,319</u>
Total liabilities and fund balance	<u>\$ 21,793</u>	<u>\$ 245,082</u>	<u>\$ 642,342</u>	<u>\$ 2,899,999</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	Public Transportation Grants	Entitlement Grants	Crime/ Safety Control
Revenues:			
Intergovernmental	\$ 2,917,690	\$ 421,124	\$ 9,438
Project revenues	3,079,191	55,898	-
Investment earnings	-	818	-
Miscellaneous	-	5,462	-
Total revenues	<u>5,996,881</u>	<u>483,302</u>	<u>9,438</u>
Expenditures:			
Public safety	-	-	4,953
Public service	5,951,494	-	-
Community revitalization	-	466,546	-
Economic development	-	-	-
Debt service:			
Principal	-	72,500	-
Interest	-	30,544	-
Total expenditures	<u>5,951,494</u>	<u>569,590</u>	<u>4,953</u>
Revenues over (under) expenditures	<u>45,387</u>	<u>(86,288)</u>	<u>4,485</u>
Other Financing Sources (Uses):			
Transfers to other funds	-	-	-
Transfers from other funds	364,331	200,000	13,653
Total other financing sources (uses)	<u>364,331</u>	<u>200,000</u>	<u>13,653</u>
Net change in fund balances	409,718	113,712	18,138
Fund Balance:			
Beginning of year, July 1	1,003,695	192,106	3,733
End of year , June 30	<u>\$ 1,413,413</u>	<u>\$ 305,818</u>	<u>\$ 21,871</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	Economic Development	Emergency Telephone System	Occupancy Tax	Total
Revenues:				
Intergovernmental	\$ -	354,811	\$ 684,424	\$ 4,387,487
Project revenues	-	-	-	3,135,089
Investment earnings	-	3,663	14,095	18,576
Miscellaneous	-	-	-	5,462
Total revenues	-	358,474	698,519	7,546,614
Expenditures:				
Public safety	-	-	-	4,953
Public service	-	316,864	-	6,268,358
Community revitalization	-	-	-	466,546
Economic development	106,821	-	-	106,821
Debt service:				
Principal	-	-	-	72,500
Interest	-	-	-	30,544
Total expenditures	106,821	316,864	-	6,949,722
Revenues over (under) expenditures	(106,821)	41,610	698,519	596,892
Other Financing Sources (Uses):				
Transfers to other funds	-	-	(500,000)	(500,000)
Transfers from other funds	-	-	-	577,984
Total other financing sources (uses)	-	-	(500,000)	77,984
Net change in fund balances	(106,821)	41,610	198,519	674,876
Fund Balance:				
Beginning of year, July 1	128,614	203,472	443,823	1,975,443
End of year , June 30	\$ 21,793	\$ 245,082	\$ 642,342	\$ 2,650,319

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS - PUBLIC TRANSPORTATION GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 7,685,269	\$ 4,162,198	2,917,690	\$ 7,079,888
Project revenues	5,177,009	2,295,679	3,079,191	5,374,870
Miscellaneous	10,000	10,140	-	10,140
Total revenues	12,872,278	6,468,017	5,996,881	12,464,898
Expenditures:				
Public Service:				
Operating	9,658,852	4,268,127	4,757,594	9,025,721
Capital outlay	4,385,935	3,030,221	1,193,900	4,224,121
Total expenditures	14,044,787	7,298,348	5,951,494	13,249,842
Revenues over (under) expenditures	(1,172,509)	(830,331)	45,387	(784,944)
Other Financing Sources (Uses):				
Transfers from other funds	669,480	305,154	364,331	669,485
Transfers to other funds	(25,000)	(25,000)	-	(25,000)
Fund balance appropriated	528,029	-	-	-
Total other financing sources (uses)	1,172,509	280,154	364,331	644,485
Adjustment for closed projects	-	1,553,872		1,553,872
Net change in fund balance	\$ -	\$ 1,003,695	409,718	\$ 1,413,413
Fund Balance:				
Beginning of year, July 1			1,003,695	
End of year, June 30			\$ 1,413,413	

Prior year numbers have been reduced by the following amounts for projects closed:

Revenues:	
Intergovernmental	\$ 910,646
Project revenues	82,159
Total revenues:	992,805
Expenditures:	
Operating	1,095,543
Revenues over (under) expenditures	\$ (102,738)
Transfers from other funds	69,699
Adjustment to fund balance	\$ (33,039)

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - ENTITLEMENT GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

			Actual	
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 10,377,323	\$ 7,214,189	421,124	\$ 7,635,313
Project revenues	1,795,835	1,977,729	55,898	2,033,627
Investment earnings	-	9,854	818	10,672
Miscellaneous	-	20,042	5,462	25,504
Total revenues	<u>12,173,158</u>	<u>9,221,814</u>	<u>483,302</u>	<u>9,705,116</u>
Expenditures:				
Community revitalization program:				
Operating	12,662,792	8,948,760	466,546	9,415,306
Capital outlay	5,100	-	-	-
Debt service:				
Principal	544,000	470,000	72,500	542,500
Interest	236,266	185,948	30,544	216,492
Total expenditures	<u>13,448,158</u>	<u>9,604,708</u>	<u>569,590</u>	<u>10,174,298</u>
Revenues over (under) expenditures	(1,275,000)	(382,894)	(86,288)	(469,182)
Other Financing Sources (Uses):				
Transfers from other funds	<u>1,275,000</u>	<u>575,000</u>	<u>200,000</u>	<u>775,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 192,106</u>	113,712	<u>\$ 305,818</u>
Fund Balance:				
Beginning of year, July 1			<u>192,106</u>	
End of year, June 30			<u>\$ 305,818</u>	

Prior year numbers have been reduced by the following amounts for projects closed:

Revenues:	
Intergovernmental	\$ 9,232,229
Project revenues	255,203
Investment earnings	<u>30</u>
Total revenues:	<u>9,487,462</u>
Expenditures:	
Operating	9,763,214
Capital outlay	<u>9,248</u>
Total expenditures:	<u>9,772,462</u>
Revenues over (under) expenditures	\$ (285,000)
Transfers from other funds	<u>285,000</u>
	<u>\$ -</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS - CRIME/SAFETY CONTROL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 159,970	\$ 6,471	\$ 9,438	\$ 15,909
Expenditures:				
Public Safety:				
Operating	56,020	-	-	-
Capital outlay	127,123	12,939	4,953	17,892
Total expenditures	183,143	12,939	4,953	17,892
Revenues over (under) expenditures	(23,173)	(6,468)	4,485	(1,983)
Other Financing Sources (Uses):				
Transfers from other funds	23,173	9,407	13,653	23,060
Adjustment for closed projects	-	794		794
Net change in fund balance	\$ -	\$ 3,733	18,138	\$ 21,871
Fund Balance:				
Beginning of year, July 1			3,733	
End of year, June 30			\$ 21,871	

Prior year numbers have been reduced by the following amounts for projects closed:

Revenues:	
Intergovernmental	\$ 71,879
Total revenues:	71,879
Expenditures:	
Operating	24,981
Capital outlay	58,494
Total expenditures:	83,475
Revenues over (under) expenditures	\$ (11,596)
Transfers from other funds	11,596
Adjustment to fund balance	\$ -

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS - ECONOMIC DEVELOPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total
Revenues:				
Intergovernmental	\$ 946,667	\$ 786,496	\$ -	\$ 786,496
Investment earnings	-	10,496	-	10,496
Total revenues	946,667	796,992	-	796,992
Expenditures:				
Economic development:				
Operating	956,667	678,378	106,821	785,199
Total expenditures	956,667	678,378	106,821	785,199
Revenues over (under) expenditures	(10,000)	118,614	(106,821)	11,793
Other Financing Sources (Uses):				
Transfers from other funds	10,000	10,000	-	10,000
Net change in fund balance	\$ -	\$ 128,614	(106,821)	\$ 21,793
Fund Balance:				
Beginning of year, July 1			128,614	
End of year, June 30			\$ 21,793	

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS - EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
Intergovernmental	\$ 308,500	\$ 354,811	\$ 46,311
Investment earnings	3,000	3,663	663
Total revenues	<u>311,500</u>	<u>358,474</u>	<u>46,974</u>
Expenditures:			
Public service:			
Telephone	222,500	222,321	179
Software maintenance	73,500	79,043	(5,543)
Hardware maintenance	12,400	12,303	97
Training	3,100	3,197	(97)
Total expenditures	<u>311,500</u>	<u>316,864</u>	<u>(5,364)</u>
Net change in fund balance	<u>\$ -</u>	41,610	<u>\$ 41,610</u>
Fund Balances:			
Beginning of year, July 1		<u>203,472</u>	
End of year, June 30		<u>\$ 245,082</u>	

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS - OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 8,025,000	\$ 7,885,596	\$ 684,424	\$ 8,570,020
Investment earnings	35,000	67,234	14,095	81,329
Total revenues	<u>8,060,000</u>	<u>7,952,830</u>	<u>698,519</u>	<u>8,651,349</u>
Other Financing Sources (Uses):				
Transfers to other funds	<u>(8,060,000)</u>	<u>(7,509,007)</u>	<u>(500,000)</u>	<u>(8,009,007)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 443,823</u>	198,519	<u>\$ 642,342</u>
Fund Balance:				
Beginning of year, July 1			<u>443,823</u>	
End of year, June 30			<u>\$ 642,342</u>	



NON MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

General Capital Projects Fund

This fund is used to account for construction of various City projects to improve City parks and operational facilities.

GENERAL CAPITAL DEVELOPMENT FUND

This fund is used to account for federal and state grant funds and other locally funded projects for various parks and recreation projects in addition to the construction of various multi-year projects.



CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
 BALANCE SHEET
 JUNE 30, 2019

	General Capital Projects	General Capital Development Projects	Total Nonmajor Capital Project Funds
Assets:			
Cash and cash equivalents/investments	\$ 716,964	\$ 167,950	\$ 884,914
Receivables - net:			
Ad valorem taxes	6,287	-	6,287
Other	-	1,164,100	1,164,100
Restricted cash and investments	-	1,678,308	1,678,308
Total assets	<u>\$ 723,251</u>	<u>\$ 3,010,358</u>	<u>\$ 3,733,609</u>
Liabilities Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Due to other funds	<u>\$ 644,690</u>	<u>\$ -</u>	<u>\$ 644,690</u>
Deferred Inflows of Resources:			
Taxes receivable	<u>6,287</u>	<u>-</u>	<u>6,287</u>
Fund Balance:			
Restricted:			
Stabilization by state statute	-	1,164,100	1,164,100
Future capital projects	-	1,678,308	1,678,308
Committed	-	167,950	167,950
Assigned	<u>72,274</u>	<u>-</u>	<u>72,274</u>
Total fund balance	<u>72,274</u>	<u>3,010,358</u>	<u>3,082,632</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 723,251</u>	<u>\$ 3,010,358</u>	<u>\$ 3,733,609</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	General Capital Projects	General Capital Development Projects	Total Nonmajor Capital Project Funds
Revenues:			
Intergovernmental	\$ -	\$ 95,000	\$ 95,000
Investment earnings	-	71,358	71,358
Miscellaneous	-	967,822	967,822
Total revenues	-	1,134,180	1,134,180
Expenditures:			
Parks and recreation	-	6,389,829	6,389,829
Revenues over (under) expenditures	-	(5,255,649)	(5,255,649)
Other Financing Sources (Uses):			
Transfers from other funds	-	95,000	95,000
Net change in fund balances	-	(5,160,649)	(5,160,649)
Fund Balances:			
Beginning of year - July 1	72,274	8,171,007	8,243,281
End of year - June 30	\$ 72,274	\$ 3,010,358	\$ 3,082,632

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUND - GENERAL CAPITAL PROJECTS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
Investment earnings	-	-	-
Total revenues	-	-	-
Expenditures:			
Parks and recreation	-	-	-
Total expenditures	-	-	-
Revenues over (under) expenditures	-	-	-
Other Financing Sources (Uses):			
Transfers from other funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances:			
Beginning of year, July 1		<u>72,274</u>	
End of year, June 30		<u>\$ 72,274</u>	

CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUND - GENERAL CAPITAL DEVELOPMENT PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total
Revenues:				
Intergovernmental	\$ 6,061,414	\$ 5,612,825	\$ 95,000	\$ 5,707,825
Investment earnings	-	394,560	71,358	465,918
Miscellaneous	5,184,557	5,128,471	967,822	6,096,293
Total revenues	<u>11,245,971</u>	<u>11,135,856</u>	<u>1,134,180</u>	<u>12,270,036</u>
Expenditures:				
Parks and recreation	28,602,907	18,637,932	6,389,829	25,027,761
Public service	17,041,778	18,503,038	-	18,503,038
Total expenditures	<u>45,644,685</u>	<u>37,140,970</u>	<u>6,389,829</u>	<u>43,530,799</u>
Revenues over (under) expenditures	<u>(34,398,714)</u>	<u>(26,005,114)</u>	<u>(5,255,649)</u>	<u>(31,260,763)</u>
Other Financing Sources (Uses):				
Transfers to other funds	(16,649,800)	(16,649,800)	-	(16,649,800)
Transfers from other funds	7,956,027	7,733,434	95,000	7,828,434
Unamortized bond premium/discount	-	3,477,487	-	3,477,487
Debt financing issued	43,092,487	39,615,000	-	39,615,000
Total other financing sources (uses)	<u>34,398,714</u>	<u>34,176,121</u>	<u>95,000</u>	<u>34,271,121</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,171,007</u>	<u>(5,160,649)</u>	<u>\$ 3,010,358</u>
Fund Balance:				
Beginning of year, July 1			<u>8,171,007</u>	
End of year, June 30			<u>\$ 3,010,358</u>	

Prior year numbers have been reduced by the following amounts for projects closed:

Revenues:	
Intergovernmental	\$ 394,664
Total revenues	<u>394,664</u>
Expenditures:	
Parks and recreation	<u>394,664</u>
Expenditures:	<u>394,664</u>
Revenues under expenditures	<u>\$ -</u>

ENTERPRISE FUNDS

Enterprise Funds are used to account for utility operations that are financed and operated in a manner similar to private enterprises where the intent is that the cost of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Electric Fund

This fund accounts for the operation of the City's electric power distribution system.

Gas Fund

This fund accounts for the operation of the City's natural gas distribution system.

Water Fund

This fund accounts for the operation of the City's water treatment and distribution system.

Sewer Fund

This fund accounts for the operation of the City's sewer treatment system.

Stormwater Management Fund

This fund accounts for the operation of the City's storm water management system.



CITY OF ROCKY MOUNT, NORTH CAROLINA

ENTERPRISE FUNDS - ELECTRIC FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 77,200,000	\$ 75,633,092	\$ (1,566,908)
Other operating revenue	1,300,585	1,242,647	(57,938)
Other nonoperating revenue	20,650	93,456	72,806
Investment earnings	575,000	877,934	302,934
Total revenues	79,096,235	77,847,129	(1,249,106)
Expenditures and Budgetary Appropriations:			
Distribution systems:			
Salaries	2,980,312	2,962,657	17,655
Employee benefits	1,304,957	1,292,705	12,252
Electric power purchase	55,884,957	53,310,732	2,574,225
Operating expense	10,851,282	9,654,783	1,196,499
Engineering:			
Salaries	1,317,347	1,308,558	8,789
Employee benefits	447,093	447,092	1
Operating expense	1,826,600	1,254,306	572,294
Budgetary appropriations:			
Capital outlay	9,482,846	5,701,439	3,781,407
Debt services expenditures	1,917,405	1,881,302	36,103
Appropriation to school system	37,670	37,670	-
Total expenditures and budgetary appropriations	86,050,469	77,851,244	8,199,225
Revenues over (under) expenditures and budgetary appropriations	(6,954,234)	(4,115)	6,950,119
Other Financing Sources (Uses):			
Transfers to other funds	(2,230,000)	(2,150,000)	80,000
Installment purchase financing issued	770,000	705,000	(65,000)
Fund balance appropriated	8,414,234	-	(8,414,234)
Total other financing sources (uses)	6,954,234	(1,445,000)	(8,399,234)
Revenues and other financing sources over (under) expenditures and budgetary appropriations and other financing sources (uses)	\$ -	\$ (1,449,115)	\$ (1,449,115)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues, other financing sources and fund balance appropriated over (under) expenditures and budgetary appropriations and other financing uses		\$ (1,449,115)	
Depreciation		(1,950,358)	
Debt principal		1,775,309	
Capitalized capital outlay		4,987,339	
Gain (loss) on retirement/transfer of assets		(101,145)	
Rate stabilization/Working capital		2,000,000	
Decrease in deferred inflows of resources - pensions		22,973	
Increase in deferred outflows of resources - pensions		358,756	
Increase in net pension liability		(438,038)	
Increase in deferred inflows of resources - OPEB		(70,139)	
Increase in deferred outflows of resources - OPEB		85,098	
Decrease in net OPEB liability		38,953	
Debt issued		(705,000)	
Change in net position		\$ 4,554,632	

CITY OF ROCKY MOUNT, NORTH CAROLINA

ENTERPRISE FUNDS - GAS OPERATING FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 22,100,000	\$ 22,478,312	\$ 378,312
Other operating revenue	298,000	199,999	(98,001)
Investment earnings	201,550	315,807	114,257
Total revenues	<u>22,599,550</u>	<u>22,994,118</u>	<u>394,568</u>
Expenditures and Budgetary Appropriations:			
Distribution systems:			
Salaries	1,333,590	1,333,581	9
Employee benefits	870,328	870,324	4
Natural gas purchases	12,151,672	12,060,598	91,074
Operating expense	7,352,813	6,516,597	836,216
Budgetary appropriations:			
Capital outlay	2,971,324	2,344,743	626,581
Debt services expenditures	43,266	43,265	1
Appropriation to school system	350,000	350,000	-
Total expenditures and budgetary appropriations	<u>25,072,993</u>	<u>23,519,108</u>	<u>1,553,885</u>
Revenues over (under) expenditures	<u>(2,473,443)</u>	<u>(524,990)</u>	<u>1,948,453</u>
Other Financing Sources (Uses):			
Transfers to other funds	(1,025,001)	(1,025,000)	1
Installment purchase financing issued	1,642,445	1,373,000	(269,445)
Fund balance appropriated	1,855,999	-	(1,855,999)
Total other financing sources (uses)	<u>2,473,443</u>	<u>348,000</u>	<u>(2,125,443)</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ (176,990)</u>	<u>\$ (176,990)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues, other financing sources and fund balance appropriated over (under) expenditures and budgetary appropriations and other financing uses		\$ (176,990)	
Depreciation		(667,412)	
Debt principal		42,111	
Capitalized capital outlay		2,266,158	
Gain (loss) on retirement/transfer of assets		(77,409)	
Rate stabilization/working capital		500,000	
Decrease in deferred inflows of resources - pensions		7,564	
Increase in deferred outflows of resources - pensions		118,127	
Increase in net pension liability		(144,232)	
Increase in deferred inflows of resources - OPEB		(23,095)	
Increase in deferred outflows of resources - OPEB		28,020	
Decrease in net OPEB liability		12,826	
Debt issued		(1,373,000)	
Change in net position		<u>\$ 512,668</u>	

CITY OF ROCKY MOUNT, NORTH CAROLINA

ENTERPRISE FUNDS - WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 11,300,000	\$ 11,024,513	\$ (275,487)
Licenses and permits	60,000	39,298	(20,702)
Other operating revenue	722,331	265,113	(457,218)
Other nonoperating revenue	120,000	234,512	114,512
Grants and subsidies	-	150,000	150,000
Investment earnings	200,000	246,059	46,059
Total revenues	<u>12,402,331</u>	<u>11,959,495</u>	<u>(442,836)</u>
Expenditures and Budgetary Appropriations:			
Water treatment plants:			
Salaries	1,549,350	1,525,683	23,667
Employee benefits	800,980	780,245	20,735
Operating expense	4,595,696	3,659,878	935,818
Water services:			
Salaries	768,290	755,589	12,701
Employee benefits	349,480	349,476	4
Operating expense	3,011,145	2,351,475	659,670
Budgetary appropriations:			
Capital outlay	3,820,576	1,563,563	2,257,013
Debt services expenditures	423,490	423,487	3
Appropriation to school system	15,000	15,000	-
Total expenditures and budgetary appropriations	<u>15,334,007</u>	<u>11,424,396</u>	<u>3,909,611</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(2,931,676)</u>	<u>535,099</u>	<u>3,466,775</u>
Other Financing Sources (Uses):			
Transfers to other funds	(25,000)	-	25,000
Installment purchase financing issued	1,713,000	645,000	(1,068,000)
Fund balance appropriated	1,243,676	-	(1,243,676)
Total other financing sources (uses)	<u>2,931,676</u>	<u>645,000</u>	<u>(2,286,676)</u>
Revenues and other financing sources over (under) expenditures and budgetary appropriations and other financing uses	<u>\$ -</u>	<u>\$ 1,180,099</u>	<u>\$ 1,180,099</u>

Reconciliation from Budgetary Basis**(Modified Accrual) to Full Accrual Basis:**

Revenues, other financing sources and fund balance appropriated over (under) expenditures and budgetary appropriations and other financing uses	\$ 1,180,099
Depreciation	(1,372,721)
Debt principal	402,016
Capitalized capital outlay	684,776
Gain (loss) on retirement/transfer of assets	(86,696)
Decrease in deferred inflows of resources - pensions	17,930
Increase in deferred outflows of resources - pensions	280,004
Increase in net pension liability	(341,884)
Increase in deferred inflows of resources - OPEB	(54,743)
Increase in deferred outflows of resources - OPEB	66,418
Decrease in net OPEB liability	30,403
Debt issued	(645,000)
Change in net position	<u>\$ 160,602</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

ENTERPRISE FUNDS - SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 13,060,000	\$ 13,639,553	\$ 579,553
Licenses and permits	66,500	74,472	7,972
Other operating revenue	1,239,525	1,039,684	(199,841)
Other nonoperating revenue	7,000	581	(6,419)
Grants and subsidies	-	150,000	150,000
Investment earnings	60,500	204,438	143,938
Total revenues	<u>14,433,525</u>	<u>15,108,728</u>	<u>675,203</u>
Expenditures and Budgetary Appropriations:			
Waste water treatment plants:			
Salaries	1,160,910	1,145,179	15,731
Employee benefits	704,990	646,535	58,455
Operating expense	5,833,347	5,382,981	450,366
Sewer services:			
Salaries	626,860	615,418	11,442
Employee benefits	222,560	200,732	21,828
Operating expense	3,074,990	2,900,554	174,436
Budgetary appropriations:			
Capital outlay	3,831,015	1,072,787	2,758,228
Debt services expenditures	1,511,000	1,504,279	6,721
Appropriation to school system	37,500	15,000	22,500
Total expenditures and budgetary appropriations	<u>17,003,172</u>	<u>13,483,465</u>	<u>3,519,707</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(2,569,647)</u>	<u>1,625,263</u>	<u>4,194,910</u>
Other Financing Sources (Uses):			
Installment purchase financing issued	1,114,000	464,000	(650,000)
Fund balance appropriated	1,455,647	-	(1,455,647)
Total other financing sources (uses)	<u>2,569,647</u>	<u>464,000</u>	<u>(2,105,647)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,089,263</u>	<u>\$ 2,089,263</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues, other financing sources and fund balance appropriated over (under) expenditures and other financing uses		\$ 2,089,263	
Depreciation		(2,004,950)	
Debt principal		1,326,609	
Capitalized capital outlay		894,951	
Gain (loss) on retirement/transfer of assets		(17,998)	
Decrease in deferred inflows of resources - pensions		11,767	
Increase in deferred outflows of resources - pensions		183,753	
Increase in net pension liability		(224,361)	
Increase in deferred inflows of resources - OPEB		(35,925)	
Increase in deferred outflows of resources - OPEB		43,586	
Decrease in net OPEB liability		19,951	
Debt issued		(464,000)	
Change in net position		<u>\$ 1,822,646</u>	

CITY OF ROCKY MOUNT, NORTH CAROLINA

ENTERPRISE FUNDS - STORMWATER MANAGEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 4,090,000	\$ 4,087,899	\$ (2,101)
Other operating revenue	102,140	79,615	(22,525)
Grants and subsidies	25,000	-	(25,000)
Investment earnings	35,000	91,639	56,639
Total revenues	<u>4,252,140</u>	<u>4,259,153</u>	<u>7,013</u>
Expenditures and Budgetary Appropriations:			
Stormwater management:			
Salaries	221,725	81,452	140,273
Employee benefits	55,680	22,487	33,193
Operating expense	691,125	655,367	35,758
Stormwater operations:			
Salaries	1,392,745	1,332,145	60,600
Employee benefits	639,830	491,569	148,261
Operating expense	712,118	568,708	143,410
Budgetary appropriations:			
Capital outlay	1,556,079	252,157	1,303,922
Debt services expenditures	<u>332,730</u>	<u>332,723</u>	<u>7</u>
Total expenditures and budgetary appropriations	<u>5,602,032</u>	<u>3,736,608</u>	<u>1,865,424</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(1,349,892)</u>	<u>522,545</u>	<u>1,872,437</u>
Other Financing Sources (Uses):			
Transfers from other funds	75,000	75,000	-
Installment purchase financing issued	192,000	201,000	9,000
Fund balance appropriated	<u>1,082,892</u>	<u>-</u>	<u>(1,082,892)</u>
Total other financing sources (uses)	<u>1,349,892</u>	<u>276,000</u>	<u>(1,073,892)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 798,545</u>	<u>\$ 798,545</u>

Reconciliation from Budgetary Basis**(Modified Accrual) to Full Accrual Basis:**

Revenues, other financing sources and fund balance appropriated over (under) expenditures and other financing uses	\$ 798,545
Depreciation	(326,724)
Debt principal	320,278
Capitalized capital outlay	191,084
Gain (loss) on retirement/transfer of assets	(17,308)
Decrease in deferred inflows of resources - pensions	9,245
Increase in deferred outflows of resources - pensions	144,377
Increase in net pension liability	(176,284)
Increase in deferred inflows of resources - OPEB	(28,227)
Increase in deferred outflows of resources - OPEB	34,247
Decrease in net OPEB liability	15,677
Debt issued	<u>(201,000)</u>
Change in net position	<u>\$ 763,910</u>



INTERNAL SERVICE FUNDS

Internal Service funds are used to account for intragovernmental services or any shared type service.

Risk Management Fund

This fund is established to manage the City's self-insurance revenues and expenditures.

Communications Fund

This fund is established to manage the City's radio and telephone expenditures.



CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET POSITION
 JUNE 30, 2019

	Risk Management	Communications	Total Internal Service Funds
Assets:			
Current Assets:			
Other	\$ 44,211	\$ -	\$ 44,211
Restricted cash and investments	604,495	1,263,518	1,868,013
Total current assets	648,706	1,263,518	1,912,224
Noncurrent Assets:			
Capital assets, depreciable, net of accumulated depreciation and amortization	-	3,402,538	3,402,538
Total assets	648,706	4,666,056	5,314,762
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenditures	1,081	43,515	44,596
Current accrued compensated absences	-	10,265	10,265
Total current liabilities	1,081	53,780	54,861
Noncurrent Liabilities:			
Accrued compensated absences	-	1,098	1,098
Total liabilities	1,081	54,878	55,959
Net Position:			
Net investment in capital assets	-	3,402,538	3,402,538
Unrestricted	647,625	1,208,640	1,856,265
Total net position	\$ 647,625	\$ 4,611,178	\$ 5,258,803

CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	Risk Management	Communications	Total Internal Service Funds
Operating Revenues:			
Insurance premiums	\$ 9,790,030	\$ -	\$ 9,790,030
User charges	-	1,065,003	1,065,003
Total operating revenues	<u>9,790,030</u>	<u>1,065,003</u>	<u>10,855,033</u>
Operating Expenses:			
Current:			
Insurance claims	7,307,881	-	7,307,881
Cost of service and administration	2,041,561	-	2,041,561
Communications	-	1,054,743	1,054,743
Depreciation and amortization	-	509,558	509,558
Total operating expenses	<u>9,349,442</u>	<u>1,564,301</u>	<u>10,913,743</u>
Operating income (loss)	<u>440,588</u>	<u>(499,298)</u>	<u>(58,710)</u>
Nonoperating Revenues (Expenses)			
Gain (loss) on disposal of capital assets	-	(9,756)	(9,756)
Total nonoperating revenues (expenses)	<u>-</u>	<u>(9,756)</u>	<u>(9,756)</u>
Net change in net position	440,588	(509,054)	(68,466)
Net Position:			
Beginning of year - July 1	<u>207,037</u>	<u>5,120,232</u>	<u>5,327,269</u>
End of year - June 30	<u>\$ 647,625</u>	<u>\$ 4,611,178</u>	<u>\$ 5,258,803</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	Risk Management	Communications	Total Internal Service Funds
Cash Flows From Operating Activities:			
Receipts from customers	\$ 9,769,636	\$ 1,065,003	\$ 10,834,639
Payments to suppliers for goods and services	(10,136,627)	(828,100)	(10,964,727)
Payments to or on behalf of employees	-	(188,844)	(188,844)
Net cash provided (used) by operating activities	<u>(366,991)</u>	<u>48,059</u>	<u>(318,932)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(12,203)	(12,203)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(12,203)</u>	<u>(12,203)</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>(366,991)</u>	<u>35,856</u>	<u>(331,135)</u>
Cash and Cash Equivalents/Investments:			
Beginning of year, July 1	<u>971,486</u>	<u>1,227,662</u>	<u>2,199,148</u>
End of year, June 30	<u>\$ 604,495</u>	<u>\$ 1,263,518</u>	<u>\$ 1,868,013</u>
Restricted cash and investments	<u>\$ 604,495</u>	<u>\$ 1,263,518</u>	<u>\$ 1,868,013</u>
	<u>\$ 604,495</u>	<u>\$ 1,263,518</u>	<u>\$ 1,868,013</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:			
Operating income (loss)	\$ 440,588	\$ (499,298)	\$ (58,710)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and amortization	-	509,558	509,558
Change in Assets and Liabilities:			
(Increase) decrease in receivables and assessments	(20,394)	-	(20,394)
Increase (decrease) in accounts payable and accrued expenses	(787,185)	36,514	(750,671)
Increase (decrease) in accrued compensated absences and other accrued liabilities	<u>-</u>	<u>1,285</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ (366,991)</u>	<u>\$ 48,059</u>	<u>\$ (318,932)</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUND - RISK MANAGEMENT
 SCHEDULE OF REVENUES AND EXPENDITURES
 FINANCIAL PLAN AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
Insurance premiums	\$ 9,680,000	\$ 9,790,030	\$ 110,030
Expenditures:			
Insurance claims	9,330,000	7,307,881	2,022,119
Administrative fees	350,000	2,041,561	(1,691,561)
Total expenditures	9,680,000	9,349,442	330,558
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 440,588	\$ 440,588

CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUND - COMMUNICATIONS
 SCHEDULE OF REVENUES AND EXPENDITURES
 FINANCIAL PLAN AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
User charges	\$ 1,090,720	\$ 1,065,003	\$ (25,717)
Total revenues	<u>1,090,720</u>	<u>1,065,003</u>	<u>(25,717)</u>
Expenditures:			
Salaries	146,070	152,081	(6,011)
Employee benefits	46,590	38,048	8,542
Operating expense	708,060	676,025	32,035
Capital outlay	<u>242,243</u>	<u>200,792</u>	<u>41,451</u>
Total expenditures	<u>1,142,963</u>	<u>1,066,946</u>	<u>76,017</u>
Revenues over (under) expenditures	<u>(52,243)</u>	<u>(1,943)</u>	<u>50,300</u>
Other Financing Sources (Uses):			
Fund balance appropriated	<u>52,243</u>	<u>-</u>	<u>52,243</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,943)</u>	<u>\$ (1,943)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (1,943)	
Depreciation		(509,558)	
Capitalized capital outlay		12,203	
Gain (loss) on retirement/transfer of assets		<u>(9,756)</u>	
Change in net position		<u>\$ (509,054)</u>	



FIDUCIARY FUND



CITY OF ROCKY MOUNT, NORTH CAROLINA

FIDUCIARY FUND

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2019

Community Development and Governmental Activities Fund:	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Assets:				
Cash and cash equivalents/investments	\$ 629,646	\$ 120,519	\$ 320,161	\$ 430,004
Other receivable	<u>102,825</u>	<u>771</u>	<u>102,825</u>	<u>771</u>
Total assets	<u>\$ 732,471</u>	<u>\$ 121,290</u>	<u>\$ 422,986</u>	<u>\$ 430,775</u>
Liabilities:				
Accounts payable	\$ 1,015	\$ 448	\$ 1,015	\$ 448
Due to other governmental agency	<u>731,456</u>	<u>120,842</u>	<u>421,971</u>	<u>430,327</u>
Total liabilities	<u>\$ 732,471</u>	<u>\$ 121,290</u>	<u>\$ 422,986</u>	<u>\$ 430,775</u>



OTHER SUPPLEMENTAL SCHEDULES

The information in this section includes supplemental information about the City of Rocky Mount



CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE-GENERAL FUND
JUNE 30, 2019

<u>Year</u>	<u>Uncollected Balance 6/30/2018</u>	<u>Additions and Refunds</u>	<u>Collections and Credits</u>	<u>Uncollected Balance 6/30/2019</u>
2018-2019	\$ -	\$ 26,925,184	\$ 26,270,847	\$ 654,337
2017-2018	646,987	25	177,635	469,377
2016-2017	525,114	-	93,044	432,070
2015-2016	448,444	-	68,439	380,005
2014-2015	366,462	-	36,412	330,050
2013-2014	361,664	-	30,540	331,124
2012-2013	318,355	-	21,260	297,095
2011-2012	273,523	-	20,673	252,850
2010-2011	235,647	-	16,985	218,662
2009-2010	209,906	-	12,695	197,211
2008-2009	184,135	-	120,731	63,404
2007-2008	77,507	-	64,103	13,404
2006-2007	12,319	-	12,319	-
Total	<u>\$ 3,660,063</u>	<u>\$ 26,925,208</u>	<u>\$ 26,945,683</u>	3,639,588
Allowance for uncollectible ad valorem taxes receivable				<u>(2,411,578)</u>
Ad valorem taxes receivable, net				<u>\$ 1,228,010</u>
Reconciliation with Revenues:				
Taxes				\$ 27,112,512
Penalties and interest				<u>(233,013)</u>
Total				<u>26,879,499</u>
Ad valorem taxes (excluding special district, penalties, and interest)				
Current year				26,352,227
Prior years				<u>527,272</u>
Total				26,879,499
Releases and transfers from interest				39,911
Other				<u>26,273</u>
Total collections and credits				<u>\$ 26,945,683</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
FOR YEAR ENDED JUNE 30, 2019

			Total Levy		
	Property Valuation	Tax Rate Per \$100 Valuation	Tax Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate:					
Real property	\$ 2,848,104,032	0.685	\$ 19,509,519	\$ 19,509,519	\$ -
Personal property	931,095,083	0.685	6,378,003	3,622,901	2,755,102
Public service property	102,308,658	0.685	700,814	700,814	-
	3,881,507,774		26,588,336	23,833,234	2,755,102
Discoveries	8,197,414	0.685	56,152	56,152	-
Discoveries	10,310,544	0.66	68,050	68,050	-
Discoveries	18,780,367	0.605	113,621	113,621	-
Discoveries	11,814,861	0.58	68,526	68,526	-
Discoveries	16,210	0.55	89	89	-
Refunds	4,439,228	0.685	30,409	30,409	-
Total property valuation	\$ 3,935,066,398				
Net levy			26,925,184	24,170,082	2,755,102
Uncollected taxes at June 30, 2019			654,337	647,416	6,921
Current year's taxes collected			\$ 26,270,847	\$ 23,522,666	\$ 2,748,181
Percent of current year taxes collected			97.57%	97.32%	99.75%

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF INTERFUND TRANSFERS
FOR THE YEAR ENDED JUNE 30, 2019

<u>Transfers to Fund:</u>	Transfers from Fund:		Transfers from Fund:		
	General Fund	Special Revenue Funds	Enterprise Funds		
			Electric	Gas	Total
General/Powell Bill	\$ 818,000	\$ 500,000	\$ 2,150,000	\$ 1,025,000	\$ 4,493,000
Stormwater	75,000	-	-	-	75,000
Capital Project Funds:					
General Capital Projects	95,000	-	-	-	95,000
Special Revenue:					
Entitlement Grants	200,000	-	-	-	200,000
Public Transportation	364,331	-	-	-	364,331
Crime/Safety Control	<u>13,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,653</u>
Total	<u>\$ 1,565,984</u>	<u>\$ 500,000</u>	<u>\$ 2,150,000</u>	<u>\$ 1,025,000</u>	<u>\$ 5,240,984</u>



**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**



CITY OF ROCKY MOUNT, NORTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Governmental Fund Capital Assets:		
Land and land improvements	\$ 30,504,679	\$ 30,377,828
Buildings	70,930,376	69,802,695
Equipment	59,610,149	56,087,371
Infrastructure	60,409,379	58,062,242
Construction in progress	291,427	62,421
Total governmental funds capital assets	<u>\$ 221,746,010</u>	<u>\$ 214,392,557</u>
 Investment in Governmental Funds Capital Assets by Source:		
General Fund	\$ 214,670,738	\$ 208,458,808
Special revenue funds	7,075,272	5,933,749
Total governmental funds capital assets	<u>\$ 221,746,010</u>	<u>\$ 214,392,557</u>

Note: Amounts presented above exclude accumulated depreciation.

CITY OF ROCKY MOUNT, NORTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2019**

	<u>Land and Land Improvements</u>	<u>Buildings</u>	<u>Equipment</u>
General Government:			
Mayor and Council	\$ 2,366,797	\$ -	\$ 7,169
City Clerk	4,591,307	142,691	38,104
City Manager	-	17,238	110,594
Finance	-	101,401	4,717,590
Central services	1,182,206	25,352,042	4,717,410
Human resources	-	5,229	14,132
Total general government	<u>8,140,310</u>	<u>25,618,601</u>	<u>9,604,999</u>
Transit	<u>-</u>	<u>97,128</u>	<u>6,954,088</u>
Public Safety:			
Police	51,590	512,885	6,006,947
Fire	<u>59,349</u>	<u>6,248,883</u>	<u>10,482,214</u>
Total public safety	<u>110,939</u>	<u>6,761,768</u>	<u>16,489,161</u>
Public works	<u>2,069,274</u>	<u>4,784,324</u>	<u>16,428,086</u>
Parks and recreation	<u>19,504,366</u>	<u>25,826,951</u>	<u>5,517,546</u>
Community & Business Development	<u>672,090</u>	<u>7,743,406</u>	<u>76,685</u>
Internal Service Fund - Communications	<u>7,700</u>	<u>98,198</u>	<u>4,539,584</u>
Total general capital assets	<u><u>\$ 30,504,679</u></u>	<u><u>\$ 70,930,376</u></u>	<u><u>\$ 59,610,149</u></u>

Note: Amounts presented above exclude accumulated depreciation.

<u>Infrastructure</u>	<u>Construction In Progress</u>	<u>Totals</u>
\$ -	\$ -	\$ 2,373,966
-	-	4,772,102
-	-	127,832
-	-	4,818,991
762,487	101,245	32,115,390
-	-	19,361
<u>762,487</u>	<u>101,245</u>	<u>44,227,642</u>
-	24,056	<u>7,075,272</u>
59,863	-	6,631,285
-	124,355	16,914,801
<u>59,863</u>	<u>124,355</u>	<u>23,546,086</u>
<u>58,360,849</u>	<u>41,771</u>	<u>81,684,304</u>
<u>1,114,255</u>	-	<u>51,963,118</u>
-	-	<u>8,492,181</u>
<u>111,925</u>	-	<u>4,757,407</u>
<u>\$ 60,409,379</u>	<u>\$ 291,427</u>	<u>\$ 221,746,010</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2019**

	Balance 6/30/2018	Additions	Deductions	Balance 6/30/2019
General Government:				
Mayor and Council	\$ 2,373,967	\$ -	\$ -	\$ 2,373,967
City Clerk	2,379,887	2,405,430	13,216	4,772,101
City Manager	2,507,850	-	2,380,017	127,833
Finance	4,528,920	2,777,867	2,487,796	4,818,991
Central services	30,898,649	1,447,472	230,732	32,115,389
Human resources	18,426	935	-	19,361
Total general government	<u>42,707,699</u>	<u>6,631,704</u>	<u>5,111,761</u>	<u>44,227,642</u>
Transit	<u>5,933,749</u>	<u>1,209,431</u>	<u>67,908</u>	<u>7,075,272</u>
Public Safety:				
Police	6,450,970	591,131	410,817	6,631,284
Fire	<u>15,365,942</u>	<u>1,751,957</u>	<u>203,097</u>	<u>16,914,802</u>
Total public safety	<u>21,816,912</u>	<u>2,343,088</u>	<u>613,914</u>	<u>23,546,086</u>
Public works	<u>78,159,509</u>	<u>5,110,953</u>	<u>1,586,158</u>	<u>81,684,304</u>
Parks and recreation	<u>51,695,224</u>	<u>511,653</u>	<u>243,759</u>	<u>51,963,118</u>
Community & Business Development	<u>8,406,172</u>	<u>86,944</u>	<u>935</u>	<u>8,492,181</u>
Internal Service Fund-Communications	<u>5,673,292</u>	<u>12,203</u>	<u>928,088</u>	<u>4,757,407</u>
Total general fixed assets	<u>\$ 214,392,557</u>	<u>\$ 15,905,976</u>	<u>\$ 8,552,523</u>	<u>\$ 221,746,010</u>

Note: Amounts presented above exclude accumulated depreciation.

STATISTICAL SECTION

(Unaudited)

Schedules presented in the Statistical Section differ from financial statements because they usually cover more than one fiscal year and may present nonaccounting data. The Statistical Section reflects social and economic data, financial trends and the fiscal capacity of the City.

Content

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source(s).

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities					
Net investment in capital assets	\$ 86,143,086	\$ 90,345,292	\$ 94,306,305	\$ 93,284,378	\$ 101,937,388
Restricted	3,608,017	9,442,921	17,202,949	14,204,158	11,415,537
Unrestricted	17,374,814	11,714,287	4,972,591	11,002,491	14,645,780
Total governmental activities net position	<u>\$ 107,125,917</u>	<u>\$ 111,502,500</u>	<u>\$ 116,481,845</u>	<u>\$ 118,491,027</u>	<u>\$ 127,998,705</u>
Business-type activities					
Net investment in capital assets	\$ 120,173,718	\$ 123,694,316	\$ 127,857,818	\$ 129,112,028	\$ 131,834,630
Restricted	-	-	-	-	-
Unrestricted	34,419,807	36,869,650	35,229,343	40,230,619	45,598,769
Total business-type activities net position	<u>\$ 154,593,525</u>	<u>\$ 160,563,966</u>	<u>\$ 163,087,161</u>	<u>\$ 169,342,647</u>	<u>\$ 177,433,399</u>
Primary government					
Net investment in capital assets	\$ 206,316,804	\$ 214,039,608	\$ 222,164,123	\$ 222,396,406	\$ 233,772,018
Restricted	3,608,017	9,442,921	17,202,949	14,204,158	11,415,537
Unrestricted	51,794,621	48,583,937	40,201,934	51,233,110	60,244,549
Total primary government net position	<u>\$ 261,719,442</u>	<u>\$ 272,066,466</u>	<u>\$ 279,569,006</u>	<u>\$ 287,833,674</u>	<u>\$ 305,432,104</u>
City of Rocky Mount Theatre, LLC					
Net investment in capital assets	\$ 441,663	\$ 258,691	\$ 48,101	\$ 6,336,511	\$ -
Restricted	73,468	40,522	7,576	-	-
Unrestricted	100	(47,344)	(67,170)	(137,067)	-
Total City of Rocky Mount Theatre, LLC net assets	<u>\$ 515,231</u>	<u>\$ 251,869</u>	<u>\$ (11,493)</u>	<u>\$ 6,199,444</u>	<u>\$ -</u>

Source: Audited Annual financial reports for the City of Rocky Mount

Notes: Data is presented for FY2013 with GASB statement 63 implementation, Net assets is now Net position.

Data is presented for FY2013 with GASB statement 63 implementation, Net investment in Capital assets replaces Invested in Capital assets, net of related debt.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities					
Net investment in capital assets	\$ 96,137,124	\$ 99,725,082	\$ 81,540,859	\$ 80,360,386	\$ 76,922,983
Restricted	11,808,330	11,099,682	13,193,796	15,896,233	17,038,331
Unrestricted	14,213,439	17,989,713	30,839,119	891,807	3,056,112
Total governmental activities net position	<u>\$ 122,158,893</u>	<u>\$ 128,814,477</u>	<u>\$ 125,573,774</u>	<u>\$ 97,148,426</u>	<u>\$ 97,017,426</u>
Business-type activities					
Net investment in capital assets	\$ 132,597,894	\$ 134,594,908	\$ 136,435,853	\$ 137,736,874	\$ 139,979,877
Restricted	-	-	-	-	-
Unrestricted	51,243,421	60,342,541	68,867,998	67,964,293	73,535,748
Total business-type activities net position	<u>\$ 183,841,315</u>	<u>\$ 194,937,449</u>	<u>\$ 205,303,851</u>	<u>\$ 205,701,167</u>	<u>\$ 213,515,625</u>
Primary government					
Net investment in capital assets	\$ 228,735,018	\$ 234,319,990	\$ 217,976,712	\$ 218,097,260	\$ 216,902,860
Restricted	11,808,330	11,099,682	13,193,796	15,896,233	17,038,331
Unrestricted	65,456,860	78,332,254	99,707,117	68,856,100	76,591,860
Total primary government net position	<u>\$ 306,000,208</u>	<u>\$ 323,751,926</u>	<u>\$ 330,877,625</u>	<u>\$ 302,849,593</u>	<u>\$ 310,533,051</u>
City of Rocky Mount Theatre, LLC					
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total City of Rocky Mount Theatre, LLC net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

CHANGE IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

	2010	2011	Fiscal Year 2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 7,092,390	\$ 5,865,807	\$ 2,541,551	\$ 6,880,948	\$ 9,044,265
Public safety	24,944,618	25,816,170	25,859,954	24,923,980	25,449,659
Public Works	8,996,638	7,197,559	9,825,999	8,109,154	9,453,179
Engineering	658,083	186,997	811,304	915,057	814,945
Parks and recreation	8,799,437	9,117,886	9,487,899	9,747,554	1,587,287
Public Service	11,884,227	9,368,808	10,161,005	7,798,940	5,951,988
Emergency management	-	-	5,418,215	-	-
Economic development	-	-	-	-	18,735
Community revitalization	3,585,679	4,422,615	2,170,571	2,212,833	860,152
Interest on Long-term debt	444,084	292,268	492,656	431,995	621,151
Total governmental activities expenses	66,405,156	62,268,110	66,769,154	61,020,461	53,801,361
Business-type activities:					
Electric	90,363,924	92,056,649	88,705,142	88,899,652	89,711,665
Gas	21,822,518	22,445,683	18,345,011	19,418,313	21,752,958
Water	9,005,997	9,191,247	9,328,711	8,827,886	7,709,102
Sewer	10,783,556	10,884,607	11,091,914	11,157,497	13,223,459
Storm Water Management	2,939,442	3,078,951	3,352,683	3,243,887	3,618,378
Total business-type activities expenses	134,915,437	137,657,137	130,823,461	131,547,235	136,015,562
Total primary government expenses	\$ 201,320,593	\$ 199,925,247	\$ 197,592,615	\$ 192,567,696	\$ 189,816,923
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,799,924	1,834,638	2,117,227	2,229,303	1,941,273
Public Safety	321,163	311,960	295,173	341,203	265,988
Public Works	5,981,055	6,083,367	6,820,948	6,485,381	6,851,520
Recreation	1,126,057	1,199,165	1,197,659	1,254,131	1,389,363
Public Service	1,984,204	2,189,132	2,001,241	2,023,260	1,985,842
Other activities	14,131	12,018	43,794	31,051	15,959
Operating grants and contributions	8,013,552	8,382,242	12,126,643	6,759,477	7,407,188
Capital grants and contributions	4,796,852	5,038,384	5,408,019	2,209,611	1,015,333
Total governmental activities program revenues	24,036,938	25,050,906	30,010,704	21,333,417	20,872,466
Business-type activities:					
Charges for services:					
Electric	94,204,551	96,022,707	89,632,663	91,591,100	93,835,654
Gas	25,025,210	24,079,519	19,574,918	23,315,073	26,655,662
Water	11,257,530	11,716,075	10,385,580	10,349,229	10,991,423
Sewer	11,924,944	11,817,647	11,768,570	11,772,500	11,957,654
Storm Water Management	2,933,755	3,352,106	3,603,852	3,418,192	3,505,458
Operating grants and contributions	6,102	2,500	2,916	-	-
Capital grants and contributions	2,651,892	725,186	1,225,693	70,927	29,000
Total business-type activities program revenues	148,003,984	147,715,740	136,194,192	140,517,021	146,974,851
Total primary government program revenues	\$ 172,040,922	\$ 172,766,646	\$ 166,204,896	\$ 161,850,438	\$ 167,847,317
Net (expense)/revenue					
Governmental activities	\$ (42,368,218)	\$ (37,217,204)	\$ (36,758,450)	\$ (39,687,044)	\$ (32,928,895)
Business-type activities	13,088,547	10,058,603	5,370,731	8,969,786	10,959,289
Total primary government net expense	\$ (29,279,671)	\$ (27,158,601)	\$ (31,387,719)	\$ (30,717,258)	\$ (21,969,606)
Component unit:					
City of Rocky Mount Theatre, LLC					
Expenses	(268,927)	(268,936)	(268,946)	(241,435)	(8,143,974)
Investment earnings	-	-	-	-	-
Operating grants and contributions	5,565	5,574	5,584	6,504,000	1,944,530
Total City of Rocky Mount Theatre, LLC	\$ (263,362)	\$ (263,362)	\$ (263,362)	\$ 6,262,565	\$ (6,199,444)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem taxes	21,558,895	21,528,800	21,778,008	22,965,276	23,435,908
Local option taxes	8,916,046	8,961,679	9,371,996	9,158,432	9,271,192
Other taxes	3,844,700	3,855,023	3,819,472	3,759,181	3,672,642
Investment earnings	122,011	86,433	70,341	129,915	65,120
Miscellaneous	2,335,138	2,601,852	3,631,978	2,104,003	3,024,711
Transfers	2,803,692	4,560,000	3,066,000	3,579,419	2,967,000
Total governmental activities	39,580,482	41,593,787	41,737,795	41,696,226	42,436,573
Business-type activities					
Investment earnings	733,274	471,838	218,464	865,119	98,463
Transfers	(2,803,692)	(4,560,000)	(3,066,000)	(3,579,419)	(2,967,000)
Total business-type activities	(2,070,418)	(4,088,162)	(2,847,536)	(2,714,300)	(2,868,537)
Total primary government	\$ 37,510,064	\$ 37,505,625	\$ 38,890,259	\$ 38,981,926	\$ 39,568,036
Change in Net Position					
Governmental activities	\$ (2,787,736)	\$ 4,376,583	\$ 4,979,345	\$ 2,009,182	\$ 9,507,678
Business-type activities	11,018,129	5,970,441	2,523,195	6,255,486	8,090,752
Total primary government	\$ 8,230,393	\$ 10,347,024	\$ 7,502,540	\$ 8,264,668	\$ 17,598,430
Total City of Rocky Mount Theatre, LLC	\$ (263,362)	\$ (263,362)	\$ (263,362)	\$ 6,262,565	\$ (6,199,444)

Source: Audited annual financial reports of the City of Rocky Mount

Notes: Data is presented for FY2013 with GASB statement 63 implementation, Net assets is now Net position.

Effective 9/1/15, the electric rates reflected an overall reduction due to the sale of the NCEMPA generation assets to Duke Energy Progress

CITY OF ROCKY MOUNT, NORTH CAROLINA

CHANGE IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 4,615,284	\$ 5,737,117	\$ 4,246,118	\$ 5,607,380	\$ 7,357,849
Public safety	25,597,650	26,975,314	29,086,467	29,605,046	29,825,141
Public Works	10,706,055	8,077,219	9,728,894	9,953,708	9,021,275
Engineering	583,199	932,529	886,679	1,060,051	-
Parks and recreation	8,938,049	9,977,191	16,248,923	21,956,422	18,943,080
Public Service	5,997,352	8,562,021	6,358,027	6,859,053	8,814,382
Emergency management	-	-	-	-	-
Economic development	136,816	31,056	41,392	29,177	106,821
Community revitalization	699,439	1,884,490	1,588,747	984,449	466,546
Interest on Long-term debt	448,397	444,951	843,423	2,207,931	2,190,205
Total governmental activities expenses	57,722,241	62,621,888	69,028,670	78,263,217	76,725,299
Business-type activities:					
Electric	87,658,326	69,017,466	70,787,007	71,232,212	71,142,497
Gas	21,526,874	20,071,951	18,422,872	24,975,040	21,456,450
Water	10,170,488	10,065,328	10,431,418	10,373,294	11,798,893
Sewer	13,050,143	12,673,511	12,860,780	12,716,649	13,286,082
Storm Water Management	3,342,760	3,348,865	3,328,174	3,347,852	3,570,243
Total business-type activities expenses	135,748,591	115,177,121	115,830,251	122,645,047	121,254,165
Total primary government expenses	\$ 193,470,832	\$ 177,799,009	\$ 184,858,921	\$ 200,908,264	\$ 197,979,464
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,775,761	4,832,656	864,670	9,672,937	3,226,365
Public Safety	353,021	327,997	375,369	294,525	340,056
Public Works	6,615,262	6,690,067	6,798,518	6,860,399	7,214,890
Recreation	1,321,850	1,360,969	1,246,085	1,617,815	2,227,424
Public Service	2,022,601	2,014,616	2,540,841	2,371,444	3,079,191
Other activities	11,956	34,578	3,608	6,316	-
Operating grants and contributions	5,373,671	6,766,148	6,343,215	5,792,802	5,306,611
Capital grants and contributions	762,051	718,009	3,332,477	1,139,989	2,239,141
Total governmental activities program revenues	18,236,173	22,745,040	21,504,783	27,756,227	23,633,678
Business-type activities:					
Charges for services:					
Electric	93,130,224	81,661,205	80,722,623	77,137,475	76,969,195
Gas	27,193,682	20,390,319	21,533,673	27,026,009	22,678,311
Water	10,953,543	11,348,246	11,050,295	11,196,298	11,563,436
Sewer	12,063,032	12,848,730	12,950,113	13,915,324	14,754,290
Storm Water Management	4,096,545	4,068,312	4,087,544	4,218,997	4,167,514
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	94,658	62,360	300,000
Total business-type activities program revenues	147,437,026	130,316,812	130,438,906	133,556,463	130,432,746
Total primary government program revenues	\$ 165,673,199	\$ 153,061,852	\$ 151,943,689	\$ 161,312,690	\$ 154,066,424
Net (expense)/revenue					
Governmental activities	\$ (39,486,068)	\$ (39,876,848)	\$ (47,523,887)	\$ (50,506,990)	\$ (53,091,621)
Business-type activities	11,688,435	15,139,691	14,608,655	10,911,416	9,178,581
Total primary government net expense	\$ (27,797,633)	\$ (24,737,157)	\$ (32,915,232)	\$ (39,595,574)	\$ (43,913,040)
Component unit:					
City of Rocky Mount Theatre, LLC					
Expenses	-	-	-	-	-
Investment earnings	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Total City of Rocky Mount Theatre, LLC	\$ -	\$ -	\$ -	\$ -	\$ -
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem taxes	23,283,987	24,034,407	24,460,822	24,973,010	26,982,181
Local option taxes	9,979,384	10,455,857	11,355,472	11,788,835	12,545,552
Other taxes	4,257,262	4,752,948	4,703,361	4,663,453	4,699,243
Investment earnings	63,732	106,992	440,160	909,681	1,055,402
Miscellaneous	5,028,768	2,946,466	2,996,049	3,473,197	4,578,243
Transfers	3,660,250	4,235,762	4,725,000	3,075,000	3,100,000
Total governmental activities	46,273,383	46,532,432	48,680,864	48,883,176	52,960,621
Business-type activities					
Investment earnings	92,516	192,205	482,747	1,036,920	1,735,877
Transfers	(3,660,250)	(4,235,762)	(4,725,000)	(3,075,000)	(3,100,000)
Total business-type activities	(3,567,734)	(4,043,557)	(4,242,253)	(2,038,080)	(1,364,123)
Total primary government	\$ 42,705,649	\$ 42,488,875	\$ 44,438,611	\$ 46,845,096	\$ 51,596,498
Change in Net Position					
Governmental activities	\$ 6,787,315	\$ 6,655,584	\$ 1,156,977	\$ (1,623,814)	\$ (131,000)
Business-type activities	8,120,701	11,096,134	10,366,402	8,873,336	7,814,458
Total primary government	\$ 14,908,016	\$ 17,751,718	\$ 11,523,379	\$ 7,249,522	\$ 7,683,458
Total City of Rocky Mount Theatre, LLC	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF ROCKY MOUNT, NORTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

modified accrual basis of accounting

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund					
Reserved	\$ 10,398,801	\$ -	\$ -	\$ -	\$ -
Unreserved	11,765,250	-	-	-	-
Nonspendable	-	355,546	383,732	404,514	490,108
Restricted	-	8,455,455	12,485,342	11,306,879	11,284,591
Assigned	-	1,433,525	963,473	2,429,395	2,700,083
Unassigned	-	8,700,100	6,987,165	9,928,645	12,321,582
Total General Fund	<u>\$ 22,164,051</u>	<u>\$ 18,944,626</u>	<u>\$ 20,819,712</u>	<u>\$ 24,069,433</u>	<u>\$ 26,796,364</u>
All other governmental funds					
Reserved	\$ 63,546	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	2,310,853	-	-	-	-
Capital projects funds	1,677,341	-	-	-	-
Nonspendable, reported in:					
Special revenue funds	-	100,000	128,890	99,000	99,000
Capital projects funds	-	-	-	-	-
Restricted, reported in:					
Special revenue funds	-	1,809,993	3,142,689	1,908,066	1,592,589
Capital projects funds	-	876,388	2,868,236	989,213	1,127,925
Committed, reported in:					
Special revenue funds	-	776,078	767,850	923,526	430,111
Capital projects funds	-	2,773,711	-	249,515	266,215
Assigned, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	790,196	841,164	911,610	541,010
Unassigned, reported in:					
Special revenue funds	-	(124,272)	(1,726,390)	(459,160)	(75,353)
Capital projects funds	-	-	(1,485,179)	-	-
Total all other governmental funds	<u>\$ 4,051,740</u>	<u>\$ 7,002,094</u>	<u>\$ 4,537,260</u>	<u>\$ 4,621,770</u>	<u>\$ 3,981,497</u>
Total governmental funds	<u>\$ 26,215,791</u>	<u>\$ 25,946,720</u>	<u>\$ 25,356,972</u>	<u>\$ 28,691,203</u>	<u>\$ 30,777,861</u>

Source: Audited Annual financial reports for the City of Rocky Mount

Notes: Data beginning FY2011, GASB statement 54 was implemented for fund balance categories.

CITY OF ROCKY MOUNT, NORTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

modified accrual basis of accounting

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	433,469	405,755	17,037,600	17,025,604	17,098,015
Restricted	11,214,768	11,354,780	11,801,938	14,350,085	13,751,476
Assigned	1,355,673	1,786,573	3,355,341	3,499,959	2,895,545
Unassigned	13,640,541	13,739,204	15,058,082	14,675,194	15,321,511
Total General Fund	<u>\$ 26,644,451</u>	<u>\$ 27,286,312</u>	<u>\$ 47,252,961</u>	<u>\$ 49,550,842</u>	<u>\$ 49,066,547</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable, reported in:					
Special revenue funds	99,000	260,000	16,989,800	288,000	288,000
Capital projects funds	-	-	-	-	-
Restricted, reported in:					
Special revenue funds	1,259,277	1,438,274	2,147,811	1,573,675	3,530,318
Capital projects funds	2,204,394	792,144	17,186,740	8,809,355	1,678,308
Committed, reported in:					
Special revenue funds	574,086	285,493	171,100	255,230	233,245
Capital projects funds	207,522	383,770	1,626,320	16,649,800	16,817,750
Assigned, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	881,740	-	-	-	72,274
Unassigned, reported in:					
Special revenue funds	(135,664)	(181,120)	(61,850)	(141,462)	(237,144)
Capital projects funds	-	(100,445)	(16,749,075)	(17,206,874)	(16,640,800)
Total all other governmental funds	<u>\$ 5,090,355</u>	<u>\$ 2,878,116</u>	<u>\$ 21,310,846</u>	<u>\$ 10,227,724</u>	<u>\$ 5,741,951</u>
Total governmental funds	<u>\$ 31,734,806</u>	<u>\$ 30,164,428</u>	<u>\$ 68,563,807</u>	<u>\$ 59,778,566</u>	<u>\$ 54,808,498</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Ad valorem taxes	\$ 21,415,865	\$ 21,337,096	\$ 21,939,984	\$ 22,850,485	\$ 23,821,093
Intergovernmental revenues	23,808,794	25,081,411	27,109,946	22,933,029	21,373,550
Licenses and permits	948,416	883,621	921,813	869,535	845,949
Sales and services	7,680,531	7,777,765	8,487,008	8,280,868	8,606,993
Investment earnings	122,011	86,433	70,342	129,916	65,120
Contributions	-	-	-	-	-
Project revenue	2,703,369	3,346,505	7,571,153	2,905,465	4,156,053
Miscellaneous	4,081,824	3,355,682	1,199,455	1,320,634	1,268,572
Total revenues	<u>60,760,810</u>	<u>61,868,513</u>	<u>67,299,701</u>	<u>59,289,932</u>	<u>60,137,330</u>
Expenditures					
Current:					
General government	6,156,042	5,856,442	5,107,954	5,174,420	4,672,485
Public safety	24,825,635	25,204,655	25,460,672	24,714,800	25,717,824
Public service	5,186,371	8,142,128	5,328,963	4,942,980	5,746,295
Public works	9,127,316	10,684,706	10,459,006	8,854,187	9,404,184
Engineering	983,839	974,241	970,091	972,760	986,374
Parks and recreation	7,634,255	7,939,785	8,328,491	8,664,907	7,890,472
Economic development	-	-	-	-	18,735
Community revitalization	3,573,194	4,422,615	2,170,571	2,212,833	860,152
Emergency management	-	-	5,418,215	-	-
Capital projects:					
General government	56,045	801,837	711,148	832,314	2,328,864
Public safety	558,465	1,099,129	43,487	32,995	374,769
Parks and recreation	675,657	274,414	134,851	9,236,765	212,243
Public service	6,418,173	1,478,933	4,781,240	2,503,521	108,768
Community revitalization	12,485	-	-	-	-
Debt service:					
Principal	3,202,319	2,980,771	2,803,104	3,208,643	4,030,356
Interest	444,084	292,268	492,656	431,995	621,151
Total expenditures	<u>\$ 68,853,880</u>	<u>\$ 70,151,924</u>	<u>\$ 72,210,449</u>	<u>\$ 71,783,120</u>	<u>\$ 62,972,672</u>
Excess of revenues over (under) expenditures	(8,093,070)	(8,283,411)	(4,910,748)	(12,493,188)	(2,835,342)
Other financing sources (uses)					
Transfers in	4,132,894	7,157,151	4,827,886	5,542,550	4,064,942
Transfers out	(1,329,202)	(1,849,151)	(1,761,886)	(1,963,131)	(1,097,942)
Bond premium/discount	-	-	-	-	-
Debt financing	1,084,661	410,339	-	-	-
Proceeds from installment purchase agreement	1,705,000	2,296,000	1,255,000	12,248,000	1,955,000
Total other financing sources (uses)	<u>5,593,353</u>	<u>8,014,339</u>	<u>4,321,000</u>	<u>15,827,419</u>	<u>4,922,000</u>
Net change in fund balance	<u>\$ (2,499,717)</u>	<u>\$ (269,072)</u>	<u>\$ (589,748)</u>	<u>\$ 3,334,231</u>	<u>\$ 2,086,658</u>
Total debt service	<u>\$ 3,646,403</u>	<u>\$ 3,273,039</u>	<u>\$ 3,295,760</u>	<u>\$ 3,640,638</u>	<u>\$ 4,651,507</u>
Total expenditures	68,853,880	70,151,924	72,210,449	71,783,120	62,972,672
Capital outlay primary government only	5,588,437	10,401,869	8,523,259	12,937,662	13,621,602
Non-capital expenditures	<u>\$ 63,265,443</u>	<u>\$ 59,750,055</u>	<u>\$ 63,687,190</u>	<u>\$ 58,845,458</u>	<u>\$ 49,351,070</u>
Debt service as a percentage of non-capital expenditures	5.76%	5.48%	5.17%	6.19%	9.43%

CITY OF ROCKY MOUNT, NORTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues					
Ad valorem taxes	\$ 23,496,912	\$ 24,081,429	\$ 24,560,773	\$ 25,131,933	\$ 27,112,512
Intergovernmental revenues	22,431,424	24,634,137	28,152,162	25,885,896	27,263,383
Licenses and permits	891,336	858,853	1,524,414	1,800,839	1,778,770
Sales and services	8,303,246	8,815,725	8,607,485	8,555,114	9,792,320
Investment earnings	63,733	106,991	440,161	909,680	1,055,402
Contributions	-	20,000	9,000	-	-
Project revenue	2,026,322	2,246,491	2,491,335	2,400,116	3,135,089
Miscellaneous	965,243	1,126,983	1,203,327	1,382,903	2,097,793
Total revenues	<u>58,178,216</u>	<u>61,890,609</u>	<u>66,988,657</u>	<u>66,066,481</u>	<u>72,235,269</u>
Expenditures					
Current:					
General government	4,809,567	5,437,814	5,211,280	6,732,506	8,250,322
Public safety	26,351,478	27,970,036	27,845,239	29,112,732	30,597,901
Public service	5,277,826	7,149,186	8,898,666	6,203,232	8,875,480
Public works	11,056,678	9,740,887	9,533,773	9,121,086	9,892,601
Engineering	999,738	1,011,477	867,699	1,019,422	-
Parks and recreation	8,771,419	8,507,568	14,886,325	20,294,354	11,284,337
Economic development	136,816	31,056	41,392	29,177	106,821
Community revitalization	699,439	1,884,490	1,588,747	984,449	466,546
Emergency management	-	-	-	-	-
Capital projects:					
General government	97,114	826,855	-	-	-
Public safety	69,883	95,483	73,191	517,470	-
Parks and recreation	821,261	1,642,385	1,020,954	188,143	6,389,829
Public service	485,370	1,261,081	-	-	-
Community revitalization	-	-	-	-	-
Debt service:					
Principal	3,863,984	3,870,807	3,640,565	3,481,980	3,778,295
Interest	447,948	440,624	840,934	2,207,171	2,190,205
Total expenditures	<u>\$ 63,888,521</u>	<u>\$ 69,869,749</u>	<u>\$ 74,448,765</u>	<u>\$ 79,891,722</u>	<u>\$ 81,832,337</u>
Excess of revenues over (under) expenditures	(5,710,305)	(7,979,140)	(7,460,108)	(13,825,241)	(9,597,068)
Other financing sources (uses)					
Transfers in	5,105,019	6,577,346	24,806,450	5,217,446	5,165,984
Transfers out	(1,444,769)	(2,341,584)	(20,081,450)	(2,142,446)	(2,065,984)
	-	-	3,477,487	-	-
Debt Financing	-	-	36,815,000	-	-
Proceeds from installment purchase agreement	3,007,000	2,173,000	842,000	1,965,000	1,527,000
Total other financing sources (uses)	<u>6,667,250</u>	<u>6,408,762</u>	<u>45,859,487</u>	<u>5,040,000</u>	<u>4,627,000</u>
Net change in fund balance	<u>\$ 956,945</u>	<u>\$ (1,570,378)</u>	<u>\$ 38,399,379</u>	<u>\$ (8,785,241)</u>	<u>\$ (4,970,068)</u>
Total debt service	<u>\$ 4,311,932</u>	<u>\$ 4,311,431</u>	<u>\$ 4,481,499</u>	<u>\$ 5,689,151</u>	<u>\$ 5,968,500</u>
Total expenditures	63,888,521	69,869,749	74,448,765	79,891,722	81,832,337
Capital outlay primary government only	7,094,717	10,420,735	11,387,714	13,365,605	8,462,868
Non-capital expenditures	<u>\$ 56,793,804</u>	<u>\$ 59,449,014</u>	<u>\$ 63,061,051</u>	<u>\$ 66,526,117</u>	<u>\$ 73,369,469</u>
Debt service as a percentage of non-capital expenditures	7.59%	7.25%	7.11%	8.55%	8.13%

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Public Service	Public Works	Parks & Recreation
2010	6,212,087	25,384,100	11,604,544	10,111,155	8,309,912
2011	6,658,279	26,303,784	9,621,061	11,658,947	8,214,199
2012	5,819,102	25,504,159	10,110,203	11,429,097	8,463,342
2013	6,006,734	24,747,795	7,446,501	9,826,947	17,901,672
2014	7,001,349	26,092,593	5,855,063	10,390,558	8,102,715
2015	4,906,681	26,421,361	5,763,196	12,056,416	9,592,680
2016	6,264,669	28,065,519	8,410,267	10,752,364	10,149,953
2017	5,211,280	27,918,430	8,898,666	10,401,472	15,907,279
2018	6,732,506	29,630,202	6,203,232	10,140,508	20,482,497
2019	8,250,322	30,597,901	8,875,480	9,892,601	17,674,166

Fiscal Year	Emergency Management Hazard Mitigation	Community Revitalization	Economic Development	Debt Service	Total Expenditures
2010	-	3,585,679	-	3,646,403	68,853,880
2011	-	4,422,615	-	3,273,039	70,151,924
2012	5,418,215	2,170,571	-	3,295,760	72,210,449
2013	-	2,212,833	-	3,640,638	71,783,120
2014	-	860,152	18,735	4,651,507	62,972,672
2015	-	699,439	136,816	4,311,932	63,888,521
2016	-	1,884,490	31,056	4,311,431	69,869,749
2017	-	1,588,747	41,392	4,459,862	74,427,128
2018	-	984,449	29,177	5,478,632	79,681,203
2019	-	466,546	106,821	5,757,981	81,621,818

Source: Audited annual financial reports of the City of Rocky Mount
Includes General, Special Revenue, and Capital Projects funds
Excludes Rocky Mount Public Facilities Corporation

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	Ad Valorem Taxes	Local Option Sales Tax	Franchise Tax	Tele- Communications Tax	Beer & Wine Tax	Licenses Permits & Other Taxes	Total Tax Revenues
2010	21,344,953	8,543,046	2,932,552	912,148	84,474	948,416	34,765,589
2011	21,262,639	8,866,679	3,019,976	835,047	265,409	883,621	35,133,371
2012	21,863,586	9,295,496	2,945,703	873,769	249,920	921,813	36,150,286
2013	22,776,770	8,974,432	2,931,777	827,404	231,246	869,535	36,611,164
2014	23,755,532	9,271,192	2,918,783	753,859	247,804	845,949	37,793,119
2015	23,415,767	9,929,384	3,549,282	707,980	268,678	891,336	38,762,427
2016	24,003,773	10,390,857	4,133,398	619,550	246,175	858,853	40,252,606
2017	24,494,306	11,290,472	4,088,160	615,201	249,805	1,524,414	42,262,358
2018	25,061,494	11,723,835	4,105,496	557,957	237,583	1,800,839	43,487,204
2019	27,112,512	12,545,552	4,179,452	519,791	236,289	1,778,770	46,372,366

Source: Audited annual financial reports of the City of Rocky Mount

Note: Ad valorem taxes includes penalties & interest
Includes General fund

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL GOVERNMENTAL REVENUES BY SOURCE

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Ad Valorem Taxes</u>	<u>Tele-communication Tax</u>	<u>Inter-Governmental Revenue</u>	<u>Licenses & Permits</u>	<u>Sales and Services</u>	<u>Project Revenue</u>	<u>Investment Earnings</u>	<u>Other Revenue</u>	<u>Total Revenues</u>
2010	21,415,865	912,148	22,896,646	948,416	7,680,531	2,703,369	122,011	4,081,824	60,760,810
2011	21,337,096	835,047	24,246,364	883,621	7,777,765	3,346,505	86,433	3,355,682	61,868,513
2012	21,939,984	873,769	26,236,177	921,813	8,487,008	7,571,153	70,342	1,199,455	67,299,701
2013	22,850,485	827,404	22,105,625	869,535	8,280,868	2,905,465	129,916	1,320,634	59,289,932
2014	23,821,093	753,859	20,619,691	845,949	8,606,993	4,156,053	65,120	1,268,572	60,137,331
2015	23,496,912	707,980	21,723,444	891,336	8,303,246	2,026,322	63,733	965,243	58,178,216
2016	24,081,429	619,550	24,014,587	858,853	8,815,725	2,246,491	106,991	1,146,983	61,890,609
2017	24,560,773	615,201	27,536,961	1,524,414	8,607,485	2,491,335	440,161	1,181,690	66,958,020
2018	25,131,933	557,957	25,327,939	1,800,839	8,555,114	2,400,116	909,680	1,172,384	65,855,962
2019	27,112,512	519,791	26,743,592	1,778,770	9,792,320	3,135,089	1,055,402	1,887,274	72,024,750

Source: Audited annual financial reports of the City of Rocky Mount
Includes General, Special Revenue, and Capital Projects funds
Excludes Rocky Mount Public Facilities Corporation

CITY OF ROCKY MOUNT, NORTH CAROLINA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years

Fiscal Year	Real Property				Personal Property	
	Residential Property		Commercial Property		Nash	Edgecombe
	Nash	Edgecombe	Nash	Edgecombe		
2010 (4&5)	1,466,556,229	409,793,603	1,106,349,436	96,124,426	640,883,468	73,864,477
2011	1,469,281,707	419,703,338	1,108,405,499	85,963,334	634,273,081	70,699,771
2012	1,467,562,469	467,531,300	1,107,108,530	40,654,896	634,311,603	74,423,775
2013	1,748,210,984	469,278,513	822,687,522	35,322,039	655,987,042	81,920,766
2014	1,607,339,569	469,763,599	964,403,741	35,358,550	734,489,531	115,903,296
2015	1,619,968,919	471,493,161	951,410,318	35,488,733	687,277,074	163,609,353
2016	1,615,745,248	469,421,346	948,929,749	35,332,789	683,952,105	151,311,571
2017 (4)	1,490,253,165	462,645,300	1,079,148,844	45,756,129	749,073,020	149,823,142
2018 (4&5)	1,376,224,104	427,888,176	996,576,076	42,318,611	746,582,183	137,286,402
2019	1,388,260,912	419,315,859	1,005,292,384	41,470,799	856,703,977	121,713,809

Fiscal Year	Public Service (1)		Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value (3)	Assessed Value as a Percentage of Actual Value
	Nash	Edgecombe				
2010 (4&5)	39,404,429	46,781,653	3,879,757,721	0.55	3,925,781,032	98.83%
2011	40,818,345	46,879,116	3,876,024,191	0.55	3,978,527,748	97.42%
2012	43,700,708	46,023,256	3,881,316,537	0.55	3,884,134,999	99.93%
2013	43,647,676	45,743,335	3,902,797,877	0.58	3,873,547,007	100.76%
2014	42,301,359	38,394,016	4,007,953,661	0.58	3,972,326,494	100.90%
2015	46,020,988	35,272,383	4,010,540,929	0.58	3,950,569,476	101.52%
2016	50,550,431	32,875,817	3,988,119,056	0.605	3,931,828,062	101.43%
2017 (4)	50,254,170	31,893,692	4,058,847,462	0.605	4,100,095,736	98.99%
2018 (4&5)	58,086,015	31,185,813	3,816,147,381	0.66	4,003,696,773	95.32%
2019 (4)	61,226,994	41,081,664	3,935,066,398	0.685	4,129,418,060	95.29%

Source: Audited annual financial reports of the City of Rocky Mount

Notes:

- (1) Public service companies valuations are provided to the City by the North Carolina Department of Revenue.
- (2) Per \$100 of value.
- (3) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.
- (4) Includes annexed property.
- (5) Revaluation year for Property values.

CITY OF ROCKY MOUNT, NORTH CAROLINA

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

(rate per \$100 of assessed value)

City of Rocky Mount				Overlapping Rates Edgecombe County			Total Direct and Overlapping Rates (Edgecombe County)
Fiscal Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	School Millage (2)	Total County Millage	
2010	0.55	-	0.55	0.86	-	0.86	1.41
2011	0.55	-	0.55	0.86	-	0.86	1.41
2012	0.55	-	0.55	0.86	-	0.86	1.41
2013	0.58	-	0.58	0.86	-	0.86	1.44
2014	0.58	-	0.58	0.86	-	0.86	1.44
2015	0.58	-	0.58	0.895	-	0.895	1.475
2016	0.605	-	0.605	0.95	-	0.95	1.555
2017	0.605	-	0.605	0.95	-	0.95	1.555
2018	0.660	-	0.660	0.95	-	0.95	1.610
2019	0.685	-	0.685	0.95	-	0.95	1.635

City of Rocky Mount				Overlapping Rates Nash County		Total Direct and Overlapping Rates (Nash County)
Fiscal Year	Operating Millage	Debt Service Millage	Total City Millage	Total County Millage	Municipal Service District Tax (1)	
2010	0.55	-	0.55	0.70	0.20	1.45
2011	0.55	-	0.55	0.67	0.20	1.42
2012	0.55	-	0.55	0.67	0.20	1.42
2013	0.58	-	0.58	0.67	0.20	1.45
2014	0.58	-	0.58	0.67	0.20	1.45
2015	0.58	-	0.58	0.67	0.20	1.45
2016	0.605	-	0.605	0.67	0.20	1.475
2017	0.605	-	0.605	0.67	0.20	1.475
2018	0.660	-	0.660	0.67	0.20	1.530
2019	0.685	-	0.685	0.67	0.20	1.555

Sources: City of Rocky Mount Finance Department

Notes: 1) Municipal Service District represents part of the Downtown Business District

2) Edgecombe County Special School District established after City
School District merged with Nash County School District

CITY OF ROCKY MOUNT, NORTH CAROLINA

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2019			2010		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Hospira Inc	Pharmaceuticals Manufacturing	\$ 331,056,427	1	8.41 %	\$132,950,777	1	3.43 %
Kaba Ilco Corp	Key & Security System Manufacturing	25,067,822	2	0.64	\$18,814,440	7	0.48
Edgecombe Genco LLC	Utility - Electrical	19,863,973	3	0.50	\$44,397,583	4	1.14
Carolina Telephone Company	Utility - Telecommunications	19,832,112	4	0.50	\$48,015,093	3	1.24
Duke Energy Progress, Inc.	Utility - Electrical	19,807,818	5	0.50			
Honeywell International Inc	Aircraft Manufacturing	18,018,337	6	0.46	\$16,478,223	8	0.42
Dominion North Carolina Power	Utility - Electrical	17,903,427	7	0.45			
Oakwood Properties LLC	Community Development Company	16,950,577	8	0.43			
Hendon Golden East LLC	Retail Shopping Center	14,099,787	9	0.36	35,680,802	5	0.92
Boddie Noell Enterprises Inc.	Community Development Company	12,715,922	10	0.32	14,645,732	10	0.38
Centura Bank Inc.	Banking				\$59,860,052	2	1.54
Cobb Corners Ltd. Partnership	Retail Shopping Center				23,080,600	6	0.59
Fords Colony at RY Mount LLC	Community Development Company				15,710,512	9	0.40
Total		\$495,316,202		12.59 %	\$409,633,814		10.56 %

Source: City of Rocky Mount Finance Dept

CITY OF ROCKY MOUNT, NORTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2010	21,219,040	422,281	21,641,321	20,125,420	94.85	1,211,881	21,337,301	98.60
2011	21,239,809	387,094	21,626,903	19,993,488	94.13	1,283,281	21,276,769	98.38
2012	21,241,883	437,659	21,679,542	20,276,321	95.45	1,150,369	21,426,690	98.83
2013	22,521,357	271,731	22,793,088	21,473,139	95.35	1,022,854	22,495,993	98.70
2014	23,143,497	127,360	23,270,857	22,351,527	96.58	588,206	22,939,733	98.58
2015	23,012,679	269,223	23,281,902	22,562,575	98.04	389,276	22,951,851	98.58
2016	24,015,823	110,955	24,126,778	23,394,761	97.41	352,012	23,746,773	98.42
2017	24,402,640	152,032	24,554,672	23,836,350	97.68	286,252	24,122,602	98.24
2018	25,022,642	157,473	25,180,115	24,533,103	98.04	177,635	24,710,738	98.14
2019	26,588,336	336,848	26,925,184	26,270,847	98.81	-	26,270,847	97.57

Source: City of Rocky Mount Finance Department

City of Rocky Mount, North Carolina

Electric Utility Revenue Rates Fiscal Year 2018-2019

Service Type	Monthly Customer Charge	Monthly Customer Charge-Single Phase	Monthly Customer Charge-Three Phase	Monthly Customer Charge-Under 1,000 kW	Monthly Customer Charge-1,000 - 2,500 kW	Monthly Customer Charge-1,500 - 2,500 kW	Monthly Customer Charge-Over 2,500 kW
Residential effective 7/1/17		26.00	45.00				
Small General Service 7/1/17		26.00	45.00				
Medium General Service 7/1/17		50.00	70.00				
Large General Service 7/1/17	600.00						
Coordinated Demand Control Service 7/1/2013				265.00	975.00		1,850.00
Med General Seasonal/Intermittent 7/1/2017		33.00	50.00				
Industrial Service 7/1/17	1,125.00						
Service Type	Monthly Energy Charge/kWH	Monthly Energy Charge- First 750 kWH/kWH	Monthly Energy Charge-Next 1250 kWH/kWH	Monthly Energy Charge- All Over 2000 kWH/kWH	Monthly Energy Charge-First 2000 kWH/kWH	Monthly Energy Charge- Additional kWH/kWH	
Residential effective 7/1/17	0.097077						
Small General Service 7/1/17		0.123620	0.102931	0.097237			
Medium General Service 7/1/17	0.068000						
Large General Service 7/1/17	0.053700						
Coordinated Demand Control Service 7/1/2013	0.058375						
Med General Seasonal/Intermittent 7/1/2017					0.125159	0.099238	
Industrial Service 7/1/17	0.042200						

Source: City of Rocky Mount Administrative Policy

Note: These rates represent the major rate categories, they do not reflect other misc rate categories.

City of Rocky Mount, North Carolina

Electric Utility Revenue Rates Last Ten Fiscal Years

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Residential-rates at fiscal year-end</u>					
Monthly Customer Charge-Single Phase	10.00	10.00	10.00	10.00	14.00
Monthly Customer Charge-Three Phase(add amount to single)	15.00	15.00	15.00	15.00	21.00
Monthly Energy Charge/kWH	0.13	0.13	0.13	0.13	0.13
<u>Small General Service-rates at fiscal year-end</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge-Single Phase	18.22	18.22	18.22	18.22	26.00
Monthly Customer Charge-Three Phase(add amount to single)	13.68	13.68	13.68	13.68	19.00
Monthly Energy Charge/kWH-First 750 kWH/kWH	0.16	0.16	0.16	0.16	0.16
Monthly Energy Charge/kWH-Next 1250 kWH/kWH	0.13	0.13	0.13	0.13	0.13
Monthly Energy Charge/kWH-Over 2000 kWH/kWH	0.12	0.12	0.12	0.12	0.12
<u>Medium General Service-rates at fiscal year-end</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge-Single Phase	19.01	19.01	19.01	19.01	27.00
Monthly Customer Charge-Three Phase(add amount to single)	14.28	14.28	14.28	14.28	20.00
Monthly Energy Charge/kWH	0.10	0.10	0.10	0.10	0.10
<u>Large General Service-rates at fiscal year-end</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge	807.20	807.20	807.20	807.20	1,130.00
Monthly Energy Charge/kWH	0.07	0.07	0.07	0.07	0.07
<u>Coordinated Demand Control Service-rates fiscal end</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge-Under 1,000 kW	189.68	189.68	189.68	189.68	265.00
Monthly Customer Charge-1,000 -2,500 kW	695.49	695.49	695.49	695.49	975.00
Monthly Customer Charge-Over 2,500 kW	1,327.76	1,327.76	1,327.76	1,327.76	1,850.00
Monthly Energy Charge/kWH	0.06	0.06	0.06	0.06	0.06
<u>Coordinated Demand Control Service/Industrial-rates fiscal end</u>					
<i>repealed 9/1/15</i>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge-1,500 -2,500 kW	-	-	-	695.49	975.00
Monthly Customer Charge-Over 2,500 kW	-	-	-	1,327.76	1,850.00
Monthly Energy Charge/kWH	-	-	-	0.06	0.06
<u>Med General Seasonal/Intermittent-rates fiscal end</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Customer Charge-Single Phase	26.60	26.60	26.60	26.60	38.00
Monthly Customer Charge-Three Phase	40.88	40.88	40.88	40.88	20.00
Monthly Energy Charge-First 2000 kWH/kWH	0.15	0.15	0.15	0.15	0.15
Monthly Energy Charge-Additional kWH/kWH	0.12	0.12	0.12	0.12	0.12
<u>Industrial Service</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Monthly Facilities Charge	-	-	-	-	-
Monthly Energy Charge/kWH	-	-	-	-	-

Source: City of Rocky Mount Administrative Policy

Note: These rates represent the major rate categories, they do not reflect other misc rate categories.

City of Rocky Mount, North Carolina

Electric Utility Revenue Rates Last Ten Fiscal Years

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Residential-rates at fiscal year-end</u>					
Monthly Customer Charge-Single Phase	14.00	26.00	26.00	26.00	26.00
Monthly Customer Charge-Three Phase(add amount to single)	21.00	19.00	19.00	19.00	19.00
Monthly Energy Charge/kWH	0.13	0.10	0.10	0.10	0.10
<u>Small General Service-rates at fiscal year-end</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge-Single Phase	26.00	26.00	26.00	26.00	26.00
Monthly Customer Charge-Three Phase(add amount to single)	19.00	19.00	19.00	19.00	19.00
Monthly Energy Charge/kWH-First 750 kWH/kWH	0.16	0.13	0.13	0.12	0.12
Monthly Energy Charge/kWH-Next 1250 kWH/kWH	0.13	0.11	0.11	0.10	0.10
Monthly Energy Charge/kWH-Over 2000 kWH/kWH	0.12	0.10	0.10	0.10	0.10
<u>Medium General Service-rates at fiscal year-end</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge-Single Phase	27.00	33.00	33.00	50.00	50.00
Monthly Customer Charge-Three Phase(add amount to single)	20.00	20.00	20.00	20.00	20.00
Monthly Energy Charge/kWH	0.10	0.07	0.07	0.07	0.07
<u>Large General Service-rates at fiscal year-end</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge	1,130.00	600.00	600.00	600.00	600.00
Monthly Energy Charge/kWH	0.07	0.06	0.06	0.05	0.05
<u>Coordinated Demand Control Service-rates fiscal end</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge-Under 1,000 kW	265.00	265.00	265.00	265.00	265.00
Monthly Customer Charge-1,000 -2,500 kW	975.00	975.00	975.00	975.00	975.00
Monthly Customer Charge-Over 2,500 kW	1,850.00	1,850.00	1,850.00	1,850.00	1,850.00
Monthly Energy Charge/kWH	0.06	0.06	0.06	0.06	0.06
<u>Coordinated Demand Control Service/Industrial-rates fiscal end</u>					
<i>repealed 9/1/15</i>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge-1,500 -2,500 kW	975.00	975.00	-	-	-
Monthly Customer Charge-Over 2,500 kW	1,850.00	1,850.00	-	-	-
Monthly Energy Charge/kWH	0.06	0.06	-	-	-
<u>Med General Seasonal/Intermittent-rates fiscal end</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Customer Charge-Single Phase	38.00	33.00	33.00	33.00	33.00
Monthly Customer Charge-Three Phase	20.00	17.00	17.00	17.00	17.00
Monthly Energy Charge-First 2000 kWH/kWH	0.15	0.13	0.13	0.13	0.13
Monthly Energy Charge-Additional kWH/kWH	0.12	0.10	0.10	0.10	0.10
<u>Industrial Service</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Monthly Facilities Charge	-	700.00	700.00	1,125.00	1,125.00
Monthly Energy Charge/kWH	-	0.05	0.05	0.04	0.04

City of Rocky Mount, North Carolina

Principal Electric Revenue Payers by Business Type Current Year and Nine Years Ago

Type of Business	2019			2010		
	Electric Revenue Billing	Rank	Percentage of Total Electric Revenue 77,847,129	Electric Revenue Billing	Rank	Percentage of Total Electric Revenue 96,871,155
Healthcare	\$ 2,373,797	1	3.05%	\$ 2,150,530	1	2.22%
Bakery Production Facility	773,481	2	0.99%	860,705	6	0.89%
Key & Security System Manufacturer	735,058	3	0.94%	963,524	3	0.99%
Healthcare Packaging	656,608	4	0.77%	-		
Food Distributor	596,913	5	0.84%	891,064	4	0.92%
Communications	552,218	6	0.77%	607,805	8	0.63%
Plastic Packaging Manufacturer	484,742	7	0.71%	863,948	5	0.89%
Bakery Production Facility	448,846	8	0.62%	-		
Recycler	350,096	9	0.58%	-		
Food Distributor	346,144	10	0.45%	-		
Elevator Products Manufacturer	-			496,476	9	0.51%
Bulk Variety Store	-			424,792	10	0.44%
Plastic Packaging Manufacturer	-			-		
Bread Distributor	-			980,739	2	1.01%
Department Store	-			625,507	7	0.65%
	-			-		
	<u>\$ 7,317,903</u>		<u>9.72%</u>	<u>\$ 8,865,090</u>		<u>9.15%</u>

Source: City of Rocky Mount Public Utilities-Energy Services Department

CITY OF ROCKY MOUNT, NORTH CAROLINA

ELECTRIC FUND REVENUES, EXPENSES AND NET INCOME Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Purchased Power	Operating Expenses	Operating Income	Revenues & (Expenses) Net	Income Before Transfers
2010	94,210,653	75,831,363	13,969,285	4,410,005	2,097,226	6,507,231
2011	96,025,207	77,389,296	14,340,205	4,295,706	(99,146)	4,196,560
2012	89,571,738	74,419,871	13,832,305	1,319,562	(328,186)	991,376
2013	91,499,477	74,829,348	13,786,016	2,884,113	281,297	3,165,410
2014	93,771,709	75,354,137	14,052,385	4,365,187	(217,178)	4,148,009
2015	93,059,344	72,729,666	14,139,991	6,189,687	(697,028)	5,492,659
2016	81,344,061	53,102,969	15,495,839	12,745,253	(31,786)	12,713,467
2017	79,960,866	54,693,922	15,863,768	9,403,176	766,753	10,169,929
2018	77,070,580	53,108,853	16,694,544	7,267,183	(829,289)	6,437,894
2019	76,875,739	53,310,732	17,586,957	5,978,050	726,582	6,704,632

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
2010	(1,590,780)	4,916,451	5.2%
2011	(2,181,700)	2,014,860	2.1%
2012	(791,132)	200,244	0.2%
2013	(1,396,325)	1,769,085	1.9%
2014	(1,425,000)	2,723,009	2.9%
2015	(1,700,000)	3,792,659	4.1%
2016	(1,700,000)	11,013,467	13.5%
2017	(2,058,968)	8,110,961	10.1%
2018	(2,165,000)	4,272,894	5.5%
2019	(2,150,000)	4,554,632	5.9%

Source: Audited financial reports of the City of Rocky Mount

Note: FY2016 reduction in electric rates due to sale of NCEMPA generation assets to Duke Energy Progress

CITY OF ROCKY MOUNT, NORTH CAROLINA

ELECTRIC FUND REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	User Charges	Other Operating Revenues	Other Non-operating Revenues	Grants and Subsidies	Investment Earnings	Total Revenues
2010	92,440,662	1,769,991	-	2,257,775	402,727	96,871,155
2011	94,371,459	1,653,748	-	318,300	228,002	96,571,509
2012	88,157,911	1,413,827	63,461	708,868	61,319	90,405,386
2013	89,526,567	1,972,910	91,623	8,094	473,962	92,073,156
2014	91,430,978	2,340,731	63,945	-	24,020	93,859,674
2015	91,929,928	1,129,416	70,880	-	20,761	93,150,985
2016	80,485,127	858,934	317,144	-	69,728	81,730,933
2017	78,883,736	1,077,130	761,757	51,032	234,313	81,007,968
2018	75,958,532	1,112,048	66,895	-	532,631	77,670,106
2019	75,633,092	1,242,647	93,456	-	877,934	77,847,129

Source: Audited financial reports of the City of Rocky Mount

Note: FY2016 reduction in electric rates due to sale of NCEMPA generation assets to Duke Energy Progress

CITY OF ROCKY MOUNT, NORTH CAROLINA

ELECTRIC FUND USER CHARGES

Last Ten Fiscal Years

Fiscal Year	Residential	Commercial/ Industrial	Commercial	Seasonal	Other Lights	Total User Charges
2010	43,397,592	43,823,509	2,877,527	333,594	2,008,441	92,440,662
2011	44,716,962	44,365,860	2,970,260	315,935	2,002,442	94,371,459
2012	40,212,629	42,797,522	2,852,626	273,571	2,021,564	88,157,911
2013	41,677,126	42,662,606	2,817,395	295,960	2,073,480	89,526,567
2014	42,714,433	42,689,175	3,609,477	331,702	2,086,191	91,430,978
2015	42,738,735	43,073,256	3,607,192	366,185	2,144,560	91,929,928
2016	37,041,030	35,509,526	5,485,774	350,457	2,098,339	80,485,127
2017	36,940,907	32,871,262	6,642,553	321,445	2,107,569	78,883,736
2018	36,859,938	30,335,500	6,778,103	236,125	1,748,866	75,958,532
2019	37,088,897	30,044,885	6,798,932	326,813	1,373,566	75,633,092

Source: Internal Monthly Sales Reports
Audited financial reports of the City of Rocky Mount

Note: FY2016 reduction in electric rates due to sale of NCEMPA generation assets to Duke Energy Progress

CITY OF ROCKY MOUNT, NORTH CAROLINA

GAS FUND REVENUES, EXPENSES AND NET INCOME Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Purchased Gas	Operating Expenses	Operating Income	Nonoperating Revenues & (Expenses) Net	Income Before Transfers
2010	25,025,210	16,455,078	4,961,557	3,608,575	(248,616)	3,359,959
2011	24,079,519	16,116,224	6,245,513	1,717,782	(29,343)	1,688,439
2012	19,545,646	11,130,071	7,073,482	1,342,093	(68,154)	1,273,939
2013	23,315,073	12,583,862	6,452,707	4,278,504	(250,737)	4,027,767
2014	26,655,662	14,329,752	7,156,602	5,169,308	(257,710)	4,911,598
2015	27,193,682	14,881,099	6,372,319	5,940,264	(258,012)	5,682,252
2016	20,385,720	11,028,446	8,847,685	509,589	(152,026)	357,563
2017	21,533,673	10,705,249	7,626,627	3,201,797	1,152	3,202,949
2018	27,026,009	15,587,726	8,922,674	2,515,609	(283,443)	2,232,166
2019	22,678,311	12,060,598	8,967,289	1,650,424	(112,756)	1,537,668

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
2010	(1,250,000)	2,109,959	8.4%
2011	(1,400,000)	288,439	1.2%
2012	(1,266,000)	7,939	0.04%
2013	(1,400,000)	2,627,767	11.27%
2014	(1,066,000)	3,845,598	14.43%
2015	(1,900,000)	3,782,252	13.91%
2016	(2,100,000)	(1,742,437)	-8.55%
2017	(2,245,000)	957,949	4.45%
2018	-	2,232,166	8.26%
2019	(1,025,000)	512,668	2.26%

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

GAS FUND REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	User Charges	Other Operating Revenues	Other Non-operating Revenues	Investment Earnings	Total Revenues
2010	25,026,292	(1,082)	-	157,267	25,182,477
2011	24,063,284	16,235	-	54,603	24,134,122
2012	19,510,767	34,879	29,272	44,032	19,618,950
2013	23,257,570	57,503	-	131,007	23,446,080
2014	26,507,748	147,914	-	8,894	26,664,556
2015	26,993,761	199,921	-	15,444	27,209,126
2016	20,218,245	167,475	4,599	39,195	20,429,514
2017	21,390,421	143,252	-	92,148	21,625,821
2018	26,683,450	342,559	-	181,197	27,207,206
2019	22,478,312	199,999	-	315,807	22,994,118

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

GAS FUND USER CHARGES Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Industrial	Special	Seasonal	Other	Total User Charges
2010	13,103,265	7,132,263	920,091	3,226,058	644,615	-	25,026,292
2011	12,704,787	6,881,866	1,021,194	3,106,369	349,068	-	24,063,284
2012	9,845,454	5,777,053	991,476	2,490,777	406,006	-	19,510,767
2013	12,064,937	6,623,544	1,229,641	2,898,610	440,838	-	23,257,570
2014	13,789,553	7,557,336	1,185,317	3,791,887	183,655	-	26,507,748
2015	13,865,721	7,763,319	1,364,225	3,761,901	238,596	-	26,993,761
2016	10,252,283	5,733,321	1,204,443	2,800,705	227,494	-	20,218,245
2017	10,890,188	5,710,045	1,289,012	2,508,488	992,687	-	21,390,421
2018	13,843,786	7,369,478	1,578,075	2,585,328	1,306,783	-	26,683,450
2019	11,428,483	6,392,600	1,318,358	2,427,881	910,991	-	22,478,312

Source: Internal Monthly Sales Reports
Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

WATER FUND REVENUES, EXPENSES AND NET INCOME Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income (loss)	Nonoperating Revenues & (Expenses) Net	Income (Loss) Before Capital Contributions and Transfers
2010	11,190,160	8,881,041	2,309,119	160,691	2,469,810
2011	11,663,325	9,031,332	2,631,993	(47,282)	2,584,711
2012	10,371,461	9,156,365	1,215,096	(126,421)	1,088,675
2013	10,349,229	8,678,396	1,670,833	(70,597)	1,600,236
2014	10,961,723	7,570,233	3,391,490	(90,826)	3,300,664
2015	10,942,768	9,998,089	944,679	(145,622)	799,057
2016	11,340,187	9,913,611	1,426,576	(111,578)	1,314,998
2017	11,022,058	10,306,996	715,062	(21,630)	693,432
2018	11,192,092	10,346,891	845,201	132,776	977,977
2019	11,420,235	11,675,726	(255,491)	266,093	10,602

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
2010	(250,000)	2,219,810	19.8%
2011	(408,767)	2,175,944	18.7%
2012	(500,000)	588,675	5.7%
2013	(700,000)	900,236	8.7%
2014	(526,000)	2,774,664	25.3%
2015	(125,000)	674,057	6.2%
2016	(500,000)	814,998	7.2%
2017	(445,000)	248,432	2.3%
2018	(922,640)	55,337	0.5%
2019	150,000	160,602	1.4%

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

WATER FUND REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	User Charges	Licenses and Permits	Other Operating Revenues	Other Non-operating Revenues	Grants and Subsidies	Investment Earnings	Total Revenues
2010	10,970,151	42,976	177,033	67,370	156,631	61,646	11,475,807
2011	11,424,381	46,990	191,954	52,750	91,233	59,883	11,867,191
2012	10,140,548	38,859	192,054	14,119	-	31,806	10,417,386
2013	10,181,457	39,882	127,890	-	-	78,893	10,428,122
2014	10,771,384	22,020	168,319	29,700	-	18,343	11,009,766
2015	10,664,276	61,813	216,679	10,775	-	16,002	10,969,545
2016	11,046,278	49,025	244,884	8,059	-	32,080	11,380,326
2017	10,673,585	30,050	318,423	28,237	-	74,555	11,124,850
2018	10,844,652	31,380	255,375	64,891	62,360	154,973	11,413,631
2019	11,024,513	39,298	265,113	234,512	150,000	246,059	11,959,495

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

WATER FUND USER CHARGES

Last Ten Fiscal Years

Fiscal Year	Inside City	Outside City	Municipal	Other	Total User Charges
2010	8,074,971	1,352,958	1,542,222	-	10,970,151
2011	9,106,840	748,923	1,568,618	-	11,424,381
2012	7,986,742	699,609	1,454,197	-	10,140,548
2013	7,778,890	694,856	1,707,711	-	10,181,457
2014	8,234,091	752,157	1,785,136	-	10,771,384
2015	8,332,830	753,613	1,577,833	-	10,664,276
2016	8,647,758	834,213	1,564,307	-	11,046,278
2017	8,324,804	825,383	1,523,398	-	10,673,585
2018	8,268,276	803,464	1,772,912	60,685	10,905,337
2019	8,363,159	804,937	1,856,418		11,024,513

Source: Internal Monthly Sales Reports
Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

SEWER FUND REVENUES, EXPENSES AND NET INCOME Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income	Nonoperating Revenues & (Expenses) Net	Income (Loss) Before Capital Contributions and Transfers
2010	11,924,944	10,491,072	1,433,872	(19,839)	1,414,033
2011	11,817,647	10,546,926	1,270,721	(234,530)	1,036,191
2012	11,768,570	10,782,819	985,751	(241,317)	744,434
2013	11,772,500	10,898,113	874,387	(125,733)	748,654
2014	11,933,548	12,777,308	(843,760)	(380,992)	(1,224,752)
2015	12,063,032	11,763,654	299,378	(1,251,280)	(951,902)
2016	12,848,473	11,841,856	1,006,617	(788,783)	217,834
2017	12,947,995	12,615,367	332,628	(180,735)	151,893
2018	13,914,800	12,566,997	1,347,803	(28,933)	1,318,870
2019	14,753,709	13,075,414	1,678,295	(5,649)	1,672,646

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income to Operating Revenues
2010	(12,912)	1,401,121	11.7%
2011	240,815	1,277,006	10.8%
2012	516,825	1,261,259	10.7%
2013	(120,412)	628,242	5.3%
2014	-	(1,224,752)	-10.3%
2015	(10,250)	(962,152)	-8.0%
2016	(10,762)	207,072	1.6%
2017	43,626	195,519	1.5%
2018	-	1,318,870	9.5%
2019	150,000	1,822,646	12.4%

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

SEWER FUND REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	User Charges	Licenses and Permits	Other Operating Revenues	Other Non-Operating Revenues	Grants and Subsidies	Investment Earnings	Total Revenues
2010	11,728,526	47,552	148,866	-	194,360	78,285	12,197,589
2011	11,641,154	37,111	139,382	-	300,815	103,151	12,221,613
2012	11,549,285	45,019	174,266	-	516,825	67,778	12,353,173
2013	11,538,328	31,417	202,755	-	29,588	133,651	11,935,739
2014	11,689,883	12,103	231,562	-	24,106	41,053	11,998,707
2015	11,756,097	50,506	256,429	-	-	35,209	12,098,241
2016	12,532,495	53,534	262,444	257	-	42,615	12,891,345
2017	12,552,634	60,865	334,496	2,118	43,626	62,560	13,056,299
2018	13,011,724	50,959	852,117	524	-	120,195	14,035,519
2019	13,639,553	74,472	1,039,684	581	150,000	204,438	15,108,728

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

SEWER FUND USER CHARGES

Last Ten Fiscal Years

Fiscal Year	Sewer Service	Sewer Surcharge	Sewer No Water	Wholesale	Other	Total User Charges
2010	9,058,870	371,775	16,705	2,256,489	24,687	11,728,526
2011	9,085,866	494,932	87,046	1,950,726	22,585	11,641,154
2012	8,873,524	401,266	89,566	2,162,492	22,437	11,549,285
2013	8,898,925	356,401	90,517	2,170,121	22,364	11,538,328
2014	8,715,746	357,862	98,083	2,495,781	22,411	11,689,883
2015	8,728,066	333,735	100,247	2,571,500	22,549	11,756,097
2016	9,443,112	463,221	128,912	2,474,028	23,222	12,532,495
2017	9,469,942	532,009	138,498	2,389,584	22,602	12,552,634
2018	9,684,729	477,134	133,389	2,692,761	23,711	13,011,724
2019	9,611,200	572,201	156,265	3,277,548	22,339	13,639,553

Source: Internal Monthly Sales Reports
Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

STORM WATER FUND REVENUES, EXPENSES AND NET INCOME Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income	Nonoperating Revenues & (Expenses) Net	Income (Loss) Before Capital Contributions and Transfers
2010	2,933,755	2,931,774	1,981	68,807	70,788
2011	3,352,106	3,054,109	297,997	1,357	299,354
2012	3,603,852	3,328,564	275,288	(10,210)	265,078
2013	3,418,192	3,215,172	203,020	18,891	221,911
2014	3,505,458	3,594,178	(88,720)	(18,047)	(106,767)
2015	4,096,545	3,322,599	773,946	(15,061)	758,885
2016	4,068,312	3,328,062	740,250	(12,216)	728,034
2017	4,087,544	3,315,112	772,432	6,109	778,541
2018	4,218,997	3,334,062	884,935	34,134	919,069
2019	4,167,514	3,540,490	627,024	61,886	688,910

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income to Operating Revenues
2010	300,000	370,788	12.6%
2011	(85,162)	214,192	6.4%
2012	200,000	465,078	12.9%
2013	108,245	330,156	9.7%
2014	79,000	(27,767)	-0.8%
2015	75,000	833,885	20.4%
2016	75,000	803,034	19.7%
2017	75,000	853,541	20.9%
2018	75,000	994,069	23.6%
2019	75,000	763,910	18.3%

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

STORMWATER FUND REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	User Charges	Other Operating Revenues	Other Non-operating Revenues	Grants and Subsidies	Investment Earnings	Total Revenues
2010	2,930,985	2,770	-	43,126	33,349	3,010,230
2011	3,351,376	730	-	14,838	26,199	3,393,143
2012	3,413,995	189,857	380	-	13,529	3,617,761
2013	3,388,414	29,778	-	33,245	47,606	3,499,043
2014	3,457,268	48,190	-	29,000	6,153	3,540,611
2015	4,040,905	55,640	-	-	5,100	4,101,645
2016	4,022,698	45,614	-	-	8,587	4,076,899
2017	4,031,624	55,920	-	-	19,171	4,106,715
2018	4,131,208	87,789	-	-	47,924	4,266,921
2019	4,087,899	79,615	-	-	91,639	4,259,153

Source: Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

STORMWATER FUND USER CHARGES

Last Ten Fiscal Years

Fiscal Year	Residential	Multi-family	Commercial	Total User Charges
2010	783,135	196,926	1,950,925	2,930,985
2011	882,349	229,915	2,239,111	3,351,376
2012	893,621	232,456	2,287,919	3,413,995
2013	875,806	227,658	2,284,951	3,388,414
2014	890,392	229,306	2,337,570	3,457,268
2015	1,045,465	273,979	2,721,461	4,040,905
2016	1,042,414	275,866	2,704,418	4,022,698
2017	2,706,221	277,409	1,047,994	4,031,624
2018	2,785,419	283,020	1,062,769	4,131,208
2019	2,744,729	283,574	1,059,596	4,087,899

Source: Internal Monthly Sales Reports
Audited financial reports of the City of Rocky Mount

CITY OF ROCKY MOUNT, NORTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Governmental Activities						Business-type Activities				
Fiscal Year	Capital Leases	Special Obligation Bonds*	HUD Section 108 Loan	YMCA Debt	NCDOT	Water Bonds	Revolving Sewer Bonds	Sewer Loans	Total Capital Leases	Primary Government
2010	12,068,881	-	2,389,661	900,000	521,108	-	-	3,973,180	13,958,946	33,811,776
2011	12,477,111	-	2,655,000	700,000	492,785	-	-	3,835,026	12,951,382	33,111,304
2012	11,274,007	-	2,510,000	500,000	834,046	-	-	5,268,013	13,468,136	33,854,202
2013	20,558,364	-	2,365,000	400,000	785,052	-	-	7,377,096	15,303,040	46,788,552
2014	18,728,008	-	2,220,000	300,000	1,834,203	-	-	6,947,668	11,578,875	41,608,754
2015	18,578,801	-	2,075,000	200,000	1,453,760	-	-	6,518,239	8,845,332	37,671,132
2016	16,967,327	-	1,930,000	100,000	1,009,857	-	-	6,088,810	8,475,070	34,571,064
2017	14,255,095	40,109,743	1,785,000	-	2,091,388	-	-	5,659,382	10,818,316	74,718,924
2018	12,737,671	40,007,826	1,640,000	-	2,878,422	-	-	5,229,953	10,893,282	73,387,154
2019	10,931,376	39,323,409	1,495,000	-	2,618,813	-	-	4,800,525	10,844,387	70,013,510

Fiscal Year	Percentage of Personal Income ^a	Per Capita ^a
2010	0.70%	561.47
2011	0.69%	576.08
2012	0.68%	589.46
2013	0.92%	825.92
2014	0.78%	738.73
2015	0.70%	668.82
2016	0.63%	617.80
2017	1.34%	1347.11
2018	not available	1346.90
2019	not available	1284.98

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a See Demographic and Economic Statistics for personal income and population data.

* Net of Unamortized bond premium^{and accrued interest}

CITY OF ROCKY MOUNT, NORTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
	General or Special Obligation Bonds (3)	Less: Amounts Available in Debt Service Fund	Total			
2010	-	-	-	0.00%	0.00%	0
2011	-	-	-	0.00%	0.00%	0
2012	-	-	-	0.00%	0.00%	0
2013	-	-	-	0.00%	0.00%	0
2014	-	-	-	0.00%	0.00%	0
2015	-	-	-	0.00%	0.00%	0
2016	-	-	-	0.00%	0.00%	0
2017	40,109,743	-	40,109,743	0.01%	0.97%	723
2018	40,007,826	-	40,007,826	not available	0.99%	734
2019	39,323,409	-	39,323,409	not available	0.94%	722

Notes: Details regarding the County's outstanding debt can be found in the notes to the Financial Statements.

- (1) See Demographic and Economic Statistics for personal income and population data.
- (2) See Assessed Value and Actual Value of Taxable Property for property value data.
- (3) Net of related premiums, discounts, and adjustments.

CITY OF ROCKY MOUNT, NORTH CAROLINA

COMPUTATION OF DIRECT AND OVERLAPPING

Total Debt as of June 30, 2019

<u>Name of Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Percentage Applicable to City of Rocky Mount¹</u>	<u>City of Rocky Mount Share of Debt</u>
Direct Debt	54,368,598	100.0%	54,368,598
Total Direct Debt	<u>\$ 54,368,598</u>		<u>\$ 54,368,598</u>
Overlapping Debt			
Edgecombe County:			
School	5,351,000	16.0%	856,160
Non General Obligation	33,885,422	16.0%	5,421,668
Nash County Non Gen Obligation	<u>39,573,300</u>	84.0%	<u>33,241,572</u>
Total Overlapping Debt	<u>\$ 78,809,722</u>		<u>\$ 39,519,400</u>
Total direct and overlapping debt	<u>\$ 133,178,320</u>		<u>\$ 93,887,998</u>

¹ Percentage applicable to the City of Rocky Mount
is calculated by determining value of taxable
property in Edgecombe and Nash Counties.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Rocky Mount. This process recognizes that, when the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF ROCKY MOUNT, NORTH CAROLINA

COMPUTATION OF LEGAL DEBT MARGIN

Last Ten Fiscal Years

(amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 310,381	\$ 310,082	\$ 310,505	\$ 312,224	\$ 320,636	\$ 320,843	\$ 319,050	\$ 324,708	\$ 305,292	\$ 314,805
Total net debt applicable to limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,815	\$ 36,815	\$ 36,515
Legal debt margin	<u>\$ 310,381</u>	<u>\$ 310,082</u>	<u>\$ 310,505</u>	<u>\$ 312,224</u>	<u>\$ 320,636</u>	<u>\$ 320,843</u>	<u>\$ 319,050</u>	<u>\$ 287,893</u>	<u>\$ 268,477</u>	<u>\$ 278,290</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	11.34%	12.06%	11.60%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed Value 3,935,066,398

Debt Limit (8% of total assessed value) (1) 314,805,312

Debt applicable to limitation:
Total outstanding bonded debt at 6/30/19 36,515,000

Less: Statutory deductions (2 and 3)

Bonds issued and outstanding for water purposes -

Bonds issued and outstanding for sewer purposes -

Total amount of debt applicable to debt limit 36,515,000

Legal debt margin \$278,290,312

Notes:

(1) North Carolina General Statute 159-55(c) limits the City's net debt to 8% of the appraised value of property subject to taxation within the City.

(2) North Carolina General Statute 159-55(c)(2) exempts bonds issued for electric system and water system purposes from inclusion in the calculation of legal debt margin.

(3) North Carolina General Statute 159-55(c)(3) exempts bonds issued for sanitary sewer system purposes from inclusion in the calculation of legal debt margin.

CITY OF ROCKY MOUNT, NORTH CAROLINA

PLEDGED REVENUE COVERAGE - WATER & SEWER

Last Ten Fiscal Years

Sewer Bonds							
Fiscal Year	Operating Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt	Debt Service Requirements ³			Coverage
			Service	Principal	Interest	Total	
2010	11,905,105	8,687,319	3,217,786	1,032,807	51,640	1,084,447	296.72%
2011	11,583,117	8,723,797	2,859,320	-	-	-	100.00%
2012	11,527,253	8,908,585	2,618,668	-	-	-	100.00%
2013	11,646,767	8,985,223	2,661,544	-	-	-	100.00%
2014	11,552,556	10,807,392	745,164	-	-	-	100.00%
2015	10,811,752	9,833,829	977,923	-	-	-	100.00%
2016	12,059,690	9,969,066	2,090,624	-	-	-	100.00%
2017	12,767,260	10,784,403	1,982,857	-	-	-	100.00%
2018	13,885,867	10,672,858	3,213,009	-	-	-	100.00%
2019	14,748,060	11,070,464	3,677,596	-	-	-	100.00%

Fiscal Year	Operating Revenues ¹	Operating Expenses ²	Water Bonds				Coverage
			Net Revenue Available for Debt Service	Debt Service Requirements ³			
				Principal	Interest	Total	
2010	11,350,851	7,585,141	3,765,710	782,193	39,110	821,303	458.50%
2011	11,616,043	7,716,163	3,899,880	-	-	-	100.00%
2012	10,245,040	7,691,892	2,553,148	-	-	-	100.00%
2013	10,278,632	7,160,106	3,118,526	-	-	-	100.00%
2014	10,870,897	6,021,145	4,849,752	-	-	-	100.00%
2015	10,797,146	8,394,189	2,402,957	-	-	-	100.00%
2016	11,228,609	8,688,805	2,539,804	-	-	-	100.00%
2017	11,000,428	9,088,873	1,911,555	-	-	-	100.00%
2018	11,324,868	8,999,166	2,325,702	-	-	-	100.00%
2019	11,686,328	10,303,005	1,383,323	-	-	-	100.00%

¹ Total revenues including interest

² Total operating expenses exclusive of depreciation and amortization

³ Includes General Obligation Bonds

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

CITY OF ROCKY MOUNT, NORTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Year	City Population (1)	Rocky Mount MSA(a) Personal Income (Millions) (2)	Rocky Mount MSA(a) Per Capita Income (2)	Rocky Mount Unemployment Rate (3)	Rocky Mount Retail Sales (Millions) (4)
2010	60,220	4,803.6	31,504	13.2%	562.2
2011	57,477	4,774.7	31,380	13.7%	668.8
2012	57,433	4,999.4	32,964	13.2%	704.3
2013	56,650	5,084.8	33,749	13.3%	671.5
2014	56,325	5,306.40	35,544	10.2%	686.1
2015	56,325	5,398.50	36,459	8.90%	575.3
2016	55,958	5,511.63	37,412	7.50%	710.6
2017	55,466	5,568.5	37,949	6.40%	742.3
2018	54,486	not available	not available	6.30%	766.8
2019	54,486	not available	not available	6.10%	not available

Sources: (1) US Census Bureau - current is 2017 estimate
 (2) U.S. Dept of Commerce - Bureau of Economic Analysis
 (3) NC Employment Security Commission
 (4) NC Dept of Revenue

(a) Metropolitan Statistical Area

CITY OF ROCKY MOUNT, NORTH CAROLINA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total MSA (a) Employment	Employees	Rank	Percentage of Total MSA (a) Employment
Pfizer (formerly Hospira)	2400	1	3.71%	1800	2	2.91%
Nash Rocky Mount Schools	2275	2	3.51%	2275	1	3.68%
Cummins-Rocky Mount Engines	1800	3	2.78%	1150	5	1.86%
Nash Health Care Systems	1600	4	2.47%	1480	3	2.39%
QVC , Inc.	1100	5	1.70%			
CenturyLink/ Sprint	1000	6	1.54%	1000	6	1.62%
Alorica (formerly West Customer Management Group)	885	7	1.37%	450	10	0.73%
Universal Leaf	800	8	1.24%	1000	7	1.62%
McLane -Carolina (formerly MBM Corp)	575	9	0.89%			
McLane North Carolina	650	10	1.00%	570	9	0.92%
PNC (formerly RBC Centura)				1250	4	2.02%
Kaba Ilco Corporation				575	8	0.93%
	<u>13,085</u>		<u>20.21%</u>	<u>11,550</u>		<u>18.67%</u>

Source: Carolina Gateways Partnership

(a) Metropolitan Statistical Area

CITY OF ROCKY MOUNT, NORTH CAROLINA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	112	112	114	108	107	110	119	112	120	112
Public Safety										
Police	223	200	197	191	199	198	198	199	191	187
Fire	144	142	142	143	145	140	144	146	140	140
Public Works	103	100	92	91	90	86	75	89	77	94
Engineering*	25	25	25	25	25	24	23	22	21	0
Parks & Recreation	64	66	67	65	62	59	58	59	57	55
Public Service	4	4	2	2	2	2	2	2	2	2
Economic Development	24	20	17	16	17	18	19	19	18	33
Electric	67	69	69	64	66	64	70	66	68	60
Gas	19	18	18	19	19	20	16	19	21	24
Water	62	47	46	47	44	43	43	43	41	39
Sewer	24	37	35	37	34	37	36	37	33	33
Storm Water	38	39	39	37	34	35	36	32	33	33
Total	909	879	863	845	844	836	839	845	822	812

Source: Finance Department

Note: This schedule represents number of persons employed as of June 30 of each year. Vacant positions are not included in the above numbers.

* Engineering is reported under Public Works beginning FY2019

CITY OF ROCKY MOUNT, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Function/Program										
Police										
Physical arrests	12,030	12,281	11,730	9,704	9,014	8,171	7,831	6,517	6,005	6,367
Traffic violations	10,137	10,570	7,241	7,397	6,760	8,098	7,799	8,089	9,374	8,499
Fire										
Number of calls answered	9,346	9,630	9,927	9,478	9,672	9,884	10,455	10,661	10,628	10,833
Inspections	2,385	2,009	2,444	1,996	1,760	2,754	2,196	2,108	2,138	2,745
Water										
Number of meters	24,364	24,927	24,441	#####	#####	#####	24,694	23,861	25,892	26,396
Avg daily consumption (millions of gallons)	10.04	10.44	9.67	9.19	9.50	7.90	9.00	8.49	8.20	8.50
Peak daily consumption (millions of gallons)	16.39	16.00	15.07	13.71	12.40	13.00	14.20	11.30	11.80	15.60
Wastewater										
Avg daily sewer treatment (millions of gallons)	11.47	9.33	10.51	10.39	11.6	10.3	11.3	11.6	10.96	14.12

Sources: Offices of the Finance Director, Fire Chief, Police Chief, Parks & Recreation Director, Directors of Energy Resources and Water Resources and City Clerk of the City of Rocky Mount, N.C.

CITY OF ROCKY MOUNT, NORTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	58	59	63	57	73	66	72	72	71	67
Fire										
Stations	7	7	7	7	7	7	7	7	7	7
Public Works										
Streets (miles)	284	284	284	284	283	283	283	283	283	286
Streetlights	6,830	6,830	6,949	7,073	7,113	7,207	7,254	7,246	7,268	7,375
Recreation and Parks										
Parks	41	41	41	41	43	43	43	43	43	49
Acreage	473	473	473	473	482	506	506	506	506	580
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Tennis Courts	37	36	36	36	36	36	36	36	36	26
Recreation centers	3	3	3	3	3	3	3	4	4	4
Water										
Water mains (miles)	480	489	492	492	494	494	497	497	497	505
Maximum daily capacity (millions of gallons)	26	26	26	26	26	26	26	26	26	26
Storage capacity (millions of gallons)	9.25	9.25	10	10	10	10	10	10	10	10
Wastewater										
Treatment capacity (millions of gallons)	21	21	21	21	21	21	21	21	21	21
Electric										
Distribution lines (miles)	733	733	741	742	742	744	744	740	742	751
Gas										
Distribution lines (miles)	493	498	521	526	535	542	550	555	555	555

Sources: Offices of the Finance Director, Fire Chief, Police Chief, Parks & Recreation Director, Directors of Energy Resources and Water Resources and City Clerk of the City of Rocky Mount, N.C.

