

Comprehensive Annual Financial Report



ROCKY MOUNT, NC
THE CENTER OF IT ALL

Fiscal Year Ended June 30, 2020

**CITY OF ROCKY MOUNT,
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020**

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



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ROCKY MOUNT, NC
THE CENTER OF IT ALL



October 9, 2020

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, 2020.

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, 2020 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, 2020 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 54,916 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 18th 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 the labor force vulnerable to the volatility of the economy. The unemployment rate for the Rocky Mount Metropolitan Statistical Area was 9.5% as of June 30, 2020 compared to last year's rate of 6.1%. A portion of the rise in unemployment can be attributed to the COVID-19 pandemic.

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. Construction is expected to be completed in 2020. The global distribution facility will be adjacent to the Kingsboro Megasite. The \$89 million project will create 111 new jobs in Edgecombe County. 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 165 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 continues to move forward with the construction of the CSX intermodal facility in Edgecombe County. Plans were finalized in June 2018 by CSX Corporation and the North Carolina Department of Transportation to build the facility. The buildings and railway installment have been completed. The facility should be operational in January 2021, after crane assembly is finished. The Carolina Connector, or CCX, is being 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 in 2019 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, making Rocky Mount a logistics powerhouse. 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, adding 65,000 square feet of sterile injectable facilities to a plant that employs approximately 300 people. In the next few months, the facility will be engaged in a phase of commissioning and qualification. The regulatory certification is expected to 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 is an indoor sports destination located in the heart of downtown Rocky Mount. It is part of the SFM (Sports Facility Management) Network, one of the leading authorities in youth and amateur sports. Currently, events that are booked for 2020 and into 2021 are on hold. Once the North Carolina Governor's executive order mandating attendance restrictions is lifted, the events will be allowed to proceed. 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 seats approximately 4,500 attendees. The Event Center hosts a variety of events, primarily amateur sporting events, but may also be used for other large-scale events such as concerts, trade shows, expos, conventions, and conferences; while also offering a warm environment for banquets, weddings, and meetings. The Rocky Mount Event Center is playing a pivotal role in indoor, safe, family fun with a 15,000 square foot Family Entertainment Center that includes an indoor ropes course, play area and party rooms. Also, included in the center is a leadership and development center, banquet hall, medical center, concessions, and a full catering kitchen. It is the only building of its kind in eastern North Carolina.

The Rocky Mount Mills, owned by Capital Broadcasting Company, is the second oldest cotton mill in North Carolina and has a multitude of amenities in one unique location. The Mill unifies the residential, commercial, cultural, and entertainment genres at this historic location. Capital Broadcasting is turning the Rocky Mount Mills complex into an attractive destination for locals and out-of-town visitors. The company is taking advantage of the surging craft beer industry in North Carolina. Rocky Mount Mills is a mixed-use development and is home to businesses such as North Carolina Renewable Energy (NCRE), Envolve Vision, Nash County Travel and Tourism, Infranet Technologies Group, Rocky Mount Telegram, Teach for America, Books and Beans, and other innovative businesses. NCRE is an established renewable energy developer with projects within North Carolina, South Carolina, Virginia, and Tennessee. Envolve Vision, an integrated health care solution company occupies 23,000 square feet in the main building and has 150+ employees. The Nash County Travel and Tourism office is located across from the main entrance of the mill in a historic home. The office welcomes visitors interested in learning more about Rocky Mount. The Rocky Mount Telegram, owned by Adams Publishing Group, moved to the Mill in late 2018. Infranet Technologies Group relocated 20 employees to the Rocky Mount Mills in December 2019. Infranet Technologies Group is a geographically boundless company specializing in providing network solutions for business-critical network infrastructures. Teach for America is a nonprofit organization working for educational equity in the region. The eastern hub of Teach for America moved to Rocky Mount Mills in October 2019. Another business located with the Mill is Books and Beans. Books and Beans is an independent coffee shop combined with bookstore and opened in October 2019, making it one of the newest businesses to join the Rocky Mount Mills. Along with the abundance of businesses, the Rocky Mount Mills also has the vintage venue of The Power House. The Power House is a historically preserved indoor, multi-level event space. The event building encompasses 4,000 square feet of flexible space and outdoor terraces. The venue accommodates up to 200 people. The Prime Smokehouse, currently located in a 3,500 square foot renovated building on East

Thomas Street, is expected to move to the Rocky Mount Mills. The restaurant can currently seat approximately 100 patrons. The new location is more than 7,300 square feet and will seat approximately 230 patrons, with an additional area for riverside dining, and an enhanced kitchen which will allow the business to expand its catering and online sales.

The Mill Village, a 200-year-old textile mill, continues to be a vibrant area with beautifully restored homes. The one to three-bedroom homes have unique features, giving them a charismatic feeling, while staying true to the historical architecture of the homes. Capital Broadcasting Co. has remained committed to the rehabilitation of the mill village and continues to renovate homes. The Mill Village has approximately 100 historic homes. The Mill also has 69 loft apartments. The apartments boast high ceilings with large windows, and panoramic views of the Tar River. 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 – the largest tiny house hotel of its kind in the world. River and Twine now features a newly renovated guest house offering visitors a long-term stay in the heart of the city.

Rocky Mount welcomed many new restaurants, hotels, and retail businesses during the last year, many of which are locally owned. Blanche's Bistro offers an assortment of soups, deli sandwiches, salads and more. Larema Coffee House opened in September 2019. Larema, meaning "my friend" is a coffee shop, community space and event venue in the heart of historic downtown Rocky Mount. Moe & D's Restaurant Bar & Grill offers a variety of Southern soul food that has established itself as a gathering and uplifting space in downtown Rocky Mount. A new Jamaican restaurant, D Chill Spot, opened in December 2019 in downtown Rocky Mount. The restaurant serves authentic Caribbean food in a comfortable and relaxing atmosphere that pays tribute to the Caribbean island nation. Restaurant chains new to the area include Popeyes, Panera Bread, and Freddy's Frozen Custard and Steakburgers. Popeyes, opened in January 2020 and can seat 44 customers. Panera Bread opened a 3,107 square foot building seating 78 people inside and 20 outside. Freddy's constructed a 2,925 square-foot building that can seat 79 people.

On the horizon for the City of Rocky Mount are plans for the Division of Motor Vehicles (DMV) headquarters to move from Raleigh to Rocky Mount. This move will bring more than 470 employees to the area. The move is expected to be completed by December 2020. Frozen Foods Express (FFE) Transportation Services, a company providing temperature-controlled product transportation services, will invest \$4.7 million in a new service center and will bring 96 jobs to the area over the next three years.

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. The City is also exploring a project adjacent to the Event Center to add a parking deck, hotel, and retail with condos on upper floors as a public-private partnership development.

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 2021 focuses available resources on balancing the budget for existing services and projects, continued protection of the City's fiscal condition, to ensure effective delivery of essential services, 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 2021 remains at \$.685 per \$100 assessed value.

The 2021 budget includes provisional funding to cover the salary and benefit costs for pay for performance increases from 1.0% - 2.0% for all eligible full-time employees. The 2021 budget includes the addition of a Public Relations Coordinator to Communications, Marketing and Public Relations as well as the unfreezing of two vacant positions, Community Code Inspector and Business & Downtown Coordinator.

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 .28%.

All of the City's investments at June 30, 2020 were classified in the lowest risk category as defined by the Governmental Accounting Standards Board. As of June 30, 2020, the City's cash resources were invested as follows:

Cash on hand	\$	14,567
Cash in traditional bank accounts		3,224,468
Lease escrow funds		3,596,692
Bond escrow funds		-
North Carolina Capital Management Trust		113,811,938
Total	\$	<u>120,647,665</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 8.95% for employees not engaged in law enforcement and 9.70% for law enforcement officers. The State announced that the employer contribution rates for fiscal year 2021 would be increased to 10.15% for employees not engaged in law enforcement and increased to 10.90% 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, 223 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, 2019. This was the twenty-sixth 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.

GlobalTrade Magazine recognized Rocky Mount as one of the top 20 U.S. cities for manufacturing. The city of Rocky Mount produced more than \$6 billion worth of exports in 2018 and manufacturing has grown by nearly 12 percent in recent years, making it one of the most dynamic industrial cities in the nation.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated June 30, 2019. 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,

The image shows two handwritten signatures in blue ink. The signature on the left is 'Rochelle D. Small-Toney' and the signature on the right is 'Amy G. Staton'.

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**

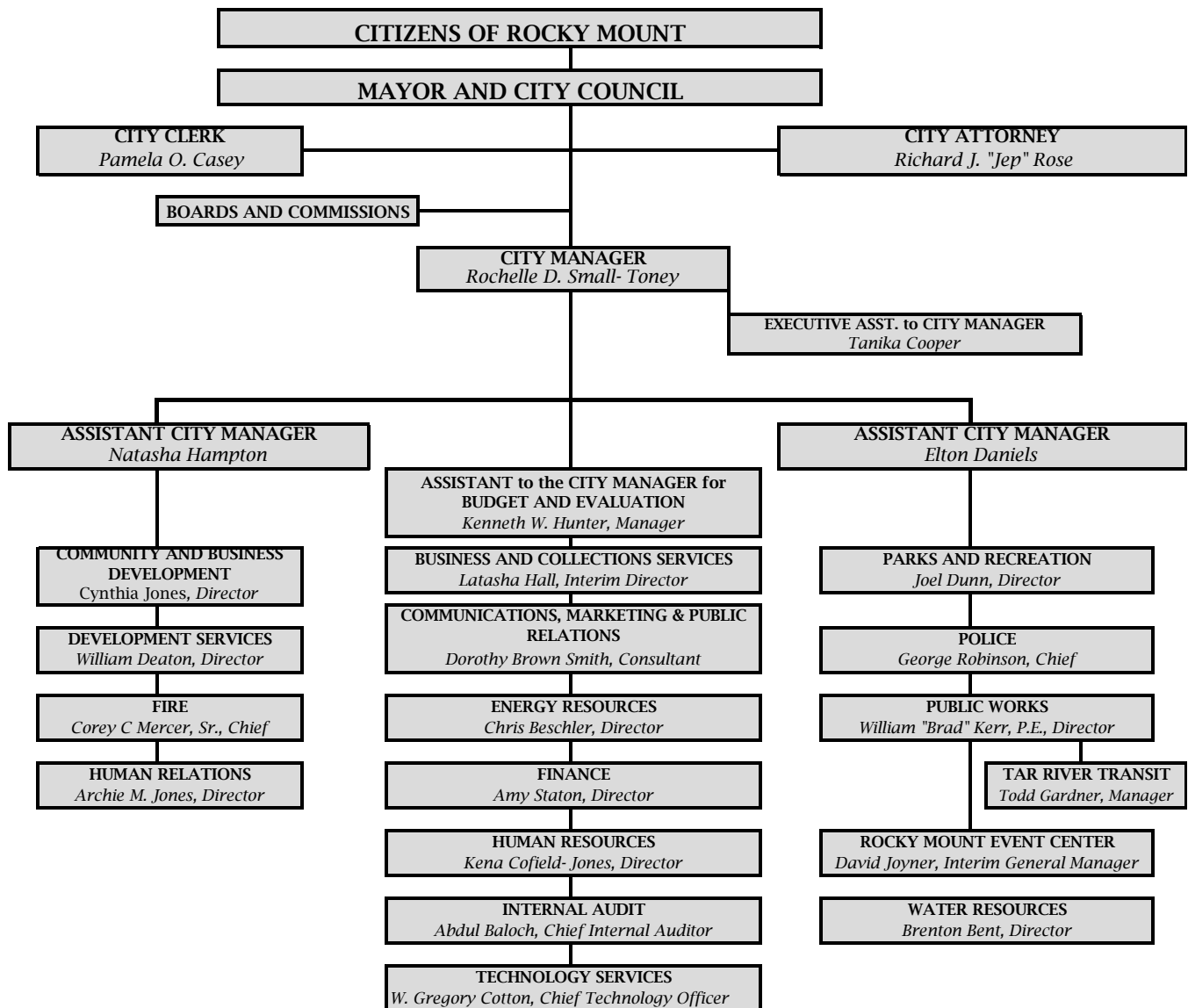
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Organizational Chart



CITY OF ROCKY MOUNT, NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2020

CITY COUNCIL

**C. Saunders Roberson, Jr., Mayor
Andre Knight, Mayor Pro-tem**

Reuben C. Blackwell, IV	T.J. Walker	W.B. Bullock
Lige Daughtridge	Richard Joyner	Chris Carroll Miller

CITY ADMINISTRATION

**Rochelle D. Small-Toney, City Manager
Natasha Hampton, Assistant City Manager
Elton Daniels, Assistant City Manager**



ROCKY MOUNT, NC
THE CENTER OF IT ALL

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**



ROCKY MOUNT, NC
THE CENTER OF IT ALL

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, 2020, 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, 2020, 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual 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 20, 2020, 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 20, 2020



ROCKY MOUNT, NC
THE CENTER OF IT ALL

MANAGEMENT'S DISCUSSION AND ANALYSIS



ROCKY MOUNT, NC
THE CENTER OF IT ALL



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, 2020. 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.

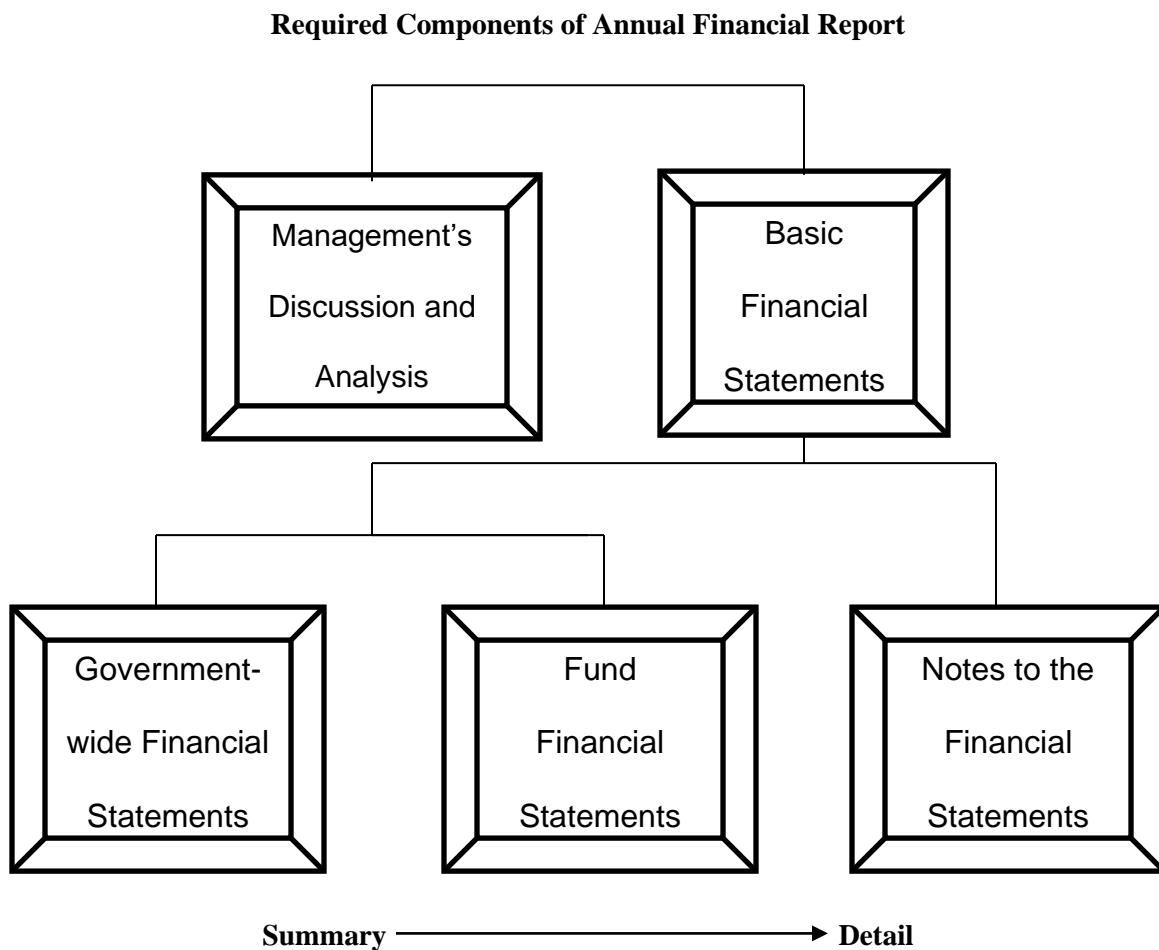
Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$315,262,777 (net position). The net position of the governmental activities is \$100,199,033, and the net position of the business-type activities is \$215,063,744.
- The government's total net position increased by \$4,729,726. Governmental net position increased by \$3,181,607, and business-type activities net position increased by \$1,548,119, due to diligent cost-saving measures.
- As of the close of the current fiscal year, the City's governmental type funds reported combined ending fund balances of \$58,485,822, an increase of \$3,677,324 from the prior year. Approximately 66.2% of this total amount, or \$36,629,403, is non-spendable or restricted.
- As of the close of the current fiscal year, the City's business-type funds reported a combined ending net position of \$215,063,744, an increase of \$1,548,119.
- At the end of the current fiscal year, total unassigned fund balance for the General fund was \$16,406,375, or 25%, 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 and is shown in the financial statements in a blended presentation.
- The City maintained its Aa2 Moody's and AA+ Fitch's bond ratings for the 3rd consecutive year.

Overview of the Financial Statements

This discussion and analysis is 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 34 through 37) 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 38 through 52) 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 34 through 37.

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 53 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 100 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 2020	Governmental Activities 2019	Business-Type Activities 2020	Business-Type Activities 2019	Total 2020	Total 2019
Current and other assets	\$ 75,479,063	\$ 74,627,277	\$ 98,900,180	\$ 100,542,117	\$174,379,243	\$175,169,394
Net pension asset	-	-	-	-	-	-
Capital assets	128,316,379	126,750,997	155,342,772	153,688,806	283,659,151	280,439,803
Total assets	203,795,442	201,378,274	254,242,952	254,230,923	458,038,394	455,609,197
Deferred outflows of resources	12,676,409	13,406,547	3,727,917	3,972,214	16,404,326	17,378,761
Long-term liabilities	85,837,459	90,849,683	25,023,483	27,649,287	110,860,942	118,498,970
Net pension liability	14,165,634	12,787,700	4,396,988	3,974,558	18,562,622	16,762,258
Other liabilities	9,680,383	10,917,509	11,477,737	12,190,003	21,158,120	23,107,512
Total liabilities	109,683,476	114,554,892	40,898,208	43,813,848	150,581,684	158,368,740
Deferred inflows of resources	6,589,342	3,212,503	2,008,917	873,664	8,598,259	4,086,167
Net position:						
Net investment in						
capital assets	76,448,008	76,922,983	144,714,974	139,979,877	221,162,982	216,902,860
Restricted	17,953,513	17,038,331	-	-	17,953,513	17,038,331
Unrestricted	5,797,512	3,056,112	70,348,770	73,535,748	76,146,282	76,591,860
Total net position	\$ 100,199,033	\$ 97,017,426	\$ 215,063,744	\$ 213,515,625	\$315,262,777	\$310,533,051

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 \$315,262,777 as of June 30, 2020. The City's net position increased by \$4,729,726 for the fiscal year ended June 30, 2020. 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, 6% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 24% 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 an increase of \$4,260,122 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 unexpended debt proceeds and decreases in overall debt. Compared to the prior year, restricted net position increased by \$915,182. This net increase is primarily due to decreases in receivables which affects stabilization by State statute along with increases in Powell Bill net position. The unrestricted net position decreased by \$445,578 compared to the prior year.
- The total increase in net position was \$4,729,726 for the year, compared to a growth of \$7,683,458 for the prior fiscal year. The change was influenced by a decrease in revenues in total by \$4,901,763, or 2.4%, compared to the prior year and a decrease in expenses in total by \$1,948,031, or 1.0%, compared to the prior year. The governmental activities had a decrease in total revenues of \$14,520 and the business type activities experienced a decrease in total revenues of \$4,887,243. Charges for service had a decrease of \$6,337,639. There was an increase in operating grants and contributions of \$327,516, or 6.2%, over the prior year. There was a decrease in capital grants and contributions of \$760,948 compared to the prior year.
- Ad valorem tax revenue increased by \$900,300 compared to the prior year. The tax rate in the current year is \$0.685, per \$100 of assessed value which is the same rate as in the prior year.
- The City's tax collection percentage is 95.93% for property excluding motor vehicles, which is lower than the prior year. The statewide average for other municipalities with a population between 50,000 and 99,999 is 99.03%. The statewide collection percentage is based on 2019 statewide data and is the most recently published percentage and showed an increase of 0.08% from 2018. This statewide average is not reflective of the impact of the 2019 novel coronavirus (COVID-19) pandemic; however, the City continues to focus efforts to improve collections for taxes. The City is within 3.1% of the statewide average which was an increase from the prior year difference. The collection percentage was impacted by unemployment and economic conditions created by the responses to COVID-19, including actions taken by federal, state, and local governments, which impacted the operations of every municipality across the nation.

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 2020	Governmental Activities 2019	Business- type Activities 2020	Business- type Activities 2019	Total 2020	Total 2019
Revenues:						
Program revenues:						
Charges for services	\$ 14,168,962	\$ 16,087,926	\$ 125,714,070	\$ 130,132,746	\$ 139,883,032	\$ 146,220,672
Operating grants and contributions	5,634,127	5,306,611	-	-	5,634,127	5,306,611
Capital grants and contributions	1,474,267	2,239,141	303,926	300,000	1,778,193	2,539,141
General revenues:						
Property taxes	27,882,481	26,982,181	-	-	27,882,481	26,982,181
Other taxes	18,093,064	17,244,795	-	-	18,093,064	17,244,795
Other	6,226,878	5,633,645	1,263,384	1,735,877	7,490,262	7,369,522
Total Revenues	73,479,779	73,494,299	127,281,380	132,168,623	200,761,159	205,662,922
Expenses:						
General government	6,848,465	7,357,849	-	-	6,848,465	7,357,849
Public safety	32,377,844	29,825,141	-	-	32,377,844	29,825,141
Parks and recreation	13,413,840	18,943,080	-	-	13,413,840	18,943,080
Public works	11,278,326	9,021,275	-	-	11,278,326	9,021,275
Engineering	-	-	-	-	-	-
Public service	6,570,392	8,814,382	-	-	6,570,392	8,814,382
Economic development	11,297	106,821	-	-	11,297	106,821
Community revitalization	1,075,455	466,546	-	-	1,075,455	466,546
Interest on long-term debt	2,147,553	2,190,205	-	-	2,147,553	2,190,205
Electric	-	-	69,985,488	71,142,497	69,985,488	71,142,497
Gas	-	-	21,093,159	21,456,450	21,093,159	21,456,450
Water	-	-	12,141,931	11,798,893	12,141,931	11,798,893
Sewer	-	-	15,208,286	13,286,082	15,208,286	13,286,082
Stormwater	-	-	3,879,397	3,570,243	3,879,397	3,570,243
Component unit	-	-	-	-	-	-
Total Expenses	73,723,172	76,725,299	122,308,261	121,254,165	196,031,433	197,979,464
Change in net position before transfers	(243,393)	(3,231,000)	4,973,119	10,914,458	4,729,726	7,683,458
Transfers	3,425,000	3,100,000	(3,425,000)	(3,100,000)	-	-
Change in Net Position	3,181,607	(131,000)	1,548,119	7,814,458	4,729,726	7,683,458
Net Position, July 1	97,017,426	97,148,426	213,515,625	205,701,167	310,533,051	302,849,593
Net Position, June 30	\$ 100,199,033	\$ 97,017,426	\$ 215,063,744	\$ 213,515,625	\$ 315,262,777	\$ 310,533,051

Governmental activities: Governmental activities increased the City's net position by \$3,181,607 from operations, accounting for 67.3% of the total growth in overall net position. Key elements of the current year governmental activities change in net position are as follows:

- Total revenues for governmental activities decreased \$14,520 compared to the prior year. The combined decrease in revenue is the result of decreases in charges for services of \$1,918,964 and increases in operating grants and contributions of \$327,516 and decreases in capital grants and contributions of \$764,874 compared to last year along with an increase of \$2,341,802 in taxes and other revenues. General revenues increased overall by \$1,748,569 and miscellaneous revenues and investment earnings increased by \$593,232.
- Total expenses for governmental activities decreased \$3,002,127 compared to the prior year. Of this decrease, \$5,529,240 is attributed to parks and recreation and the finalization of Event Center construction. Increases in grant spending in the entitlement grants fund were \$608,909 for community revitalization over the prior year. General government expenses were \$509,384 lower than the prior year. Public safety expenses increased \$2,552,703. The prior year expenses included additional Powell Bill funded projects along with additional spending in transit for public service. The decrease related to public service was \$2,243,990.
- During the current year, organizational restructuring took place which created the new Business Services and Collections department. 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**

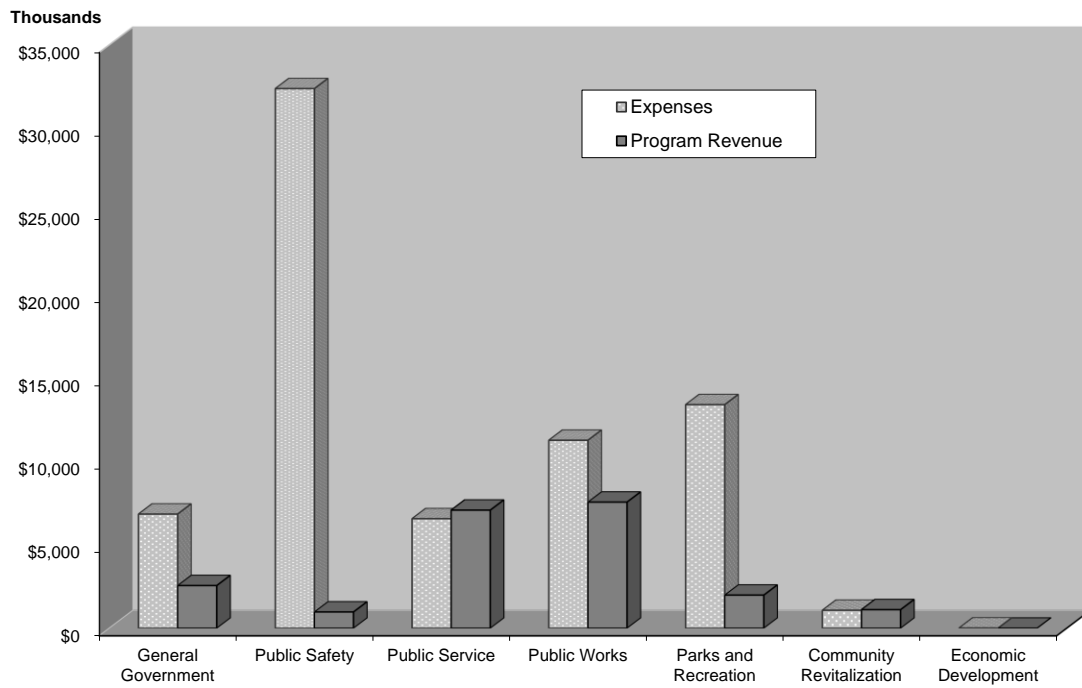
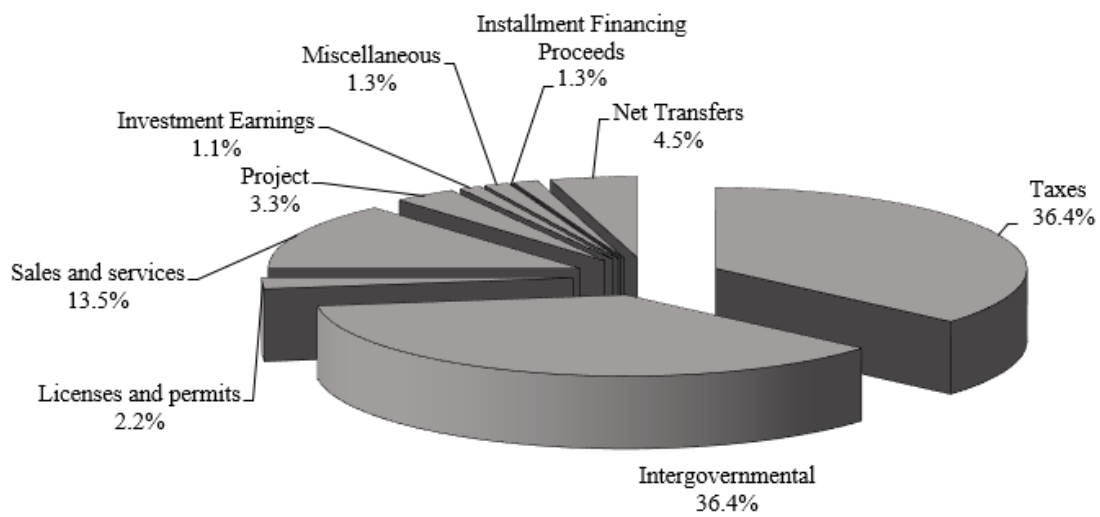


Figure 5:

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



Business-type activities: Business-type activities increased the City's net position by \$1,548,119 from operations, accounting for 32.7% of the total growth in overall net position. Key elements of the current year's activities are as follows:

- Total revenues for business-type activities decreased \$4,887,243 compared to the prior year. Charges for sales and services for business-type activities decreased by a combined \$4,418,676 compared to the prior year. Investment income decreased \$472,493 over the prior year along with increases in capital grants and contributions of \$3,926.
- Total expenses for business-type activities increased \$1,054,096 compared to the prior year. Total Electric expenses decreased by less than 2% or \$1,157,009. Total Gas expenses decreased \$363,291 or 2% primarily due to a mild winter. Total Water expenses increased by \$343,038 or 3% from the prior year mainly due to increased capital spending. Total Sewer expenses increased by \$1,922,204 or 14% and total Stormwater expenses increased by \$309,154 or 9% due to increased capital expenses as well.
- The business-type activities transferred net funds to the governmental funds totaling \$3,425,000. This is an increase of \$325,000 compared to the prior year.
- The net change in position for all business-type activities for the current fiscal year was an increase of \$1,548,119. The changes in net position for Electric, Gas, Water, Sewer, and Stormwater were \$2,519,338, (\$858,511), (\$181,393), (\$675,709), and \$744,394, respectively. The change in net position for the current year compared to the change in net position for the prior year decreased \$6,266,339 mainly due to decreased charges for sales and services revenues and an increase in capital spending.

Figure 6:

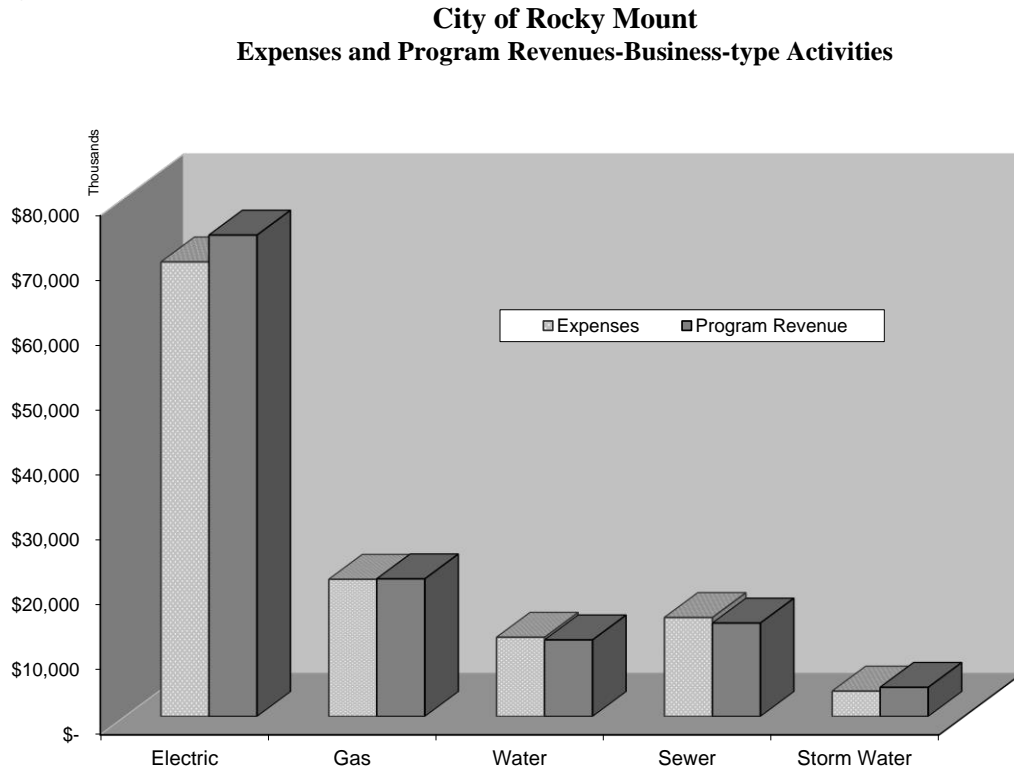
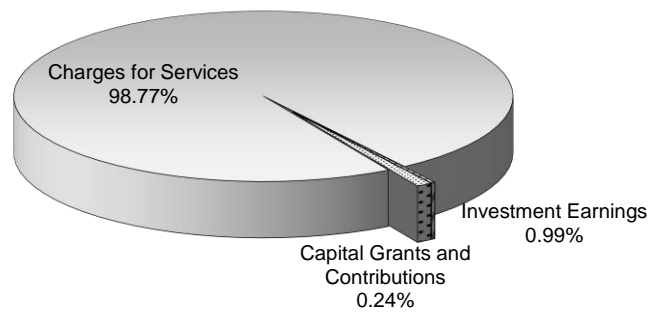


Figure 7:

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 \$58,485,822, an increase of \$3,677,325 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 (\$891,313). 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 \$17,453,667. The current year fund balance that has been restricted is \$19,175,736. The current year fund balance that has been committed is \$19,471,028. The current year fund balance that has been assigned is \$3,276,704 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 \$16,406,375 while total General fund balance was \$52,839,524. 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 25% of total General fund expenditures, while total fund balance represents 82% of that same amount.

At June 30, 2020, the governmental funds of the City reported an increase in combined fund balance of \$3,677,325. Included in this change in fund balance is an increase in fund balance in the General fund by \$3,772,977, a decrease in the Capital Projects development fund of \$237,259, and a net increase of \$141,607 in the remaining nonmajor governmental funds. The decrease in the Capital Projects fund balance is due to additional spending for the Event Center project. 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 \$141,607. Within the Special Revenue funds, there was an increase in fund balance in Entitlement Grants and Emergency Telephone, all remaining funds experienced decreases. 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 were less than the budget amount by \$597,381. Ad valorem tax revenues were slightly higher than budgeted. Intergovernmental revenues were less than budget by \$361,425 mostly due to decline in State revenues. Licenses and permits along with sales and service revenues were lower than budget mainly due to decreases related to closed programs and other reductions due to COVID-19. Investment earnings were \$119,422 less than budgeted due to decreasing interest rates. Miscellaneous revenues were less than budget by \$146,100 impacted mainly by decreased rental revenues and expense recovery reimbursements.

The actual operating expenses for the General fund were less than the budget amount by \$11,261,674. The most significant savings were realized due to funds appropriated to projects that were unspent at fiscal year-end along with initiatives to reduce spending at the onset of COVID-19. General government departments have expenditures less than the budget of \$5,571,227. Within the general government departments, the central services division has expenditures less than the budget of \$2,443,491 due to unspent facility capital items that will be completed in fiscal year 2021. Mayor and council have expenditures less than the budget of \$202,663 which is mainly due to the contingency budget that was not expended. Development services has expenditures less than the budget of \$445,306 which is primarily due to reduced demolitions and salary savings. The department of community and business development had expenditures less than budget of \$1,424,176 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 \$757,655. Of this amount, the police department has expenditures less than budget of \$705,607 for operating and capital items, and the fire department has expenditures less than budget of \$52,048. The public works department has expenditures less than the budget of \$597,461 in part due to unspent capital items and salary savings. Amounts budgeted but unspent in parks and recreation total \$1,145,173. There were savings within public service of \$3,092,996 as a result of not spending allocated Powell Bill funds. Of these amounts, \$3,204,430 was re-appropriated to fiscal year 2021 for project completions.

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 \$37,252,161 for the Electric fund, \$13,718,046 for the Gas fund, \$8,324,205 for the Water fund, \$7,841,576 for the Sewer fund, and \$3,212,782 for the Stormwater fund. The total growth/(reduction) of net position was \$2,519,338, (\$858,511), (\$181,393), (\$675,709), and \$744,394 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, 2020, totals \$279,394,269 (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:

- Engineering - traffic signal bucket truck \$136,537
- General - development services renovation \$336,107
- General - judicial center renovation project \$272,916
- General – municipal building elevator modernizations \$515,076
- General - municipal building stair tower renovations \$365,542
- General - Stith-Talbert pedestrian bridge \$84,900
- General - Stokes building repairs \$89,238
- General - street resurfacing \$167,674
- General - warehouse elevator repairs \$147,193
- Technology – expanded and redundant backup system \$53,574
- Parks - Bea Holman park basketball court \$55,569
- Parks - Holly Street park renovations \$610,778
- Parks - Lancaster park playground equipment \$59,948
- Parks - backhoe \$84,900
- Parks - South Rocky Mount Community center reroofing \$225,521
- Parks - Sunset park boat ramp renovation \$86,659
- Police – mobile camera system \$53,100
- Transit - (9) 2020 mobility transit vans \$596,655
- Transit - Tar River Transit building renovation \$259,978

Proprietary Funds:

- Electric - 2020 telescopic aerial device \$213,049; 2020 hydraulic derrick \$257,964
- Electric - installation of (3) silencers on generator at substation #9 \$74,014
- Electric - 2020 vacuum system with trailer \$90,500
- Electric - switchgear generator controls upgrade \$144,617
- Electric - distribution lines-transmission poles \$640,290
- Electric - distribution lines-lights \$72,313
- Electric - distribution lines-transformers \$253,505
- Electric - distribution lines-underground/overhead/new service \$470,318
- Electric - substation #7 upgrade \$699,321
- Gas - directional drill with trailer \$178,381
- Gas - meters \$51,252
- Gas - distribution lines-new service \$84,292
- Gas - Sunset Avenue main installation \$144,671
- Water - sodium hypochlorite conversion \$57,762
- Water - Albemarle street shower \$72,966
- Water - Sunset Ave WTP #2 pump replacement \$557,700
- Water - meters \$415,553

- Water - dam repairs \$134,095
- Wastewater - sodium hypochlorite conversion \$268,358
- Wastewater - 27-inch Beech Branch outfall project \$720,084
- Wastewater - 2020 jet vac truck \$381,514
- Wastewater - highway 97 lift station motor control replacement \$64,333
- Wastewater - highway 97 screw pump replacement \$512,249
- Wastewater - portable lift station generator \$57,400
- Wastewater – relining of sewer mains \$172,321
- Stormwater – (2) 2020 snowplows \$203,113
- Stormwater – street sweeper \$251,900
- Stormwater – Parker’s Canal drainage project \$596,268

Figure 8: City of Rocky Mount Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 9,491,881	\$ 9,696,660	\$ 3,340,163	\$ 3,337,100	\$ 12,832,044	\$ 13,033,760
Building	48,531,100	48,149,877	31,889,891	33,057,199	80,420,991	81,207,076
Improvements other than buildings	9,184,491	9,208,279	517,006	534,610	9,701,497	9,742,889
Machinery and equipment	14,254,969	17,002,519	22,768,266	22,290,747	37,023,235	39,293,266
Infrastructure	41,950,521	42,402,235	95,264,998	93,197,800	137,215,519	135,600,035
Construction in progress	638,535	291,427	1,562,448	1,271,350	2,200,983	1,562,777
Total Capital Assets (net of accumulated depreciation)	<u>\$ 124,051,497</u>	<u>\$ 126,750,997</u>	<u>\$ 155,342,772</u>	<u>\$ 153,688,806</u>	<u>\$ 279,394,269</u>	<u>\$ 280,439,803</u>

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, 2020, the City had installment financings outstanding of \$18,633,407. Under other debt for the governmental activities, the City has debt outstanding in the amount of \$1,350,000 for a HUD loan that has been used to finance the Douglas Block redevelopment, and debt obligations in the amount of \$2,801,782 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 \$4,371,097. The City has issued special obligation bonds which have an outstanding balance of \$35,060,000 at June 30, 2020. There is an unamortized net premium on the bonds of \$2,154,442 and accrued unpaid interest of \$259,033.

Figure 9: **City of Rocky Mount**
Outstanding Debt - Installment financings, Other Debt, Special Obligation Bonds,
and Revolving Loans

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Installment financings	\$ 9,756,017	\$ 10,931,376	\$ 8,877,390	\$ 10,844,387	\$ 18,633,407	\$ 21,775,763
Other debt	4,410,815	4,382,546	-	-	4,410,815	4,382,546
Special Obligation bonds	37,214,442	39,054,676	-	-	37,214,442	39,054,676
Revolving Loans	-	-	4,371,097	4,800,525	4,371,097	4,800,525
Total	<u>\$ 51,381,274</u>	<u>\$ 54,368,598</u>	<u>\$ 13,248,487</u>	<u>\$ 15,644,912</u>	<u>\$ 64,629,761</u>	<u>\$ 70,013,510</u>

For the 3rd consecutive year, the City of Rocky Mount maintained its Aa2 bond rating from Moody's and AA+ bond rating from Fitch's. These bond ratings are a clear indication of the sound financial condition of the City of Rocky Mount. This achievement is a primary factor in keeping interest costs low on the City's outstanding debt.

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 \$292,490,255.

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 2021.

- The unemployment rate for the Rocky Mount Metropolitan Statistical Area was 9.5% at June 30, 2020. This is a 3.4% increase in the unemployment rate compared to the prior year.
- Our City experienced a year of positive growth in revenues from property tax, reflecting increased value and development. Property tax revenues exceeded our projections for the current year, and is expected to maintain this year's level, or grow slightly, in fiscal year 2021.
- The timing of the start of the COVID-19 pandemic, subsequent policy actions, and negative economic impact created a challenge during the current fiscal year. Prior to the pandemic, we projected a general fund surplus of approximately \$900,000. The pandemic's impact on revenues from many sources, including sales tax, user fees for general government services like after school programs and sports leagues, permit and inspection fees, and interest on City investments, led to a projected shortfall for approximately \$2.5 million.

We recognized the likelihood of this shortfall in late-March and identified approximately \$3 million in current fiscal year budget reductions to offset the potential impact. We also realized the reductions in current revenue sources would continue into the upcoming fiscal year. Our forecasts for fiscal year 2021 project current revenues in the general fund to collect more than \$3.1 million less than set in our fiscal year 2020 adopted budget.

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities: The governmental fund's primary revenue resources are property taxes and intergovernmental revenues. For the fiscal year ending June 30, 2021, the budget decreased 6.8% 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. No increase in property tax rates is budgeted in fiscal year 2021. 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 are expected to decline due to Federal Reserve intervention in the securities market.

Budgeted expenditures in the governmental activities decreased by 6.8%. 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 2021 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), continuing programs to create affordable housing, attract business development downtown and encourage entrepreneurship throughout the City. The 2021 budget includes funding for the renovations and improvements to City Hall, Booker T. Washington High School, and Meadowbrook Park.

Employee compensation, including pay and benefits, represents 32.5% of the City's operating budget. The 2021 budget includes the hiring of a chief technology officer and the establishment of a new department, business & collections services, comprised of the former business office division of finance. In the general fund, seven new staff positions will be added.

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 2021 budget decreased 2.7% from the fiscal year 2020 adopted budget. Charges for service represent the largest revenues in the business-type funds. There are no rate or fee increases proposed. Revenues from sales for services remain consistent compared to fiscal year 2020. Other revenue sources for each of these funds include interest income, installment debt financing, and assessments.

Budgeted expenses for business-type activities decreased by 2.7%. The largest expenses are due to several CIP projects scheduled in the upcoming budget year. In the water and sewer funds, several projects focus on maintenance of our water and wastewater treatment plants. In the electric fund, funds are budgeted for the purchase of a transformer for one of the City's point-of-delivery stations. Other major projects being funded are the rehabilitation and improvements of the downtown stormwater infrastructure and Maple Creek.

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.



ROCKY MOUNT, NC
THE CENTER OF IT ALL

BASIC FINANCIAL STATEMENTS

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current Assets:			
Cash and cash equivalents/ investments	\$ 27,838,413	\$ 73,055,697	\$ 100,894,110
Receivables, net of allowance for uncollectible accounts:			
Ad valorem taxes	1,397,632	-	1,397,632
Taxes-other	6,791	-	6,791
Customers	717,651	13,579,931	14,297,582
Other governmental agencies	5,015,370	-	5,015,370
Internal balances	(757,991)	757,991	-
Notes receivable	16,649,800	16,208	16,666,008
Assessments	4,488,610	246,501	4,735,111
Other	8,673,882	779,324	9,453,206
Prepaid items	430,135	-	430,135
Inventories	373,732	1,880,968	2,254,700
Restricted cash and investments	10,645,038	8,583,560	19,228,598
Total current assets	<u>75,479,063</u>	<u>98,900,180</u>	<u>174,379,243</u>
Noncurrent Assets:			
Investment in joint venture - RMW Airport	<u>4,264,882</u>	<u>-</u>	<u>4,264,882</u>
Capital Assets:			
Nondepreciable	10,130,416	4,902,611	15,033,027
Depreciable, net	<u>113,921,081</u>	<u>150,440,161</u>	<u>264,361,242</u>
Total capital assets	<u>124,051,497</u>	<u>155,342,772</u>	<u>279,394,269</u>
Total noncurrent assets	<u>128,316,379</u>	<u>155,342,772</u>	<u>283,659,151</u>
Total assets	<u>203,795,442</u>	<u>254,242,952</u>	<u>458,038,394</u>
Deferred Outflows of Resources:			
Pension deferrals	9,069,665	2,578,495	11,648,160
OPEB deferrals	<u>3,606,744</u>	<u>1,149,422</u>	<u>4,756,166</u>
Total deferred outflows of resources	<u>12,676,409</u>	<u>3,727,917</u>	<u>16,404,326</u>
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenses	4,147,418	7,250,049	11,397,467
Current compensated absences	1,599,387	489,079	2,088,466
Current maturities of long-term debt	<u>3,933,578</u>	<u>3,738,609</u>	<u>7,672,187</u>
Total current liabilities	<u>9,680,383</u>	<u>11,477,737</u>	<u>21,158,120</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Noncurrent Liabilities:			
Liabilities to be paid from restricted assets	301,029	5,962,871	6,263,900
Accrued compensated absences	2,377,365	420,761	2,798,126
Long-term debt	47,447,696	9,509,878	56,957,574
Total pension liability	6,774,086	-	6,774,086
Net pension liability	14,165,634	4,396,988	18,562,622
Total OPEB liability	28,937,283	9,129,973	38,067,256
Total noncurrent liabilities	100,003,093	29,420,471	129,423,564
 Total liabilities	 109,683,476	 40,898,208	 150,581,684
 Deferred Inflows of Resources:			
Prepaid taxes	63,270	-	63,270
Pension deferrals	705,410	149,846	855,256
OPEB deferrals	5,820,662	1,859,071	7,679,733
Total deferred inflows of resources	6,589,342	2,008,917	8,598,259
 Net Position:			
Net investment in capital assets	76,448,008	144,714,974	221,162,982
Restricted for:			
Stabilization by State statute	9,186,449	-	9,186,449
Streets	8,287,309	-	8,287,309
Public safety	328,878	-	328,878
Parks and recreation	397,097	-	397,097
Unrestricted	5,551,292	70,348,770	75,900,062
Total net position	\$ 100,199,033	\$ 215,063,744	\$ 315,262,777

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, 2020**

		Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs	Expenses			
Primary Government:				
Governmental Activities:				
General government	\$ 6,848,465	\$ 2,516,056	\$ 42,614	\$ -
Public safety	32,377,844	289,210	685,247	-
Public works	11,278,326	7,334,261	231,932	-
Parks and recreation	13,413,840	1,491,125	243,059	251,050
Public service	6,570,392	2,538,310	3,323,057	1,223,217
Economic development	11,297	-	-	-
Community revitalization	1,075,455	-	1,108,218	-
Interest on long-term debt	2,147,553	-	-	-
Total governmental activities	<u>73,723,172</u>	<u>14,168,962</u>	<u>5,634,127</u>	<u>1,474,267</u>
Business-Type Activities:				
Electric	69,985,488	74,175,274	-	-
Gas	21,093,159	21,196,220	-	-
Water	12,141,931	11,788,916	-	-
Sewer	15,208,286	14,382,455	-	-
Storm water management	3,879,397	4,171,205	-	303,926
Total business-type activities	<u>122,308,261</u>	<u>125,714,070</u>	<u>-</u>	<u>303,926</u>
Total primary government	<u>196,031,433</u>	<u>139,883,032</u>	<u>5,634,127</u>	<u>1,778,193</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, 2020

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Functions/Programs			
Primary Government:			
Governmental Activities:			
General government	\$ (4,289,795)	\$ -	\$ (4,289,795)
Public safety	(31,403,387)	-	(31,403,387)
Public works	(3,712,133)	-	(3,712,133)
Parks and recreation	(11,428,606)	-	(11,428,606)
Public service	514,192	-	514,192
Economic development	(11,297)	-	(11,297)
Community revitalization	32,763	-	32,763
Interest on long-term debt	(2,147,553)	-	(2,147,553)
Total governmental activities	<u>(52,445,816)</u>	<u>-</u>	<u>(52,445,816)</u>
Business-Type Activities:			
Electric	-	4,189,786	4,189,786
Gas	-	103,061	103,061
Water	-	(353,015)	(353,015)
Sewer	-	(825,831)	(825,831)
Storm water management	-	595,734	595,734
Total business-type activities	<u>-</u>	<u>3,709,735</u>	<u>3,709,735</u>
Total primary government	<u>(52,445,816)</u>	<u>3,709,735</u>	<u>(48,736,081)</u>
General Revenues:			
Taxes:			
Ad valorem taxes	27,882,481	-	27,882,481
Local option taxes	13,490,989	-	13,490,989
Franchise taxes	4,139,735	-	4,139,735
Telecommunication taxes	462,340	-	462,340
Miscellaneous	5,380,748	-	5,380,748
Investment earnings	846,130	1,263,384	2,109,514
Total general revenues	<u>52,202,423</u>	<u>1,263,384</u>	<u>53,465,807</u>
Transfers	<u>3,425,000</u>	<u>(3,425,000)</u>	<u>-</u>
Total general revenues and transfers	<u>55,627,423</u>	<u>(2,161,616)</u>	<u>53,465,807</u>
Change in net position	3,181,607	1,548,119	4,729,726
Net Position:			
Beginning of year - July 1	97,017,426	213,515,625	310,533,051
End of year - June 30	<u>\$ 100,199,033</u>	<u>\$ 215,063,744</u>	<u>\$ 315,262,777</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

	Major Funds		Nonmajor	Total
	General	Rocky Mount	Governmental	Governmental
	Fund	Public Facilities	Funds	Funds
		Corporation		
Assets:				
Cash and cash equivalents/investments	\$ 23,598,716	\$ 52,630	\$ 4,187,067	\$ 27,838,413
Receivables, net of allowance for uncollectible accounts:				
Ad valorem taxes	1,389,918	-	7,714	1,397,632
Other taxes	6,791	-	-	6,791
Customers	717,651	-	-	717,651
Other governmental agencies	3,633,152	-	1,382,218	5,015,370
Due from other funds	17,246,667	-	-	17,246,667
Assessments	4,488,610	-	-	4,488,610
Other	7,737,429	16,649,800	892,491	25,279,720
Prepaid items	30,135	-	400,000	430,135
Inventories	373,732	-	-	373,732
Restricted cash and investments	9,563,841	9,000	500	9,573,341
Total assets	<u>\$ 68,786,642</u>	<u>\$ 16,711,430</u>	<u>\$ 6,869,990</u>	<u>\$ 92,368,062</u>
Liabilities, Deferred Inflows, and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenditures	\$ 3,724,574	\$ 52,630	\$ 69,687	\$ 3,846,891
Due to other funds	200,067	16,649,800	1,154,791	18,004,658
Liabilities to be paid from restricted assets	300,529	-	500	301,029
Total liabilities	<u>4,225,170</u>	<u>16,702,430</u>	<u>1,224,978</u>	<u>22,152,578</u>
Deferred Inflows of Resources:				
Assessments receivable	4,488,610	-	-	4,488,610
Taxes receivable	1,389,918	-	7,714	1,397,632
Miscellaneous receivables	5,780,150	-	-	5,780,150
Prepaid taxes	63,270	-	-	63,270
Total deferred inflows of resources	<u>11,721,948</u>	<u>-</u>	<u>7,714</u>	<u>11,729,662</u>
Fund Balances:				
Nonspendable:				
Inventories	373,732	-	-	373,732
Long-term receivable	16,649,800	-	-	16,649,800
Prepaid items	30,135	-	400,000	430,135
Restricted:				
Stabilization by State statute	6,911,740	-	2,274,709	9,186,449
Streets	8,287,309	-	-	8,287,309
Future capital projects	976,003	-	-	976,003
Public safety	-	-	328,878	328,878
Parks and recreation	-	-	397,097	397,097
Committed:				
Public service	-	-	480,040	480,040
Future capital projects	-	16,649,800	2,341,188	18,990,988
Assigned:				
Subsequent year's expenditures	3,204,430	-	-	3,204,430
Capital projects	-	-	72,274	72,274
Unassigned:				
General fund	16,406,375	-	-	16,406,375
Public safety	-	-	(19,812)	(19,812)
Public service	-	-	(637,076)	(637,076)
Future capital projects	-	(16,640,800)	-	(16,640,800)
Total fund balances	<u>52,839,524</u>	<u>9,000</u>	<u>5,637,298</u>	<u>58,485,822</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 68,786,642</u>	<u>\$ 16,711,430</u>	<u>\$ 6,869,990</u>	<u>\$ 92,368,062</u>

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>Total Governmental Funds</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	\$ 58,485,822
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	124,051,497
Investment in joint venture is not financial resources and, therefore is not reported in the funds.	4,264,882
Deferred outflows of resources related to pensions are not reported in the funds.	9,069,665
Deferred outflows of resources related to OPEB are not reported in the funds.	3,606,744
Liabilities for earned revenues considered deferred inflows of resources in fund statements	11,666,392
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.	706,543
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.	382,889
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Long-term debt	(48,967,799)
Unamortized bond premium/discount	(2,154,442)
Accrued interest	(259,033)
Compensated absences	(3,976,752)
Net pension liability	(14,165,634)
Total pension liability	(6,774,086)
OPEB liability	(28,937,283)
Claims and judgments	(274,300)
Deferred inflows of resources related to pensions are not reported in the funds.	(705,410)
Deferred inflows of resources related to OPEB are not reported in the funds.	<u>(5,820,662)</u>
Net position of governmental activities	<u><u>\$ 100,199,033</u></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, 2020

	Major Funds			
	General Fund	Rocky Mount Public Facilities Corporation	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 27,730,817	\$ -	\$ -	\$ 27,730,817
Intergovernmental	23,130,225	-	4,597,662	27,727,887
Licenses and permits	1,673,666	-	-	1,673,666
Sales and service	10,300,303	-	-	10,300,303
Project	-	-	2,499,037	2,499,037
Investment earnings	831,098	-	15,031	846,129
Miscellaneous	718,883	210,519	57,003	986,405
Total revenues	64,384,992	210,519	7,168,733	71,764,244
Expenditures:				
Current:				
General government	7,366,387	-	-	7,366,387
Public safety	29,609,612	-	170,233	29,779,845
Public works	9,633,834	-	-	9,633,834
Parks and recreation	11,889,415	-	612,806	12,502,221
Public service	720,680	-	5,499,289	6,219,969
Community revitalization	-	-	1,075,455	1,075,455
Economic development	-	-	11,297	11,297
Debt service:				
Principal	3,678,859	-	72,500	3,751,359
Interest	1,908,817	210,519	28,217	2,147,553
Total expenditures	64,807,604	210,519	7,469,797	72,487,920
Revenues over (under) expenditures	(422,612)	-	(301,064)	(723,676)
Other Financing Sources (Uses):				
Transfers to other funds	(1,595,811)	-	(500,000)	(2,095,811)
Transfers from other funds	4,815,400	-	705,411	5,520,811
Installment purchase financing issued	976,000	-	-	976,000
Total other financing sources (uses)	4,195,589	-	205,411	4,401,000
Net change in fund balances	3,772,977	-	(95,653)	3,677,324
Fund balance:				
Beginning of year, July 1	49,066,547	9,000	5,732,951	54,808,498
End of year, June 30	\$ 52,839,524	\$ 9,000	\$ 5,637,298	\$ 58,485,822

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, 2020

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) \$ 3,677,324

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	5,121,232
Depreciation	(7,475,606)
Basis of disposed/transferred capital assets	(345,126)
Investment in joint venture	1,863,167

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities. 4,211,950

Benefit payments and administrative costs for the LEOSSA are not included on the Statement of Activities. 223,326

OPEB benefit payments and administrative costs in the current fiscal year are not included on the Statement of Activities. 3,662,409

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund. 835,792

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. (456,761)

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	(3,070,786)
Pension expense - LGERS	(7,109,715)
Pension expense - LEOSSA	(345,266)
Debt issuance	(976,000)
Unamortized bond premium/discount	385,234
Accrued interest	9,700
Debt retirement	3,751,359

A portion of the revenue and expenditures reported in risk management fund has been allocated to governmental activities. 58,918

A portion of the revenue and expenditures reported in the communications fund has been allocated to governmental activities. (839,544)

Changes in net position of governmental activities \$ 3,181,607

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, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive/(Negative)
Revenues:				
Taxes	\$ 27,160,000	\$ 27,160,000	\$ 27,730,817	\$ 570,817
Intergovernmental	23,488,650	23,491,650	23,130,225	(361,425)
Licenses and permits	1,826,000	1,826,000	1,673,666	(152,334)
Sales and service	10,696,220	10,689,220	10,300,303	(388,917)
Investment earnings	950,520	950,520	831,098	(119,422)
Miscellaneous	807,650	864,983	718,883	(146,100)
Total revenues	<u>64,929,040</u>	<u>64,982,373</u>	<u>64,384,992</u>	<u>(597,381)</u>
Expenditures:				
Current:				
General Government				
Mayor and council	494,730	574,375	371,712	202,663
City clerk	158,290	112,759	106,059	6,700
Internal audit	178,970	13,370	11,862	1,508
Community services	261,760	475,551	425,226	50,325
City manager	540,550	562,773	524,175	38,598
Communications and marketing	240,170	187,887	150,236	37,651
Business and collections services	188,150	295,890	238,312	57,578
Technology services	626,476	414,625	134,246	280,379
Community and business development	1,464,110	1,690,879	266,703	1,424,176
Finance	319,200	602,245	212,189	390,056
Central services	2,602,810	3,342,825	899,334	2,443,491
Development services	2,650,570	2,987,159	2,541,853	445,306
Human resources	1,242,620	1,249,681	1,126,129	123,552
Human relations	438,780	427,595	358,351	69,244
Total general government	<u>11,407,186</u>	<u>12,937,614</u>	<u>7,366,387</u>	<u>5,571,227</u>
Public Safety:				
Police	17,768,900	18,094,746	17,389,139	705,607
Fire	11,992,070	12,272,521	12,220,473	52,048
Total public safety	<u>29,760,970</u>	<u>30,367,267</u>	<u>29,609,612</u>	<u>757,655</u>
Public Works:				
Administration	245,360	376,370	368,452	7,918
Street and ROW maintenance	1,842,120	1,850,052	1,697,090	152,962
Environmental service	6,796,910	6,980,984	6,631,251	349,733
Fleet maintenance	246,900	106,172	100,042	6,130
Engineering - administration	511,700	188,090	179,553	8,537
Engineering - traffic	618,060	729,627	657,446	72,181
Total public works	<u>10,261,050</u>	<u>10,231,295</u>	<u>9,633,834</u>	<u>597,461</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, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive/(Negative)
Parks and Recreation:				
Administration	786,500	718,404	555,003	163,401
Athletics	575,280	430,050	427,800	2,250
Cultural arts	579,110	596,510	539,586	56,924
Amusements and special events	426,040	352,158	314,474	37,684
Museum	476,220	404,141	366,519	37,622
Parks maintenance	2,417,750	2,832,833	2,521,783	311,050
Cemetery operations	631,570	619,520	593,217	26,303
Outdoor programs	232,190	208,470	197,193	11,277
Neighborhood programs	1,214,410	1,278,360	1,216,401	61,959
Senior programs	860,450	842,510	596,017	246,493
Sports complex	1,109,960	998,900	943,030	55,870
Imperial Centre	1,142,980	851,480	762,469	89,011
Event Center	2,458,790	2,901,252	2,855,923	45,329
Total parks and recreation	<u>12,911,250</u>	<u>13,034,588</u>	<u>11,889,415</u>	<u>1,145,173</u>
Public service	<u>3,321,000</u>	<u>3,813,676</u>	<u>720,680</u>	<u>3,092,996</u>
Debt Service:				
Principal	3,679,000	3,679,000	3,678,859	141
Interest	<u>1,837,434</u>	<u>2,005,838</u>	<u>1,908,817</u>	<u>97,021</u>
Total debt service	<u>5,516,434</u>	<u>5,684,838</u>	<u>5,587,676</u>	<u>97,162</u>
Total expenditures	<u>73,177,890</u>	<u>76,069,278</u>	<u>64,807,604</u>	<u>11,261,674</u>
Revenues over (under) expenditures	<u>(8,248,850)</u>	<u>(11,086,905)</u>	<u>(422,612)</u>	<u>10,664,293</u>
Other Financing Sources (Uses):				
Transfers to other funds	(1,270,150)	(1,723,900)	(1,595,811)	128,089
Transfers from other funds	5,100,000	5,100,000	4,815,400	(284,600)
Installment purchase financing used	<u>2,719,000</u>	<u>2,719,000</u>	<u>976,000</u>	<u>(1,743,000)</u>
Total other financing sources (uses)	<u>6,548,850</u>	<u>6,095,100</u>	<u>4,195,589</u>	<u>(1,899,511)</u>
Fund balance appropriated	<u>1,700,000</u>	<u>4,991,805</u>	<u>-</u>	<u>(4,991,805)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>3,772,977</u>	<u>\$ 3,772,977</u>
Fund Balance:				
Beginning of year, July 1			<u>49,066,547</u>	
End of year, June 30			<u>\$ 52,839,524</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, 2020

	Business-Type Activities			
	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Assets:				
Current Assets:				
Cash and cash equivalents/investments	\$ 35,631,383	\$ 14,386,049	\$ 10,203,029	\$ 8,609,522
Restricted cash and investments	4,705,289	1,508,079	1,248,413	837,357
Due from other funds	673,250	84,741	-	-
Receivables - net:				
Assessments	-	-	117,093	129,408
Customers	8,905,243	1,164,135	1,322,682	1,725,879
Notes receivable	-	-	16,208	-
Other	238,825	39,193	52,620	131,466
Inventories	1,717,564	81,865	80,065	1,474
Total current assets	51,871,554	17,264,062	13,040,110	11,435,106
Noncurrent Assets:				
Capital Assets:				
Capital assets, nondepreciable	470,550	191,337	1,362,556	2,135,379
depreciation and amortization	47,597,489	19,916,949	27,801,324	50,293,966
Total capital assets (net of accumulated depreciation)	48,068,039	20,108,286	29,163,880	52,429,345
Total noncurrent assets:	48,068,039	20,108,286	29,163,880	52,429,345
Total assets	99,939,593	37,372,348	42,203,990	63,864,451
Deferred Outflows of Resources:				
Pension deferrals	864,570	244,556	658,724	453,686
OPEB deferrals	351,212	159,642	305,600	200,692
Total deferred outflows of resources	1,215,782	404,198	964,324	654,378
Liabilities:				
Current Liabilities:				
Accounts payable and accrued expenditures	5,713,393	634,742	214,720	593,921
Current accrued compensated absences	230,697	66,931	87,807	56,646
Current maturities of long-term debt	1,786,501	355,094	345,045	1,041,126
Total current liabilities	7,730,591	1,056,767	647,572	1,691,693
Noncurrent Liabilities:				
Liabilities to be paid from restricted assets	3,812,960	1,508,079	603,056	6,355
Accrued compensated absences	78,171	42,000	114,719	97,798
Net pension liability	1,443,120	465,726	1,134,543	769,992
Total OPEB liability	3,046,501	960,825	2,347,495	1,540,407
Noncurrent portion of long-term debt	1,762,233	891,967	492,536	6,137,779
Total noncurrent liabilities	10,142,985	3,868,597	4,692,349	8,552,331
Total liabilities	17,873,576	4,925,364	5,339,921	10,244,024
Deferred Inflows of Resources:				
Pension deferrals	49,954	13,707	38,255	27,188
OPEB deferrals	568,050	258,204	494,277	324,599
Total deferred inflows of resources	618,004	271,911	532,532	351,787
Net Position:				
Net investment in capital assets	45,411,634	18,861,225	28,971,656	46,081,442
Unrestricted	37,252,161	13,718,046	8,324,205	7,841,576
Total net position	\$ 82,663,795	\$ 32,579,271	\$ 37,295,861	\$ 53,923,018

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, 2020

	Other Nonmajor Fund Storm Water Management	Total Business-Type Activities Enterprise	Governmental Activities Internal Service Funds
Assets:			
Current Assets:			
Cash and cash equivalents/investments	\$ 4,225,714	\$ 73,055,697	\$ -
Restricted cash and investments	284,422	8,583,560	1,071,697
Due from other funds	-	757,991	-
Receivables - net:		-	
Assessments	-	246,501	-
Customers	461,992	13,579,931	-
Notes receivable	-	16,208	-
Other	317,220	779,324	43,962
Inventories	-	1,880,968	-
Total current assets	5,289,348	98,900,180	1,115,659
Noncurrent Assets:			
Capital Assets:			
Capital assets, nondepreciable	742,789	4,902,611	-
depreciation and amortization	4,830,433	150,440,161	2,918,596
Total capital assets (net of accumulated depreciation)	5,573,222	155,342,772	2,918,596
Total noncurrent assets:	5,573,222	155,342,772	2,918,596
Total assets	10,862,570	254,242,952	4,034,255
Deferred Outflows of Resources:			
Pension deferrals	356,959	2,578,495	-
OPEB deferrals	132,276	1,149,422	-
Total deferred outflows of resources	489,235	3,727,917	-
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenditures	93,273	7,250,049	26,227
Current accrued compensated absences	46,998	489,079	3,763
Current maturities of long-term debt	210,843	3,738,609	-
Total current liabilities	351,114	11,477,737	29,990
Noncurrent Liabilities:			
Liabilities to be paid from restricted assets	32,421	5,962,871	-
Accrued compensated absences	88,073	420,761	10,030
Net pension liability	583,607	4,396,988	-
Total OPEB liability	1,234,745	9,129,973	-
Noncurrent portion of long-term debt	225,363	9,509,878	-
Total noncurrent liabilities	2,164,209	29,420,471	10,030
Total liabilities	2,515,323	40,898,208	40,020
Deferred Inflows of Resources:			
Pension deferrals	20,742	149,846	-
OPEB deferrals	213,941	1,859,071	-
Total deferred inflows of resources	234,683	2,008,917	-
Net Position:			
Net investment in capital assets	5,389,017	144,714,974	2,918,596
Unrestricted	3,212,782	70,348,770	1,075,639
Total net position	\$ 8,601,799	\$ 215,063,744	\$ 3,994,235

The accompanying 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, 2020**

	Business-Type Activities			
	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Operating Revenues:				
Charges for sales and services	\$ 73,090,603	\$ 20,826,108	\$ 10,892,859	\$ 12,829,201
Licenses and permits	-	-	31,498	59,738
Other operating revenues	943,834	370,112	852,027	1,493,516
Total operating revenues	<u>74,034,437</u>	<u>21,196,220</u>	<u>11,776,384</u>	<u>14,382,455</u>
Operating Expenses:				
Distribution systems	65,296,205	19,803,288	-	-
Treatment plants	-	-	7,418,515	9,013,741
Engineering	2,594,562	-	-	-
Support services	-	-	3,349,751	3,914,996
Storm water operations	-	-	-	-
Insurance claims	-	-	-	-
Cost of service and administration	-	-	-	-
Communications	-	-	-	-
Depreciation and amortization	1,967,363	686,101	1,349,594	2,034,646
Total operating expenses	<u>69,858,130</u>	<u>20,489,389</u>	<u>12,117,860</u>	<u>14,963,383</u>
Operating income (loss)	<u>4,176,307</u>	<u>706,831</u>	<u>(341,476)</u>	<u>(580,928)</u>
Nonoperating Revenues (Expenses):				
Other	140,837	-	12,532	-
Investment earnings	629,552	238,428	171,622	150,122
Gain (loss) on disposal of capital assets	-	(246,824)	-	(28,507)
Interest expense	(84,628)	(36,486)	(24,071)	(152,306)
Appropriation to school system	(42,730)	(320,460)	-	(64,090)
Total nonoperating revenues (expenses)	<u>643,031</u>	<u>(365,342)</u>	<u>160,083</u>	<u>(94,781)</u>
Income (loss) before capital contributions and transfers	<u>4,819,338</u>	<u>341,489</u>	<u>(181,393)</u>	<u>(675,709)</u>
Capital contributions	-	-	-	-
Transfers from other funds	-	-	-	-
Transfers to other funds	(2,300,000)	(1,200,000)	-	-
Total capital contributions and transfers	<u>(2,300,000)</u>	<u>(1,200,000)</u>	<u>-</u>	<u>-</u>
Change in net position	2,519,338	(858,511)	(181,393)	(675,709)
Net Position:				
Beginning of year - July 1	80,144,457	33,437,782	37,477,254	54,598,727
End of year - June 30	<u>\$ 82,663,795</u>	<u>\$ 32,579,271</u>	<u>\$ 37,295,861</u>	<u>\$ 53,923,018</u>

The accompanying 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, 2020**

	Other Nonmajor Fund Storm Water Management	Total Business-Type Activities Enterprise	Governmental Activities Internal Service Funds
Operating Revenues:			
Charges for sales and services	\$ 4,113,775	\$ 121,752,546	\$ 11,599,537
Licenses and permits	-	91,236	-
Other operating revenues	57,430	3,716,919	-
Total operating revenues	<u>4,171,205</u>	<u>125,560,701</u>	<u>11,599,537</u>
Operating Expenses:			
Distribution systems	-	85,099,493	-
Treatment plants	-	16,432,256	-
Engineering	-	2,594,562	-
Support services	1,214,057	8,478,804	-
Storm water operations	2,366,370	2,366,370	-
Insurance claims	-	-	9,189,249
Cost of service and administration	-	-	2,261,691
Communications	-	-	929,223
Depreciation and amortization	289,174	6,326,878	483,942
Total operating expenses	<u>3,869,601</u>	<u>121,298,363</u>	<u>12,864,105</u>
Operating income (loss)	<u>301,604</u>	<u>4,262,338</u>	<u>(1,264,568)</u>
Nonoperating Revenues (Expenses):			
Other	-	153,369	-
Investment earnings	73,660	1,263,384	-
Gain (loss) on disposal of capital assets	-	(275,331)	-
Interest expense	(9,796)	(307,287)	-
Appropriation to school system	-	(427,280)	-
Total nonoperating revenues (expenses)	<u>63,864</u>	<u>406,855</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>365,468</u>	<u>4,669,193</u>	<u>(1,264,568)</u>
Capital contributions	303,926	303,926	-
Transfers from other funds	75,000	75,000	-
Transfers to other funds	-	(3,500,000)	-
Total capital contributions and transfers	<u>378,926</u>	<u>(3,121,074)</u>	<u>-</u>
Change in net position	744,394	1,548,119	(1,264,568)
Net Position:			
Beginning of year - July 1	<u>7,857,405</u>	<u>213,515,625</u>	<u>5,258,803</u>
End of year - June 30	<u>\$ 8,601,799</u>	<u>\$ 215,063,744</u>	<u>\$ 3,994,235</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, 2020

	Business-Type Activities			
	Major Enterprise Funds			
	Electric Fund	Gas Fund	Water Fund	Sewer Fund
Cash Flows From Operating Activities:				
Receipts from customers	\$ 75,018,022	\$ 21,164,763	\$ 11,820,935	\$ 14,375,059
Payments to suppliers for goods and services	(60,942,605)	(16,498,253)	(5,992,694)	(8,896,329)
Payments to or on behalf of employees	(6,150,208)	(2,581,296)	(3,609,855)	(2,837,957)
Cash received (paid) for interfund services provided (used)	(1,165,252)	(695,691)	(856,939)	(779,835)
Net cash provided (used) by operating activities	<u>6,759,957</u>	<u>1,389,523</u>	<u>1,361,447</u>	<u>1,860,938</u>
Cash Flows From Noncapital Financing Activities:				
Transfers to other funds	(2,300,000)	(1,200,000)	-	-
Transfers from other funds	-	-	-	-
Appropriation to school system	(42,730)	(320,460)	-	(64,090)
Net cash provided (used) by noncapital financing activities	<u>(2,342,730)</u>	<u>(1,520,460)</u>	<u>-</u>	<u>(64,090)</u>
Cash Flows From Capital and Related Financing Activities:				
Debt issued	750,000	178,000	-	831,000
Acquisition and construction of capital assets	(3,122,784)	(475,596)	(1,329,682)	(2,248,421)
Interest paid	(84,628)	(36,486)	(24,071)	(152,306)
Insurance recovery	140,837	-	12,532	-
Proceeds from grants and subsidies and contributions	-	-	-	-
Principal payments on long-term debt	(1,867,867)	(336,239)	(506,199)	(1,376,399)
Net cash provided (used) by capital and related financing activities	<u>(4,184,442)</u>	<u>(670,321)</u>	<u>(1,847,420)</u>	<u>(2,946,126)</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>629,552</u>	<u>238,428</u>	<u>171,622</u>	<u>150,122</u>
Net cash provided (used) by investing activities	<u>629,552</u>	<u>238,428</u>	<u>171,622</u>	<u>150,122</u>
Net increase (decrease) in cash and cash equivalents/investments	862,337	(562,830)	(314,351)	(999,156)
Cash and Cash Equivalents/Investments:				
Beginning of year, July 1	<u>39,474,335</u>	<u>16,456,958</u>	<u>11,765,793</u>	<u>10,446,035</u>
End of year, June 30	<u>\$ 40,336,672</u>	<u>\$ 15,894,128</u>	<u>\$ 11,451,442</u>	<u>\$ 9,446,879</u>
Cash and cash equivalents/investments	\$ 35,631,383	\$ 14,386,049	\$ 10,203,029	\$ 8,609,522
Restricted cash and investments	4,705,289	1,508,079	1,248,413	837,357
	<u>\$ 40,336,672</u>	<u>\$ 15,894,128</u>	<u>\$ 11,451,442</u>	<u>\$ 9,446,879</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, 2020

	Other Nonmajor Fund Storm Water Management	Total	Governmental Activities Internal Service Funds
Cash Flows From Operating Activities:			
Receipts from customers	\$ 3,784,218	\$ 126,162,997	\$ 1,272,625
Payments to suppliers for goods and services	(1,046,769)	(93,376,650)	(12,196,097)
Payments to or on behalf of employees	(2,077,363)	(17,256,679)	(200,005)
Cash received (paid) for interfund services provided (used)	(312,431)	(3,810,148)	10,327,161
Net cash provided (used) by operating activities	347,655	11,719,520	(796,316)
Cash Flows From Noncapital Financing Activities:			
Transfers to other funds	-	(3,500,000)	-
Transfers from other funds	75,000	75,000	-
Appropriation to school system	-	(427,280)	-
Net cash provided (used) by noncapital financing activities	75,000	(3,852,280)	-
Cash Flows From Capital and Related Financing Activities:			
Debt issued	252,000	2,011,000	-
Acquisition and construction of capital assets	(1,079,692)	(8,256,175)	-
Interest paid	(9,796)	(307,287)	-
Insurance recovery	-	153,369	-
Proceeds from grants and subsidies	303,926	303,926	-
Principal payments on long-term debt	(320,719)	(4,407,423)	-
Net cash provided (used) by capital and related financing activities	(854,281)	(10,502,590)	-
Cash Flows From Investing Activities:			
Investment earnings	73,660	1,263,384	-
Net cash provided (used) by investing activities	73,660	1,263,384	-
Net increase (decrease) in cash and cash equivalents/investments	(357,966)	(1,371,966)	(796,316)
Cash and Cash Equivalents/Investments:			
Beginning of year, July 1	4,868,102	83,011,223	1,868,013
End of year, June 30	\$ 4,510,136	\$ 81,639,257	\$ 1,071,697
Cash and cash equivalents/investments	\$ 4,225,714	\$ 73,055,697	\$ -
Restricted cash and investments	284,422	8,583,560	1,071,697
	\$ 4,510,136	\$ 81,639,257	\$ 1,071,697

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, 2020

	Business-Type Activities			
	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)	\$ 4,176,307	\$ 706,831	\$ (341,476)	\$ (580,928)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and amortization	1,967,363	686,101	1,349,594	2,034,646
Change in Assets and Liabilities:				
(Increase) decrease in receivables and assessments	884,368	(76,507)	45,872	(7,421)
(Increase) decrease in inventories	(344,634)	2,932	86,706	7,063
(Increase) decrease in deferred outflows of resources - pensions	147,462	67,028	128,311	84,264
(Increase) decrease in deferred outflows of resources - OPEB	(49,955)	(60,448)	(70,473)	(46,391)
Increase (decrease) in accounts payable and accrued expenses	(241,283)	(78,542)	9,102	271,369
Increase (decrease) in liabilities to be paid from restricted assets	99,217	45,050	(1,321)	25
Increase (decrease) in net pension liability	129,076	58,671	112,313	73,757
Increase (decrease) in OPEB liability	(337,580)	(153,446)	(293,739)	(192,903)
Increase (decrease) in accrued compensated absences and other accrued liabilities	475	12,952	29,203	15,527
Increase (decrease) in deferred inflows of resources - pensions	(5,093)	(2,315)	(4,432)	(2,910)
Increase (decrease) in deferred inflows of resources - OPEB	334,234	181,216	311,787	204,840
Net cash provided (used) by operating activities	<u>\$ 6,759,957</u>	<u>\$ 1,389,523</u>	<u>\$ 1,361,447</u>	<u>\$ 1,860,938</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, 2020

	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)	\$ 301,604	\$ 4,262,338	\$ (1,264,568)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and amortization	289,174	6,326,878	483,942
Change in Assets and Liabilities:			
(Increase) decrease in receivables and assessments	(328,408)	517,904	249
(Increase) decrease in inventories	-	(247,933)	-
(Increase) decrease in deferred outflows of resources - pensions	55,537	482,602	-
(Increase) decrease in deferred outflows of resources - OPEB	(11,038)	(238,305)	-
Increase (decrease) in accounts payable and accrued expenses	25,293	(14,061)	(18,369)
Increase (decrease) in liabilities to be paid from restricted assets	(58,579)	84,392	-
Increase (decrease) in net pension liability	48,613	422,430	-
Increase (decrease) in OPEB liability	(127,141)	(1,104,809)	-
Increase (decrease) in accrued compensated absences and other accrued liabilities	34,674	92,831	2,430
Increase (decrease) in deferred inflows of resources - pensions	(1,918)	(16,668)	-
Increase (decrease) in deferred inflows of resources - OPEB	119,844	1,151,921	-
Net cash provided (used) by operating activities	\$ 347,655	\$ 11,719,520	\$ (796,316)

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, 2020

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents/investments	\$ 587,887
Accounts receivable	<u>240</u>
Total assets	<u>\$ 588,127</u>
Liabilities:	
Accounts payable	\$ 213
Due to other agencies	<u>587,914</u>
Total liabilities	<u>\$ 588,127</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.



ROCKY MOUNT, NC
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CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 54,646 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, 2020

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, 2020

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 wastewater 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, 2020

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, 2020

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, 2020. The final budget data represents the budget ordinance as amended by the City Council as of June 30, 2020. 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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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.

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, Occupancy Tax, and the Rocky Mount Public Facilities Corporation. 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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 Restricted Cash

Governmental Activities

General Fund

Streets	\$ 8,287,309
Customer deposits	269,510
Unexpended cable franchise agreement	31,019
Unexpended debt proceeds	976,003

Entitlement Grants Fund

Customer deposits	500
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Internal Service Funds

Risk Management	663,244
Communications	408,453

Rocky Mount Public Facilities Corp	<u>9,000</u>
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Subtotal	\$ 10,645,038
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Business-Type Activities

Electric Fund

Customer deposits	3,812,960
Unexpended debt proceeds	892,329

Gas Fund

Customer deposits	1,508,079
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Water Fund

Customer deposits	603,056
Unexpended debt proceeds	645,357

Sewer Fund

Customer deposits	6,355
Unexpended debt proceeds	831,002

Stormwater Fund

Customer deposits	32,421
Unexpended debt proceeds	<u>252,001</u>

Total business-type activities	<u>\$ 8,583,560</u>
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Total restricted cash	<u><u>\$ 19,228,598</u></u>
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CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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, 2020 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.

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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:

Description	Estimated Useful Lives
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 2020 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, and deferrals of pension and OPEB expense.

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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 \$976,003 as of June 30, 2020.

Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-Type</u>
Total Capital Assets	\$ 124,051,497	155,342,772
Less: Current Debt	(3,933,578)	(3,738,609)
Less: Long Term Debt	(47,447,696)	(9,509,878)
Add: Unexpended Debt Proceeds	976,003	2,620,689
Add: Other Debt - NCDOT	2,801,782	-
Net Investment in Capital Assets	<u>\$ 76,448,008</u>	<u>\$ 144,714,974</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 intact.

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 – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as non-spendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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.

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	\$ 52,839,524
Less:	
Inventories	373,732
Prepaid items	30,135
Other	16,649,800
Stabilization by State Statute	<u>6,911,740</u>
Total available fund balance	<u>\$ 28,874,117</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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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. 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 SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating, and is measured at fair value. As of June 30, 2020, the Term Portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

At June 30, 2020, the City had \$113,811,938 with the North Carolina Capital Management Trust. 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	\$ 5,747,850	N/A	\$ 5,747,850	N/A
North Carolina Capital Management Trust Term Portfolio	Fair Value Level I	<u>108,064,088</u>	0.15	<u>108,064,088</u>	N/A
		<u>\$ 113,811,938</u>		<u>\$ 113,811,938</u>	

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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.

Total cash and investments of \$120,710,595 reported by the City include cash on hand of \$14,567 and \$587,887 held by the City in the Agency fund, Community Development and Governmental Activities fund.

At June 30, 2020, the City had \$19,228,598 in restricted cash and investments. Of this amount, there was \$976,003 and \$2,620,689 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 continued maintenance of the Rocky Mount Event Center. The City has a total of \$6,232,881 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 \$8,287,309 that are restricted cash according to State law. The City had \$663,244 restricted for use in the Internal Service Fund for risk management and \$408,453 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 along with \$31,019 which represents the balance of the cable franchise agreement funding.

At June 30, 2020, the City's deposits had a carrying amount of \$3,287,398 and a bank balance of approximately \$4,966,172. Of the bank balance, \$250,000 was covered by federal depository insurance and \$4,716,172 in interest-bearing deposits was covered by collateral held under the Pooling Method. The City also had cash on hand of \$14,567.

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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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, 2020 are net of the following allowances for doubtful accounts:

<u>Fund</u>	<u>June 30, 2020</u>
Governmental Activities:	
Ad valorem taxes	2,691,798
Planning loans	3,103,207
Miscellaneous	507,780
Customers	217,752
Total governmental activities	<u>6,520,537</u>
Business-Type Activities:	
Customers:	
Electric	1,144,608
Gas	607,512
Water	175,000
Sewer	218,048
Other	354,473
Total business-type activities	<u>2,499,641</u>
Total allowances for doubtful accounts	<u><u>\$ 9,020,178</u></u>

Accounts Receivable

At June 30, 2020 funds due from other governmental agencies consisted of the following:

	General	Nonmajor Governmental	Total
Governmental Activities:			
Sales tax refund	\$ 888,894	-	\$ 888,894
Vehicle fee	57,354	-	\$ 57,354
Local option tax	2,388,659	-	\$ 2,388,659
Grants receivable	185,620	1,350,347	\$ 1,535,967
Franchise tax	100,000	-	\$ 100,000
Miscellaneous receivable	12,625	31,871	\$ 44,496
	<u><u>\$ 3,633,152</u></u>	<u><u>1,382,218</u></u>	<u><u>\$ 5,015,370</u></u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

4. Capital Assets

Primary Government

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

	July 1, 2019	Additions	Retirements	Transfers	June 30, 2020
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	9,696,660	-	204,779	-	9,491,881
Construction in progress	291,427	638,535	124,355	(167,072)	638,535
Total capital assets not being depreciated	9,988,087	638,535	329,134	(167,072)	10,130,416
Capital Assets Being Depreciated					
Land improvements	20,808,019	792,804	-	-	21,600,823
Buildings	70,930,376	1,857,377	37,939	125,301	72,875,115
Equipment	59,610,149	1,512,900	2,200,104	230,483	59,153,428
Infrastructure	60,409,379	319,616	-	41,771	60,770,766
Total capital assets being depreciated	211,757,923	4,482,697	2,238,043	397,555	214,400,132
Less Accumulated Depreciation for:					
Land improvements	11,599,740	816,592	-	-	12,416,332
Buildings	22,780,499	1,585,463	21,947	-	24,344,015
Equipment	42,607,630	4,260,450	2,200,104	230,483	44,898,459
Infrastructure	18,007,144	813,101	-	-	18,820,245
Total accumulated depreciation	94,995,013	7,475,606	2,222,051	230,483	100,479,051
Total capital assets being depreciated, net	116,762,910				113,921,081
Governmental activities capital assets, net	126,750,997				124,051,497

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

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

General government	\$ 1,167,713
Public works	1,691,142
Public safety	1,068,720
Transit	1,207,056
Planning	29,695
Recreation	1,669,356
Internal Service -Comm	483,942
Community/Bus Devt	157,982
Total	<u>7,475,606</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Capital asset activity for the business-type activities for the year ended June 30, 2020, was as follows:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2020</u>
Electric Fund:					
Capital Assets Not Being Depreciated:					
Land	448,196	2,629	-	-	450,825
Construction in progress	642,494	19,726	-	(642,495)	19,725
Total capital assets not being depreciated	<u>1,090,690</u>	<u>22,355</u>	<u>-</u>	<u>(642,495)</u>	<u>470,550</u>
Capital Assets Being Depreciated					
Land improvements	327,127	12,850	-	-	339,977
Buildings	9,117,678	-	858,742	-	8,258,936
Equipment	30,914,152	951,833	179,260	(183,751)	31,502,974
Infrastructure	42,490,646	2,135,746	-	642,495	45,268,887
Total capital assets being depreciated	<u>82,849,603</u>	<u>3,100,429</u>	<u>1,038,002</u>	<u>458,744</u>	<u>85,370,774</u>
Less Accumulated Depreciation for:					
Land improvements	128,919	11,132	-	-	140,051
Buildings	4,088,302	145,829	858,742	-	3,375,389
Equipment	22,152,384	1,156,129	179,260	(183,751)	22,945,502
Infrastructure	10,658,070	654,273	-	-	11,312,343
Total accumulated depreciation	<u>37,027,675</u>	<u>1,967,363</u>	<u>1,038,002</u>	<u>(183,751)</u>	<u>37,773,285</u>
Total capital assets being depreciated, net	<u>45,821,928</u>	<u>1,133,066</u>	<u>-</u>	<u>642,495</u>	<u>47,597,489</u>
Electric Fund capital assets, net	<u>46,912,618</u>	<u>1,155,421</u>	<u>-</u>	<u>-</u>	<u>48,068,039</u>
	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2020</u>
Gas Fund:					
Capital Assets Not Being Depreciated:					
Land	191,337	-	-	-	191,337
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	<u>191,337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>191,337</u>
Capital Assets Being Depreciated					
Land improvements	11,425	-	-	-	11,425
Buildings	2,243,630	-	-	-	2,243,630
Equipment	10,264,716	229,633	557,956	-	9,936,393
Infrastructure	18,455,162	245,963	116,887	-	18,584,238
Total capital assets being depreciated	<u>30,974,933</u>	<u>475,596</u>	<u>674,843</u>	<u>-</u>	<u>30,775,686</u>
Less Accumulated Depreciation for:					
Land improvements	4,608	457	-	-	5,065
Buildings	327,373	44,545	-	-	371,918
Equipment	7,657,977	396,053	386,081	-	7,667,949
Infrastructure	2,610,697	245,046	41,938	-	2,813,805
Total accumulated depreciation	<u>10,600,655</u>	<u>686,101</u>	<u>428,019</u>	<u>-</u>	<u>10,858,737</u>
Total capital assets being depreciated, net	<u>20,374,278</u>	<u>(210,505)</u>	<u>246,824</u>	<u>-</u>	<u>19,916,949</u>
Gas Fund capital assets, net	<u>20,565,615</u>	<u>(210,505)</u>	<u>246,824</u>	<u>-</u>	<u>20,108,286</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2020</u>
Water Fund:					
Capital Assets Not Being Depreciated:					
Land	1,173,187	-	-	-	1,173,187
Construction in progress	243,601	130,728	-	(184,960)	189,369
Total capital assets not being depreciated	<u>1,416,788</u>	<u>130,728</u>	<u>-</u>	<u>(184,960)</u>	<u>1,362,556</u>
Capital Assets Being Depreciated					
Land improvements	9,096,932	-	-	-	9,096,932
Buildings	12,258,743	-	-	-	12,258,743
Equipment	11,650,746	1,034,346	-	184,960	12,870,052
Infrastructure	31,301,093	164,608	-	-	31,465,701
Total capital assets being depreciated	<u>64,307,514</u>	<u>1,198,954</u>	<u>-</u>	<u>184,960</u>	<u>65,691,428</u>
Less Accumulated Depreciation for:					
Land improvements	8,982,068	8,988	-	-	8,991,056
Buildings	7,513,426	240,489	-	-	7,753,915
Equipment	8,683,333	670,276	-	-	9,353,609
Infrastructure	11,361,683	429,841	-	-	11,791,524
Total accumulated depreciation	<u>36,540,510</u>	<u>1,349,594</u>	<u>-</u>	<u>-</u>	<u>37,890,104</u>
Total capital assets being depreciated, net	<u>27,767,004</u>	<u>(150,640)</u>	<u>-</u>	<u>184,960</u>	<u>27,801,324</u>
Water Fund capital assets, net	<u>29,183,792</u>	<u>(19,912)</u>	<u>-</u>	<u>-</u>	<u>29,163,880</u>
	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2020</u>
Sewer Fund:					
Capital Assets Not Being Depreciated:					
Land	782,025	-	-	-	782,025
Construction in progress	364,912	988,442	-	-	1,353,354
Total capital assets not being depreciated	<u>1,146,937</u>	<u>988,442</u>	<u>-</u>	<u>-</u>	<u>2,135,379</u>
Capital Assets Being Depreciated					
Land improvements	2,199,671	-	-	-	2,199,671
Buildings	40,413,912	-	141,723	-	40,272,189
Equipment	20,712,430	1,087,658	547,018	(46,733)	21,206,337
Infrastructure	34,550,536	172,321	-	-	34,722,857
Total capital assets being depreciated	<u>97,876,549</u>	<u>1,259,979</u>	<u>688,741</u>	<u>(46,733)</u>	<u>98,401,054</u>
Less Accumulated Depreciation for:					
Land improvements	2,124,550	2,563	-	-	2,127,113
Buildings	19,098,255	707,934	114,511	-	19,691,678
Equipment	13,726,082	863,124	545,723	(46,733)	13,996,750
Infrastructure	11,830,522	461,025	-	-	12,291,547
Total accumulated depreciation	<u>46,779,409</u>	<u>2,034,646</u>	<u>660,234</u>	<u>(46,733)</u>	<u>48,107,088</u>
Total capital assets being depreciated, net	<u>51,097,140</u>	<u>(774,667)</u>	<u>28,507</u>	<u>-</u>	<u>50,293,966</u>
Sewer Fund capital assets, net	<u>52,244,077</u>	<u>213,775</u>	<u>28,507</u>	<u>-</u>	<u>52,429,345</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

	July 1, 2019	Additions	Retirements	Transfers	June 30, 2020
Storm Water Management Fund:					
Capital Assets Not Being Depreciated:					
Land	742,355	434	-	-	742,789
Construction in progress	20,343	-	-	(20,343)	-
Total capital assets not being depreciated	762,698	434	-	(20,343)	742,789
Capital Assets Being Depreciated					
Land improvements	182,855	-	-	-	182,855
Buildings	65,000	-	-	-	65,000
Equipment	4,055,948	482,990	-	-	4,538,938
Infrastructure	3,151,474	596,268	-	20,343	3,768,085
Total capital assets being depreciated	7,455,277	1,079,258	-	20,343	8,554,878
Less Accumulated Depreciation for:					
Land improvements	43,255	7,314	-	-	50,569
Buildings	14,408	1,300	-	-	15,708
Equipment	3,087,469	235,151	-	-	3,322,620
Infrastructure	290,139	45,409	-	-	335,548
Total accumulated depreciation	3,435,271	289,174	-	-	3,724,445
Total capital assets being depreciated, net	4,020,006	790,084	-	20,343	4,830,433
Total Storm Water Management Fund capital assets, net	4,782,704	790,518	-	-	5,573,222

5. Accounts Payable and Accrued Liabilities

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

	Governmental Activities	Business-Type Activities	Total
Accounts and vouchers	\$ 968,985	\$ 6,490,462	\$ 7,459,447
Claims incurred but not reported	274,300	159,200	433,500
Accrued payroll and related liabilities	2,904,133	600,387	3,504,520
Total accounts payable and accrued liabilities	\$ 4,147,418	\$ 7,250,049	\$ 11,397,467

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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.

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, 2020, was 9.70% of compensation for law enforcement officers and 8.95% 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, 2020 totaled \$4,211,950 comprised of \$3,320,311 for general employees and firefighters and \$891,639 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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions, or any other benefit provided by LGERS.

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

At June 30, 2020, the City reported a liability of \$18,562,622 for its proportionate share of the net pension liability which was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The 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 (measurement date), the City's proportion was 0.67972%, which was a decrease of .02685% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$7,998,077. At June 30, 2020, 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	\$ 3,178,390	\$ -
Changes of assumptions	3,025,400	-
Net difference between projected and actual earnings on pension plan investments	452,768	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	639,534
City contributions made subsequent to the measurement date	4,211,950	-
Total	<u>\$ 10,868,508</u>	<u>\$ 639,534</u>

\$4,211,950 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, 2021. Other amounts reported as deferred outflows and inflows of resources related to will be recognized in pension expense as follows:

Year ended June 30:

2021	\$ 3,061,527
2022	839,671
2023	1,666,676
2024	449,150
2025	-
Thereafter	-
Total	<u>\$ 6,017,024</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including 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, 2018 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.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%	

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The information above is based on 30-year expectations developed with the consulting actuary for the 2019 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.

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)	\$ 42,456,113	\$ 18,562,622	\$ (1,297,708)

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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

All full-time law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2018, the Separation Allowance's membership consisted of:

Retirees receiving benefits	21
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	152
Total	<u>173</u>

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.

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2018 valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: (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 3.26 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, 2018. 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 \$447,307 as benefits came due for the reporting period.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

At June 30, 2020, the City reported a total pension liability of \$6,774,086. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the City recognized pension expense of \$563,449.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 213,463	\$ -
Changes of assumptions	349,590	215,722
City contributions and plan administrative expense made subsequent to the measurement date	216,599	-
Total	<u>\$ 779,652</u>	<u>\$ 215,722</u>

\$216,599 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, 2021. 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
2021	\$ 146,641	\$ 64,238
2022	146,641	64,238
2023	146,641	44,353
2024	76,746	41,641
2025	46,384	1,252
Thereafter	-	-
Total	<u>\$ 563,053</u>	<u>\$ 215,722</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 3.26 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 (2.26 percent) or 1-percentage point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$ 7,337,078	\$ 6,774,086	\$ 6,261,903

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

Beginning balance	\$ 6,458,668
Service Cost	253,130
Interest on the total pension liability	226,955
Changes of benefit terms	-
liability	82,210
Changes of assumptions or other inputs	200,430
Benefit payments	(447,307)
Other changes	-
Ending balance of the total pension liability	<u>\$ 6,774,086</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.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended 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 \$9,227,396 for employees engaged in law enforcement and \$34,160,138 for all other full-time employees. Total contributions for the year ended June 30, 2020, were \$1,486,174 which consisted of \$461,370 for employees engaged in law enforcement and \$1,024,804 for all other employees. Voluntary contributions made by all City employees totaled \$731,654. No amounts were forfeited.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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	\$ 7,998,077	\$ 563,449	\$ 8,561,526
Pension Liability	18,562,622	6,774,086	25,336,708
Proportionate share of the net pension liability	0.680%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	\$ 3,178,390	\$ 213,463	\$ 3,391,853
Change of assumptions	3,025,400	349,590	3,374,990
Net difference between projected and actual earnings on plan investments	452,768	-	452,768
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-
Benefit payments and administrative costs paid subsequent to the measurement date	4,211,950	216,599	4,428,549

Deferred Inflows of Resources

Differences between expected and actual experience	\$ -	\$ -	\$ -
Change of assumptions	-	215,722	215,722
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	639,534	-	639,534

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, 2020

Membership of the post-employment health benefit plan consisted of the following at June 30, 2019 the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	223
Active members	818
	<u>1,041</u>

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 \$38,067,256 was measured as of June 30, 2019 and was determined by an actuarial valuation of June 30, 2019.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019 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%	Health Care Cost Trends	
Real wage growth	1.00%	Pre-Medicare	7.0% for 2019 decreasing to an
Wage inflation	3.50%		ultimate rate of 4.50% by 2026
Salary increases, including wage inflation			
General employees	3.50%-7.75%		
Firefighters	3.50%-7.75%		
Law enforcement officers	3.50%-7.75%		
Municipal Bond Index Rate			
Prior Measurement Date	3.89%		
Measurement Date	3.50%		

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	\$	42,631,171
Service Cost at the end of the year		1,589,219
Interest on Total OPEB Liability and Cash Flows		1,615,498
Changes of benefit terms		-
Differences between expected and actual experience		(6,000,210)
Changes of assumptions or other inputs		456,131
Benefit payments		(2,224,553)
Ending Balance	\$	<u>38,067,256</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.89% to 3.50%.

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, 2019 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 (2.50 percent) or 1-percentage-point higher (4.50 percent).

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ 41,909,448	\$ 38,067,256	\$ 34,651,844

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	\$ 33,955,355	\$ 38,067,256	\$ 42,945,815

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$2,135,061. At June 30, 2020, 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	\$ 696,710	\$ 5,222,981
Changes of assumptions	397,047	2,456,752
City contributions and plan administrative expense made subsequent to the measurement date	3,662,409	-
Total	<u>\$ 4,756,166</u>	<u>\$ 7,679,733</u>

\$3,662,409 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, 2021. 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:

2021	\$ (1,077,594)
2022	(1,077,594)
2023	(1,077,594)
2024	(1,077,594)
2025	(984,288)
Thereafter	<u>(1,291,312)</u>
	<u>\$ (6,585,976)</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, the City made contributions to the State for death benefits of \$36,830. 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 \$1,486,174 to the plan for the year ended June 30, 2020.

7. Operating Leases

The City had operating leases for the year ended June 30, 2020 for the purchase of computer equipment with payments of \$126,965 paid in the current fiscal year.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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)	\$ 1,389,918	\$ -
Accounts receivable (General Fund)	5,780,150	-
Assessments (General Fund)	4,488,610	-
Accounts receivable (other governmental funds)	7,714	-
Prepaid taxes (General Fund)	63,270	63,270
Pension deferrals - LEOSSA	-	215,722
Pension deferrals - LGERS	-	639,534
OPEB deferrals	-	7,679,733
	<hr/>	<hr/>
Total	\$ 11,729,662	\$ 8,598,259
	<hr/>	<hr/>

The balance of deferred outflows of resources is \$16,404,326 and is composed of the following elements:

Source	Fund- Level	Government- Wide
Pension deferrals - LEOSSA	\$ -	\$ 779,652
Pension deferrals - LGERS	-	10,868,508
OPEB deferrals	-	4,756,166
	<hr/>	<hr/>
Total	\$ -	\$ 16,404,326
	<hr/>	<hr/>

9. Commitments

Construction - The City had outstanding commitments at June 30, 2020 of approximately \$400,000 for the hypochlorite conversion project at the wastewater treatment plant and the Tar River water treatment plant, \$500,000 for the rehabilitation of approximately 9,480 linear feet in the Beech Branch sewer outfall from the wastewater treatment plant to Seven Bridges road, \$221,519 for the replacement of two duplex screw pump control panels at the highway 97 lift station, \$55,095 for three Gorman Rupp pumps for the C & D pump stations at the wastewater treatment plant, \$122,720 to install a shower and locker room facility at the water and sewer location on Albemarle Avenue, \$108,000 for Lancaster and Marigold park improvements, and \$143,033 for the sidewalk project. 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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 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 \$110,000 for estimated claims which will be covered under self-insurance retention. The self-insurance total of \$433,500 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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Changes in the reported liability for possible claims and judgments during fiscal years 2020 and 2019 are summarized as follows:

Possible Claims and Judgments	2020	2019
Balance, beginning	\$ 615,900	\$ 155,000
Current year claims and changes in estimates	361,701	1,078,220
Claim payments	(544,101)	(617,320)
Balance, ending	<u>\$ 433,500</u>	<u>\$ 615,900</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

11. Long Term Obligations

Long-term debt obligations of the City at June 30, 2020 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%	\$ 124,693	\$ 419,935
Equipment; due in monthly installments of \$18,393; maturing May 2023; interest at 2.87%	599,938	-
Improvements; due in monthly installments of \$24,167 plus interest; maturing June 2028; interest at 3.20% (LGC)	445,600	1,874,400
Building; due in monthly installments of \$53,889 plus interest; maturing June 2028; interest at 2.55% (LGC)	5,173,333	-
Improvements; due in monthly installments of \$14,119 plus interest; maturing May 2024; interest at 2.36% (LGC)	663,576	-
Improvements; due in monthly installments of \$21,017 plus interest; maturing May 2024; interest at 2.96% (LGC)	-	987,797
Improvements; due in monthly installments of \$23,083; maturing June 2025; interest at 2.07% (LGC)	1,105,000	280,000
Equipment; due in monthly installments of \$42,092; maturing May 2023; interest at 1.58%	202,354	1,236,501
Equipment; due in monthly installments of \$26,722; maturing April 2025; interest at 1.793%	755,539	727,992
Equipment; due in monthly installments of \$72,083; maturing April 2022; interest at 1.762%	-	1,559,349
Equipment; due in monthly installments of \$46,937; maturing April 2021; interest at 1.334%	157,421	309,094
Equipment; due in monthly installments of \$47,298; maturing May 2022; interest at 2.4523%	88,685	972,948
Equipment; due in monthly installments of \$21,626; maturing April 2024; interest at 2.4131%	439,878	509,374
Total direct placement installment purchases	<u>\$ 9,756,017</u>	<u>\$ 8,877,390</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The City's outstanding note from direct placement of \$544,628 with \$124,693 related to governmental activities and \$419,935 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 note from direct placement of \$599,938 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 \$2,320,000 with \$445,600 related to governmental activities and \$1,874,400 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 \$5,173,333 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 \$663,576 related to governmental activities and \$987,797 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 \$1,385,000 with \$1,105,000 related to governmental activities and \$280,000 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, 2020

The City's outstanding note from direct placement of \$1,559,349 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 \$466,515 with \$157,421 related to governmental activities and \$309,094 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 \$1,061,633 with \$88,685 related to governmental activities and \$972,948 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 \$949,252 with \$439,878 related to governmental activities and \$509,374 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 \$1,438,855 with \$202,354 related to governmental activities and \$1,236,501 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 \$1,483,531 with \$755,539 related to governmental activities and \$727,992 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.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Other Long-Term Debt:	Serviced By	
	Governmental Activities	Business-Type Activities
Direct borrowing - HUD - Section 108 Loan Guarantee - Douglas Block	\$ 1,350,000	\$ -
Special Obligation Bonds - Event Center	35,060,000	-
Accrued Interest	259,033	-
Unamortized Special Obligation Bond Premium/(Discount)	2,154,442	-
Direct borrowing - NCDOT	2,801,782	-
Direct borrowing - NCDENR (LGC)	-	4,371,097
Subtotal	<u>41,625,257</u>	<u>4,371,097</u>
 Total outstanding	 51,381,274	 13,248,487
Less current portion	<u>3,674,545</u>	<u>3,738,609</u>
	<u>\$ 47,706,729</u>	<u>\$ 9,509,878</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)	\$ 148,882
Revolving loan due in annual payments of \$187,217 plus interest; maturing May 1, 2028; interest at 2.305% (LGC)	1,497,735
Revolving loan due in annual payments of \$112,491; maturing May 1, 2033; interest at 0% (LGC)	1,462,382
Revolving loan due in annual payments of \$87,551; maturing May 1, 2033; interest at 0.02% (LGC)	1,138,166
Revolving loan due in annual payments of \$12,393; maturing May 1, 2030; interest at 0% (LGC)	<u>123,932</u>
	<u>\$ 4,371,097</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, 2020

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, 2020 is \$35,060,000.

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

Bond Obligation		
Year Ending		
June 30	Principal	Interest
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	1,820,000	1,245,800
2026-2030	10,565,000	3,962,418
2031-2035	13,240,000	2,004,920
2036	2,965,000	126,766
Total	<u>35,060,000</u>	<u>11,853,683</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, 2020:

	Balance			Balance	Due Within
Governmental Activities:	July 1, 2019	Additions	Retirements	June 30, 2020	One Year
Direct placement installment purchases	\$ 10,931,376	\$ 976,000	\$ 2,151,359	\$ 9,756,017	\$ 1,957,045
Special Obligation Bonds	36,515,000	-	1,455,000	35,060,000	1,510,000
Unamortized Bond Premium	2,539,676	-	385,234	2,154,442	-
LEOSSA (Total Pension Liability)	6,458,668	315,418	-	6,774,086	-
Direct borrowing - HUD Loan	1,495,000	-	145,000	1,350,000	145,000
Accrued Interest	268,733	259,033	268,733	259,033	259,033
Direct borrowing - NCDOT	2,618,813	190,469	7,500	2,801,782	62,500
Net pension liability (LGERS)	12,787,700	1,377,934	-	14,165,634	-
Total OPEB liability	32,396,389	-	3,459,106	28,937,283	-
Compensated absences	3,632,830	1,943,307	1,599,385	3,976,752	1,599,385
Total	<u>\$ 109,644,185</u>	<u>\$ 5,062,161</u>	<u>\$ 9,471,317</u>	<u>\$ 105,235,029</u>	<u>\$ 5,532,963</u>
All Business-Type Activities:					
Direct placement installment purchases	\$ 10,844,387	\$ 2,011,000	\$ 3,977,997	\$ 8,877,390	\$ 3,309,181
Direct borrowing - NCDENR	4,800,525	-	429,428	4,371,097	429,428
Net pension liability (LGERS)	3,974,558	422,430	-	4,396,988	-
Total OPEB liability	10,234,782	-	1,104,809	9,129,973	-
Compensated absences	817,008	581,911	489,079	909,840	489,079
Total	<u>\$ 30,671,260</u>	<u>\$ 3,015,341</u>	<u>\$ 6,001,313</u>	<u>\$ 27,685,288</u>	<u>\$ 4,227,688</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
Electric Fund:					
Direct placement installment purchases	\$ 4,666,601	\$ 750,000	\$ 1,867,867	\$ 3,548,734	\$ 1,786,501
Net pension liability (LGERS)	1,314,044	129,076		1,443,120	-
Total OPEB liability	3,384,081	-	337,580	3,046,501	-
Compensated absences	308,393	231,172	230,697	308,868	230,697
Total	<u>\$ 9,673,119</u>	<u>\$ 1,110,248</u>	<u>\$ 2,436,144</u>	<u>\$ 8,347,223</u>	<u>\$ 2,017,198</u>
Gas Fund:					
Direct placement installment purchases	\$ 1,405,300	\$ 178,000	\$ 336,239	\$ 1,247,061	\$ 355,094
Net pension liability (LGERS)	407,055	58,671	-	465,726	-
Total OPEB liability	1,114,271	-	153,446	960,825	-
Compensated absences	95,979	79,883	66,931	108,931	66,931
Total	<u>\$ 3,022,605</u>	<u>\$ 316,554</u>	<u>\$ 556,616</u>	<u>\$ 2,782,543</u>	<u>\$ 422,025</u>
Water Fund:					
Direct placement installment purchases	\$ 1,207,455	-	\$ 493,806	\$ 713,649	\$ 332,652
Direct borrowing - NCDENR	136,325	-	12,393	123,932	12,393
Net pension liability (LGERS)	1,022,230	112,313	-	1,134,543	-
Total OPEB liability	2,641,234	-	293,739	2,347,495	-
Compensated absences	173,323	117,010	87,807	202,526	87,807
Total	<u>\$ 5,180,567</u>	<u>\$ 229,323</u>	<u>\$ 887,745</u>	<u>\$ 4,522,145</u>	<u>\$ 432,852</u>
Sewer Fund:					
Direct placement installment purchases	\$ 3,060,104	\$ 831,000	\$ 959,364	\$ 2,931,740	\$ 624,091
Direct borrowing - NCDENR	4,664,200	-	417,035	4,247,165	417,035
Net pension liability (LGERS)	696,235	73,757	-	769,992	-
Total OPEB liability	1,733,310	-	192,903	1,540,407	-
Compensated absences	138,916	72,174	56,646	154,444	56,646
Total	<u>\$ 10,292,765</u>	<u>\$ 976,931</u>	<u>\$ 1,625,948</u>	<u>\$ 9,643,748</u>	<u>\$ 1,097,772</u>
Stormwater Fund:					
Direct placement installment purchases	\$ 504,925	\$ 252,000	\$ 320,719	\$ 436,206	\$ 210,843
Net pension liability (LGERS)	534,994	48,613	-	583,607	-
Total OPEB liability	1,361,886	-	127,141	1,234,745	-
Compensated absences	100,397	81,672	46,998	135,071	46,998
Total	<u>\$ 2,502,202</u>	<u>\$ 382,285</u>	<u>\$ 494,858</u>	<u>\$ 2,389,629</u>	<u>\$ 257,841</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, including interest, are as follows:

	Direct placement installment purchases		Other Direct borrowing		Special Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
Governmental Activities:						
2021	1,957,045	215,633	207,500	51,555	1,510,000	1,191,379
2022	1,684,634	172,500	2,884,282	46,364	1,575,000	1,151,915
2023	1,611,775	132,345	145,000	40,883	1,650,000	1,108,666
2024	1,337,119	96,943	145,000	35,257	1,735,000	1,061,819
2025	1,058,343	68,304	145,000	29,486	1,820,000	1,245,800
2026-2030	2,107,101	84,510	625,000	56,594	10,565,000	3,962,418
2031-2035	-	-	-	-	13,240,000	2,004,920
2036	-	-	-	-	2,965,000	126,766
Total governmental activities	<u>9,756,017</u>	<u>770,235</u>	<u>4,151,782</u>	<u>260,139</u>	<u>35,060,000</u>	<u>11,853,683</u>
Business-Type Activities:						
2021	3,309,181	173,327	429,428	60,569	-	-
2022	2,432,385	109,939	429,428	53,846	-	-
2023	1,222,788	69,597	429,428	47,123	-	-
2024	789,784	44,360	429,428	40,400	-	-
2025	420,356	28,252	429,428	33,677	-	-
2026-2030	702,896	34,674	1,623,831	78,423	-	-
2031-2035	-	-	600,126	10,506	-	-
Total business-type activities	<u>8,877,390</u>	<u>460,149</u>	<u>4,371,097</u>	<u>324,544</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 18,633,407</u>	<u>\$ 1,230,384</u>	<u>\$ 8,522,879</u>	<u>\$ 584,683</u>	<u>\$ 35,060,000</u>	<u>\$ 11,853,683</u>

Unamortized bond premium of \$2,154,442 and accrued interest of \$259,033 have reduced interest for the special obligation bonds. The liability of \$38,067,256 for other post-employment benefits, the liability of \$6,774,086 for law enforcement separation allowance, and the liability of \$18,562,622 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, 2020, the City had \$35,060,000 in special obligation bond debt outstanding which was applicable to limitation and a legal debt margin of \$292,490,255.

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

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2020, the Rolling Meadows Apartments – Series 2006 is the only revenue bond outstanding, with an aggregate principal amount payable of \$4,800,000.

12. Interfund Balances and Activity

Due To/From Other Funds

The composition of interfund balances as of June 30, 2020, are as follows:

Payable Fund	Receivable Fund		
	General	Electric	Gas
General	\$ -	\$ 115,326	\$ 84,741
Public Transportation	590,877	-	-
Public Safety	5,990	-	-
Capital Projects	-	557,924	-
RM Public Facilities Corporation	16,649,800	-	-
	<u>\$ 17,246,667</u>	<u>\$ 673,250</u>	<u>\$ 84,741</u>

The amounts due to the General fund from the nonmajor governmental funds represent \$596,867 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, 2020 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, 2020 was \$84,741. 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, 2020 was \$673,250.

Transfers To/From Other Funds

Transfer Out	Transfer In			Total
	General Fund/Powell Bill	Nonmajor Governmental	Nonmajor Enterprise	
General Fund	\$ 815,400	\$ 705,411	\$ 75,000	\$ 1,595,811
Nonmajor Governmental Funds	500,000	-	-	500,000
Electric Fund	2,300,000	-	-	2,300,000
Gas Fund	1,200,000	-	-	1,200,000
Total	<u>\$ 4,815,400</u>	<u>\$ 705,411</u>	<u>\$ 75,000</u>	<u>\$ 5,595,811</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, 2020

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, 2020.

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.

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,

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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, 2019, \$268,195,000 of the bonds were outstanding (plus unamortized premium of \$708,000). 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 \$481,604 to the Authority for operating purposes and capital outlay during the year ended June 30, 2020. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$4,264,882 which represents 29% of the net position of the RMWAA shown in their preliminary June 30, 2019 financial statements has been reflected in the City's Statement of Net Position as a noncurrent asset at June 30, 2020. 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, 2020, this payment totaled \$27,250.

CITY OF ROCKY MOUNT, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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 \$22,093,546 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, 2020, 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, 2020, 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, 2020

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 \$427,280 for the year ended June 30, 2020.

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.

Subsequent Events

In March 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19), a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact City revenues. At the current time, we are unable to quantify the potential effects of this pandemic.



ROCKY MOUNT, NC
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REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains information required by generally accepted accounting principles.



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CITY OF ROCKY MOUNT, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
LAST FOUR FISCAL YEARS

Schedule of Changes in Total Pension Liability

	2020	2019	2018	2017
Beginning balance	\$ 6,458,668	\$ 6,480,575	\$ 5,970,895	\$ 6,054,979
Service cost	253,130	283,672	240,984	251,244
Interest on the total pension liability	226,955	198,069	223,166	208,917
Differences between expected and actual experience in the measurement of the total pension liability	82,210	172,567	59,335	-
Changes of assumptions or other inputs	200,430	(251,098)	364,970	(138,294)
Benefit payments	(447,307)	(425,117)	(378,775)	(405,951)
Ending balance of the total pension liability	\$ 6,774,086	\$ 6,458,668	\$ 6,480,575	\$ 5,970,895

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Schedule of Total Pension Liability as a Percentage of Covered Payroll

	2020	2019	2018	2017
Total pension liability	\$ 6,774,086	\$ 6,458,668	\$ 6,480,575	\$ 5,970,895
Covered payroll	8,996,059	9,058,653	8,889,420	8,929,219
Total pension liability as a percentage of covered payroll	75.30%	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
LAST THREE FISCAL YEARS

Schedule of Changes in Total OPEB Liability and Related Ratios

	2020	2019	2018
Beginning balance	\$ 42,631,171	\$ 43,121,881	\$ 44,503,816
Service cost	1,589,219	1,645,340	1,782,808
Interest on the total OPEB liability	1,615,498	1,482,776	1,304,210
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total OPEB liability	(6,000,210)	721,224	269,246
Changes of assumptions or other inputs	456,131	(1,372,334)	(2,371,524)
Benefit payments	(2,224,553)	(2,967,716)	(2,366,675)
Ending balance of the total OPEB liability	<u>\$ 38,067,256</u>	<u>\$ 42,631,171</u>	<u>\$ 43,121,881</u>
Covered payroll	43,302,150	41,459,141	41,459,141
Total OPEB liability as a percentage of covered payroll	87.91%	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:

Fiscal Year	Rate
2020	3.50%
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 SEVEN FISCAL YEARS ***

	Local Government Employee's Retirement System						
	2020	2019	2018	2017	2016	2015	2014
City of Rocky Mount's proportion of the net pension liability (asset) (%)	0.00680%	0.00707%	0.73600%	0.74706%	0.77070%	0.77537%	0.81440%
City of Rocky Mount's proportion of the net pension liability (asset) (\$)	\$ 18,562,622	\$ 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	\$ 45,477,353	\$ 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	40.82%	37.70%	25.82%	37.56%	8.40%	-11.55%	25.10%
Plan fiduciary net position as a percentage of the total pension liability	90.86%	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 SEVEN FISCAL YEARS

	Local Government Employee's Retirement System						
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 4,211,950	\$ 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>4,211,950</u>	<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>	<u>\$ -</u>
City of Rocky Mount's covered payroll	\$ 46,084,456	\$ 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	9.14%	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.



ROCKY MOUNT, NC
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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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Revenues:			
Taxes:			
Ad Valorem Taxes:			
Current year	\$ 26,435,000	\$ 27,063,817	\$ 628,817
Prior years	430,000	383,926	(46,074)
Special district	65,000	59,367	(5,633)
Penalties and interest	230,000	223,707	(6,293)
Total	27,160,000	27,730,817	570,817
Intergovernmental Revenues:			
Payment in lieu of taxes	1,930,650	1,920,900	(9,750)
Local option sales tax	12,820,000	13,490,989	670,989
Telecommunications tax	540,000	462,340	(77,660)
Franchise tax	4,250,000	4,139,735	(110,265)
Tax refunds	50,000	34,553	(15,447)
Beer and wine tax	240,000	235,036	(4,964)
ABC revenues	139,000	131,814	(7,186)
Court facilities fees	97,000	65,434	(31,566)
State grants	2,354,000	1,572,261	(781,739)
On behalf payments - fire	-	19,956	19,956
Other	1,071,000	1,057,207	(13,793)
Total	23,491,650	23,130,225	(361,425)
Licenses, Permits and Other Taxes:			
Building permits and inspection fees	687,000	545,837	(141,163)
Rental vehicle tax	85,000	81,608	(3,392)
Animal tax	18,000	15,940	(2,060)
Other	1,036,000	1,030,281	(5,719)
Total	1,826,000	1,673,666	(152,334)
Sales and Service:			
Solid waste and recycling charges	3,870,000	3,928,677	58,677
Reconnection charges	355,000	302,750	(52,250)
Weed control charges	85,000	99,524	14,524
Cemetery revenues	160,000	166,050	6,050
Sale of fixed assets	166,500	168,336	1,836
Recreation charges	742,700	397,306	(345,394)
Event Center revenues	1,683,990	792,970	(891,020)
Transfer station charges	2,950,000	2,993,829	43,829
Concessions	127,000	69,804	(57,196)
Other	549,030	1,381,057	832,027
Total	10,689,220	10,300,303	(388,917)
Investment Earnings	950,520	831,098	(119,422)

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Miscellaneous:			
Insurance	25,000	18,973	(6,027)
Demolition assessment	75,000	22,754	(52,246)
Excess utility tax	100,000	99,499	(501)
Rents	434,500	302,706	(131,794)
Contributions	79,000	119,140	40,140
Parking	3,650	3,744	94
Other	147,833	152,067	4,234
Total	864,983	718,883	(146,100)
 Total revenues	 64,982,373	 64,384,992	 (597,381)
 Expenditures:			
General Government:			
Mayor and City Council:			
Salaries	146,130	146,120	10
Employee benefits	54,980	53,194	1,786
Operating expenses	912,965	712,098	200,867
Utility service fee	(539,700)	(539,700)	-
Total	574,375	371,712	202,663
 City Clerk:			
Salaries	222,110	222,101	9
Employee benefits	71,380	71,375	5
Operating expenses	27,234	20,549	6,685
Capital outlay	235	234	1
Utility service fee	(208,200)	(208,200)	-
Total	112,759	106,059	6,700
 Internal Audit:			
Salaries	82,500	82,465	35
Employee benefits	23,430	23,097	333
Operating expenses	29,920	28,780	1,140
Utility service fee	(122,480)	(122,480)	-
Total	13,370	11,862	1,508
 Community Services:			
Operating expenses	2,750,161	2,699,836	50,325
Utility service fee	(2,274,610)	(2,274,610)	-
Total	475,551	425,226	50,325
 City Manager:			
Salaries	827,720	824,838	2,882
Employee benefits	218,770	210,667	8,103
Operating expenses	207,748	180,431	27,317
Capital outlay	13,885	13,589	296
Utility service fee	(705,350)	(705,350)	-
Total	562,773	524,175	38,598

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Communications & Marketing:			
Salaries	194,650	194,550	100
Employee benefits	63,440	62,015	1,425
Operating expenses	259,797	224,298	35,499
Capital outlay	32,800	32,173	627
Utility service fee	(362,800)	(362,800)	-
Total	187,887	150,236	37,651
Business & Collections Services:			
Salaries	2,052,110	2,052,064	46
Employee benefits	687,640	687,592	48
Operating expenses	956,059	899,463	56,596
Capital outlay	66,881	65,993	888
Utility service fee	(3,466,800)	(3,466,800)	-
Total	295,890	238,312	57,578
Technology Services:			
Salaries	625,440	621,002	4,438
Employee benefits	179,070	176,892	2,178
Operating expenses	1,537,241	1,429,484	107,757
Capital outlay	408,674	242,668	166,006
Utility service fee	(2,335,800)	(2,335,800)	-
Total	414,625	134,246	280,379
Finance:			
Administration:			
Salaries	269,630	269,616	14
Employee benefits	73,680	73,668	12
Operating expenses	1,669,434	1,309,646	359,788
Capital outlay	5,000	4,995	5
Utility service fee	(1,597,720)	(1,597,720)	-
Total	420,024	60,205	359,819
Accounting:			
Salaries	598,080	598,035	45
Employee benefits	172,940	172,940	-
Operating expenses	53,150	32,712	20,438
Capital outlay	741	740	1
Utility service fee	(707,900)	(707,900)	-
Total	117,011	96,527	20,484
Purchasing:			
Salaries	361,420	361,382	38
Employee benefits	120,890	120,873	17
Operating expenses	53,200	43,503	9,697
Capital outlay	2,300	2,299	1
Utility service fee	(472,600)	(472,600)	-
Total	65,210	55,457	9,753
Total finance	602,245	212,189	390,056

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, 2020**

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Central Services:			
Property & Risk Management:			
Salaries	342,130	320,187	21,943
Employee benefits	123,625	115,006	8,619
Operating expenses	1,335,892	1,057,726	278,166
Capital outlay	3,425,460	1,987,214	1,438,246
Utility service fee	(3,042,400)	(3,042,400)	-
Total	2,184,707	437,733	1,746,974
Print Shop:			
Operating expenses	180,350	123,087	57,263
Utility service fee	(94,500)	(94,500)	-
Total	85,850	28,587	57,263
Judicial Center:			
Salaries	3,540	-	3,540
Employee benefits	33,110	-	33,110
Operating expenses	169,690	122,318	47,372
Capital outlay	865,928	310,696	555,232
Total	1,072,268	433,014	639,254
Total central services	3,342,825	899,334	2,443,491
Development Services:			
Administration:			
Salaries	530,580	530,556	24
Employee benefits	167,410	167,064	346
Operating expenses	248,957	26,177	222,780
Capital outlay	1,812	-	1,812
Total	948,759	723,797	224,962
Inspections:			
Salaries	620,250	563,740	56,510
Employee benefits	196,800	190,401	6,399
Operating expenses	51,688	43,390	8,298
Capital outlay	14,821	14,821	-
Total	883,559	812,352	71,207
Housing Code Enforcement:			
Salaries	481,010	470,367	10,643
Employee benefits	151,580	143,753	7,827
Operating expenses	489,469	358,837	130,632
Capital outlay	32,782	32,747	35
Total	1,154,841	1,005,704	149,137
Total development services	2,987,159	2,541,853	445,306

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Community & Business Development:			
Administration:			
Salaries	138,050	108,498	29,552
Employee benefits	62,880	32,943	29,937
Operating expenses	907,893	602,978	304,915
Utility service fee	(722,300)	(722,300)	-
Capital outlay	8,990	2,979	6,011
Total	395,513	25,098	370,415
Downtown Development:			
Salaries	53,810	18,144	35,666
Employee benefits	27,670	4,536	23,134
Operating expenses	470,783	324,250	146,533
Utility service fee	(317,100)	(317,100)	-
Total	235,163	29,830	205,333
Community Development:			
Salaries	222,500	222,496	4
Employee benefits	64,990	63,646	1,344
Operating expenses	696,443	329,173	367,270
Utility service fee	(561,480)	(561,480)	-
Total	422,453	53,835	368,618
Business Development:			
Salaries	100,160	77,265	22,895
Employee benefits	28,170	23,254	4,916
Operating expenses	147,135	30,518	116,617
Utility service fee	(101,300)	(101,300)	-
Total	174,165	29,737	144,428
Neighborhood Redevelopment:			
Operating expenses	730,535	395,153	335,382
Utility service fee	(266,950)	(266,950)	-
Total	463,585	128,203	335,382
Total community & business development	1,690,879	266,703	1,424,176
Human Resources:			
Salaries	644,530	644,524	6
Employee benefits	1,819,700	1,789,786	29,914
Operating expenses	390,599	297,428	93,171
Capital outlay	11,525	11,064	461
Utility service fee	(1,616,673)	(1,616,673)	-
Total human resources	1,249,681	1,126,129	123,552

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Human Relations:			
Salaries	397,825	368,870	28,955
Employee benefits	114,390	114,372	18
Operating expenses	74,980	34,709	40,271
Utility service fee	(159,600)	(159,600)	-
Total human relations	427,595	358,351	69,244
 Total general government	 12,937,614	 7,366,387	 5,571,227
Public Safety:			
Police:			
Administration:			
Salaries	1,131,194	1,131,148	46
Employee benefits	195,080	194,902	178
Operating expenses	192,079	177,897	14,182
Capital outlay	2,981	2,981	-
Total	1,521,334	1,506,928	14,406
 Support Services:			
Salaries	2,758,000	2,757,689	311
Employee benefits	873,260	873,252	8
Operating expenses	625,631	531,905	93,726
Capital outlay	70,452	70,383	69
Total	4,327,343	4,233,229	94,114
 Special Operations:			
Salaries	1,478,570	1,478,422	148
Employee benefits	492,790	492,641	149
Operating expenses	491,843	423,532	68,311
Capital outlay	90,763	64,913	25,850
Total	2,553,966	2,459,508	94,458
 Patrol Services:			
Salaries	5,211,060	5,210,987	73
Employee benefits	1,739,720	1,739,673	47
Operating expenses	613,880	544,947	68,933
Capital outlay	528,048	118,549	409,499
Total	8,092,708	7,614,156	478,552
 Investigative Services:			
Salaries	1,102,560	1,102,235	325
Employee benefits	357,080	355,798	1,282
Operating expenses	134,550	112,201	22,349
Capital outlay	5,205	5,084	121
Total	1,599,395	1,575,318	24,077
 Total police	 18,094,746	 17,389,139	 705,607

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, 2020**

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Fire:			
Administration:			
Salaries	474,296	473,796	500
Employee benefits	238,730	238,671	59
Operating expenses	409,548	398,804	10,744
Capital outlay	61,434	60,118	1,316
Total	1,184,008	1,171,389	12,619
Operations:			
Salaries	7,166,706	7,166,486	220
Employee benefits	2,146,990	2,146,962	28
Operating expenses	826,202	797,133	29,069
Capital outlay	57,092	55,573	1,519
Total	10,196,990	10,166,154	30,836
Prevention:			
Salaries	303,350	302,236	1,114
Employee benefits	88,350	86,279	2,071
Operating expenses	14,850	13,951	899
Total	406,550	402,466	4,084
Training:			
Salaries	332,700	332,477	223
Employee benefits	101,430	99,606	1,824
Operating expenses	50,843	48,381	2,462
Total	484,973	480,464	4,509
Total fire	12,272,521	12,220,473	52,048
Total public safety	30,367,267	29,609,612	757,655
Public Works:			
Administration:			
Salaries	257,570	256,307	1,263
Employee benefits	75,000	74,947	53
Operating expenses	43,800	37,198	6,602
Total	376,370	368,452	7,918
Street and ROW Maintenance:			
Salaries	797,050	796,984	66
Employee benefits	275,390	275,390	-
Operating expenses	1,338,340	1,246,150	92,190
Capital outlay	59,990	20,114	39,876
Service charges	(620,718)	(641,548)	20,830
Total	1,850,052	1,697,090	152,962

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Environmental Service:			
Salaries	1,884,540	1,884,404	136
Employee benefits	645,170	645,170	-
Operating expenses	4,176,274	4,101,677	74,597
Capital outlay	275,000	-	275,000
Total	6,980,984	6,631,251	349,733
Fleet Maintenance:			
Salaries	697,570	697,563	7
Employee benefits	220,070	219,982	88
Operating expenses	1,904,480	1,901,009	3,471
Capital outlay	10,000	7,436	2,564
Service charges	(2,725,948)	(2,725,948)	-
Total	106,172	100,042	6,130
Engineering:			
Administration:			
Salaries	524,280	524,011	269
Employee benefits	158,510	155,120	3,390
Operating expenses	70,100	65,291	4,809
Capital outlay	27,000	26,931	69
Utility service fee	(591,800)	(591,800)	-
Total	188,090	179,553	8,537
Traffic:			
Salaries	616,516	616,507	9
Employee benefits	212,480	212,313	167
Operating expenses	484,891	412,889	72,002
Capital outlay	136,540	136,537	3
Utility service fee	(720,800)	(720,800)	-
Total	729,627	657,446	72,181
Total public works	10,231,295	9,633,834	597,461
Parks and Recreation:			
Administration:			
Salaries	252,879	252,835	44
Employee benefits	86,150	85,434	716
Operating expenses	379,375	216,734	162,641
Total	718,404	555,003	163,401
Athletics:			
Salaries	237,900	236,952	948
Employee benefits	69,730	69,656	74
Operating expenses	122,420	121,192	1,228
Total	430,050	427,800	2,250

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Cultural Arts:			
Salaries	335,230	335,221	9
Employee benefits	85,630	85,617	13
Operating expenses	175,650	118,748	56,902
Total	596,510	539,586	56,924
Amusements & Special Events:			
Salaries	48,940	48,868	72
Employee benefits	42,030	42,010	20
Operating expenses	261,188	223,596	37,592
Total	352,158	314,474	37,684
Museum:			
Salaries	193,070	191,717	1,353
Employee benefits	55,910	49,562	6,348
Operating expenses	155,161	125,240	29,921
Total	404,141	366,519	37,622
Parks Maintenance:			
Salaries	816,200	816,199	1
Employee benefits	266,425	266,361	64
Operating expenses	1,035,695	987,568	48,127
Capital outlay	814,195	551,337	262,858
Utility service fee	(99,682)	(99,682)	-
Total	2,832,833	2,521,783	311,050
Cemetery Operations:			
Salaries	275,460	275,448	12
Employee benefits	93,220	93,195	25
Operating expenses	133,140	123,105	10,035
Capital outlay	117,700	101,469	16,231
Total	619,520	593,217	26,303
Outdoor Programs:			
Salaries	146,990	146,254	736
Employee benefits	27,440	27,250	190
Operating expenses	34,040	23,689	10,351
Total	208,470	197,193	11,277
Neighborhood Programs:			
Salaries	692,530	692,520	10
Employee benefits	126,970	126,914	56
Operating expenses	396,110	356,597	39,513
Capital outlay	62,750	40,370	22,380
Total	1,278,360	1,216,401	61,959

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Senior Programs:			
Salaries	291,070	290,777	293
Employee benefits	70,720	70,713	7
Operating expenses	245,720	207,393	38,327
Capital outlay	235,000	27,134	207,866
Total	842,510	596,017	246,493
Sports Complex:			
Salaries	390,760	389,906	854
Employee benefits	120,020	120,011	9
Operating expenses	425,880	370,887	54,993
Capital outlay	62,240	62,226	14
Total	998,900	943,030	55,870
Imperial Centre:			
Salaries	184,220	151,056	33,164
Employee benefits	28,760	16,698	12,062
Operating expenses	635,500	592,145	43,355
Capital outlay	3,000	2,570	430
Total	851,480	762,469	89,011
Event Center:			
Operating expenses - contract	2,458,410	2,444,849	13,561
Operating expenses - other	442,842	411,074	31,768
Total	2,901,252	2,855,923	45,329
Total parks and recreation	13,034,588	11,889,415	1,145,173
Public Service:			
Capital outlay	3,813,676	720,680	3,092,996
Debt Service Expenditures:			
Principal	3,679,000	3,678,859	141
Interest	2,005,838	1,908,817	97,021
Total debt service expenditures	5,684,838	5,587,676	97,162
Total expenditures	76,069,278	64,807,604	11,261,674
Revenues over (under) expenditures	(11,086,905)	(422,612)	10,664,293
Other Financing Sources (Uses):			
Transfers to other funds	(1,723,900)	(1,595,811)	128,089
Transfers from other funds	5,100,000	4,815,400	(284,600)
Installment purchase financing issued	2,719,000	976,000	(1,743,000)
Total other financing sources (uses):	6,095,100	4,195,589	(1,899,511)

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, 2020

	2020		
	Final Budget	Actual	Variance Positive/(Negative)
Revenues and other financing sources over (under) expenditures and other financing uses	(4,991,805)	3,772,977	8,764,782
Fund balance appropriated	4,991,805	-	(4,991,805)
Net change in fund balance	<u>\$ -</u>	3,772,977	<u>\$ 3,772,977</u>
Fund Balance:			
Beginning of year, July 1		<u>49,066,547</u>	
End of year, June 30		<u>\$ 52,839,524</u>	

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, 2020

		Actual		
	Project Budget	Prior Years	Current Year	Total
Revenues:				
Contributions	\$ -	\$ 9,000	\$ -	\$ 9,000
Miscellaneous	1,473,632	442,675	210,519	653,194
Total revenues	<u>1,473,632</u>	<u>451,675</u>	<u>210,519</u>	<u>662,194</u>
Expenditures:				
Debt service:				
Interest	1,473,632	442,675	210,519	653,194
Total expenditures	<u>1,473,632</u>	<u>442,675</u>	<u>210,519</u>	<u>653,194</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 9,000</u>	-	<u>\$ 9,000</u>
Fund Balance:				
Beginning of year, July 1			<u>9,000</u>	
End of year, June 30			<u>\$ 9,000</u>	

NON MAJOR GOVERNMENTAL FUNDS



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CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2020

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets:			
Cash and cash equivalents/investments	\$ 1,215,681	\$ 2,971,386	\$ 4,187,067
Receivables - net:			
Ad valorem taxes	-	7,714	7,714
Other governmental agencies	1,132,218	250,000	1,382,218
Other	710,580	181,911	892,491
Prepaid items	400,000	-	400,000
Restricted cash and investments	500	-	500
Total assets	<u>\$ 3,458,979</u>	<u>\$ 3,411,011</u>	<u>\$ 6,869,990</u>
Liabilities:			
Accounts payable and accrued expenditures	\$ 69,687	\$ -	\$ 69,687
Liabilities to be paid from restricted assets	500	-	500
Due to other funds	596,867	557,924	1,154,791
Total liabilities	<u>667,054</u>	<u>557,924</u>	<u>1,224,978</u>
Deferred Inflows of Resources:			
Taxes receivable	-	7,714	7,714
Total deferred inflows of resources	<u>-</u>	<u>7,714</u>	<u>7,714</u>
Fund Balances:			
Nonspendable			
Prepaid items	400,000	-	400,000
Restricted:			
Stabilization by State statute	1,842,798	431,911	2,274,709
Public safety	328,878	-	328,878
Parks and recreation	397,097	-	397,097
Committed			
Public service	480,040	-	480,040
Future capital projects	-	2,341,188	2,341,188
Assigned	-	72,274	72,274
Unassigned	<u>(656,888)</u>	<u>-</u>	<u>(656,888)</u>
Total fund balances	<u>2,791,925</u>	<u>2,845,373</u>	<u>5,637,298</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,458,979</u>	<u>\$ 3,411,011</u>	<u>\$ 6,869,990</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, 2020**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	4,260,658	337,004	4,597,662
Project revenues	2,499,037	-	2,499,037
Investment earnings	14,260	771	15,031
Miscellaneous	55,953	1,050	57,003
Total revenues	<u>6,829,908</u>	<u>338,825</u>	<u>7,168,733</u>
Expenditures:			
Public safety	170,233	-	170,233
Parks and recreation	-	612,806	612,806
Public service	5,499,289	-	5,499,289
Community revitalization	1,075,455	-	1,075,455
Economic development	11,297	-	11,297
Debt service:			
Principal	72,500	-	72,500
Interest	28,217	-	28,217
Total expenditures	<u>6,856,991</u>	<u>612,806</u>	<u>7,469,797</u>
Revenues over (under) expenditures	<u>(27,083)</u>	<u>(273,981)</u>	<u>(301,064)</u>
Other Financing Sources (Uses):			
Transfers to other funds	(500,000)	-	(500,000)
Transfers from other funds	668,689	36,722	705,411
Total other financing sources (uses)	<u>168,689</u>	<u>36,722</u>	<u>205,411</u>
Net change in fund balances	141,606	(237,259)	(95,653)
Fund Balances:			
Beginning of year, July 1	2,650,319	3,082,632	5,732,951
End of year, June 30	<u>\$ 2,791,925</u>	<u>\$ 2,845,373</u>	<u>\$ 5,637,298</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, 2020**

	Public Transportation Grants	Entitlement Grants	Crime/ Safety Control
Assets:			
Cash and cash equivalents/investments	\$ -	\$ 483,374	\$ -
Receivables - net:			
Other governmental agencies	990,396	83,069	26,882
Other	618,070	3,432	-
Prepaid items	400,000	-	-
Restricted cash and investments	-	500	-
Total assets	<u>\$ 2,008,466</u>	<u>\$ 570,375</u>	<u>\$ 26,882</u>
Liabilities:			
Accounts payable and accrued expenditures	\$ 46,199	\$ 6,252	\$ 13,822
Liabilities to be paid from restricted assets	-	500	-
Due to other funds	590,877	-	5,990
Total liabilities	<u>637,076</u>	<u>6,752</u>	<u>19,812</u>
Fund Balance:			
Nonspendable:			
Prepaid items	400,000	-	-
Restricted:			
Stabilization by State statute	1,608,466	86,501	26,882
Public safety	-	-	-
Parks and recreation	-	-	-
Committed	-	477,122	-
Unassigned	(637,076)	-	(19,812)
Total fund balance (deficit)	<u>1,371,390</u>	<u>563,623</u>	<u>7,070</u>
Total liabilities and fund balance	<u>\$ 2,008,466</u>	<u>\$ 570,375</u>	<u>\$ 26,882</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020**

	Economic Development	Emergency Telephone System	Occupancy Tax	Total
Assets:				
Cash and cash equivalents/investments	\$ 2,918	\$ 332,292	\$ 397,097	\$ 1,215,681
Receivables - net:				
Other governmental agencies	-	31,871	-	1,132,218
Other	7,578	-	81,500	710,580
Prepaid items	-	-	-	400,000
Restricted cash and investments	-	-	-	500
Total assets	<u>\$ 10,496</u>	<u>\$ 364,163</u>	<u>\$ 478,597</u>	<u>\$ 3,458,979</u>
Liabilities:				
Accounts payable and accrued expenditures	\$ -	\$ 3,414	\$ -	\$ 69,687
Liabilities to be paid from restricted assets	-	-	-	500
Due to other funds	-	-	-	596,867
Total liabilities	<u>-</u>	<u>3,414</u>	<u>-</u>	<u>667,054</u>
Fund Balance:				
Nonspendable:				
Prepaid items	-	-	-	400,000
Restricted:				
Stabilization by State statute	7,578	31,871	81,500	1,842,798
Public safety	-	328,878	-	328,878
Parks and recreation	-	-	397,097	397,097
Committed	2,918	-	-	480,040
Unassigned	-	-	-	(656,888)
Total fund balance (deficit)	<u>10,496</u>	<u>360,749</u>	<u>478,597</u>	<u>2,791,925</u>
Total liabilities and fund balance	<u>\$ 10,496</u>	<u>\$ 364,163</u>	<u>\$ 478,597</u>	<u>\$ 3,458,979</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, 2020

	Public Transportation Grants	Entitlement Grants	Crime/ Safety Control
Revenues:			
Intergovernmental	\$ 2,306,327	\$ 1,091,538	\$ 153,822
Project revenues	2,490,504	8,533	-
Investment earnings	-	759	-
Miscellaneous	47,806	8,147	-
Total revenues	<u>4,844,637</u>	<u>1,108,977</u>	<u>153,822</u>
Expenditures:			
Public safety	-	-	170,233
Public service	5,228,739	-	-
Community revitalization	-	1,075,455	-
Economic development	-	-	-
Debt service:			
Principal	-	72,500	-
Interest	-	28,217	-
Total expenditures	<u>5,228,739</u>	<u>1,176,172</u>	<u>170,233</u>
Revenues over (under) expenditures	<u>(384,102)</u>	<u>(67,195)</u>	<u>(16,411)</u>
Other Financing Sources (Uses):			
Transfers to other funds	-	-	-
Transfers from other funds	342,079	325,000	1,610
Total other financing sources (uses)	<u>342,079</u>	<u>325,000</u>	<u>1,610</u>
Net change in fund balances	(42,023)	257,805	(14,801)
Fund Balance:			
Beginning of year, July 1	1,413,413	305,818	21,871
End of year , June 30	<u>\$ 1,371,390</u>	<u>\$ 563,623</u>	<u>\$ 7,070</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, 2020

	Economic Development	Emergency Telephone System	Occupancy Tax	Total
Revenues:				
Intergovernmental	\$ -	382,461	\$ 326,510	\$ 4,260,658
Project revenues	-	-	-	2,499,037
Investment earnings	-	3,756	9,745	14,260
Miscellaneous	-	-	-	55,953
Total revenues	-	386,217	336,255	6,829,908
Expenditures:				
Public safety	-	-	-	170,233
Public service	-	270,550	-	5,499,289
Community revitalization	-	-	-	1,075,455
Economic development	11,297	-	-	11,297
Debt service:				
Principal	-	-	-	72,500
Interest	-	-	-	28,217
Total expenditures	11,297	270,550	-	6,856,991
Revenues over (under) expenditures	(11,297)	115,667	336,255	(27,083)
Other Financing Sources (Uses):				
Transfers to other funds	-	-	(500,000)	(500,000)
Transfers from other funds	-	-	-	668,689
Total other financing sources (uses)	-	-	(500,000)	168,689
Net change in fund balances	(11,297)	115,667	(163,745)	141,606
Fund Balance:				
Beginning of year, July 1	21,793	245,082	642,342	2,650,319
End of year , June 30	\$ 10,496	\$ 360,749	\$ 478,597	\$ 2,791,925

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, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 10,170,856	\$ 7,079,888	\$ 2,306,327	\$ 9,386,215
Project revenues	7,733,309	5,374,870	2,490,504	7,865,374
Miscellaneous	15,000	10,140	47,806	57,946
Total revenues	<u>17,919,165</u>	<u>12,464,898</u>	<u>4,844,637</u>	<u>17,309,535</u>
Expenditures:				
Public Service:				
Operating	14,425,889	9,025,721	4,345,044	13,370,765
Capital outlay	<u>5,180,935</u>	<u>4,224,121</u>	<u>883,695</u>	<u>5,107,816</u>
Total expenditures	<u>19,606,824</u>	<u>13,249,842</u>	<u>5,228,739</u>	<u>18,478,581</u>
Revenues over (under) expenditures	<u>(1,687,659)</u>	<u>(784,944)</u>	<u>(384,102)</u>	<u>(1,169,046)</u>
Other Financing Sources (Uses):				
Transfers from other funds	1,014,630	669,485	342,079	1,011,564
Transfers to other funds	(25,000)	(25,000)	-	(25,000)
Fund balance appropriated	<u>698,029</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,687,659</u>	<u>644,485</u>	<u>342,079</u>	<u>986,564</u>
Adjustment for closed projects	<u>-</u>	<u>1,553,872</u>		<u>1,553,872</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,413,413</u>	(42,023)	<u>\$ 1,371,390</u>
Fund Balance:				
Beginning of year, July 1			<u>1,413,413</u>	
End of year, June 30			<u>\$ 1,371,390</u>	

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, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 11,575,785	\$ 7,635,313	\$ 1,091,538	\$ 8,726,851
Project revenues	1,795,835	2,033,627	8,533	2,042,160
Investment earnings	-	10,672	759	11,431
Miscellaneous	-	25,504	8,147	33,651
Total revenues	<u>13,371,620</u>	<u>9,705,116</u>	<u>1,108,977</u>	<u>10,814,093</u>
Expenditures:				
Community revitalization program:				
Operating	13,974,568	9,415,306	1,075,455	10,490,761
Capital outlay	5,100	-	-	-
Debt service:				
Principal	616,500	542,500	72,500	615,000
Interest	250,452	216,492	28,217	244,709
Total expenditures	<u>14,846,620</u>	<u>10,174,298</u>	<u>1,176,172</u>	<u>11,350,470</u>
Revenues over (under) expenditures	<u>(1,475,000)</u>	<u>(469,182)</u>	<u>(67,195)</u>	<u>(536,377)</u>
Other Financing Sources (Uses):				
Transfers from other funds	1,475,000	775,000	325,000	1,100,000
Total other financing sources (uses)	<u>1,475,000</u>	<u>775,000</u>	<u>325,000</u>	<u>1,100,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 305,818</u>	257,805	<u>\$ 563,623</u>
Fund Balance:				
Beginning of year, July 1			<u>305,818</u>	
End of year, June 30			<u>\$ 563,623</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, 2020

	Actual			
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 490,552	\$ 15,909	\$ 153,822	\$ 169,731
Total revenues	<u>490,552</u>	<u>15,909</u>	<u>153,822</u>	<u>169,731</u>
Expenditures:				
Public Safety:				
Operating	71,138	-	37,520	37,520
Capital outlay	<u>474,923</u>	<u>17,892</u>	<u>132,713</u>	<u>150,605</u>
Total expenditures	<u>546,061</u>	<u>17,892</u>	<u>170,233</u>	<u>188,125</u>
Revenues over (under) expenditures	<u>(55,509)</u>	<u>(1,983)</u>	<u>(16,411)</u>	<u>(18,394)</u>
Other Financing Sources (Uses):				
Transfers from other funds	<u>55,509</u>	<u>23,060</u>	<u>1,610</u>	<u>24,670</u>
Adjustment for closed projects	<u>-</u>	<u>794</u>		<u>794</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 21,871</u>	(14,801)	<u>\$ 7,070</u>
Fund Balance:				
Beginning of year, July 1			<u>21,871</u>	
End of year, June 30			<u>\$ 7,070</u>	

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, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:				
Intergovernmental	\$ 946,667	\$ 786,496	\$ -	\$ 786,496
Investment earnings	-	10,496	-	10,496
Total revenues	<u>946,667</u>	<u>796,992</u>	<u>-</u>	<u>796,992</u>
Expenditures:				
Economic development:				
Operating	<u>956,667</u>	<u>785,199</u>	<u>11,297</u>	<u>796,496</u>
Total expenditures	<u>956,667</u>	<u>785,199</u>	<u>11,297</u>	<u>796,496</u>
Revenues over (under) expenditures	<u>(10,000)</u>	<u>11,793</u>	<u>(11,297)</u>	<u>496</u>
Other Financing Sources (Uses):				
Transfers from other funds	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 21,793</u>	<u>(11,297)</u>	<u>\$ 10,496</u>
Fund Balance:				
Beginning of year, July 1			<u>21,793</u>	
End of year, June 30			<u>\$ 10,496</u>	

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, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
Intergovernmental	\$ 382,460	\$ 382,461	\$ 1
Investment earnings	3,000	3,756	756
Total revenues	<u>385,460</u>	<u>386,217</u>	<u>757</u>
Expenditures:			
Public service:			
Telephone	263,000	171,670	91,330
Software maintenance	79,000	78,104	896
Hardware maintenance	18,000	17,376	624
Training	2,460	-	2,460
Capital outlay	23,000	3,400	19,600
Total expenditures	<u>385,460</u>	<u>270,550</u>	<u>114,910</u>
Net change in fund balance	<u>\$ -</u>	115,667	<u>\$ 115,667</u>
Fund Balances:			
Beginning of year, July 1		<u>245,082</u>	
End of year, June 30		<u>\$ 360,749</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, 2020

		Actual		
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
Intergovernmental	\$ 8,525,000	\$ 8,570,020	\$ 326,510	\$ 8,896,530
Investment earnings	35,000	81,329	9,745	91,074
Total revenues	<u>8,560,000</u>	<u>8,651,349</u>	<u>336,255</u>	<u>8,987,604</u>
Other Financing Sources (Uses):				
Transfers to other funds	<u>(8,560,000)</u>	<u>(8,009,007)</u>	<u>(500,000)</u>	<u>(8,509,007)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 642,342</u>	<u>(163,745)</u>	<u>\$ 478,597</u>
Fund Balance:				
Beginning of year, July 1			<u>642,342</u>	
End of year, June 30			<u>\$ 478,597</u>	



ROCKY MOUNT, NC
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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.



ROCKY MOUNT, NC
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CITY OF ROCKY MOUNT, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2020

	General Capital Projects	General Capital Development Projects	Total Nonmajor Capital Project Funds
Assets:			
Cash and cash equivalents/investments	\$ 630,198	\$ 2,341,188	\$ 2,971,386
Receivables - net:			
Ad valorem taxes	7,714	-	7,714
Other governmental agencies	-	250,000	250,000
Other	-	181,911	181,911
Total assets	<u>\$ 637,912</u>	<u>\$ 2,773,099</u>	<u>\$ 3,411,011</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Due to other funds	<u>\$ 557,924</u>	<u>\$ -</u>	<u>\$ 557,924</u>
Total liabilities	<u>557,924</u>	<u>-</u>	<u>557,924</u>
Deferred Inflows of Resources:			
Taxes receivable	<u>7,714</u>	<u>-</u>	<u>7,714</u>
Total deferred inflows of resources	<u>7,714</u>	<u>-</u>	<u>7,714</u>
Fund Balance:			
Restricted:			
Stabilization by State statute	-	431,911	431,911
Committed	-	2,341,188	2,341,188
Assigned	<u>72,274</u>	<u>-</u>	<u>72,274</u>
Total fund balance	<u>72,274</u>	<u>2,773,099</u>	<u>2,845,373</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 637,912</u>	<u>\$ 2,773,099</u>	<u>\$ 3,411,011</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, 2020

	General Capital Projects	General Capital Development Projects	Total Nonmajor Capital Project Funds
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	337,004	337,004
Investment earnings	-	771	771
Miscellaneous	-	1,050	1,050
Total revenues	-	338,825	338,825
Expenditures:			
Parks and recreation	-	612,806	612,806
Total expenditures	-	612,806	612,806
Revenues over (under) expenditures	-	(273,981)	(273,981)
Other Financing Sources (Uses):			
Transfers from other funds	-	36,722	36,722
Total other financing sources (uses)	-	36,722	36,722
Net change in fund balances	-	(237,259)	(237,259)
Fund Balances:			
Beginning of year - July 1	72,274	3,010,358	3,082,632
End of year - June 30	<u>\$ 72,274</u>	<u>\$ 2,773,099</u>	<u>\$ 2,845,373</u>

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, 2020

	<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, 2020

	Project Authorization	Prior Years	Actual Current Year	Total
Revenues:				
Intergovernmental	\$ 6,061,414	\$ 5,707,825	\$ 337,004	\$ 6,044,829
Investment earnings	-	465,918	771	466,689
Miscellaneous	5,184,557	6,096,293	1,050	6,097,343
Total revenues	<u>11,245,971</u>	<u>12,270,036</u>	<u>338,825</u>	<u>12,608,861</u>
Expenditures:				
Parks and recreation	28,602,907	26,732,231	612,806	27,345,037
Public service	17,041,778	16,798,568	-	16,798,568
Total expenditures	<u>45,644,685</u>	<u>43,530,799</u>	<u>612,806</u>	<u>44,143,605</u>
Revenues over (under) expenditures	<u>(34,398,714)</u>	<u>(31,260,763)</u>	<u>(273,981)</u>	<u>(31,534,744)</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	7,828,434	36,722	7,865,156
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>34,271,121</u>	<u>36,722</u>	<u>34,307,843</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,010,358</u>	<u>(237,259)</u>	<u>\$ 2,773,099</u>
Fund Balance:				
Beginning of year, July 1			<u>3,010,358</u>	
End of year, June 30			<u>\$ 2,773,099</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.



ROCKY MOUNT, NC
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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, 2020

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 77,510,000	\$ 73,090,603	\$ (4,419,397)
Other operating revenue	1,475,327	943,834	(531,493)
Other nonoperating revenue	50,000	140,837	90,837
Investment earnings	840,000	629,552	(210,448)
Total revenues	<u>79,875,327</u>	<u>74,804,826</u>	<u>(5,070,501)</u>
Expenditures and Budgetary Appropriations:			
Distribution systems:			
Salaries	3,011,934	2,901,761	110,173
Employee benefits	1,589,120	1,505,344	83,776
Electric power purchase	55,697,085	51,950,592	3,746,493
Operating expense	12,264,703	9,540,017	2,724,686
Engineering:			
Salaries	1,456,720	1,333,929	122,791
Employee benefits	421,150	409,649	11,501
Operating expense	1,561,359	850,984	710,375
Budgetary appropriations:			
Capital outlay	6,267,976	3,513,131	2,754,845
Debt services expenditures	1,953,500	1,952,495	1,005
Appropriation to school system	42,730	42,730	-
Total expenditures and budgetary appropriations	<u>84,266,277</u>	<u>74,000,632</u>	<u>10,265,645</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(4,390,950)</u>	<u>804,194</u>	<u>5,195,144</u>
Other Financing Sources (Uses):			
Transfers to other funds	(2,300,000)	(2,300,000)	-
Installment purchase financing issued	1,949,000	750,000	(1,199,000)
Fund balance appropriated	4,741,950	-	(4,741,950)
Total other financing sources (uses)	<u>4,390,950</u>	<u>(1,550,000)</u>	<u>(5,940,950)</u>
Revenues and other financing sources over (under) expenditures and budgetary appropriations and other financing uses	<u>\$ -</u>	<u>\$ (745,806)</u>	<u>\$ (745,806)</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		\$ (745,806)	
Depreciation		(1,967,363)	
Debt principal		1,867,867	
Capitalized capital outlay		3,122,784	
Rate stabilization/Working capital		1,210,000	
Decrease in deferred inflows of resources - pensions		5,093	
Decrease in deferred outflows of resources - pensions		(147,462)	
Increase in net pension liability		(129,076)	
Increase in deferred inflows of resources - OPEB		(334,234)	
Increase in deferred outflows of resources - OPEB		49,955	
Decrease in net OPEB liability		337,580	
Debt issued		(750,000)	
Change in net position		<u>\$ 2,519,338</u>	

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, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
User charges	\$ 20,800,000	\$ 20,826,108	\$ 26,108
Other operating revenue	194,000	370,112	176,112
Investment earnings	340,000	238,428	(101,572)
Total revenues	<u>21,334,000</u>	<u>21,434,648</u>	<u>100,648</u>
Expenditures and Budgetary Appropriations:			
Distribution systems:			
Salaries	1,501,970	1,501,954	16
Employee benefits	1,150,310	1,092,294	58,016
Natural gas purchases	10,227,800	10,215,375	12,425
Operating expense	8,065,989	6,902,723	1,163,266
Budgetary appropriations:			
Capital outlay	1,234,324	575,832	658,492
Debt services expenditures	372,923	372,725	198
Appropriation to school system	320,460	320,460	-
Total expenditures and budgetary appropriations	<u>22,873,776</u>	<u>20,981,363</u>	<u>1,892,413</u>
Revenues over (under) expenditures	<u>(1,539,776)</u>	<u>453,285</u>	<u>1,993,061</u>
Other Financing Sources (Uses):			
Transfers to other funds	(1,200,000)	(1,200,000)	-
Installment purchase financing issued	200,000	178,000	(22,000)
Fund balance appropriated	2,539,776	-	(2,539,776)
Total other financing sources (uses)	<u>1,539,776</u>	<u>(1,022,000)</u>	<u>(2,561,776)</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ (568,715)</u>	<u>\$ (568,715)</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		\$ (568,715)	
Depreciation		(686,101)	
Debt principal		336,239	
Capitalized capital outlay		475,596	
Gain (loss) on retirement/transfer of assets		(246,824)	
Rate stabilization/working capital		100,000	
Decrease in deferred inflows of resources - pensions		2,315	
Decrease in deferred outflows of resources - pensions		(67,028)	
Increase in net pension liability		(58,671)	
Increase in deferred inflows of resources - OPEB		(181,216)	
Increase in deferred outflows of resources - OPEB		60,448	
Decrease in net OPEB liability		153,446	
Debt issued		(178,000)	
Change in net position		<u>\$ (858,511)</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, 2020

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 11,000,000	\$ 10,794,113	\$ (205,887)
Licenses and permits	50,000	31,498	(18,502)
Other operating revenue	280,000	852,027	572,027
Other nonoperating revenue	164,804	111,278	(53,526)
Investment earnings	225,000	171,622	(53,378)
Total revenues	<u>11,719,804</u>	<u>11,960,538</u>	<u>240,734</u>
Expenditures and Budgetary Appropriations:			
Water treatment plants:			
Salaries	1,553,913	1,553,859	54
Employee benefits	1,061,829	1,058,922	2,907
Operating expense	4,887,481	4,172,039	715,442
Water services:			
Salaries	795,979	764,319	31,660
Employee benefits	329,100	261,958	67,142
Operating expense	2,416,499	2,323,474	93,025
Budgetary appropriations:			
Capital outlay	5,285,406	1,785,410	3,499,996
Debt services expenditures	530,398	530,270	128
Total expenditures and budgetary appropriations	<u>16,860,605</u>	<u>12,450,251</u>	<u>4,410,354</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(5,140,801)</u>	<u>(489,713)</u>	<u>4,651,088</u>
Other Financing Sources (Uses):			
Transfers to other funds	(300,000)	-	300,000
Installment purchase financing issued	350,000	-	(350,000)
Fund balance appropriated	5,090,801	-	(5,090,801)
Total other financing sources (uses)	<u>5,140,801</u>	<u>-</u>	<u>(5,140,801)</u>
Revenues and other financing sources over (under) expenditures and budgetary appropriations and other financing uses	<u>\$ -</u>	<u>\$ (489,713)</u>	<u>\$ (489,713)</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	\$ (489,713)
Depreciation	(1,349,594)
Debt principal	506,199
Capitalized capital outlay	1,329,682
Emergency reserve funding	5,800
Decrease in deferred inflows of resources - pensions	4,432
Decrease in deferred outflows of resources - pensions	(128,311)
Increase in net pension liability	(112,313)
Increase in deferred inflows of resources - OPEB	(311,787)
Increase in deferred outflows of resources - OPEB	70,473
Decrease in net OPEB liability	293,739
Change in net position	<u>\$ (181,393)</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, 2020

	Budget	Actual	Variance Positive/(Negative)
Revenues:			
User charges	\$ 13,600,000	\$ 12,829,201	\$ (770,799)
Licenses and permits	58,500	59,738	1,238
Other operating revenue	1,131,130	1,493,516	362,386
Other nonoperating revenue	6,220	-	(6,220)
Investment earnings	240,000	150,122	(89,878)
Total revenues	<u>15,035,850</u>	<u>14,532,577</u>	<u>(503,273)</u>
Expenditures and Budgetary Appropriations:			
Waste water treatment plants:			
Salaries	1,136,960	1,136,048	912
Employee benefits	910,830	907,806	3,024
Operating expense	6,367,026	6,062,579	304,447
Sewer services:			
Salaries	612,580	611,759	821
Employee benefits	215,490	197,871	17,619
Operating expense	3,224,560	3,105,366	119,194
Budgetary appropriations:			
Capital outlay	7,622,479	3,048,072	4,574,407
Debt services expenditures	1,535,850	1,528,705	7,145
Appropriation to school system	64,090	64,090	-
Total expenditures and budgetary appropriations	<u>21,689,865</u>	<u>16,662,296</u>	<u>5,027,569</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(6,654,015)</u>	<u>(2,129,719)</u>	<u>4,524,296</u>
Other Financing Sources (Uses):			
Installment purchase financing issued	1,738,000	831,000	(907,000)
Fund balance appropriated	4,916,015	-	(4,916,015)
Total other financing sources (uses)	<u>6,654,015</u>	<u>831,000</u>	<u>(5,823,015)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,298,719)</u>	<u>\$ (1,298,719)</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		\$ (1,298,719)	
Depreciation		(2,034,646)	
Debt principal		1,376,399	
Capitalized capital outlay		2,248,421	
Gain (loss) on retirement/transfer of assets		(28,507)	
Emergency reserve funding		13,000	
Decrease in deferred inflows of resources - pensions		2,910	
Decrease in deferred outflows of resources - pensions		(84,264)	
Increase in net pension liability		(73,757)	
Increase in deferred inflows of resources - OPEB		(204,840)	
Increase in deferred outflows of resources - OPEB		46,391	
Decrease in net OPEB liability		192,903	
Debt issued		(831,000)	
Change in net position		<u>\$ (675,709)</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, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
User charges	\$ 4,090,000	\$ 4,113,775	\$ 23,775
Other operating revenue	95,000	57,430	(37,570)
Grants and subsidies	-	303,926	303,926
Investment earnings	80,000	73,660	(6,340)
Total revenues	<u>4,265,000</u>	<u>4,548,791</u>	<u>283,791</u>
Expenditures and Budgetary Appropriations:			
Stormwater management:			
Salaries	227,690	227,588	102
Employee benefits	66,200	66,102	98
Operating expense	939,120	920,367	18,753
Stormwater operations:			
Salaries	1,438,645	1,272,002	166,643
Employee benefits	764,890	546,345	218,545
Operating expense	871,740	458,928	412,812
Budgetary appropriations:			
Capital outlay	1,172,769	1,084,890	87,879
Debt services expenditures	<u>330,629</u>	<u>330,515</u>	<u>114</u>
Total expenditures and budgetary appropriations	<u>5,811,683</u>	<u>4,906,737</u>	<u>904,946</u>
Revenues over (under) expenditures and budgetary appropriations	<u>(1,546,683)</u>	<u>(357,946)</u>	<u>1,188,737</u>
Other Financing Sources (Uses):			
Transfers from other funds	75,000	75,000	-
Installment purchase financing issued	260,000	252,000	(8,000)
Fund balance appropriated	<u>1,211,683</u>	<u>-</u>	<u>(1,211,683)</u>
Total other financing sources (uses)	<u>1,546,683</u>	<u>327,000</u>	<u>(1,219,683)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (30,946)</u>	<u>\$ (30,946)</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		\$ (30,946)	
Depreciation		(289,174)	
Debt principal		320,719	
Capitalized capital outlay		1,079,692	
Decrease in deferred inflows of resources - pensions		1,918	
Decrease in deferred outflows of resources - pensions		(55,537)	
Increase in net pension liability		(48,613)	
Increase in deferred inflows of resources - OPEB		(119,844)	
Increase in deferred outflows of resources - OPEB		11,038	
Decrease in net OPEB liability		127,141	
Debt issued		(252,000)	
Change in net position		<u>\$ 744,394</u>	



ROCKY MOUNT, NC
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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.



ROCKY MOUNT, NC
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CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020

	Risk Management	Communications	Total Internal Service Funds
Assets:			
Current Assets:			
Other	\$ 43,962	\$ -	\$ 43,962
Restricted cash and investments	663,244	408,453	1,071,697
Total current assets	707,206	408,453	1,115,659
Noncurrent Assets:			
Capital assets, depreciable, net of accumulated depreciation and amortization	-	2,918,596	2,918,596
Total noncurrent assets	-	2,918,596	2,918,596
Total assets	707,206	3,327,049	4,034,255
Liabilities:			
Current Liabilities:			
Accounts payable and accrued expenditures	663	25,564	26,227
Current accrued compensated absences	-	3,763	3,763
Total current liabilities	663	29,327	29,990
Noncurrent Liabilities:			
Accrued compensated absences	-	10,030	10,030
Total noncurrent liabilities	-	10,030	10,030
Total liabilities	663	39,357	40,020
Net Position:			
Net investment in capital assets	-	2,918,596	2,918,596
Unrestricted	706,543	369,096	1,075,639
Total net position	\$ 706,543	\$ 3,287,692	\$ 3,994,235

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, 2020**

	Risk Management	Communications	Total Internal Service Funds
Operating Revenues:			
Insurance premiums	\$ 11,509,858	\$ -	\$ 11,509,858
User charges	-	89,679	89,679
Total operating revenues	<u>11,509,858</u>	<u>89,679</u>	<u>11,599,537</u>
Operating Expenses:			
Current:			
Insurance claims	9,189,249	-	9,189,249
Cost of service and administration	2,261,691	-	2,261,691
Communications	-	929,223	929,223
Depreciation and amortization	-	483,942	483,942
Total operating expenses	<u>11,450,940</u>	<u>1,413,165</u>	<u>12,864,105</u>
Operating income (loss)	<u>58,918</u>	<u>(1,323,486)</u>	<u>(1,264,568)</u>
Net change in net position	58,918	(1,323,486)	(1,264,568)
Net Position:			
Beginning of year - July 1	647,625	4,611,178	5,258,803
End of year - June 30	<u>\$ 706,543</u>	<u>\$ 3,287,692</u>	<u>\$ 3,994,235</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	Risk Management	Communications	Total Internal Service Funds
Cash Flows From Operating Activities:			
Receipts from customers	\$ 1,272,625	\$ -	\$ 1,272,625
Payments to suppliers for goods and services	(11,451,358)	(744,739)	(12,196,097)
Payments to or on behalf of employees	-	(200,005)	(200,005)
Cash received (paid) for interfund services provided (used)	10,237,482	\$ 89,679	10,327,161
Net cash provided (used) by operating activities	58,749	(855,065)	(796,316)
Cash and Cash Equivalents/Investments:			
Beginning of year, July 1	604,495	1,263,518	1,868,013
End of year, June 30	\$ 663,244	\$ 408,453	\$ 1,071,697
Restricted cash and investments	\$ 663,244	\$ 408,453	\$ 1,071,697
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used in) Operating Activities:			
Operating income (loss)	\$ 58,918	\$ (1,323,486)	\$ (1,264,568)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and amortization	-	483,942	483,942
Change in Assets and Liabilities:			
(Increase) decrease in receivables and assessments	249	-	249
Increase (decrease) in accounts payable and accrued expenses	(418)	(17,951)	(18,369)
Increase (decrease) in accrued compensated absences and other accrued liabilities	-	2,430	2,430
Net cash provided (used) by operating activities	\$ 58,749	\$ (855,065)	\$ (796,316)

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, 2020

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
Insurance premiums	\$ 11,730,000	\$ 11,509,858	\$ (220,142)
Expenditures:			
Insurance claims	9,468,000	9,189,249	278,751
Administrative fees	<u>2,262,000</u>	<u>2,261,691</u>	<u>309</u>
Total expenditures	<u>11,730,000</u>	<u>11,450,940</u>	<u>279,060</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 58,918</u>	<u>\$ 58,918</u>

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, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative)</u>
Revenues:			
User charges	\$ 1,109,750	\$ 89,679	\$ (1,020,071)
Total revenues	<u>1,109,750</u>	<u>89,679</u>	<u>(1,020,071)</u>
Expenditures:			
Salaries	182,820	159,234	23,586
Employee benefits	44,090	43,201	889
Operating expense	692,840	609,211	83,629
Capital outlay	<u>190,000</u>	<u>117,577</u>	<u>72,423</u>
Total expenditures	<u>1,109,750</u>	<u>929,223</u>	<u>180,527</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (839,544)</u>	<u>\$ (839,544)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues over (under) expenditures		\$ (839,544)	
Depreciation		<u>(483,942)</u>	
Change in net position		<u>\$ (1,323,486)</u>	



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FIDUCIARY FUND



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CITY OF ROCKY MOUNT, NORTH CAROLINA

FIDUCIARY FUND

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2020

Community Development and Governmental Activities Fund:	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets:				
Cash and cash equivalents/investments	\$ 430,004	\$ 330,900	\$ 173,017	\$ 587,887
Other receivable	771	240	771	240
Total assets	<u>\$ 430,775</u>	<u>\$ 331,140</u>	<u>\$ 173,788</u>	<u>\$ 588,127</u>
Liabilities:				
Accounts payable	\$ 448	\$ 213	\$ 448	\$ 213
Due to other governmental agency	430,327	330,927	173,340	587,914
Total liabilities	<u>\$ 430,775</u>	<u>\$ 331,140</u>	<u>\$ 173,788</u>	<u>\$ 588,127</u>



ROCKY MOUNT, NC
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OTHER SUPPLEMENTAL SCHEDULES

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



ROCKY MOUNT, NC
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CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE-GENERAL FUND
JUNE 30, 2020

Year	Uncollected Balance 6/30/2019	Additions and Refunds	Collections and Credits	Uncollected Balance 6/30/2020
2019-2020	\$ -	\$ 28,045,169	\$ 27,008,648	\$ 1,036,521
2018-2019	654,337	-	156,229	498,108
2017-2018	469,377	-	67,016	402,361
2016-2017	432,070	-	44,742	387,329
2015-2016	380,005	-	37,695	342,311
2014-2015	330,050	-	27,273	302,776
2013-2014	331,124	-	20,828	310,294
2012-2013	297,095	-	15,637	281,459
2011-2012	252,850	31	9,376	243,505
2010-2011	218,662	-	9,510	209,154
2009-2010	197,211	-	138,946	58,265
2008-2009	63,404	-	53,769	9,633
2007-2008	13,404	-	13,403	-
Total	<u>\$ 3,639,588</u>	<u>\$ 28,045,200</u>	<u>\$ 27,603,072</u>	4,081,716
Allowance for uncollectible ad valorem taxes receivable				<u>(2,691,798)</u>
Ad valorem taxes receivable, net				<u>\$ 1,389,918</u>
Reconciliation with Revenue:				
Taxes				\$ 27,730,817
Penalties and interest				<u>(223,707)</u>
Total				<u>27,507,110</u>
Ad valorem taxes (excluding penalties and interest)				
Current year				27,063,817
Prior years				383,926
Special District				<u>59,367</u>
				27,507,110
Releases and transfers from interest				39,026
Other				<u>56,936</u>
Total collections and credits				<u>\$ 27,603,072</u>

CITY OF ROCKY MOUNT, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
FOR YEAR ENDED JUNE 30, 2020

			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	\$ 2,882,185,906	0.685	\$ 19,742,979	\$ 19,742,979	\$-
Personal property	1,088,515,723	0.685	7,456,335	4,603,609	2,852,726
Public service property	104,789,806	0.685	717,810	717,810	-
	4,075,491,435		27,917,124	25,064,398	2,852,726
Discoveries	7,973,284	0.685	54,617	54,617	-
Discoveries	4,142,144	0.66	27,338	27,338	-
Discoveries	266,810	0.605	1,614	1,614	-
Discoveries	76,712	0.58	445	445	-
Refunds	6,427,807	0.685	44,030	44,030	-
Total property valuation	\$ 4,094,378,192				
Net levy			28,045,169	25,192,443	2,852,726
Uncollected taxes at June 30, 2020			1,036,521	1,026,418	10,103
Current year's taxes collected			\$ 27,008,648	\$ 24,166,025	\$ 2,842,623
Percent of current year taxes collected			96.30%	95.93%	99.65%

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF INTERFUND TRANSFERS
FOR THE YEAR ENDED JUNE 30, 2020

Transfers to Fund:	Transfers from Fund:				
	General Fund	Special Revenue Funds	Enterprise Funds		Total
			Electric	Gas	
General/Powell Bill	\$ 815,400	\$ 500,000	\$ 2,300,000	\$ 1,200,000	\$ 4,815,400
Stormwater	75,000				75,000
Capital Project Funds:					
Capital Development	36,722				36,722
Special Revenue:					
Entitlement Grants	325,000				325,000
Public Transportation	342,079				342,079
Crime/Safety Control	1,610				1,610
Total	<u>\$ 1,595,811</u>	<u>\$ 500,000</u>	<u>\$ 2,300,000</u>	<u>\$ 1,200,000</u>	<u>\$ 5,595,811</u>



ROCKY MOUNT, NC
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**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**



ROCKY MOUNT, NC
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CITY OF ROCKY MOUNT, NORTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Governmental Funds Capital Assets:		
Land and land improvements	\$ 31,092,704	\$ 30,504,679
Buildings	72,875,115	70,930,376
Equipment	59,153,428	59,610,149
Infrastructure	60,770,766	60,409,379
Construction in progress	638,535	291,427
Total governmental funds capital assets	<u>\$ 224,530,548</u>	<u>\$ 221,746,010</u>
 Investment in Governmental Funds Capital Assets by Source:		
General fund	\$ 217,360,882	\$ 214,670,739
Special revenue funds	7,169,666	7,075,271
Total governmental funds capital assets	<u>\$ 224,530,548</u>	<u>\$ 221,746,010</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, 2020**

	<u>Land and Land Improvements</u>	<u>Buildings</u>	<u>Equipment</u>
General government:			
Mayor and Council	\$ 2,366,798	\$ -	\$ 7,169
City Clerk	4,678,040	142,691	37,629
City Manager	-	17,238	139,440
Finance	-	101,401	4,782,681
Central services	1,182,206	27,015,940	4,757,185
Human resources	-	5,229	14,132
Total general government	<u>8,227,044</u>	<u>27,282,499</u>	<u>9,738,236</u>
Transit	<u>-</u>	<u>381,162</u>	<u>6,788,504</u>
Public safety:			
Police	51,590	515,348	5,859,973
Fire	59,349	6,248,883	9,989,046
Total public safety	<u>110,939</u>	<u>6,764,231</u>	<u>15,849,019</u>
Public works	<u>763,542</u>	<u>4,722,607</u>	<u>16,094,766</u>
Engineering	<u>1,100,954</u>	<u>61,718</u>	<u>421,145</u>
Parks and recreation	<u>20,297,169</u>	<u>25,821,295</u>	<u>5,664,709</u>
Community & Business Devt	<u>585,356</u>	<u>7,743,405</u>	<u>76,685</u>
Internal Service Fund-Communications	<u>7,700</u>	<u>98,198</u>	<u>4,520,364</u>
Total general capital assets	<u>\$ 31,092,704</u>	<u>\$ 72,875,115</u>	<u>\$ 59,153,428</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, 2020

	<u>Infrastructure</u>	<u>Construction In Progress</u>	<u>Totals</u>
General government:			
Mayor and Council	\$ -	\$ -	\$ 2,373,967
City Clerk	-	-	4,858,360
City Manager	-	-	156,678
Finance	-	-	4,884,082
Central services	762,487	594,258	34,312,076
Human resources	-	-	19,361
Total general government	<u>762,487</u>	<u>594,258</u>	<u>46,604,524</u>
Transit	<u>-</u>	<u>-</u>	<u>7,169,666</u>
Public safety:			
Police	59,863	23,375	6,510,149
Fire	-	11,250	16,308,528
Total public safety	<u>59,863</u>	<u>34,625</u>	<u>22,818,677</u>
Public works	<u>58,697,365</u>	<u>9,652</u>	<u>80,287,932</u>
Engineering	<u>-</u>	<u>-</u>	<u>1,583,817</u>
Parks and recreation	<u>1,139,126</u>	<u>-</u>	<u>52,922,299</u>
Community & Business Devt	<u>-</u>	<u>-</u>	<u>8,405,446</u>
Internal Service Fund-Communications	<u>111,925</u>	<u>-</u>	<u>4,738,187</u>
Total general capital assets	<u>\$ 60,770,766</u>	<u>\$ 638,535</u>	<u>\$ 224,530,548</u>

Note: Amounts presented above exclude accumulated depreciation.

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, 2020**

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
General government:				
Mayor and Council	\$ 2,373,967	\$ -	\$ -	\$ 2,373,967
City Clerk	4,772,101	86,734	475	4,858,360
City Manager	127,832	29,221	375	156,678
Finance	4,818,991	156,269	91,178	4,884,082
Central services	32,115,389	2,297,932	101,245	34,312,076
Human resources	19,361	-	-	19,361
Total General government	<u>44,227,641</u>	<u>2,570,156</u>	<u>193,273</u>	<u>46,604,524</u>
Transit	<u>7,075,271</u>	<u>880,689</u>	<u>786,294</u>	<u>7,169,666</u>
Public safety:				
Police	6,631,285	245,836	366,972	6,510,149
Fire	16,914,802	101,773	708,047	16,308,528
Total Public safety	<u>23,546,087</u>	<u>347,609</u>	<u>1,075,019</u>	<u>22,818,677</u>
Public works	<u>79,911,505</u>	<u>1,627,744</u>	<u>1,251,317</u>	<u>80,287,932</u>
Engineering	<u>1,772,801</u>	<u>31,182</u>	<u>220,166</u>	<u>1,583,817</u>
Parks and recreation	<u>51,963,118</u>	<u>1,109,838</u>	<u>150,657</u>	<u>52,922,299</u>
Community & Business Development	<u>8,492,180</u>	<u>-</u>	<u>86,734</u>	<u>8,405,446</u>
Internal Service Fund-Communications	<u>4,757,407</u>	<u>-</u>	<u>19,220</u>	<u>4,738,187</u>
Total general fixed assets	<u>\$ 221,746,010</u>	<u>\$ 6,567,218</u>	<u>\$ 3,782,680</u>	<u>\$ 224,530,548</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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities					
Net investment in capital assets	\$ 90,345,292	\$ 94,306,305	\$ 93,284,378	\$ 101,937,388	\$ 96,137,124
Restricted	9,442,921	17,202,949	14,204,158	11,415,537	11,808,330
Unrestricted	11,714,287	4,972,591	11,002,491	14,645,780	14,213,439
Total governmental activities net position	<u>\$ 111,502,500</u>	<u>\$ 116,481,845</u>	<u>\$ 118,491,027</u>	<u>\$ 127,998,705</u>	<u>\$ 122,158,893</u>
Business-type activities					
Net investment in capital assets	\$ 123,694,316	\$ 127,857,818	\$ 129,112,028	\$ 131,834,630	\$ 132,597,894
Restricted	-	-	-	-	-
Unrestricted	36,869,650	35,229,343	40,230,619	45,598,769	51,243,421
Total business-type activities net position	<u>\$ 160,563,966</u>	<u>\$ 163,087,161</u>	<u>\$ 169,342,647</u>	<u>\$ 177,433,399</u>	<u>\$ 183,841,315</u>
Primary government					
Net investment in capital assets	\$ 214,039,608	\$ 222,164,123	\$ 222,396,406	\$ 233,772,018	\$ 228,735,018
Restricted	9,442,921	17,202,949	14,204,158	11,415,537	11,808,330
Unrestricted	48,583,937	40,201,934	51,233,110	60,244,549	65,456,860
Total primary government net position	<u>\$ 272,066,466</u>	<u>\$ 279,569,006</u>	<u>\$ 287,833,674</u>	<u>\$ 305,432,104</u>	<u>\$ 306,000,208</u>
City of Rocky Mount Theatre, LLC					
Net investment in capital assets	\$ 258,691	\$ 48,101	\$ 6,336,511	\$ -	\$ -
Restricted	40,522	7,576	-	-	-
Unrestricted	(47,344)	(67,170)	(137,067)	-	-
Total City of Rocky Mount Theatre, LLC net assets	<u>\$ 251,869</u>	<u>\$ (11,493)</u>	<u>\$ 6,199,444</u>	<u>\$ -</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities					
Net investment in capital assets	\$ 99,725,082	\$ 81,540,859	\$ 80,360,386	\$ 76,922,983	\$ 76,448,008
Restricted	11,099,682	13,193,796	15,896,233	17,038,331	18,199,733
Unrestricted	17,989,713	30,839,119	891,807	3,056,112	5,551,292
Total governmental activities net position	<u>\$ 128,814,477</u>	<u>\$ 125,573,774</u>	<u>\$ 97,148,426</u>	<u>\$ 97,017,426</u>	<u>\$ 100,199,033</u>
Business-type activities					
Net investment in capital assets	\$ 134,594,908	\$ 136,435,853	\$ 137,736,874	\$ 139,979,877	\$ 144,714,974
Restricted	-	-	-	-	-
Unrestricted	60,342,541	68,867,998	67,964,293	73,535,748	70,348,770
Total business-type activities net position	<u>\$ 194,937,449</u>	<u>\$ 205,303,851</u>	<u>\$ 205,701,167</u>	<u>\$ 213,515,625</u>	<u>\$ 215,063,744</u>
Primary government					
Net investment in capital assets	\$ 234,319,990	\$ 217,976,712	\$ 218,097,260	\$ 216,902,860	\$ 221,162,982
Restricted	11,099,682	13,193,796	15,896,233	17,038,331	18,199,733
Unrestricted	78,332,254	99,707,117	68,856,100	76,591,860	75,900,062
Total primary government net position	<u>\$ 323,751,926</u>	<u>\$ 330,877,625</u>	<u>\$ 302,849,593</u>	<u>\$ 310,533,051</u>	<u>\$ 315,262,777</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)

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses					
Governmental activities:					
General government	\$ 5,865,807	\$ 2,541,551	\$ 6,880,948	\$ 9,044,265	\$ 4,615,284
Public safety	25,816,170	25,859,954	24,923,980	25,449,659	25,597,650
Public Works	7,197,559	9,825,999	8,109,154	9,453,179	10,706,055
Engineering	186,997	811,304	915,057	814,945	583,199
Parks and recreation	9,117,886	9,487,899	9,747,554	1,587,287	8,938,049
Public Service	9,368,808	10,161,005	7,798,940	5,951,988	5,997,352
Emergency management	-	5,418,215	-	-	-
Economic development	-	-	-	18,735	136,816
Community revitalization	4,422,615	2,170,571	2,212,833	860,152	699,439
Interest on Long-term debt	292,268	492,656	431,995	621,151	448,397
Total governmental activities expenses	62,268,110	66,769,154	61,020,461	53,801,361	57,722,241
Business-type activities:					
Electric	92,056,649	88,705,142	88,899,652	89,711,665	87,658,326
Gas	22,445,683	18,345,011	19,418,313	21,752,958	21,526,874
Water	9,191,247	9,328,711	8,827,886	7,709,102	10,170,488
Sewer	10,884,607	11,091,914	11,157,497	13,223,459	13,050,143
Storm Water Management	3,078,951	3,352,683	3,243,887	3,618,378	3,342,760
Total business-type activities expenses	137,657,137	130,823,461	131,547,235	136,015,562	135,748,591
Total primary government expenses	\$ 199,925,247	\$ 197,592,615	\$ 192,567,696	\$ 189,816,923	\$ 193,470,832
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,834,638	2,117,227	2,229,303	1,941,273	1,775,761
Public Safety	311,960	295,173	341,203	265,988	353,021
Public Works	6,083,367	6,820,948	6,485,381	6,851,520	6,615,262
Recreation	1,199,165	1,197,659	1,254,131	1,389,363	1,321,850
Public Service	2,189,132	2,001,241	2,023,260	1,985,842	2,022,601
Other activities	12,018	43,794	31,051	15,959	11,956
Operating grants and contributions	8,382,242	12,126,643	6,759,477	7,407,188	5,373,671
Capital grants and contributions	5,038,384	5,408,019	2,209,611	1,015,333	762,051
Total governmental activities program revenues	25,050,906	30,010,704	21,333,417	20,872,466	18,236,173
Business-type activities:					
Charges for services:					
Electric	96,022,707	89,632,663	91,591,100	93,835,654	93,130,224
Gas	24,079,519	19,574,918	23,315,073	26,655,662	27,193,682
Water	11,716,075	10,385,580	10,349,229	10,991,423	10,953,543
Sewer	11,817,647	11,768,570	11,772,500	11,957,654	12,063,032
Storm Water Management	3,352,106	3,603,852	3,418,192	3,505,458	4,096,545
Operating grants and contributions	2,500	2,916	-	-	-
Capital grants and contributions	725,186	1,225,693	70,927	29,000	-
Total business-type activities program revenues	147,715,740	136,194,192	140,517,021	146,974,851	147,437,026
Total primary government program revenues	\$ 172,766,646	\$ 166,204,896	\$ 161,850,438	\$ 167,847,317	\$ 165,673,199
Net (expense)/revenue					
Governmental activities	\$ (37,217,204)	\$ (36,758,450)	\$ (39,687,044)	\$ (32,928,895)	\$ (39,486,068)
Business-type activities	10,058,603	5,370,731	8,969,786	10,959,289	11,688,435
Total primary government net expense	\$ (27,158,601)	\$ (31,387,719)	\$ (30,717,258)	\$ (21,969,606)	\$ (27,797,633)
Component unit:					
City of Rocky Mount Theatre, LLC					
Expenses	(268,936)	(268,946)	(241,435)	(8,143,974)	-
Investment earnings	-	-	-	-	-
Operating grants and contributions	5,574	5,584	6,504,000	1,944,530	-
Total City of Rocky Mount Theatre, LLC	\$ (263,362)	\$ (263,362)	\$ 6,262,565	\$ (6,199,444)	\$ -
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem taxes	21,528,800	21,778,008	22,965,276	23,435,908	23,283,987
Local option taxes	8,961,679	9,371,996	9,158,432	9,271,192	9,979,384
Other taxes	3,855,023	3,819,472	3,759,181	3,672,642	4,257,262
Investment earnings	86,433	70,341	129,915	65,120	63,732
Miscellaneous	2,601,852	3,631,978	2,104,003	3,024,711	5,028,768
Transfers	4,560,000	3,066,000	3,579,419	2,967,000	3,660,250
Total governmental activities	41,593,787	41,737,795	41,696,226	42,436,573	46,273,383
Business-type activities					
Investment earnings	471,838	218,464	865,119	98,463	92,516
Transfers	(4,560,000)	(3,066,000)	(3,579,419)	(2,967,000)	(3,660,250)
Total business-type activities	(4,088,162)	(2,847,536)	(2,714,300)	(2,868,537)	(3,567,734)
Total primary government	\$ 37,505,625	\$ 38,890,259	\$ 38,981,926	\$ 39,568,036	\$ 42,705,649
Change in Net Position					
Governmental activities	\$ 4,376,583	\$ 4,979,345	\$ 2,009,182	\$ 9,507,678	\$ 6,787,315
Business-type activities	5,970,441	2,523,195	6,255,486	8,090,752	8,120,701
Total primary government	\$ 10,347,024	\$ 7,502,540	\$ 8,264,668	\$ 17,598,430	\$ 14,908,016
Total City of Rocky Mount Theatre, LLC	\$ (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				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	\$ 5,737,117	\$ 4,246,118	\$ 5,607,380	\$ 7,357,849	\$ 6,848,465
Public safety	26,975,314	29,086,467	29,605,046	29,825,141	32,377,844
Public Works	8,077,219	9,728,894	9,953,708	9,021,275	11,278,326
Engineering	932,529	886,679	1,060,051	-	-
Parks and recreation	9,977,191	16,248,923	21,956,422	18,943,080	13,413,840
Public Service	8,562,021	6,358,027	6,859,053	8,814,382	6,570,392
Emergency management	-	-	-	-	-
Economic development	31,056	41,392	29,177	106,821	11,297
Community revitalization	1,884,490	1,588,747	984,449	466,546	1,075,455
Interest on Long-term debt	444,951	843,423	2,207,931	2,190,205	2,147,553
Total governmental activities expenses	62,621,888	69,028,670	78,263,217	76,725,299	73,723,172
Business-type activities:					
Electric	69,017,466	70,787,007	71,232,212	71,142,497	69,985,488
Gas	20,071,951	18,422,872	24,975,040	21,456,450	21,093,159
Water	10,065,328	10,431,418	10,373,294	11,798,893	12,141,931
Sewer	12,673,511	12,860,780	12,716,649	13,286,082	15,208,286
Storm Water Management	3,348,865	3,328,174	3,347,852	3,570,243	3,879,397
Total business-type activities expenses	115,177,121	115,830,251	122,645,047	121,254,165	122,308,261
Total primary government expenses	\$ 177,799,009	\$ 184,858,921	\$ 200,908,264	\$ 197,979,464	\$ 196,031,433
Program Revenues					
Governmental activities:					
Charges for services:					
General government	4,832,656	864,670	9,672,937	3,226,365	2,516,056
Public Safety	327,997	375,369	294,525	340,056	289,210
Public Works	6,690,067	6,798,518	6,860,399	7,214,890	7,334,261
Recreation	1,360,969	1,246,085	1,617,815	2,227,424	1,491,125
Public Service	2,014,616	2,540,841	2,371,444	3,079,191	2,538,311
Other activities	34,578	3,608	6,316	-	-
Operating grants and contributions	6,766,148	6,343,215	5,792,802	5,306,611	5,634,127
Capital grants and contributions	718,009	3,332,477	1,139,989	2,239,141	1,474,267
Total governmental activities program revenues	22,745,040	21,504,783	27,756,227	23,633,678	21,277,357
Business-type activities:					
Charges for services:					
Electric	81,661,205	80,722,623	77,137,475	76,969,195	74,175,274
Gas	20,390,319	21,533,673	27,026,009	22,678,311	21,196,220
Water	11,348,246	11,050,295	11,196,298	11,563,436	11,788,916
Sewer	12,848,730	12,950,113	13,915,324	14,754,290	14,382,455
Storm Water Management	4,068,312	4,087,544	4,218,997	4,167,514	4,171,205
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	94,658	62,360	300,000	303,926
Total business-type activities program revenues	130,316,812	130,438,906	133,556,463	130,432,746	126,017,996
Total primary government program revenues	\$ 153,061,852	\$ 151,943,689	\$ 161,312,690	\$ 154,066,424	\$ 147,295,353
Net (expense)/revenue					
Governmental activities	\$ (39,876,848)	\$ (47,523,887)	\$ (50,506,990)	\$ (53,091,621)	\$ (52,445,815)
Business-type activities	15,139,691	14,608,655	10,911,416	9,178,581	3,709,735
Total primary government net expense	\$ (24,737,157)	\$ (32,915,232)	\$ (39,595,574)	\$ (43,913,040)	\$ (48,736,080)
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	24,034,407	24,460,822	24,973,010	26,982,181	27,882,481
Local option taxes	10,455,857	11,355,472	11,788,835	12,545,552	13,490,989
Other taxes	4,752,948	4,703,361	4,663,453	4,699,243	4,602,075
Investment earnings	106,992	440,160	909,681	1,055,402	846,130
Miscellaneous	2,946,466	2,996,049	3,473,197	4,578,243	5,380,747
Transfers	4,235,762	4,725,000	3,075,000	3,100,000	3,425,000
Total governmental activities	46,532,432	48,680,864	48,883,176	52,960,621	55,627,422
Business-type activities					
Investment earnings	192,205	482,747	1,036,920	1,735,877	1,263,384
Transfers	(4,235,762)	(4,725,000)	(3,075,000)	(3,100,000)	(3,425,000)
Total business-type activities	(4,043,557)	(4,242,253)	(2,038,080)	(1,364,123)	(2,161,616)
Total primary government	\$ 42,488,875	\$ 44,438,611	\$ 46,845,096	\$ 51,596,498	\$ 53,465,806
Change in Net Position					
Governmental activities	\$ 6,655,584	\$ 1,156,977	\$ (1,623,814)	\$ (131,000)	\$ 3,181,607
Business-type activities	11,096,134	10,366,402	8,873,336	7,814,458	1,548,119
Total primary government	\$ 17,751,718	\$ 11,523,379	\$ 7,249,522	\$ 7,683,458	\$ 4,729,726
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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	355,546	383,732	404,514	490,108	433,469
Restricted	8,455,455	12,485,342	11,306,879	11,284,591	11,214,768
Assigned	1,433,525	963,473	2,429,395	2,700,083	1,355,673
Unassigned	8,700,100	6,987,165	9,928,645	12,321,582	13,640,541
Total General Fund	<u>\$ 18,944,626</u>	<u>\$ 20,819,712</u>	<u>\$ 24,069,433</u>	<u>\$ 26,796,364</u>	<u>\$ 26,644,451</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable, reported in:					
Special revenue funds	100,000	128,890	99,000	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	1,259,277
Capital projects funds	876,388	2,868,236	989,213	1,127,925	2,204,394
Committed, reported in:					
Special revenue funds	776,078	767,850	923,526	430,111	574,086
Capital projects funds	2,773,711	-	249,515	266,215	207,522
Assigned, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	790,196	841,164	911,610	541,010	881,740
Unassigned, reported in:					
Special revenue funds	(124,272)	(1,726,390)	(459,160)	(75,353)	(135,664)
Capital projects funds	-	(1,485,179)	-	-	-
Total all other governmental funds	<u>\$ 7,002,094</u>	<u>\$ 4,537,260</u>	<u>\$ 4,621,770</u>	<u>\$ 3,981,497</u>	<u>\$ 5,090,355</u>
 Total governmental funds	 <u>\$ 25,946,720</u>	 <u>\$ 25,356,972</u>	 <u>\$ 28,691,203</u>	 <u>\$ 30,777,861</u>	 <u>\$ 31,734,806</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	405,755	17,037,600	17,025,604	17,098,015	17,053,667
Restricted	11,354,780	11,801,938	14,350,085	13,751,476	16,175,052
Assigned	1,786,573	3,355,341	3,499,959	2,895,545	3,204,430
Unassigned	13,739,204	15,058,082	14,675,194	15,321,511	16,406,375
Total General Fund	<u>\$ 27,286,312</u>	<u>\$ 47,252,961</u>	<u>\$ 49,550,842</u>	<u>\$ 49,066,547</u>	<u>\$ 52,839,524</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable, reported in:					
Special revenue funds	260,000	16,989,800	288,000	288,000	400,000
Capital projects funds	-	-	-	-	-
Restricted, reported in:					
Special revenue funds	1,438,274	2,147,811	1,573,675	3,530,318	2,568,773
Capital projects funds	792,144	17,186,740	8,809,355	1,678,308	431,911
Committed, reported in:					
Special revenue funds	285,493	171,100	255,230	233,245	480,040
Capital projects funds	383,770	1,626,320	16,649,800	16,817,750	18,990,988
Assigned, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	72,274	72,274
Unassigned, reported in:					
Special revenue funds	(181,120)	(61,850)	(141,462)	(237,144)	(656,888)
Capital projects funds	(100,445)	(16,749,075)	(17,206,874)	(16,640,800)	(16,640,800)
Total all other governmental funds	<u>\$ 2,878,116</u>	<u>\$ 21,310,846</u>	<u>\$ 10,227,724</u>	<u>\$ 5,741,951</u>	<u>\$ 5,646,298</u>
Total governmental funds	<u><u>\$ 30,164,428</u></u>	<u><u>\$ 68,563,807</u></u>	<u><u>\$ 59,778,566</u></u>	<u><u>\$ 54,808,498</u></u>	<u><u>\$ 58,485,822</u></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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues					
Ad valorem taxes	\$ 21,337,096	\$ 21,939,984	\$ 22,850,485	\$ 23,821,093	\$ 23,496,912
Intergovernmental revenues	25,081,411	27,109,946	22,933,029	21,373,550	22,431,424
Licenses and permits	883,621	921,813	869,535	845,949	891,336
Sales and services	7,777,765	8,487,008	8,280,868	8,606,993	8,303,246
Investment earnings	86,433	70,342	129,916	65,120	63,733
Contributions	-	-	-	-	-
Project revenue	3,346,505	7,571,153	2,905,465	4,156,053	2,026,322
Miscellaneous	3,355,682	1,199,455	1,320,634	1,268,572	965,243
Total revenues	<u>61,868,513</u>	<u>67,299,701</u>	<u>59,289,932</u>	<u>60,137,330</u>	<u>58,178,216</u>
Expenditures					
Current:					
General government	5,856,442	5,107,954	5,174,420	4,672,485	4,809,567
Public safety	25,204,655	25,460,672	24,714,800	25,717,824	26,351,478
Public service	8,142,128	5,328,963	4,942,980	5,746,295	5,277,826
Public works	10,684,706	10,459,006	8,854,187	9,404,184	11,056,678
Engineering	974,241	970,091	972,760	986,374	999,738
Parks and recreation	7,939,785	8,328,491	8,664,907	7,890,472	8,771,419
Economic development	-	-	-	18,735	136,816
Community revitalization	4,422,615	2,170,571	2,212,833	860,152	699,439
Emergency management	-	5,418,215	-	-	-
Capital projects:					
General government	801,837	711,148	832,314	2,328,864	97,114
Public safety	1,099,129	43,487	32,995	374,769	69,883
Parks and recreation	274,414	134,851	9,236,765	212,243	821,261
Public service	1,478,933	4,781,240	2,503,521	108,768	485,370
Community revitalization	-	-	-	-	-
Debt service:					
Principal	2,980,771	2,803,104	3,208,643	4,030,356	3,863,984
Interest	292,268	492,656	431,995	621,151	447,948
Total expenditures	<u>\$ 70,151,924</u>	<u>\$ 72,210,449</u>	<u>\$ 71,783,120</u>	<u>\$ 62,972,672</u>	<u>\$ 63,888,521</u>
Excess of revenues over (under) expenditures	(8,283,411)	(4,910,748)	(12,493,188)	(2,835,342)	(5,710,305)
Other financing sources (uses)					
Transfers in	7,157,151	4,827,886	5,542,550	4,064,942	5,105,019
Transfers out	(1,849,151)	(1,761,886)	(1,963,131)	(1,097,942)	(1,444,769)
Bond premium/discount	-	-	-	-	-
Debt financing	410,339	-	-	-	-
Proceeds from installment purchase agreement	2,296,000	1,255,000	12,248,000	1,955,000	3,007,000
Total other financing sources (uses)	<u>8,014,339</u>	<u>4,321,000</u>	<u>15,827,419</u>	<u>4,922,000</u>	<u>6,667,250</u>
Net change in fund balance	<u>\$ (269,072)</u>	<u>\$ (589,748)</u>	<u>\$ 3,334,231</u>	<u>\$ 2,086,658</u>	<u>\$ 956,945</u>
Total debt service	<u>\$ 3,273,039</u>	<u>\$ 3,295,760</u>	<u>\$ 3,640,638</u>	<u>\$ 4,651,507</u>	<u>\$ 4,311,932</u>
Total expenditures	70,151,924	72,210,449	71,783,120	62,972,672	63,888,521
Capital outlay primary government only	10,401,869	8,523,259	12,937,662	13,621,602	7,094,717
Non-capital expenditures	<u>\$ 59,750,055</u>	<u>\$ 63,687,190</u>	<u>\$ 58,845,458</u>	<u>\$ 49,351,070</u>	<u>\$ 56,793,804</u>
Debt service as a percentage of non-capital expenditures	5.48%	5.17%	6.19%	9.43%	7.59%

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues					
Ad valorem taxes	\$ 24,081,429	\$ 24,560,773	\$ 25,131,933	\$ 27,112,512	\$ 27,730,817
Intergovernmental revenues	24,634,137	28,152,162	25,885,896	27,263,383	27,727,887
Licenses and permits	858,853	1,524,414	1,800,839	1,778,770	1,673,666
Sales and services	8,815,725	8,607,485	8,555,114	9,792,320	10,300,303
Investment earnings	106,991	440,161	909,680	1,055,402	846,129
Contributions	20,000	9,000	-	-	-
Project revenue	2,246,491	2,491,335	2,400,116	3,135,089	2,499,037
Miscellaneous	1,126,983	1,203,327	1,382,903	2,097,793	986,406
Total revenues	61,890,609	66,988,657	66,066,481	72,235,269	71,764,245
Expenditures					
Current:					
General government	5,437,814	5,211,280	6,732,506	8,250,322	7,366,387
Public safety	27,970,036	27,845,239	29,112,732	30,597,901	29,779,845
Public service	7,149,186	8,898,666	6,203,232	8,875,480	6,219,969
Public works	9,740,887	9,533,773	9,121,086	9,892,601	9,633,834
Engineering	1,011,477	867,699	1,019,422	-	-
Parks and recreation	8,507,568	14,886,325	20,294,354	11,284,337	11,889,415
Economic development	31,056	41,392	29,177	106,821	11,297
Community revitalization	1,884,490	1,588,747	984,449	466,546	1,075,455
Emergency management	-	-	-	-	-
Capital projects:					
General government	826,855	-	-	-	-
Public safety	95,483	73,191	517,470	-	-
Parks and recreation	1,642,385	1,020,954	188,143	6,389,829	612,806
Public service	1,261,081	-	-	-	-
Community revitalization	-	-	-	-	-
Debt service:					
Principal	3,870,807	3,640,565	3,481,980	3,778,295	3,751,359
Interest	440,624	840,934	2,207,171	2,190,205	2,147,553
Total expenditures	\$ 69,869,749	\$ 74,448,765	\$ 79,891,722	\$ 81,832,337	\$ 72,487,920
Excess of revenues over (under) expenditures	(7,979,140)	(7,460,108)	(13,825,241)	(9,597,068)	(723,675)
Other financing sources (uses)					
Transfers in	6,577,346	24,806,450	5,217,446	5,165,984	5,520,811
Transfers out	(2,341,584)	(20,081,450)	(2,142,446)	(2,065,984)	(2,095,811)
	-	3,477,487	-	-	-
Debt Financing	-	36,815,000	-	-	-
Proceeds from installment purchase agreement	2,173,000	842,000	1,965,000	1,527,000	976,000
Total other financing sources (uses)	6,408,762	45,859,487	5,040,000	4,627,000	4,401,000
Net change in fund balance	\$ (1,570,378)	\$ 38,399,379	\$ (8,785,241)	\$ (4,970,068)	\$ 3,677,325
Total debt service	\$ 4,311,431	\$ 4,481,499	\$ 5,689,151	\$ 5,968,500	\$ 5,898,912
Total expenditures	69,869,749	74,448,765	79,891,722	81,832,337	72,487,920
Capital outlay primary government only	10,420,735	11,387,714	13,365,605	8,462,868	5,121,232
Non-capital expenditures	\$ 59,449,014	\$ 63,061,051	\$ 66,526,117	\$ 73,369,469	\$ 67,366,688
Debt service as a percentage of non-capital expenditures	7.25%	7.11%	8.55%	8.13%	8.76%

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
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
2020	7,366,387	29,779,845	6,219,969	9,633,834	12,502,221

Fiscal Year	Emergency Management Hazard Mitigation	Community Revitalization	Economic Development	Debt Service	Total Expenditures
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
2020	-	1,075,455	11,297	5,688,393	72,277,401

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
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
2020	27,730,817	13,490,989	4,139,735	462,340	235,036	1,673,666	47,732,583

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

Note: Ad valorem taxes includes penalties, interest, & special district tax
Includes General fund

CITY OF ROCKY MOUNT, NORTH CAROLINA

GENERAL GOVERNMENTAL REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	Ad Valorem Taxes	Tele-communication Tax	Inter-Governmental Revenue	Licenses & Permits	Sales and Services	Project Revenue	Investment Earnings	Other Revenue	Total Revenues
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
2020	27,730,817	462,340	27,265,547	1,673,666	10,300,303	2,499,037	846,129	775,887	71,553,726

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		
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
2020	1,382,753,080	421,304,030	1,043,129,517	41,667,431	959,086,093	141,648,235

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				
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%
2020	\$ 67,640,174	\$ 37,149,632	4,094,378,192	0.685	4,391,080,499	93.24%

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	Total County Millage	
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
2020	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)	
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
2020	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

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Source: City of Rocky Mount Finance Dept

^a Formerly Cobb Corners Ltd. Partnership

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
2011	21,239,809	387,094	21,626,903	19,993,488	94.13	1,292,791	21,286,279	98.42
2012	21,241,883	437,690	21,679,573	20,276,321	95.45	1,159,745	21,436,066	98.88
2013	22,521,357	271,731	22,793,088	21,473,139	95.35	1,038,491	22,511,630	98.77
2014	23,143,497	127,360	23,270,857	22,351,527	96.58	609,034	22,960,561	98.67
2015	23,012,679	269,223	23,281,902	22,562,575	98.04	416,549	22,979,124	98.70
2016	24,015,823	110,955	24,126,778	23,394,761	97.41	389,707	23,784,468	98.58
2017	24,402,640	152,032	24,554,672	23,836,350	97.68	330,994	24,167,344	98.42
2018	25,022,642	157,473	25,180,115	24,533,103	98.04	244,651	24,777,754	98.40
2019	26,588,336	336,848	26,925,184	26,270,847	98.81	156,229	26,427,076	98.15
2020	27,917,124	128,045	28,045,169	27,008,648	96.75	-	27,008,648	96.30

Source: City of Rocky Mount Finance Department

CITY OF ROCKY MOUNT, NORTH CAROLINA

ELECTRIC UTILITY REVENUES RATES

Fiscal Year 2019-2020

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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Residential-rates at fiscal year-end</u>					
Monthly Customer Charge-Single Phase	10.00	10.00	10.00	14.00	14.00
Monthly Customer Charge-Three Phase(add amount to single)	15.00	15.00	15.00	21.00	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge-Single Phase	18.22	18.22	18.22	26.00	26.00
Monthly Customer Charge-Three Phase(add amount to single)	13.68	13.68	13.68	19.00	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge-Single Phase	19.01	19.01	19.01	27.00	27.00
Monthly Customer Charge-Three Phase(add amount to single)	14.28	14.28	14.28	20.00	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge	807.20	807.20	807.20	1,130.00	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge-Under 1,000 kW	189.68	189.68	189.68	265.00	265.00
Monthly Customer Charge-1,000 -2,500 kW	695.49	695.49	695.49	975.00	975.00
Monthly Customer Charge-Over 2,500 kW	1,327.76	1,327.76	1,327.76	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge-1,500 -2,500 kW	-	-	695.49	975.00	975.00
Monthly Customer Charge-Over 2,500 kW	-	-	1,327.76	1,850.00	1,850.00
Monthly Energy Charge/kWH	-	-	0.06	0.06	0.06
<u>Med General Seasonal/Intermittent-rates fiscal end</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly Customer Charge-Single Phase	26.60	26.60	26.60	38.00	38.00
Monthly Customer Charge-Three Phase	40.88	40.88	40.88	20.00	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>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Residential-rates at fiscal year-end</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	0.10	0.10	0.10	0.10	0.10
<u>Small General Service-rates at fiscal year-end</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	0.13	0.13	0.12	0.12	0.12
Monthly Energy Charge/kWH-Next 1250 kWH/kWH	0.11	0.11	0.10	0.10	0.10
Monthly Energy Charge/kWH-Over 2000 kWH/kWH	0.10	0.10	0.10	0.10	0.10
<u>Medium General Service-rates at fiscal year-end</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Customer Charge-Single Phase	33.00	33.00	50.00	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	0.07	0.07	0.07	0.07	0.07
<u>Large General Service-rates at fiscal year-end</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Customer Charge	600.00	600.00	600.00	600.00	600.00
Monthly Energy Charge/kWH	0.06	0.06	0.05	0.05	0.05
<u>Coordinated Demand Control Service-rates fiscal end</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Customer Charge-1,500 -2,500 kW	975.00	-	-	-	-
Monthly Customer Charge-Over 2,500 kW	1,850.00	-	-	-	-
Monthly Energy Charge/kWH	0.06	-	-	-	-
<u>Med General Seasonal/Intermittent-rates fiscal end</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Customer Charge-Single Phase	33.00	33.00	33.00	33.00	33.00
Monthly Customer Charge-Three Phase	17.00	17.00	17.00	17.00	17.00
Monthly Energy Charge-First 2000 kWH/kWH	0.13	0.13	0.13	0.13	0.13
Monthly Energy Charge-Additional kWH/kWH	0.10	0.10	0.10	0.10	0.10
<u>Industrial Service</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Facilities Charge	700.00	700.00	1,125.00	1,125.00	1,125.00
Monthly Energy Charge/kWH	0.05	0.05	0.04	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	2020			2011		
	Electric Revenue Billing	Rank	Percentage of Total Electric Revenue 74,804,826	Electric Revenue Billing	Rank	Percentage of Total Electric Revenue 96,571,509
Healthcare	\$ 2,295,306	1	3.07%	\$ 2,182,049	1	2.26%
Bakery Production Facility	745,528	2	1.00%	817,422	6	0.85%
Communications	745,061	3	1.00%	622,998	8	0.65%
Key & Security System Manufacturer	650,883	4	0.85%	998,649	2	1.03%
Healthcare Packaging	636,228	5	0.87%	-		
Food Distributor	582,211	6	0.85%	916,797	5	0.95%
Plastic Packaging Manufacturer	471,590	7	0.78%	-		
Bakery Production Facility	459,109	8	0.63%	-		
Elevator Products Manufacturer	448,469	9	0.61%	472,860	9	0.49%
Food Distributor	350,950	10	0.60%	-		
Elevator Products Manufacturer	-			432,756	10	0.45%
Plastic Packaging Manufacturer	-			963,913	3	1.00%
Bread Distributor	-			928,661	4	0.96%
Department Store	-			661,754	7	0.69%
	-			-		
	<u>\$ 7,385,335</u>		<u>10.25%</u>	<u>\$ 8,997,859</u>		<u>9.32%</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	Nonoperating Revenues & (Expenses) Net	Income Before Transfers
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
2020	74,034,437	51,950,592	17,907,538	4,176,307	643,031	4,819,338

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
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%
2020	(2,300,000)	2,519,338	3.4%

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
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
2020	73,090,603	943,834	140,837	-	629,552	74,804,826

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
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
2020	36,124,626	28,687,347	6,593,357	329,344	1,355,929	73,090,603

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

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
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
2020	10,794,113	31,498	852,027	111,278	-	171,622	11,960,538

Source: Audited financial reports of the City of Rocky Mount

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
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
2020	21,196,220	10,215,375	10,274,014	706,831	(365,342)	341,489

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
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%
2020	(1,200,000)	(858,511)	-4.05%

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
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
2020	20,826,108	370,112	-	238,428	21,434,648

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
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
2020	10,849,421	5,859,192	1,214,339	2,433,886	469,270	-	20,826,108

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
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
2020	11,727,620	12,117,860	(390,240)	208,847	(181,393)

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income (loss) to Operating Revenues
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%
2020	-	(181,393)	-1.5%

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
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
2020	8,093,319	696,980	2,003,815	98,746	10,892,859

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
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
2020	14,382,455	14,963,383	(580,928)	(94,781)	(675,709)

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income to Operating Revenues
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%
2020		(675,709)	-4.7%

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
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
2020	12,829,201	59,738	1,493,516	-	-	150,122	14,532,577

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
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
2020	9,338,875	605,696	114,283	2,749,235	21,112	12,829,201

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
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
2020	4,171,205	3,869,601	301,604	63,864	365,468

Fiscal Year	Capital Contributions & Transfers In (Out) Net	Net Income (Loss)	Ratio of Net Income to Operating Revenues
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%
2020	378,926	744,394	17.8%

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
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
2020	4,113,775	57,430	-	303,926	73,660	4,548,791

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
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
2020	2,761,328	288,322	1,064,125	4,113,775

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

Fiscal Year	Governmental Activities					Business-type Activities		
	Capital Leases	Special Obligation Bonds*	HUD Section 108 Loan	YMCA Debt	NCDOT	Sewer Loans	Total Capital Leases	Primary Government
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
2020	9,756,017	37,473,475	1,350,000	-	2,801,782	4,371,097	8,877,390	64,629,761

Fiscal Year	Percentage of Personal Income ^a	Per Capita ^a
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	1.16%	1346.90
2019	not available	1284.98
2020	not available	1176.88

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			
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	0.02%	0.99%	734
2019	39,323,409	-	39,323,409	not available	0.94%	722
2020	37,473,475	-	37,473,475	not available	0.84%	682

Notes: Details regarding the City'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, 2020

<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	51,381,274	100.0%	51,381,274
Total Direct Debt	<u>\$ 51,381,274</u>		<u>\$ 51,381,274</u>
Overlapping Debt			
Edgecombe County:			
School	4,660,000	16.0%	745,600
Non General Obligation	31,345,076	16.0%	5,015,212
Nash County Non Gen Obligation	<u>35,263,200</u>	84.0%	<u>29,621,088</u>
Total Overlapping Debt	<u>\$ 71,268,276</u>		<u>\$ 35,381,900</u>
Total direct and overlapping debt	<u>\$ 122,649,550</u>		<u>\$ 86,763,174</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>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>	<u>2020</u>
Debt Limit	\$ 310,082	\$ 310,505	\$ 312,224	\$ 320,636	\$ 320,843	\$ 319,050	\$ 324,708	\$ 305,292	\$ 314,805	\$ 327,550
Total net debt applicable to limit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,815</u>	<u>\$ 36,815</u>	<u>\$ 36,515</u>	<u>\$ 35,060</u>
Legal debt margin	<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>	<u>\$ 292,490</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%	11.34%	12.06%	11.60%	10.70%

Legal Debt Margin Calculation for Fiscal Year 2020

	Assessed Value	4,094,378,192
Notes:	Debt Limit (8% of total assessed value) (1)	327,550,255
(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.	Debt applicable to limitation: Total outstanding bonded debt at 6/30/20	35,060,000
(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.	Less: Statutory deductions (2 and 3) Bonds issued and outstanding for water purposes Bonds issued and outstanding for sewer purposes	-
(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.	Total amount of debt applicable to debt limit	<u>35,060,000</u>
	Legal debt margin	<u>\$292,490,255</u>

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)
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	6,352.2	43,502	6.30%	766.8
2019	54,486	not available	not available	6.10%	not available
2020	54,916	not available	not available	9.50%	not available

Sources: (1) NC Office of the State Budget and Management
 (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 CARO

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total MSA (a) Employment	Employees	Rank	Percentage of Total MSA (a) Employment
Pfizer (formerly Hospira)	2500	1	3.86%	1800	2	2.93%
Nash Rocky Mount Schools	2100	2	3.24%	2275	1	3.71%
Cummins-Rocky Mount Engines	1800	3	2.78%	1150	5	1.87%
Nash Health Care Systems	1750	4	2.70%	1480	3	2.41%
QVC , Inc.	1200	5	1.85%			
Alorica (formerly West Customer Management Group)	885	6	1.37%	450	10	0.73%
Universal Leaf	800	7	1.24%	1000	7	1.63%
McLane -Carolina (formerly MBM Corp)	650	8	1.00%			
McLane North Carolina	575	9	0.89%	570	9	0.93%
PNC (formerly RBC Centura)	370	10	0.57%	1250	4	2.04%
Kaba Ilco Corporation				575	8	0.94%
CenturyLink/ Sprint				1000	6	1.63%
	<u>12,630</u>		<u>19.51%</u>	<u>11,550</u>		<u>18.81%</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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	112	114	108	107	110	119	112	120	112	118
Public Safety										
Police	200	197	191	199	198	198	199	191	187	197
Fire	142	142	143	145	140	144	146	140	140	141
Public Works	100	92	91	90	86	75	89	77	94	102
Engineering*	25	25	25	25	24	23	22	21	0	0
Parks & Recreation	66	67	65	62	59	58	59	57	55	59
Public Service	4	2	2	2	2	2	2	2	2	2
Economic Development	20	17	16	17	18	19	19	18	33	26
Electric	69	69	64	66	64	70	66	68	60	55
Gas	18	18	19	19	20	16	19	21	24	28
Water	47	46	47	44	43	43	43	41	39	43
Sewer	37	35	37	34	37	36	37	33	33	31
Storm Water	39	39	37	34	35	36	32	33	33	30
Total	879	863	845	844	836	839	845	822	812	832

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>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>	<u>2020</u>
Function/Program										
Police										
Physical arrests	12,281	11,730	9,704	9,014	8,171	7,831	6,517	6,005	6,367	5,749
Traffic violations	10,570	7,241	7,397	6,760	8,098	7,799	8,089	9,374	8,499	6,392
Fire										
Number of calls answered	9,630	9,927	9,478	9,672	9,884	10,455	10,661	10,628	10,833	8,872
Inspections	2,009	2,444	1,996	1,760	2,754	2,196	2,108	2,138	2,745	1,539
Water										
Number of meters	24,927	24,441	24,239	24,365	24,403	24,694	23,861	25,892	26,396	26,756
Avg daily consumption (millions of gallons)	10.44	9.67	9.19	9.50	7.90	9.00	8.49	8.20	8.50	8.00
Peak daily consumption (millions of gallons)	16.00	15.07	13.71	12.40	13.00	14.20	11.30	11.80	15.60	12.50
Wastewater										
Avg daily sewer treatment (millions of gallons)	9.33	10.51	10.39	11.6	10.3	11.3	11.6	10.96	14.12	11.90

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>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>	<u>2020</u>
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	59	63	57	73	66	72	72	71	67	66
Fire										
Stations	7	7	7	7	7	7	7	7	7	7
Public Works										
Streets (miles)	284	284	284	283	283	283	283	283	286	290
Highways (miles)										
Sidewalks (miles)										
Streetlights	6,830	6,949	7,073	7,113	7,207	7,254	7,246	7,268	7,375	7,477
Traffic signals										
Recreation and Parks										
Parks	41	41	41	43	43	43	43	43	49	49
Acreage	473	473	473	482	506	506	506	506	580	580
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Tennis Courts	36	36	36	36	36	36	36	36	26	24
Recreation centers	3	3	3	3	3	3	4	4	4	4
Water										
Water mains (miles)	489	492	492	494	494	497	497	497	505	506
Maximum daily capacity (millions of gallons)	26	26	26	26	26	26	26	26	26	26
Storage capacity (millions of gallons)	9.25	10	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	741	742	742	744	744	740	742	751	744
Gas										
Distribution lines (miles)	498	521	526	535	542	550	555	555	555	557

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.