City of Goldsboro, North Carolina

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2015

Kaye A. Scott

Director of Finance



INTRODUCTORY SECTION



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Goldsboro North Carolina

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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CITY OF GOLDSBORO MAYOR & COUNCIL



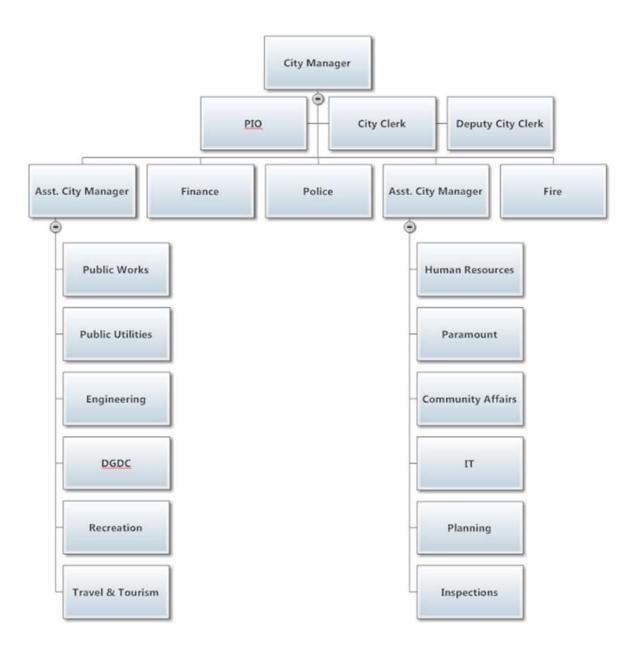
From left to right standing: William Goodman (District 3), Bill Broadaway (District 2), Michael Headen (District 1), Gene Aycock (District 6). From left to right seated: Rev. Charles J Williams, Sr. (District 4), Mayor Al King, and Chuck Allen (District 5).

CITY MANAGER SCOTT A. STEVENS

CITY ATTORNEY JAMES D. WOMBLE, JR.

FINANCE DIRECTOR KAYE A. SCOTT

CITY OF GOLDSBORO ORGANIZATION CHART





December 14, 2015

The Honorable Mayor and Members of the City Council City of Goldsboro, North Carolina

The Comprehensive Annual Financial Report of the City of Goldsboro, for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining a system of internal controls. These controls are designed to provide reasonable assurance that: (1) assets are safeguarded against loss, theft or unauthorized use and; (2) the financial records are reliable, allow for the preparation of financial statements in conformity with generally accepted accounting principles, and demonstrate compliance with applicable legal requirements. Reasonable assurance recognizes that the cost of a control should not exceed its benefit and that evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City must ensure that an adequate internal control system is in place to comply with the various laws and regulations of those financial assistance programs. As part of the City's single audit, the internal control system is tested and evaluated to determine compliance with the applicable legal requirements. The result of the City's single audit for the fiscal year ended June 30, 2015 disclosed no instances of material weaknesses in the internal control system or noncompliance with the applicable laws and regulations.

In addition, the City maintains a system of budgetary controls. These budgetary controls are designed to ensure compliance with the budget ordinances adopted by the City Council as well as compliance with the North Carolina General Statutes as they relate to budgetary control for local governments. All funds are included in the City's annual budget ordinance, grant project ordinances, or capital project ordinances. The level at which expenditures cannot legally exceed the appropriated amounts is at the department level. An encumbrance accounting system is used to achieve budgetary control with encumbered amounts lapsing at year-end. However, encumbrances that are planned to be honored are reported as a reserve of fund balance and re-appropriated in the following year's budget. The City continues to demonstrate its adherence to sound financial management principles and fiscal responsibility as evidenced by the statements and schedules included in this report.

The City is required by the North Carolina General Statutes to have an annual independent audit of its financial statements. In addition, Office of Management and Budget Circular A-133 and the State Single

Audit Implementation Act require annual independent audits of the City's compliance with the applicable laws and regulations related to certain financial assistance received by the City.

The Management Discussion and Analysis (MD&A) immediately follows the report of the independen\uditors. The MD&A provides users of the financial statements a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY

The City of Goldsboro is located in the east-central part of North Carolina. Incorporated in 1847, the City is the largest municipality in Wayne County with an estimated population of 35,436 and a land area of

approximately 28.15 square miles. Situated in the approximate geographic center of the County, the City also serves as the County seat.

The City operates under the Council-Manager form of government. The six members of the Council are elected from districts. The Mayor is elected at-large and is the presiding officer of the Council. The Mayor and Council members serve four-year terms. The Mayor Pro-Tempore is selected by the Council. The Manager is appointed by the Council and serves as the chief administrative officer of the City and is responsible for administering the policies and ordinances of the Council.

The City provides its citizens with a wide range of services that include police and fire protection, sanitation, transportation, cultural and recreational activities, planning and zoning, community development, building inspections, cemetery, and general administrative services. In addition, the City owns and operates water, wastewater and compost utilities. This report includes all of the City's activities related to these services.

The City continues to maintain a system of budgetary controls as required by state statutes that promote a sound financial management and fiscal accountability. In the spring, the City Manager submits to City Council, a proposed budget for the upcoming fiscal year. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30. The annual budget is prepared by fund and department. During the fiscal year, the City Manager or designee is authorized to approve all transfers or revisions, but the City Council must approve any revisions that change the total budget of any fund. Budget-to-actual comparisons are presented in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund, the comparison is presented on page 24 as part of the basic financial statements for the governmental funds. Page 83-90 include budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e. special revenue funds and capital projects funds).

FINANCIAL CONDITION

Local Economy

The City has a diversified economy based upon agriculture, governmental institutions and manufacturing that are supported by a mix of wholesale and retail businesses as well as numerous service providers. This diversity is also reflected in the international composition of the firms. Manufacturers with foreign ownership have corporate ties with Great Britain, Japan and Mexico.



Local industries are involved in a range of operations from simple assembly to complex manufacturing processes, resulting in products ranging from bread and poultry feed to automobile parts, aviation components and electric transformers. The Wayne County Development Alliance, Inc. recognizes 64 major manufacturers and distributors/wholesalers and machine shops in the County who account for more than 9,500 jobs. During the last five years, the area has seen the location of several new manufacturing, warehousing and distribution facilities and the

expansion of even more such operations. Increases in non-manufacturing employment also continue to contribute to a stable local economy.

Seymour Johnson Air Force Base (the "Base"), located in the City, contributes significantly to the local economy. The Base is the home of the Air Combat Command's 4th Fighter Wing and 916th Air Refueling Wing, an Air Force Reserve unit and several small associate units. Seymour Johnson Air Force Base occupies over 50,000 acres in the southeast section of Goldsboro. The Base currently employs approximately 4,566 active duty military personnel, 1,050 civilian personnel and 1,214 full-time air reserve technicians. The annual civilian and military payroll exceeds \$411 million. For the federal fiscal year ended September 30, 2014, the Base had a total economic impact of \$594 million.

The Base awarded a \$28.9 million contract for airfield pavement repairs and a \$14.9 million contract to modernize three of the four KC-135R tanker maintenance facilities on the Base. These contracts will be completed in the Fall of 2015. The 4th Medical Group at Seymour Johnson broke ground in August 2014 on a new 107,000 square feet medical clinic. The \$54.3 million facility will provide state of the air medical treatment. The new clinic expected to be opened in May 2016.

The Base was chosen as the preferred alternative for the first Reserve-led KC-46A Pegasus main operating base by Air Force officials, October 29, 2015. The KC-46A aircraft is the driving force of a three-phase effort to replace the Air Force's aging tanker fleet. Seymour Johnson AFB will participate in an environmental impact analysis to help Air Force officials with final basing decisions for the aircraft. The KC-46As are expected to begin arriving in 2019.

The construction of a new 410,000 square-foot State run psychiatric facility to replace an existing facility should be completed and opened by early 2016. This new facility will house residential patient care units, therapy and medical facilities; and administrative support areas. The hospital will have 316 inpatient beds and will offer outpatient services. It will serve patients from 38 eastern counties and is expected to employ approximately 1,000 staff. This \$138.3 million construction project created an additional 650 temporary construction jobs for Goldsboro and Wayne County.

Wayne Community College ("WCC"), located within the City of Goldsboro employs approximately 600 employees with Wayne County as its service area, has approximately 8,000 students enrolled annually in its 93 programs of study in college transfer and technical areas (degree, diploma, or certificate).

The City serves as the medical care center for the County and portions of surrounding counties. Wayne Memorial Hospital, located in the City and employs approximately 1814 individuals, is an acute-care facility offering a wide range of major medical services. The hospital continues to improve its facilities and technology. Wayne Memorial Hospital has received conditional approval for a \$25 million expansion project. The project includes renovations of 50,000 square feet of existing hospital space and an addition of 40,000 square feet with an anticipated completion date of 2017.

The City of Goldsboro's Inspection Division issued approximately \$25 million for commercial and \$7 million residential building. The retail sector of the economy is holding steady. Permits have been issued

for several large restaurants, bank, grocery store, school additions/renovations, hotel,office/administration buildings, retail stores and a solar farm.

The Downtown Goldsboro Development office continued to support and promote the development of Downtown Goldsboro; their efforts earned Goldsboro recognition with designation as an accredited National Main Street Program by meeting the commercial district revitalization standards for performance set by the National Trust for Historic Preservation's National Main Street Center. Goldsboro is among 35 communities in NC to receive this accreditation in 2015.

During the 2014-15 fiscal year, we had 18 new businesses open (11 net gain), 48 net new jobs created, 2,331 volunteer hours invested in downtown, \$10,635,877 of public investment and \$416,000 of reported private investment downtown. The City and Downtown received a \$10,000,000 USDOT Transportation Infrastructure Generating Economic Recovery discretionary grant to conduct four transportation related projects in the downtown area in September of 2013. With these funds, plus the City's match of nearly \$4.5M and two previously acquired FTA grants totaling to \$1.67M, the City began construction in August 2014 on four downtown revitalization projects. These include: Center Street Streetscape Project involving three additional blocks of Center Street improvement from Mulberry Street to Spruce Street, Construction of the Gateway Transfer Center at the Union Station property located at 101 N. Carolina Street, Site Work to the Gateway Transfer Center Property and Walnut & Other Streetscape Project,

including above surface improvement to eight street blocks connecting the Gateway/Union Station property to downtown. All of the projects were completed in the Fall 2015.

Since the announcement of the TIGER grant award in September 2013, downtown has experienced 28 new businesses and 23 new property acquisitions. The DGDC non-profit organization raised \$58,000 to assist the City with downtown efforts and events through sponsorships from 99 sponsors. The City of Goldsboro acquired funding through NCDOT Planning Work Program funds to initiate a wayfinding signage system design plan and began working on the



study with Alta Consulting in December 2014. As of November 2015, two investors are rehabilitating two properties that will result in four additional upper story housing units. The City, DGDC and the Arts Council of Wayne County was designated a SMART Community by the NC Arts Council and will be receiving approximately \$30,000/year for the next 3 to 5 years to work with an artist and develop projects that test the theory that art spurs private investment and economic development. The City received an award from the North Carolina Chapter of the American Planning Association; the 2015 Great Main Street in the Making Award for Center Street.

Downtown Goldsboro was selected to serve as the host community for the 2016 NC Main Street Conference, to be held March 16 - 18, 2016. It is anticipated that over 550 community and downtown leaders from across the State will be attending this annual conference to learn about varying downtown revitalization strategies and see first-hand the significant transformation and investments that have been made in recent years in downtown Goldsboro. One hundred percent of the sessions, activities and tours will be conducted downtown with the exception of the hotelier needs and a tour of Seymour Johnson Air Force Base. Goldsboro competed with other Main Street Communities statewide to serve as the host community.

The NC Division of Tourism, Film & Sports Development, has just released the 2014 tourism economic impact numbers for Wayne County. Travel in Wayne County generated an economic impact of \$151.26 million in calendar year 2014. This is a 2.6% increase over 2013. Approximately 1000 jobs in Wayne County were directly attributable to travel and tourism and the industry generated \$19.8 million in payroll for the county. State and local tax revenues from travel to Wayne County in 2013 amounted to \$11.4 million. Of the 100 counties in North Carolina, Wayne County is ranked 29th in the State. Economic

impact of travel in the County far surpasses neighboring counties of Wilson, Duplin, Sampson, Lenoir, Greene and Craven. Sporting events in 2014, such as the United States Tennis Association North Carolina State Singles Championship, American Corn Hole State Championship, Goldsboro Criterion, USSSA softball tournaments, PDGA tournaments and Goldsboro Family Y hosted swim meets, generated over \$2 million in economic development to the City and County.

Long-Term Financial Planning

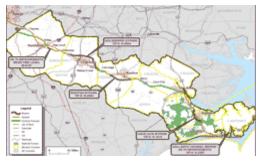
The City of Goldsboro and County of Wayne have partnered to construct a 56,000 square foot agricultural and convention center at an estimated cost of \$16 million. The City of Goldsboro will convey 12 acres adjacent to Wayne Community College for the convention center and the County of Wayne will loan the City \$3 million to help fund the multi-sports complex that is part of the P4 Initiative with Seymour Johnson Air Force Base. The interlocal agreement authorizes the City and County to utilize portions of the occupancy taxes for the operations.

The City of Goldsboro had a Utility Master Plan completed and the scope of the Utility Master Plan is to project long-term water and sewer utility needs for water treatment and distribution, water supply, wastewater treatment and collection. In 2013, the City of Goldsboro had a sewer collection system inflow and infiltration analysis done. Significant problems were identified in this study. The City has undertaken an extensive sewer collection system rehabilitation program with four initial phases; Phase 1 is completed (\$375,246), Phase 2 is currently under construction (\$1,304,000), Phase 3 will be bid soon (\$1,920,695), and Phase 4 is the next upcoming part of the rehabilitation project (\$5,698,529).

In September 2014, City Council authorized a design-build team for the construction of a new recreation center to be located at Mina Weil Park. The construction project will consist of an approximately 31,000 square foot facility which will include a gymnasium, game rooms, fitness rooms, offices, locker rooms and a kitchen. The estimated costs will be \$6,000,000 with the projected completion in early 2016.

In November 2015, the City of Goldsboro and the United State Air Force entered into an agreement to develop a multisport complex which will include soccer, football and lacrosse. The proposed development site is approximately 62.35 acres adjacent to Seymour Johnson Air Force Base. The completed project will include a combination of up to eight (8) artificial and natural turf fields, sports lighting, and spectator seating for up to 500, restrooms and parking.

The Federal Highway Administration has designated funds not to exceed the amount of \$900,000 for the next phase of construction of the Multi-Use Trail along New Hope Road. This project will construct a 10 foot wide multi-use path. The Federal Highway Administration will reimburse the City of Goldsboro at the rate of 80% (\$720,000) and North Carolina Department of Transportation will provide the non-federal



match of 20% (\$180,000) for a total estimated project cost of \$900,000. This project must be completed by September 2019; however, staff anticipates completing the project by December 2016.

U.S. Highway 70 is one of the primary East-West corridors traversing eastern North Carolina. As such, there are ongoing efforts to transform U.S. 70 into a freeway from Interstate 40 to the coast. The corridor is a major facility connecting the Raleigh, Smithfield, Goldsboro, Kinston, Havelock, and Morehead City areas. Already the first section

of this freeway has been opened as the Clayton Bypass. An additional segment known as the "Goldsboro Bypass" is scheduled to completely open in June, 2016 which will terminate near the LaGrange/Lenoir County line. Continuing studies and funding have been designated to continue the next segment of the freeway through the "Kinston Bypass" which has already incorporated specific roadways for access to the

Global Transpark extending near the terminus of the Goldsboro Bypass. This corridor will provide expedient movement of freight and goods to the deep-water port located in Morehead City. Seymour Johnson Air Force Base in Goldsboro and Cherry Point Marine Corps Air Station in Havelock are two military bases located just off U.S. 70. The importance of this corridor has also been recognized in the Rural Prosperity Task Force Report, as one of three corridors statewide that should be improved to assist economic development in the primarily rural areas.

OTHER RELEVANT INFORMATION

The City utilizes the pooled cash and investment concept in investing temporarily idle cash. The criteria for selecting investments are safety, liquidity and yield. The investment policy of the City is guided by state Statute and as a result, investments in certificates of deposit, short-term money market arrangements, and the North Carolina Capital Management Trust, an SEC registered mutual fund, have been made. All deposits are either insured by federal depository insurance or collateralized by pledged securities.

During the course of each year's budget development process, the City's departments update the City of Goldsboro's capital projects ten year plan. This plan is presented and reviewed by the City Manager and City Council each fiscal year and used as a planning tool in preparing the fiscal budget. The City will be altering its capital project forecasting to a capital improvement plan (CIP). This plan will include projects of large and nonrecurring nature of \$30,000 and higher with 10 year forecasting for the General Fund projects and up to 20 years for the Utility Fund projects.

The Goldsboro City Council adopted fiscal policy guidelines in April 2010 and updated policies to include Utility Fund objectives in February 2012. This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practice of Goldsboro. The City's debt policy ratio of direct net debt service expenditures as a percent of total governmental fund expenditures should not exceed 15% with an aggregate ten-year principal payout ratio target of 55% or better. The City will strive to maintain available fund balance in the General Fund at a level sufficient to meet it objectives. The City will target an available fund balance at the close of each fiscal year equal to 15% of the General Fund Operating Budget.

In October 2014, Standard and Poor's Ratings Services affirmed its AA- rating and Moody's assigned a rating of Aa2 to the City of Goldsboro.

The City contributes an amount equal to 5% of participant earnings to a supplemental retirement plan (401-K) for law enforcement officers and as of January 1, 2015, contributes 3% to all non-sworn employees. No contribution is required of the participant in this plan, but voluntary contributions are permitted up to the legally allowed maximum under tax deferral law.

Starting July 1, 2014, the City modified its health insurance plan to a fully-insured plan and increase the high deductible plan to a \$2,600 deductible. Two options are available to employees; Health Savings Accounts (HSA) or a Health Reimbursement Account (HRA). In June 2015, the North Carolina General Assembly enacted a House Bill allowing local governmental units to join the North Carolina State Health Plan. The City of Goldsboro has decided to participate in the North Carolina State Health Plan effective January 1, 2016. The City has projected an estimated \$1 million in health benefit savings in FY 16-17.

In accordance with G.S. 159-29, the finance officer and tax collector are each individually bonded for \$50,000 and \$55,000 respectively.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Goldsboro for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 1990-1993 and 1995-2014.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial records.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENT

Preparation of this report could not have been accomplished without the efficient and dedicated efforts of the Finance Department staff, the various employees who assisted in obtaining information, and our independent Certified Public Accountants, Carr, Riggs and Ingram, LLC. We would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner.

Respectfully submitted

Scott A. Stevens City Manager

Kaye A. Scott Director of Finance **FINANCIAL SECTION**



Carr, Riggs & Ingram, LLC 2805 North Park Drive Goldsboro, North Carolina 27532

Mailing Address: P.O. Box 10588 Goldsboro, North Carolina 27532-0588

(919) 751-8297 (919) 778-0575 (fax) www.cricpa.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council City of Goldsboro, 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 Goldsboro, North Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Goldsboro'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, based on our audit, 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 Goldsboro, North Carolina, as of June 30, 2015, 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 on pages 4 - 16, the Law Enforcement Officers' Special Separation Allowance's and the Other Postemployment Benefits' Schedules of Funding Progress and Schedules of Employer Contributions, on pages 69-70, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset and Contributions on page 71, and the Firefighters' and Rescue Squad Workers' Pension Fund's Schedule of the Proportionate Share of Net Pension Liability in page 72 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Goldsboro, North Carolina's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and Schedule of Expenditures of Federal and State Awards, as required by U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments and Non-Profit Organizations and the State Single Audit Implementation Act, 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, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Can, Rigge & Ingram, L.L.C.

Goldsboro, North Carolina December 14, 2015

As management of the City of Goldsboro (The "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2015. 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.

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 recent fiscal year by \$106,020,271 (net position). Of this
 amount, \$8,288,088 (unrestricted net position) may be used to meet the government's ongoing
 obligations to citizens and creditors.
- The government's total net position increased by \$11,003,659, consisting of an \$8,967,550 increase in net position of governmental activities and an \$2,036,109 increase in net position of business-type activities. The governmental increase was primarily the result of the City's capital asset additions. Business-type activities increased due to utility capital assets increasing and savings on maintenance expenses due to the Water Treatment Plant upgrade.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$18,361,157, an increase of \$11,925,569 in comparison with the prior year. Approximately 54 percent of this total, or \$9,943,971, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned total fund balance for the General Fund was \$6,285,207 or 17.8 percent of total general fund expenditures for the fiscal year. The City of Goldsboro had a large increase in fund balance in FY 2014-15 related to the issuance of debt to repay the prior year loan from the Utility Fund.
- The City of Goldsboro's total debt increased by \$16,219,534 (45%) during the current fiscal year.
- The City of Goldsboro maintained its AA- bond rating from Standard and Poor's and Aa2 from Moody's Investors Services. The City has received an unmodified opinion from the independent auditing firm, Carr, Riggs and Ingram, LLC. An unmodified option is the highest level of assurance of compliance with accounting standards and practices and with the internal controls there were no material weaknesses or significant deficiencies.

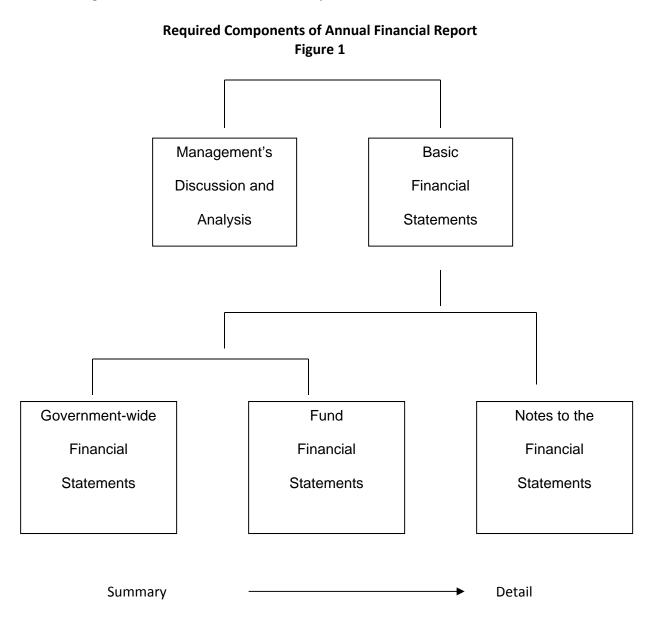
Overview of the Financial Statements

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 (see figure 1). They are as follows:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

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.



Basic Financial Statements

The first two statements (Exhibits 1 and 2) 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 (Exhibits 3 through 8) 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 fund statements; 2) the budgetary comparison statements; 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, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the General Statutes can also be found in this part of the statements.

Government-wide financial statements. The government-wide financial statements consist of two statements. They are the Statement of Net Position and the Statement of Activities. They are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information showing how the government'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 cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of Goldsboro that are primarily supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, buildings and grounds, economic/physical development, environmental protection, and culture and recreation. The business-type activities of the City include water and sewer operations.

The government-wide financial statements can be found on pages 18-19 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting, which 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 Board 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 statement provided for the General Fund demonstrates 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 board; 2) the final budget as amended by the board; 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's proprietary type funds provide the same type of information found in the government-wide financial statements, but in more detail. The City uses an enterprise fund to account for its water and sewer activity. To account for the difference between the budgetary basis of accounting and the accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary schedule.

The fund financial statements can be found on pages 20-27 of this report.

Notes to the financial statements. The notes to the financial statements 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 can be found on pages 28-64 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain supplementary information concerning the City's operations and property taxes.

The other information can be found on pages 66-70 of this report.

Interdependence with Other Entities: The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

Table 1
City of Goldsboro, North Carolina
Condensed Statement of Net Position
As of June 30,

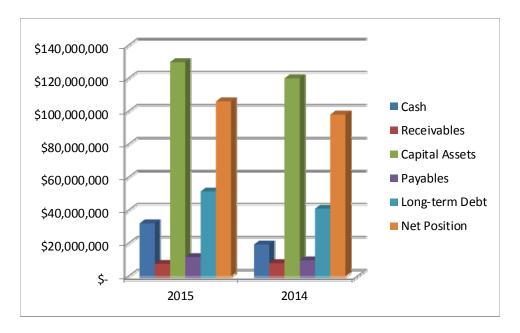
	Governmen	tal Acti	ivities	Business-ty	pe Act	ivities	Total Primary	/ Gover	nment
	2015		2014	2015		2014	2015		2014
Current assets	\$ 15,502,711	\$	10,027,543	\$ 13,919,209	\$	14,016,026	\$ 29,421,920	\$	24,043,569
Capital assets	61,815,937		51,340,883	68,032,678		68,672,219	129,848,615		120,013,102
Deferred outflows of resources	1,181,575			578,824		491,105	1,760,399		491,105
Total assets	\$ 78,500,223	\$	61,368,426	\$ 82,530,711	\$	83,179,350	\$ 161,030,934	\$	144,547,776
Current liabilities	6,185,212		4,137,240	5,490,847		5,611,641	\$ 11,676,059	\$	9,748,881
Long-term liabilities	27,994,565		14,160,029	23,450,315		26,854,024	51,444,880		41,014,053
Deferred inflows of resources	4,479,211		2,092	1,436,067		694,008	5,915,278		696,100
Total liabilities	\$ 38,658,988	\$	18,299,361	\$ 30,377,229	\$	33,159,673	\$ 69,036,218	\$	51,459,034
Net investment in capital assets Restricted for:	42,803,884		38,335,957	45,635,607		43,218,439	88,439,491		81,554,396
Stabilization by State Statute	2,651,605		4,572,888			-	2,651,605		4,572,888
Capital projects	6,300,863		· · ·	-		-	6,300,863		-
Unrestricted	(2,315,163)		169,448	10,943,475		11,720,607	8,628,312		11,890,055
Total net position	\$ 49,441,189	\$	43,078,293	\$ 56,579,082	\$	54,939,046	\$ 106,020,271	\$	98,017,339

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the City exceeded liabilities by \$106,020,271 as of June 30, 2015. The City's net position increased by \$11,003,659 for the fiscal year ended June 30, 2015. However, the largest portion of net position (83%) reflects the City's investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of 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 (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$8,288,087 is unrestricted. Also, the City implemented GASB Statement 68 this year. With the new reporting change,, the City is allocated its proportionate share of the Local

Government Employees' Retirement System's net pension asset, deferred outflows of resources, deferred inflows of resources, and pension expense. A restatement to record the effects of the new reporting guidance decreased beginning net position by \$3,000,727. Decisions regarding the allocations are made by the administrators of the pension plan, not by the City of Goldsboro's management.

Government-wide Statement of Net Position Components - 6/30/2015 and 6/30/2014



Several aspects of the City's financial operations influenced its government-wide net position components:

Governmental activities: Governmental activities increased the City's net position by \$8,967,550. Key elements of this increase are as follows:

- Sales tax revenues had an increase in collections of \$729,888.
- Loan proceeds received for reimbursements to the General Fund for expenses associated with the purchase and renovations of the Goldsboro Events Center in the amount of \$449,538.
- The City's Police Department expenses decreased by \$2,700,000 from previous fiscal year that related to an insurance settlement.
- General fund recognized an increase in revenues its Utility Franchise Tax in \$405,325 over previous year's collections along with repayment for the Garage's fuel and repair services from the Goldsboro/Wayne Transportation Authority in the amount of \$733,000.
- Repayment of interfund loan to the Utility Fund reduced the liabilities by \$1,936,053.
- The City recognized the current year's net pension asset of \$1,789,358.

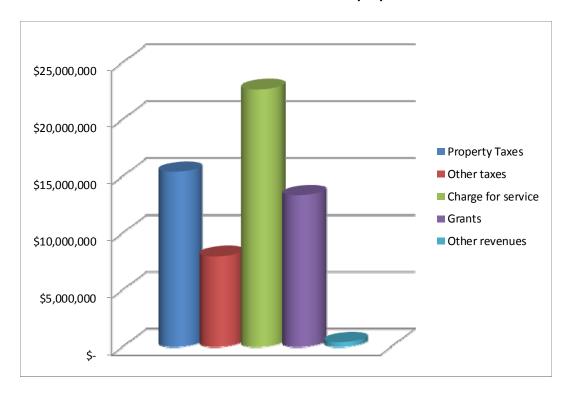
Business-type activities: Business-type activities increased the City's net position by \$2,036,109. Key elements of this increase are as follows:

- The City's General Fund reimbursed the Utility Fund \$1,936,053 for the interfund loan.
- Phase I and II Water Treatment Plant upgrade contributed to operational efficiency savings.
- The City recognized the current year's net pension asset of \$272,099.

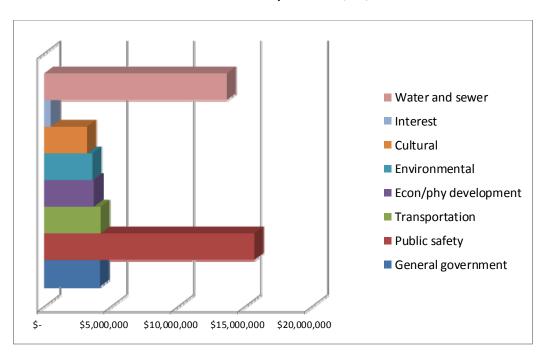
Table 2
City of Goldsboro, North Carolina
Condensed Statement of Revenue, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30,

			2015					2014	
	 overnmental Activities	Вι	usiness-type Activities	Total	Go	overnmental Activities	Вι	usiness-type Activities	Total
Revenues:				_					
Program revenues:									
Charges for services	\$ 6,980,299	\$	15,691,832	\$ 22,672,130	\$	5,302,872	\$	15,813,626	\$ 21,116,498
Grants and contributions	13,341,922		-	13,341,922		5,376,918		-	5,376,918
General revenues:									
Property taxes	15,420,547		-	15,420,547		15,194,387		-	15,194,387
Local option sales taxes	7,214,633		-	7,214,633		6,484,745		-	6,484,745
Other taxes	785,616		-	785,616		1,261,863		-	1,261,863
Unrestricted investment									
earnings	6,848		6,612	13,460		5,323		8,025	13,348
Miscellaneous	416,502			 416,502		633,779			633,779
Total revenues	 44,166,367		15,698,444	 59,864,810		34,259,887		15,821,651	 50,081,538
Expenses:									
General government	4,184,415		_	4,184,415		3,564,525		-	3,564,525
Public safety	15,715,097		_	15,715,097		19,435,147		-	19,435,147
Transportation	4,235,342		_	4,235,342		3,656,128		_	3,656,128
Economic and physical	,,,			.,,_		2,000,1=0			-,, :
development	3,724,636		-	3,724,636		3,696,955		-	3,696,955
Environmental protection	3,620,474		-	3,620,474		3,656,775		-	3,656,775
Cultural and recreation	3,213,278		-	3,213,278		3,137,048		-	3,137,048
Interest on long-term debt	505,575		-	505,575		489,199		-	489,199
Water and sewer	-		13,662,335	13,662,335		-		14,121,802	14,121,802
Total expenses	35,198,816		13,662,335	48,861,151		37,635,777		14,121,802	51,757,579
Increase in net position	8,967,550		2,036,109	11,003,659		(3,375,890)		1,699,849	(1,676,041)
Net position, July 1	43,078,293		54,939,046	98,017,339		46,454,183		53,239,197	99,693,380
Prior period adjustment	(2,604,654)		(396,073)	(3,000,727)		<u>-</u>			<u>-</u>
Net position, June 30	\$ 49,441,189	\$	56,579,082	\$ 106,020,271	\$	43,078,293	\$	54,939,046	\$ 98,017,339

Government-wide Revenues - 6/30/2015



Government-wide Expenses – 6/30/2015



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 nearterm 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.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,285,207, while total fund balance reached \$16,229,178. 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 approximately 18% percent of total General Fund expenditures, while total fund balance represents 46% percent of the same amount.

At June 30, 2015, the governmental funds of the City reported a combined fund balance of \$18,361,157, a 185% increase over last year. In the general fund, the actual budget basis fund balance change was an increase for fiscal year 2015 of \$10,699,333 and is primarily due to new debt issued. Property Tax and sale tax revenues increased over prior year's collections. The Downtown District Fund had a slight decrease in fund balance of \$982 and the Occupancy Tax Fund increased by \$475,827 due to the proceeds received from the sale of property.

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; and 3) increases in appropriations that become necessary to maintain services.

At June 30, 2015, the governmental funds of the City of Goldsboro reported a combined fund balance of \$18,361,157, a \$11,925,569 increase over last year. Key factors (increases and decreases) in the changes of the fund balances for the governmental funds are noted below:

There were revenue appropriations for reimbursement proceeds received from loans received from expenses previously funded: (1) Berkeley Blvd Widening Project in the amount of \$637,000 from the County of Wayne; (2) Engineering Services for the Streetscape Project in the amount of \$475,000 from the Tiger Matching Loan; (3) Repayment of the Interfund Loan in the amount of \$1,936,053 to Utility Fund which decreased liability; and (4) Goldsboro Event Center purchase and renovations expenses in the amount of \$449,538. The City realized increases in Utility Franchise Taxes and Sales Tax over budget in the amount of \$774,699.

Several differences occurred between the original and final adopted budgets for the fiscal year. Some of the more significant variances are as follows:

- Privilege Licenses had a decrease due to the North Carolina's Legislation repealing the local business tax levy.
- Sales Tax and Utility Franchise Taxes were more than originally budgeted.
- Sales and services revenues increased in the Parks and Recreation due to the marketing and events changes and a slight decrease in refuse and golf fee collections.
- The difference in unrestricted intergovernmental revenues resulted from increased collections in Utility Taxes, NCDOT Signal reimbursement, and Wayne County School Resource Officers.
- Transportation planning grant expenditures and reimbursement was not as much as expected.
- Restricted revenues increased for reimbursement with the City's garage fuel and services for the Goldsboro/Wayne Transportation Authority.
- Parks and Recreation's budget was amended for the renovations and purchase of the Goldsboro Event Center.
- Funds were allocated in Transportation for the Berkeley Blvd Widening Project.

Several significant differences occurred between the final amended budget and actual results:

- Privilege licenses decreased with the change in billing and collections of privilege licenses.
- Sales Tax and Utility Franchise Taxes collections were more than foreseen.
- Transportation planning grant funds received were less than expected due to a decrease in work completed on the authorized projects.
- Sales and service revenues were less than budgeted in refuse service and golf fees.
- Overall expenditures were less than budgetary estimates, due to vacant positions and reduction in spending by all departments.

Proprietary fund. The City's proprietary fund provides the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Utility Fund at the end of the fiscal year amounted to \$10,943,475. The total increase in net position for the fund was \$2,036,109. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2015, totals \$129,848,615 (net of accumulated depreciation). These assets include buildings, streets, land, equipment, and vehicles.

The significant capital asset additions during the year were:

- Renovations and Improvements to Stoney Creek Park of \$484,663.
- Purchase of 5 Line Cars for the Police Department costing \$137,276.
- Purchase of Fire Pumper for the Fire Department of \$458,788 and 3 Automatic Garbage Trucks for \$852,879.

- Streets and Storms acquired a Street Sweeper for \$198,843.
- Purchased Service Trucks for the Maintenance costing \$219,815.
- Improvements to Harris Street Water Storage Tank of \$192,960.
- No major demolitions were recorded this year.

Additional information on the City's capital assets can be found on pages 40-41 of this report.

Government-wide Capital Assets – 6/30/2015

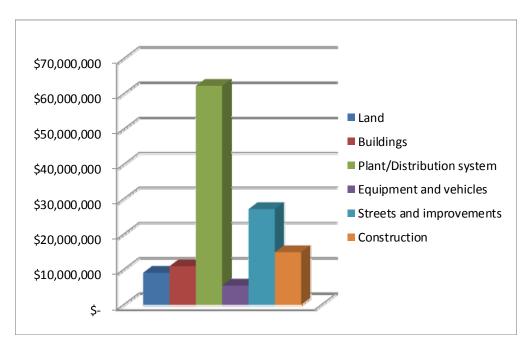


Table 3
City of Goldsboro, North Carolina
Condensed Statement of Capital Assets (net of depreciation)
For the Fiscal Year Ended June 30,

	Governmen	tal A	ctivities	 Business-ty	pe A	ctivities	 To	otal	
	2015		2014	2015		2014	2015		2014
Land	\$ 7,643,170	\$	7,658,770	\$ 1,443,282	\$	1,443,282	\$ 9,086,452	\$	9,102,052
Buildings	10,944,569		11,457,233			-	10,944,569	\$	11,457,233
Plant and									
Distribution									
Systems	-		-	62,279,158		65,121,226	62,279,158	\$	65,121,226
Equipment	460,892		641,161	858,186		806,873	1,319,078	\$	1,448,034
Vehicles	3,569,797		2,603,806	578,207		456,400	4,148,004	\$	3,060,206
Streets and									
Improvements	27,143,155		27,437,114	-		-	27,143,155	\$	27,437,114
Construction in									
progress	12,054,354		1,542,799	2,873,845		844,438	 14,928,199	\$	2,387,237
Total	\$ 61,815,937	\$	51,340,883	\$ 68,032,678	\$	68,672,219	\$ 129,848,615	\$	120,013,102

Long-term Debt. As of June 30, 2015, the City had total bonded debt outstanding of 53,369,770. Of this amount, \$18,764,000 represents bonded debt backed by the full faith and credit of the City, while the remainder represents several notes payable and capitalized leases.

Table 4
City of Goldsboro, North Carolina
Condensed Statement of Long Term Debt
For the Fiscal Year Ended June 30,

	Governmen	ntal Activities	Business-ty	pe Activities	Total				
	2015	2014	2015	2014	2015	2014			
General obligation bonds	\$ 5,135,723	\$ 3,754,297	\$ 13,628,277	\$ 15,445,703	\$ 18,764,000	\$ 19,200,000			
Capitalized leases	529,330	735,521	-	-	529,330	735,521			
Notes Payable	21,154,145	11,215,108	\$ 12,922,295	14,927,446	34,076,440	26,142,554			
Total	\$ 26,819,198	\$ 15,704,926	\$ 26,550,572	\$ 30,373,149	\$ 53,369,770	\$ 46,078,075			

The City maintains an AA- rating from Standard and Poor's Corporation and Aa2 rating from Moody's Investor Services on its general obligation bonds.

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 \$160,454,615.

Additional information regarding the City's long-term debt can be found in note 6 on pages 54-61 of this report.

Economic Factors and Next Year's Budgets and Rates

The average unemployment rate for the Goldsboro Metropolitan Statistical Area (MSA) is currently 5.8%. The number of people unemployed in Goldsboro in September 2015 was 3,078. There are now 817 fewer unemployed individuals in Goldsboro.

As of October 2015, the City's occupancy rates are trending 58.7% for the year, which shows a 3% increase over last year for the same timeframe. Revenues are up 20% for October 2015 vs. 2014.

Budget Highlights for the Fiscal Year Ending June 30, 2016

<u>Governmental Activities:</u> The City's adopted budget for 2015 reflects no increase in tax rates and Council agreed that the tax levy should remain at its existing rate of 65 cents per \$100 valuation. There was no appropriation of fund balance used in forming the General Fund's budget for FY 15-16.

In June 2015, the North Carolina General Assembly enacted a House Bill allowing local governmental units to join the North Carolina State Health Plan. The City of Goldsboro has decided to participate in the North Carolina State Health Plan effective January 1, 2016 and anticipate premium savings in FY 2016-17.

Business – **type Activities:** Water and sewer usage is expected to remain constant in FY 2015-16. Phase II of the Water Treatment Plant Facility upgrade was completed in July 2013. These upgrades will continue to assist with operational savings

Requests for Information

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional financial information should be directed to the Director of Finance, City of Goldsboro, P.O. Drawer A, Goldsboro, North Carolina 27533.

BASIC FINANCIAL STATEMENTS

City of Goldsboro Statement of Net Position June 30, 2015 Exhibit 1

	Primary Government												
		vernmental		siness-type									
100570		Activities		Activities		Total							
ASSETS													
Current assets:	Φ.	44 500 540	•	0.500.004	Φ.	00 400 747							
Cash and cash equivalents	\$	11,533,513	\$	8,593,204	\$	20,126,717							
Receivables (net)		4,422,091		3,148,591		7,570,682							
Internal balances		(763,947)		763,947		-							
Inventories		311,053		1,413,467		1,724,521							
Total current assets		15,502,711		13,919,209		29,421,920							
Non-current assets:													
Restricted assets:													
Cash and investments		7,810,596		4,153,501		11,964,097							
Net pension asset		1,789,358		272,099		2,061,457							
Capital assets:													
Land, improvements, and construction in progress		19,697,524		4,317,127		24,014,651							
Other capital assets, net of depreciation		42,118,413		63,715,551		105,833,964							
Total capital assets		61,815,937		68,032,678		129,848,615							
Total non-current assets		71,415,891		72,458,278		143,874,169							
-		00 040 000		00.077.407		170 000 000							
Total assets		86,918,602		86,377,487		173,296,090							
DEFERRED OUTFLOW of RESOURCES													
Contribution to pension plan		1,181,575		179,676		1,361,251							
Deferred charge on refunding		-		399,148		399,148							
Total deferred outflows of resources		1,181,575		578,824		1,760,399							
LIABILITIES													
Current liabilities:													
Accounts payable and accrued liabilities		3,123,305		700,052		3,823,357							
Customer deposits		-		1,080,014		1,080,014							
Current portion of long-term liabilities		3,061,907		3,710,781		6,772,688							
Total current liabilities		6,185,212		5,490,847		11,676,059							
Long-term liabilities:													
Due in more than one year		27,994,565		23,450,315		51,444,880							
Total liabilities		34,179,777		28,941,162		63,120,939							
		- , -,		-,- , -		, -,							
DEFERRED INFLOWS OF RESOURCES													
Pension deferrals		4,477,120		680,814		5,157,934							
Prepaid assessments		2,091		755,253		757,344							
Total deferred inflows of resources		4,479,211		1,436,067		5,915,278							
NET POSITION													
Net investment in capital assets		42,803,884		45,635,607		88,439,491							
Restricted for:		,. 30,00 !		, - 30 , 00 /		22, 700, 101							
Stabilization by State Statute		2,651,605		_		2,651,605							
Capital projects		6,300,863		_		6,300,863							
Unrestricted		(2,315,163)		10,943,475		8,628,313							
Total net position	\$	49,441,189	\$	56,579,082	\$	106,020,271							

City of Goldsboro Statement of Activities Governmental Funds For the Fiscal Year Ended June 30, 2015 Exhibit 2

					Prog	ram Revenue	S		Ne	t (Expense) Re	ven	ue and Change	s in	Net Position
Functions/Programs	Expenses		C Expenses		Operating Grants and Contributions			Capital Grants and Contributions		Governmental Activities		usiness-type Activities		Total
Primary government:														
Governmental Activities:														
General government	\$	4,184,415	\$	302,688	\$	3,735,555	\$	-	\$	(146,171)	\$	-	\$	(146,171)
Public safety		15,715,097		381,999		193,725		-		(15,139,373)		-		(15,139,373)
Transportation		4,235,342		1,219,735		1,389,397		-		(1,626,210)		-		(1,626,210)
Economic and physical														
development		3,724,636		-		31,739		7,137,148		3,444,251		-		3,444,251
Environmental protection		3,620,474		3,244,483		-		-		(375,991)		-		(375,991)
Cultural and recreation		3,213,278		1,831,393		854,358				(527,527)		-		(527,527)
Interest on long-term debt		505,575		-		-		-		(505,575)		-		(505,575)
Total governmental														
activities (See Note 1)		35,198,816		6,980,299		6,204,774		7,137,148		(14,876,596)		-		(14,876,596)
Business-type activities:														
Water and sewer		13,662,335		15,691,832		-		-		-		2,029,497		2,029,497
Total business-type activities		13,662,335		15,691,832		-		-		-		2,029,497		2,029,497
Total primary government	\$	48,861,151	\$	22,672,130	\$	6,204,774	\$	7,137,148		(14,876,596)		2,029,497		(12,847,099)
		eral revenues:												
		Property taxes	, levi	ed for general p	urpos	е				15,420,547		-		15,420,547
		Local option sa	ales t	axes						7,214,633		-		7,214,633
		Other taxes ar	nd lice	enses						785,616		-		785,616
	Ur	nrestricted inve	stme	ent earnings						6,848		6,612		13,460
	Mi	iscellaneous								416,502		-		416,502
		Total genera	al rev	enues not inclu	ding tr	ansfers				23,844,146		6,612		23,850,758
		Total genera	al rev	enues and trans	fers					23,844,146		6,612		23,850,758
		Change in n	et po	sition						8,967,550		2,036,109		11,003,659
	Net _l	position - begin	ning							43,078,293		54,939,046		98,017,339
	Prio	r period adjustr	<u>nent</u>							(2,604,654)		(396,073)		(3,000,727)
	Net	position - endin	ıg						\$	49,441,189	\$	56,579,082	\$	106,020,271

The notes to the financial statements are an integral part of this statement

City of Goldsboro Balance Sheet Governmental Funds June 30, 2015 Exhibit 3

		Major	Fund	ls				
		General	DO.	T Grant Fund	To	tal Nonmajor Funds	G	Total overnmental Funds
ASSETS								
Cash and investments	\$	9,564,117	\$	_	\$	1,969,396	\$	11,533,513
Receivables (net):	Ψ	0,00 .,	Ψ		Ψ	.,000,000	Ψ	,000,010
Taxes		1,434,361		-		5,780		1,440,141
Accounts		2,981,950		-		-		2,981,950
Due from other funds		100,000		_		_		100,000
Inventories		311,053		_		_		311,053
Restricted assets:		211,222						211,000
Cash and investments		6,300,863		1,509,733		_		7,810,596
Total assets	\$	20,692,344	\$	1,509,733	\$	1,975,177	\$	24,177,254
LIABILITIES AND FUND BALANCES Liabilities: Accounts payable and accrued liabilities	\$	1,401,862	\$	1,223,687	\$	23,464	\$	2,649,013
Accrued compensation payable		343,233		-		-		343,233
Due to other funds		763,947		-		100,000		863,947
Total liabilities		2,509,042		1,223,687		123,464		3,856,193
DEFERRED INFLOWS OF RESOURCES		1,954,124		-		5,780		1,959,904
Fund balances: Non Spendable								
Inventories		311,053		-		-		311,053
Perpetual care		340,225		-		-		340,225
Restricted								
Unexpended bond proceeds		6,300,863		-		-		6,300,863
Stabilization by State Statute		2,651,605		-		-		2,651,605
Committed								
Downtown Development		-		-		130,665		130,665
Economic Development		-		286,046		1,690,418		1,976,464
Assigned								
Subsequent year's expenditures		-		-		24,850		24,850
Unassigned		6,625,432		-		-		6,625,432
Total fund balances		16,229,178		286,046		1,845,933	_	18,361,157
Total liabilities, deferred inflows of resources, and fund balances	\$	20,692,344	\$	1,509,733	\$	1,975,177	_	
Amounts reported for governmental activities in the statement of net because:	positio	n (Exhibit 1) are	e diffe	erent				
Capital assets used in governmental activities are not financial resou	urces a	nd therefore ar	e not	reported in the	funds.			
Gross capital assets at historical cost Accumulated depreciation						101,569,027 (39,753,090)		61,815,937
Deferred inflows of resources for taxes and special assessments re Pension benefit obligation	ceivab	e						1,957,813
Some liabilities, including bonds payable, are not due and payable in	the cu	rent period and	d ther	efore				(1,538,178)
are not reported in the funds (Note 4).	ine cu	Teni penou and	ınen	eiore				(31,155,540)
Net position of governmental activities							\$	49,441,189
							Ψ	10, 171, 100

City of Goldsboro Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds For the Fiscal Year Ended June 30, 2015 Exhibit 4

		Major	Funds	3				
		an and Fried	DOT	· Orent Frond	Othe	Governmental	G	Total overnmental
	G	eneral Fund	וטט	Grant Fund		Funds		Funds
REVENUES								
Ad valorem taxes	\$	15,409,895	\$	-	\$	73,473	\$	15,483,368
Local option sales taxes		7,214,633		-		-		7,214,633
Other taxes and licenses		177,102		-		608,514		785,616
Unrestricted intergovernmental		3,957,381		-		-		3,957,381
Restricted intergovernmental		2,671,776		6,730,657		854,358		10,256,791
Permits and fees		359,599		_		- -		359,599
Sales and services		4,243,671		-		-		4,243,671
Investment earnings		5,800		433		615		6,848
Miscellaneous		405,440		406,491		1,133,027		1,944,958
Total revenues		34,445,298		7,137,581		2,669,987		44,252,865
EXPENDITURES								
Current:								
General government		3,798,817		-		-		3,798,817
Public safety		16,227,165		-		-		16,227,165
Transportation		3,554,858		-		-		3,554,858
Economic and physical development		1,597,097		11,368,764		1,257,698		14,223,559
Environmental protection		4,175,578		-		-		4,175,578
Cultural and recreational		3,524,204		-		-		3,524,204
Debt service:								
Principal		2,124,249		-		427,987		2,552,236
Interest and other charges		206,658		155,737		44,112		406,507
Total expenditures		35,208,626		11,524,501		1,729,796		48,462,924
Excess (deficiency) of revenues								
over expenditures		(763,329)		(4,386,920)		940,190		(4,210,059)
Other financing sources (uses):								
Payment to Bond Escrow Agent		(4,551,214)		_		_		(4,551,214)
Loan proceeds		16,013,876		4,672,966		-		20,686,842
Total other financing sources (uses)		11,462,662		4,672,966				16,135,628
Total other illianolity sources (uses)		11,402,002		4,012,900		<u> </u>		10,133,028
Net change in fund balances		10,699,333		286,046		940,190		11,925,569
Fund balances-beginning		5,556,062		_		905,743		6,461,805
Increase (decrease) in inventory		(26,217)		-		-		(26,217)
Fund balances-ending	\$	16,229,178	\$	286,046	\$	1,845,933	\$	18,361,157

City of Goldsboro Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds For the Fiscal Year Ended June 30, 2015 Exhibit 4

Amounts reported for governmental activities in the statement of activities are different because:

different because:		
Net changes in fund balances - total governmental funds	\$	11,925,569
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period. Capital outlay expenditures which were capitalized 12,975,8	331	
Depreciation expense for governmental assets (2,477,		10,498,731
	<u> </u>	
Basis in retired assets		(23,677)
Decrease in inventory		(26,217)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		(293,700)
Some expenses (revenues) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures (revenues) in governmental funds. Compensated absences Accrued interest LEO pension obligation Net pension obligation (LGERS) Other postemployment benefits 1,066,492,5	068) 273) 475	470,236
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the pricipal 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. Proceeds from issuance of debt Principal payments on long-term debt (20,686,687,103,498,688,688,688,688,688,688,688,688,688,6	,	(13,583,392)
Principal payments on long-term debt 7,103,4	10U	(13,303,392)
Total changes in net position of governmental activities	\$	8,967,550

City of Goldsboro Statement of Revenues, Expenditures, and Changes in Fund BalanceBudget and Actual General Fund For the Fiscal Year Ended June 30, 2015 Exhibit 5

	 Budgeted	d Am	ounts				
	Original		Final		Actual	Fi	ariance with nal Budget - Positive (Negative)
REVENUES							
Ad Valorem taxes	\$ 15,612,068	\$	15,540,868	\$	15,409,895	\$	(130,973)
Other taxes and licenses	7,140,100		7,487,400		7,391,735		(95,665)
Unrestricted intergovernmental	4,977,343		3,720,379		3,957,381		237,001
Restricted intergovernmental	1,733,592		2,423,458		2,671,776		248,319
Permits and fees	796,100		383,900		359,599		(24,301)
Sales and services	4,581,660		4,352,600		4,243,671		(108,929)
Investment earnings	56,700		4,100		5,800		1,700
Miscellaneous	847,000		1,129,949		405,440		(724,509)
Total revenues	35,744,563		35,042,654		34,445,298		(597,356)
EXPENDITURES							
Current:	0.440.400		4 500 600		0.700.047		700.004
General government	6,110,106		4,528,638		3,798,817		729,821
Transportation	2,166,730		3,712,584		3,554,858		157,727
Economic and physical development	5,868,119		2,322,334		1,597,097		725,237
Public safety	14,538,693		17,993,645		16,227,165		1,766,480
Environmental protection	4,152,477		4,504,754		4,175,578		329,175
Cultural and recreational	2,987,930		4,451,510		3,524,204		927,306
Debt Service:							
Principal	1,733,581		2,375,204		2,124,249		250,955
Interest	 129,927		129,927		206,658		(76,731)
Total expenditures	 37,687,563		40,018,596		35,208,626		4,809,969
Revenue over (under) expenditures	(1,943,000)		(4,975,942)		(763,329)		4,212,613
Other financing sources (uses):							
Contingency	-		(1,077,634)		-		1,077,634
Proceeds from debt	1,943,000		7,606,090		16,013,876		8,407,786
Payment to bond escrow agent	 -		(4,551,214)		(4,551,214)		
Total other financing sources (uses)	 1,943,000		1,977,242		11,462,662		9,485,420
Revenue and other financing sources over (under)							
expenditures and other financing uses	-		(2,998,700)		10,699,333		13,698,033
Fund balance appropriated	 -		2,998,700		-		(2,998,700)
Revenues, other financing sources and appropriated fund balance over (under)							
expenditures and other financing uses	\$ -	\$	-		10,699,333	\$	10,699,333
Fund balances - beginning					5,556,062		
Increase (decrease) in inventory					(26,217)		
Fund balances - ending				\$	16,229,178		
Fulld balances - ending				Ψ	10,229,176		

City of Goldsboro Statement of Fund Net Position Proprietary Fund June 30, 2015 Exhibit 6

	N	lajor Fund
ASSETS		
Current assets:		0.500.004
Cash and equivalents	\$	8,593,204
Accounts receivables (net)		3,148,591
Inventories		1,413,467
Due from other funds		763,947
Total current assets		13,919,209
Noncurrent assets:		
Restricted assets		
Cash and cash equivalents		4,153,501
Net pension asset		272,099
Capital assets:		
Land and other non-depreciable assets		4,317,127
Other capital assets (net)		63,715,551
Capital assets (net)		68,032,678
Total noncurrent assets		72,458,278
Total assets	\$	86,377,487
DEFERRED OUTFLOWS OF RESOURCES		
Contribution to pension plan		179,676
Deferred charge on refunding		399,148
Total deferred outflows of resources	\$	578,824
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities		700,052
Customer deposits		1,080,014
Note payable - current		2,004,497
General obligation bonds payable - current		1,706,284
Total current liabilities		5,490,847
Noncurrent liabilities:		
Compensated absences payable		223,794
Net OPEB Obligation		386,730
Note payable, net of current		10,917,798
General obligation bonds payable - net of current		11,921,993
Total noncurrent liabilities		23,450,315
Total liabilities		28,941,162
DEFERRED INFLOWS of RESOURCES		
Pension deferrals		680,814
Prepaid Utilities bills		755,253
Total Deferred inflows of resources	\$	1,436,067
Net Position		
Investment in capital assets		45,635,607
Unrestricted		10,943,475
Total net position	\$	56,579,082

City of Goldsboro Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund For the Fiscal Year Ended June 30, 2015 Exhibit 7

	N	lajor Fund
Operating revenues:		
Charges for service	\$	15,115,462
Assessments		6,626
Water and sewer taps		54,399
Other operating revenues		515,345
Total operating revenues		15,691,832
Operating expenses:		
Water and sewer system:		
Salaries and employee benefits		3,171,367
Utilities		832,062
Repairs and maintenance		978,347
Supplies and other expenses		4,259,985
Depreciation		3,548,338
Total operating expenses		12,790,099
Operating income		2,901,732
Nonoperating revenues (expenses):		
Investment earnings		6,612
Interest and fees		(872,235)
Total nonoperating expenses		(865,624)
Change in net position		2,036,109
Total net position - beginning		54,939,046
Prior period adjustment		(396,073)
Total net position - ending	\$	56,579,082

City of Goldsboro Statement of Cash Flows Proprietary Fund For the Fiscal Year Ended June 30, 2015 Exhibit 8

	N	Major Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$	14,985,855
Cash paid for goods and services		(5,654,180)
Cash paid to employees for services		(3,511,729
Customer deposits received		35,466
Other operating revenues		515,345
Net cash provided by operating activities		6,370,757
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on long-term borrowings		(2,005,151)
Interest paid on long-term borrowings		(267,089)
Acquisition and construction of capital assets		(2,910,278
Principal paid on bond maturities		(1,817,422)
Interest paid on bond maturities		(513,189)
Net cash used in capital and related		
financing activities		(7,513,129)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments on prior advances to other funds		1,936,053
Interest on investments		6,612
Net cash used in investing activities		1,942,665
Net decrease in cash and cash equivalents		800,293
Cash and cash equivalents, July 1		11,946,412
Cash and cash equivalents, June 30	\$	12,746,705

City of Goldsboro
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2015
Exhibit 8

	Exhibit 8
	_
Reconciliation of operating income to net cash	
provided by operating activities:	
Operating income	\$ 2,901,732
Adjustments to reconcile operating income	
to net cash provided by operating activities	
Depreciation	3,548,338
Pension expense	12,638
Loss on disposal of equipment	1,481
Change in assets and liabilities	
(Increase)decrease in accounts receivable	(251,877)
(Increase)decrease in inventory	(21,198)
Increase(decrease) in accounts payable and accrued liabilities	175,946
Increase(decrease) in customer deposits	35,466
Increase(decrease) in compensated absences	12,319
Increase(decrease) in net OPEB obligation	74,343
(Increase) decrease in deferred outflows of resources for pensions	(179,676)
Increase(decrease) in deferred revenues	 61,245
Net cash provided by operating activities	\$ 6,370,757

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Goldsboro conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The City of Goldsboro is a municipal corporation that is governed by an elected mayor and a six-member council. The City of Goldsboro has no component units.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the City). Eliminations have been made to minimize the double counting of internal activities. 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.

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. Separate statements for each fund category – governmental and proprietary – 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. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non/operating revenues are ancillary activities such as investment earnings.

The City reports the following major governmental funds:

General Fund. This is the City's primary operating fund. The general fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. The

primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

The City reports the following non-major governmental funds:

Occupancy Tax Fund. The fund is established to account for occupancy tax revenues derived from a tax levied upon the gross receipts from the rental of any room lodging or similar accommodation for the determination of the feasibility for construction of a Civic Center in Goldsboro and the creation of the Goldsboro Tourism Council to develop tourism, support services and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions in Goldsboro.

Capital Project Fund. This fund accounts for funds used in the construction of streets.

Community Development Fund. This fund is established to account for block grant monies received from the federal government under Title I of the Housing and Community Development Act of 1974.

Downtown District Fund. The fund is established to account for property tax revenue generated from special assessments to downtown property owners for purpose of downtown revitalization.

The City reports the following major enterprise funds:

Proprietary Fund - Utility Fund. This fund is established to account for the City's water and sewer services provided to residents of the City.

C. 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 and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 principal operating revenues of the City enterprise fund are charges to customers for sales and services. 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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 the governmental fund. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City considers all 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 taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that 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 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 because the tax is levied by Wayne County and then remitted to and distributed by the State. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. 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 is 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.

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget ordinance is adopted for the General Funds, Special Revenue Funds, (excluding the Community Development Fund) and the Enterprise Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Community Development and Capital Project Funds. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. The City budget officer can transfer appropriations within a department or between departments within a fund in an amount not to exceed 10% of the departmental appropriation without the approval of the governing body; however, any revisions that alter total expenditures of any fund in excess of the 10% threshold must be approved by the governing board. During the year several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

1. Deposits and Investments

All deposits of the City are made in board-designated official depositories and are secured as required by G.S. 159-31. The City may designate, as an official depository, any bank or savings 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.

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

The City's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. In accordance with State law, the City has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The City pools moneys 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.

3. Restricted Assets

The unexpended proceeds of the Local Law Enforcement Block Grant are classified as restricted assets for the general fund because their use is completely restricted to the purpose for which the grant was issued.

The unexpended bond proceeds of Water and Sewer Fund serial bonds and State Capital Project Fund issued by the City are classified as restricted assets for the respective funds because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected.

City of Goldsboro Restricted Cash

Governmental Activities		
General Fund	Unexpended loan proceeds	\$ 6,297,412
General Fund	Unexpended grant proceeds	3,451
DOT TIGER Grant Fund	Unexpended grant proceeds	1,509,733
Total governmental activities		\$ 7,810,596
Business-type Activities		
Water and sewer fund	Unexpended bond proceeds	\$ 4,153,501
Total business-type activities		\$ 4,153,501

4. Ad Valorem Taxes Receivable, Trade Receivables and Other Receivables

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 6th. These taxes are based on the assessed values as of January 1, 2014.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventories and Prepaid Items

The inventories of the City are valued at cost (first-in, first-out), which approximates market. The City's General Fund inventory consists of expendable supplies that are recorded as expenditures as used rather than when purchased.

The inventories of the City's enterprise funds consist of materials and supplies held for consumption. The cost of these inventories is recorded as an expense as the inventories are consumed.

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.

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to July 1, 2003 consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported as estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the City are depreciated on a straight-line basis over the following estimated useful lives:

	Estimated
	Useful Lives
Buildings	50
Infrastructure	30
Improvements	10-20
Furniture and equipment	10
Vehicles	3-5
Computer Software	5
Computer equipment	5

8. 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 meets this criterion, contributions made to the pension plan in the 2015 fiscal year and an unamortized loss on a bond defeasance for Water and Sewer Refunding bonds. 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 several items that meet the criterion for this category – property taxes receivable, cemetery receivable refuse receivable, special assessments, miscellaneous receivable and prepaid assessments, prepaid utilities, and deferrals of pension expense that result from the implementation of GASB Statement 68.

9. Long-Term Obligations

In the government-wide financial statements and in the 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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources 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.

10. Compensated Absences

The vacation policies of the City provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policies of the City provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the City.

11. Net Position/Fund Balances

Net Position

Net position in 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 a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

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:

Nonspendable 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.

Inventories – portion of fund balance that is <u>not</u> an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Perpetual maintenance – Cemetery resources that are required to be retained in perpetuity for maintenance of the City's cemetery.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State statute – portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

Committed Fund Balance – portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by the most binding formal action (for example, legislation, resolution, ordinance) of the majority vote by quorum of City of Goldsboro's governing body (highest level of decision-making authority). The governing body 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 a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Economic Development – portion of fund balance assigned by the Board for economic development.

Committed for Downtown Development – portion of fund balance assigned by the Board for downtown development.

Assigned fund balance – portion of fund balance that City of Goldsboro intends to use for specific purposes as designated by the governing body.

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. The governing body approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations by resources or appropriation within funds in an amount not to exceed 10% of the departmental appropriation.

Unassigned fund balance - portion of total fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The City of Goldsboro has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal fund, State funds, local non-city funds, city funds. For purposes of fund balance classification expenditures are to be spent from restricted funds 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.

The City of Goldsboro has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the City in such a manner that available fund balance will target at the close of each fiscal year equal to 15% of the general fund operating budget; at no time shall the available fund balance fall below 10% of the general fund operating budget.

12. Pensions

For purposes of measuring the net pension asset, 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 the LGERS' fiduciary net positions have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the LGERS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

F. Reconciliation of Government-wide and Fund Financial Statements

1. <u>Explanation of certain differences between the government fund balance sheet and the government-wide statement of net position.</u>

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the governmental–wide statement of net position. The net adjustment of \$31,080,032 consists of several elements as follows:

Description		Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$	101,569,027
Less accumulated depreciation	•	(39,753,090)
Net capital assets		61,815,937
Pension benefit obligations		(1,538,178)
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide		1,957,813
require current resources to pay and are therefore not reported in the fund statements:		
Bonds, leases, and installment financing		(26,819,198)
Pension benefit obligations		(2,901,260)
Compensated absences		(1,336,014)
Accrued interest payable		(99,068)
Total adjustment	\$	31,080,032

2. <u>Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities</u>

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(2,958,020) as follows:

Description		Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$	12,975,831
Cost of disposed capital asset not recorded in fund statements		(23,677)
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.		(2,477,100)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets		(20,686,842)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements		7,103,540
Decrease in inventory		(26,217)
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements. Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)		(99,068)
Net pension obligaton		1,066,475
Increase in LEO pension obligation		(50,273)
Increase in OPEB obligation		(492,367)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources		45,469
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.		
Reversal of deferred tax revenue recorded at 7/1/14		(2,144,419)
Recording of tax receipts deferred in the fund statements as of 6/30/15		1,952,033
Current year collections of special assessments recorded as revenue in the fund statements this year but in the government-wide statements in the year they were assessed.		(101,405)
	Ф.	<u> </u>
Total adjustment	\$	(2,958,020)

NOTE II – DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the City's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the City in the unit's name. 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 their agents in the entities' 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 pledged for the City 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 formal policy regarding custodial credit risk, but relies on the state treasurer to enforce standards of minimum capitalization for all pooling methods 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.

At June 30, 2015, the City's deposits had a carrying amount of \$15,777,323 and a bank balance of \$15,827,082. Of the bank balance, \$500,000 was covered by federal depository insurance and \$15,327,082 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2015, City of Goldsboro had \$2,130 cash on hand.

2. Investments

At June 30, 2015, the City of Goldsboro had invested with the North Capital Management Trust's Cash Portfolio which carried a credit rating of AAAm by Standard and Poor's. The City has no policy regarding credit risk.

At June 30, 2015, the City's investment balances were as follows:

	Re	ported Value	Fair Value
NC Capital Management Trust:			
Cash Portfolio	\$	16,311,361	\$ 16,311,361

3. Receivables - Allowances for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Position are net of the following allowances for doubtful accounts:

Governmental Fund:	
Taxes receivable	1,440,141
Accounts receivable	3,434,600
Allowance for uncollectible	(452,650)
Net governmental receivables	4,422,091
Enterprise Fund:	
Accounts receivable	4,447,198
Allowance for uncollectible	(1,298,607)
Net enterprise receivables	3,148,591
Total net receivables	\$ 7,570,683

4. Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	Bal	Beginning ance 7/1/2014	ı	ncreases	D	ecreases	Ending Balance 6/30/2015
Capital assets not being depreciated:							
Land	\$	7,658,770	\$	484,400	\$	500,000	\$ 7,643,170
Construction in process		1,542,799		10,996,218		484,663	12,054,354
Total capital assests not being depreciated		9,201,569		11,480,618		984,663	19,697,524
Capital assets being depreciated:							
Buildings		17,686,641					17,686,641
Equipment		2,427,213		54,394		6,749	2,474,858
Streets and improvements		59,657,386		752,832			60,410,218
Vehicles and motor equipment		12,089,580		1,657,311		392,751	13,354,140
Total capital assets being depreciated		91,860,820		2,464,537		399,500	93,925,857
Less accumulated depreciation for:							
Buildings		6,229,408		512,664			6,742,072
Equipment		1,786,052		230,949		3,035	2,013,966
Streets and improvements		32,220,272		1,046,791			33,267,063
Vehicles and motor equipment		9,485,774		686,696		388,127	9,784,343
Total accumulated depreciation		49,721,506		2,477,100		391,162	51,807,444
Total capital assets being		·				·	
depreciated, net		42,139,314					42,118,413
Governmental activity capital assets, net	\$	51,340,883		<u> </u>			\$ 61,815,937

Depreciation Expense:	
General government	\$ 383,951
Public safety	408,722
Transportation	1,089,924
Economic and physical development	24,771
Environmental protection	334,409
Cultural and recreational	235,325
Total depreciation expense	\$ 2,477,100

	Beginning ance 7/1/2014	ı	ncreases	De	ecreases	Ending Balance 6/30/2015
Utility Fund						
Capital assets not being depreciated:						
Land	\$ 1,443,282		-		-	\$ 1,443,282
Construction in Progress	844,438		2,029,407		-	2,873,845
Total capital assets not being depreciated	2,287,720		2,029,407		-	4,317,127
Capital assets being depreciated:						
Plant and distribution systems	123,449,170		474,450		-	123,923,620
Furniture and maintenance equipment	1,383,959		176,496		-	1,560,455
Vehicles	2,887,529		229,925		46,996	3,070,458
Total capital assets being depreciated	127,720,658		880,871		46,996	128,554,533
Less accumulated depreciation for:						
Plant and distribution systems	58,327,944		3,316,518		-	61,644,462
Furniture and maintenance equipment	577,086		125,183		-	702,269
Vehicles	2,431,129		106,636		45,514	2,492,251
Total accumulated depreciation	61,336,159	\$	3,548,337	\$	45,514	64,838,982
Total capital assets being depreciated, net	66,384,499					63,715,551
Utility Fund capital assets, net	\$ 68,672,219					\$ 68,032,678

Construction commitments

The government has active construction projects as of June 30, 2015. The projects include various water and sewer system projects and the ongoing projects in the General Fund. At June 30, 2015, the government's commitments with contractors are as follows:

			R	Remaining
Project	Sp	ent-to-date	Commitment	
General Fund:				
	\$	-	\$	
Total general fund	\$	-		-
Utility Fund:				
Priority Sewer Rehab Phase I	\$	-	\$	375,246
Priority Sewer Rehab Phase II		-		1,304,613
Walnut St. Streetscape Project	2,024,307			879,693
Gateway Transfer Station Project		2,693,091		1,960,909
Center St. Streetscape Project		4,439,960		2,387,893
Total utility fund	\$	9,157,358	\$	6,908,354
Total	\$	9,157,358	\$	6,908,354

B. Liabilities

1. Pension Plan Obligations

a. Local Governmental 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. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as exofficio 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, 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 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's contractually required contribution rate for the year ended June 30, 2015, was 7.41% of compensation for law enforcement officers and 7.07% 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 were \$1,364,890 for the year ended June 30, 2015.

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

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

At June 30, 2015, the City reported an asset of \$2,061,457 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension asset 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, 2014, the City's proportion was .34955%, which was a decrease of .01025% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the City recognized pension expense of \$95,746. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Out	eferred flows of sources	I	Deferred nflows of esources
Differences between expected and actual experience Changes of assumptions				225,250 -
Net difference between projected and actual earnings on pension plan investments Changes in proportion and differences between employer contributions and proportionate share of contributions		-		4,799,028 133,656
Employer contributions subsequent to the measurement date Total	\$	-	\$	5,157,934

\$5,157,984 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (1,289,708)
2017	(1,289,708)
2018	(1,289,708)
2019	(1,288,809)
2020	-
Thereafter	
	\$ (5,157,934)

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 8.55 percent, including inflation and
	productivity factor
Investment rate of return	7.25 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, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

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, 2014 are summarized in the following table:

		Long-Term Expected
Asset Class	Target Allocation	Real Rate of Return
Fixed Income	36.0%	2.5%
Global Equity	40.5%	6.1%
Real Estate	8.0%	5.7%
Alternatives	6.5%	10.5%
Credit	4.5%	6.8%
Inflation Protection	4.5%	3.7%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 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 3.19%. All rates of return and inflation are annualized.

A new asset allocation policy was finalized during the fiscal year ended June 30, 2014 to be effective July 1, 2014. The new asset allocation policy utilizes different asset classes, changes in the structure of certain asset classes, and adopts new benchmarks. Using the asset class categories in the preceding

table, the new long-term expected arithmetic real rates of return are: Fixed Income 2.2%, Global Equity 5.8%, Real Estate 5.2%, Alternatives 9.8%, Credit 6.8% and Inflation Protection 3.4%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. 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 asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.25 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 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease	Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
City's proportionate share of the net pension liability (asset)	6,997,480	(2,061,457)	(9,688,791)

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.

b. Law Enforcement Officers Special Separation Allowance

Plan Description. City of Goldsboro 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. The Separation Allowance is equal to .85 percent 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.

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2014, the Separation Allowance's membership consisted of:

Retirees receiving benefits	14
Active plan members	104_
Total	118

A separate report was not issued for the plan.

2. Summary of Significant Accounting Policies

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 Statements 67 and 68:

- Contributions to the pension plan and earnings on those contributions are irrevocable
- Pension plan assets are dedicated to providing benefits to plan members
- Pension plan assets are legally protected from the creditors or employers, nonemployer contributing entities, the plan administrator, and plan members

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

3. Contributions

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the Separation Allowance 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.

The annual required contribution for the current year was determined as part of the December 31, 2015 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3%. The assumptions did not include post-retirement benefit increases. The actual value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2015 was 16 years.

Annual Pension Cost and Net Pension Obligation. The City's annual pensions cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 278,516
Interest on net pension obligation	14,485
Adjustment to annual required contribution	(24,472)
Annual pension cost	268,529
Contributions made	218,256
Increase (decrease) in net pension obligation	 50,273
Net pension obligation beginning of year	289,696
Net pension obligation end of year	\$ 339,969

3 Year Trend Information								
For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation					
2013	233,045	95.19%	275,324					
2014	223,976	93.58%	289,696					
2015	268,529	81.28%	339,969					

4. Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the plan was 0% percent funded. The actuarial accrued liability for benefits was \$2,193,108, and the actuarial value of assets was \$-0-,, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,193,108. The covered payroll (annual payroll of active employees covered by the plan) was \$4,565,861 and the ratio of the UAAL to the covered payroll was 48.03%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. 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 five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2015 were \$218,256, which was paid entirely by the City.

d. Firefighter's and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the City of Goldsboro, to the Firefighter's and Rescue Squad Workers' Pension Fund (Fund), a cost-sharing multiple-employer defined

benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers that have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Firefighter's and Rescue Squad Workers' Pension Fund 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 the Fund. 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.

Benefits Provided. FRSWPF provides retirement and survivor benefits. The present retirement benefit is \$170 per month. Plan members are eligible to receive the monthly benefit at age 55 with 20 years of creditable service as a firefighter or rescue squad worker, and have terminated duties as a firefighter or rescue squad worker. Eligible beneficiaries of members who die before beginning to receive the benefit will receive the amount paid by the member and contributions paid on the member's behalf into the plan. Eligible beneficiaries of members who die after beginning to receive benefits will be paid the amount the member contributed minus the benefits collected.

Contributions. Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the plan. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. For the fiscal year ending June 30, 2014, the State contributed \$14,627,000 to the plan. The City's proportionate share of the State's contribution is \$5,612.

Refunds of Contributions – Plan members who are no longer eligible or choose not to participate in the plan may file an application for a refund of their contributions. Refunds include the member's contributions and contributions paid by others on the member's behalf. No interest will be paid on the amount of the refund. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by FRSWPF.

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

At June 30, 2015, the City reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the City through its appropriations to the FRSWPF. The total portion of the net liability that associated with the pension was City and supported by the State was \$14,927. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 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 contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its proportionate share at June 30, 2014 and at June 30, 2013 was 0%.

For the year ended June 30, 2015, the City recognized pension expense of \$2,760 and revenue of \$2,760 for support provided by the State. At June 30, 2015, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 3.0 percent Salary increases Not applicable

Investment rate of return 7.25 percent, net of pension plan investment

expense, including inflation

For more information regarding actuarial assumptions, including mortality tables, the actuarial experience study, the consideration of future ad hoc COLA amounts, the development of the projected long-term investment returns, and the asset allocation policy, refer to the discussion of actuarial assumptions for the LGERS plan in Section a. of this note.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. 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.

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.

e. Other Post-employment Benefit

Healthcare benefits

Plan Description. Under the terms of a City resolution, The City of Goldsboro administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). This plan provides postemployment healthcare benefits to retirees of the City, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System), were 55 years of age and have at least 20 years of experience or participated in the System and have 30 years of experience at any age. The retiree pays the full cost of the blended rate group health insurance premium. Also, the City retirees can purchase coverage for their dependents at the City's group rates if enrolled in dependent coverage at the time of retirement. Dependent coverage continues after the retiree's death. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2015, the date of the latest actuarial valuation:

	General Employees:	Law Enforcement Officers
Retirees and dependents receiving benefits	9	14
Active plan members	336	106
Total	345	120

Funding Policy. The City does not pay any post-employment benefits on behalf of retired employees. Retired employees are allowed to purchase health insurance at the City's prevailing rate.

Annual OPEB Cost and Net OPEB Obligation. The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), and amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Annual required contribution	\$ 562,453
Interest on net OPEB obligation	95,252
Adjustment to annual required contribution	(90,995)
Annual OPEB cost (expense)	566,710
Contributions made	0.00
Increase in net OPEB obligation	566,710
Net OPEB obligation, beginning of year	2,381,311
Net OPEB obligation, end of year	\$ 2,948,021

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015 as follows:

For Year Ended	Annual	Percentage of Annual	Net OPEB
June 30	OPEB Cost	OPEB Cost Contributed	Obligation
2015	\$566,709	0.00%	\$2,948,021
2014	557,401	0.00%	2,381,311
2013	411,193	0.00%	1,823,910

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$2,469,504. The covered payroll (annual payroll of active employees covered by the plan) was \$18,280,711, and the ratio of the UAAL to the covered payroll was 13.5%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial

value of plan assets and the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 7.75% and 5.0% annually. Both rates included a 3% inflation assumption. The actuarial value of assets, of any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2015, was 30 years.

2. Other Employment Benefit

The City has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to 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. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The City considers these contributions to be immaterial.

For the fiscal year ended June 30, 2015, the City made contributions to the State for death benefits of \$0. The City required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0% and 0% of covered payroll, respectively.

Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer has contributed as of December 31, 2010 was established as follows:

No. Years Contributing	Years Relief	FY Contributions Resume
less than 10	1	2014
10-20	2	2015

The period of reprieve is determined separately for law enforcement officers. City of Goldsboro will have a two year reprieve because it has been contributing for 10-20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

3. Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

Source	Amount		
Contributions to pension plan in current fiscal year	\$	1,361,251	
Deferred charge on refunding		399,148	
Total	\$	1,760,399	

Deferred inflows of resources at year-end is comprised of the following:

Taxes receivable (General Fund)	\$ 1,434,361
Taxes receivable (Special District)	5,780
Cemetery receivables (General Fund)	2,709
Refuse receivable (General Fund)	245,312
Special assessments (General Fund)	97,627
Miscellaneous receivables (General Fund)	172,024
Prepaid assessments (General Fund)	2,091
Prepaid utility bills (Utility Fund)	755,253
Pension deferrals	5,157,934

4. Risk Management

The City of Goldsboro is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City currently has a protected self-insurance program to provide for these exposures. The City retains the first 50 thousand dollars of any property loss, the first 10 thousand dollars of any liability loss, and 500 thousand dollars for general workers and 600 thousand dollars for public safety workers compensation loss. In a multiple coverage occurrence, the higher of the retentions applies.

Reinsurance has been purchased in excess of the retentions state above. The property coverage limit is \$90,000,000. The liability coverage limit is statutory benefits set by North Carolina Statue. The City

contracts adjudication and loss control services with a Third Party Administrator. Settlements have not exceeded insurance coverage in each of the past five fiscal years. Estimated claims for each year are budgeted in each year's budget based on prior experience. Changes in the balances of claims liabilities for the years ended June 30, are as follows:

	2015
Claims liability beginning of year	\$ -
Claims incurred during the year	2,180,253
Changes in estimates for prior claims	
Payments on claims during year	(2,180,253)
Claims liability end of year	\$ -

There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

Although the City is not in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency, the City has elected to carry flood insurance through the National Flood Insurance Plan (NFIP) on those buildings located within the 100 year flood area. The City has also purchased commercial flood insurance coverage of from \$5,100 to \$500,000 per structure based on specifically identified structures located in the 100 year flood area.

In accordance with G.S. 159-29, the finance officer and tax collector are each individually bonded for \$50,000 and \$55,000 respectively.

5. Claims, Judgments and Contingent Liabilities

At June 30, 2015, the City was a defendant to various lawsuits. In the opinion of the City's management and the City attorney, the ultimate effect of these legal matters will not have any significant effect on the City's financial position.

6. Long-Term Obligations

a. Capital Leases

The City has entered into agreements to lease certain equipment. The lease agreements qualify as a capital lease for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The first agreement was executed on August 23, 2011 to lease hardware/software equipment to enhance network disaster recovery and replace old personal computers and requires five annual payments of \$120,956. The second agreement was executed on January 11, 2013 to lease hardware/software equipment for network upgrades, host servers, and virtual desktops and requires

five annual payments of \$103,503. In both agreements, title passes to the City at the end of the lease term.

The following is an analysis of the assets recorded under capital leases at June 30, 2015.

		Accumulated	ł	Net Book
	Cost	Depreciation	Value	
Computer equipment	\$ 1,044,394	\$ 587,688	\$	456,706

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015 were as follows:

Year ending June 30	
2016	\$ 224,459
2017	224,459
2018	 103,503
Total minimum lease payments	552,421
Less: amount representing interest	23,091
Present value of the minimum lease payments	\$ 529,330

b. General Obligation Indebtedness

All general obligation bonds serviced by the City's general fund are collateralized by the full faith, credit, and taxing power of the City. City of Goldsboro issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Utility Fund, are collateralized by the full faith, credit, and taxing power of the City. Principal and interest payments are appropriated when due.

The City's general obligation bonds payable at June 30, 2015 are comprised of the following individual issues:

Serviced by the General Fund

\$1,705,000 2014 Public Improvements Serial Bonds due in varying annual principal installments and varying semi-annual interest installments through May 1, 2034, interest at 3.34 percent payable with each installment	\$ 1,705,000
\$3,500,000 2008 Public Improvements Serial Bonds (Street Portion) due in annual principal installments of \$175,000 through June 1, 2028 plus varying semi-annual interest through June 1, 2028, interest at 3.76 to 4.5 percent payable with each installment	2,275,000
\$580,200 2011 Refunding Serial Bonds (Street Portion) due in varying annual principal installments and varying semi-annual interest installments through June 1, 2022, interest at 2.67 percent payable with each installment	354,800
\$829,590 2013 Refunding Serial Bonds (Street Portion) due in varying annual principal installments and varying semi-annual interest installments through June 1, 2025, interest at 1.75 percent payable with each installment	
	800,923
Total	\$ 5,135,723
Serviced by the Utility Fund	
\$2,469,410 2013 Refunding Serial Bonds (Sewer Portion) due in varyingannual principle installments and varying semi-annual interest installments through June 2, 2025, interest at 1.75 percent payable with each installment	\$ 2,384,077
\$4,600,000 2010 Refunding Serial Bonds (Sewer Portion) due in varying annual principle installments and varying semi-annual interest installments through June 1, 2017 interest at 2.5-4.0 percent payable with each installment	
	1,925,000
\$8,605,000 2010 Public Improvement Serial Bonds (Sanitary Sewer Portion) due in varying annual principle installments and varying semi-annual interest installments through June 1, 2030 interest at 3.0-4.125 percent payable with each installment	
porson payable 1111. caer. 11.01a	7,900,000
\$2,320,800 2011 Refunding Serial Bonds (Sewer Portion) due in varying annual principal installments and varying semi-annual interest installments through June 1, 2022, interest at 2.67 percent payable with each installment	
Caott in Camillott	1,419,200
Total	\$ 13,628,277

At June 30, 2015, City of Goldsboro had bonds authorized but unissued of \$0 and a legal debt margin of \$160,454,615.

Annual debt service requirements to maturity for long-term obligations are as follows:

	Governmental Fund				Utility Fund		
Year Ending June 30,	Principal	Inte	erest	Prin	cipal	Inte	rest
2016	491,	716	152,853		1,706,284		439,265
2017	484,	408	137,782		1,663,592		392,072
2018	482,	099	126,543		845,901		345,431
2019	479,	539	114,715		992,462		322,954
2020	476,	778	102,257		988,222		291,567
2021-2025	2,196,	183	310,247		4,356,816		1,033,004
2026-2030	525,	000	43,313		3,075,000		372,845
2031-2034		-	-		-		
	\$ 5,135,	723 \$	987,710	\$	13,628,277	\$	3,197,138

c. Notes Payable

Serviced by the General Fund

On December 20, 2004, the City entered into a financing agreement for \$4,413,380 with RBC Centura for the construction of a new City Hall. On July 10, 2014, the City refinanced this agreement with Capital One Public Funding, LLC. The installment agreement is collateralized by all real and personal property associated with City Hall. The terms of the new agreement require 19 semi-annual installments of varying amounts plus interest at 2.04% per annum beginning November 1, 2014. The balance outstanding at June 30, 2015 was \$1,426,205.

On April 13, 2007, the City entered into a financing agreement for \$4,000,000 with Branch Banking and Trust Company for renovation of City Hall. On March 16, 2012, the City refinanced this agreement with Bank of America. The installment agreement is collateralized by all real and personal property at City Hall. The terms of the new agreement require 20 semi-annual installments of varying amounts plus interest at 1.96% per annum beginning October 1, 2012. The balance outstanding at June 30, 2015 was \$1,751,879.

On September 10, 2008, the City entered into a financing agreement for \$4,500,000 with RBC Centura for the purchase of the Paramount Theater. On July 10, 2014, the City refinanced this agreement with Capital One Public Funding, LLC. The installment agreement is collateralized by all real and personal property acquired at the Paramount Theater. The terms of the new agreement require 10 semi-annual installments of varying amounts plus interest at 2.04% per annum beginning November 1, 2014. The balance outstanding at June 30, 2015 was \$2,511,796.

On December 9, 2009, the City entered into a financing agreement for \$2,110,400 with Bank of America for the purchase of capital equipment. The installment agreement is collateralized by all equipment acquired with the loan. The terms of the agreement require 20 semi-annual installments of \$105,731 plus interest at 2.77% per annum. The balance outstanding at June 30, 2015 was \$952,400.

On March 16, 2012, the City entered into a financing agreement for \$896,000 with Bank of America for the development of Center Street streetscape. The terms of the agreement require 10 semi-annual installments of varying amounts plus interest at 1.96% per annum beginning October 1, 2012. The balance outstanding at June 30, 2015 was \$527,391.

On February 15, 2013, the City entered into a financing agreement for \$225,000 with Wells Fargo Bank, N.A. for the purchase of capital equipment. The installment agreement is collateralized by all equipment acquired with the loan. The terms of the agreement require 3 annual installments of varying amounts plus interest at 1.248% per annum beginning September 1, 2013. The balance outstanding at June 30, 2015 was \$75,974.

On January 28, 2015, the City entered into a financing agreement for \$1,783,000 with Southern National Bank for the purchase of capital equipment. The installment agreement is collateralized by all equipment acquired with the loan. The terms of the agreement require 5 annual payments of varying amounts plus interest at 1.27% per annum. The balance outstanding at June 30, 2015 was \$1,783,000.

On October 16, 2014, the City entered into an intergovernmental agreement with the County of Wayne for an Eastern Regional Economic funding agreement for \$636,876 to assist with the Berkeley Blvd. Widening Project. The installment agreement is collateralized by water and sewer lines located on Berkeley Blvd between Royal Avenue and New Hope Road. The terms of the agreement require 5 annual payments of \$127,375.20 plus interest at .25% per annum. The balance outstanding at June 30, 2015 was \$509,500.

On July 10, 2014, the City entered into a financing agreement for \$4,558,000 with Capital One Public Funding LLC for the construction of a Transfer Facility, Police Complex Improvements and Center Street Streetscape Improvements. The installment agreement is collateralized by all real and personal property acquired at the Paramount Theater and City Hall. The terms of the new agreement require 20 semi-annual installments of varying amounts plus interest at 3.34 % per annum beginning November 1, 2014. The balance outstanding at June 30, 2015 was \$4,336,000.

On June 26, 2015, the City entered into a financing agreement for \$7,280,000 with Sterling National Bank for the construction of the W.A. Foster Recreation Center and renovations of the Goldsboro Event Center. The installment agreement is collateralized by all real and personal property acquired with the construction of W. A. Foster Recreation Center and Goldsboro Event Center Facility. The terms of the new agreement require 15 semi-annual installments of varying amounts plus interest at 2.91 % per annum beginning November 1, 2015. The balance outstanding at June 30, 2015 was \$7,280,000.

Serviced by the Utility Fund

On October 12, 2006, the City entered into a financing agreement for \$1,604,335 with RBC Centura for the purchase and installation of an automatic meter reading system. On March 16, 2012, the City refinanced this agreement with Bank of America. The installment agreement is collateralized by the equipment. The terms of the new agreement require 20 semi-annual installments of varying amounts plus interest at 1.96% per annum beginning October 1, 2012. The balance outstanding at June 30, 2015 was \$635,731.

The City has entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources' North Carolina Water Pollution Control Revolving Fund for sanitary sewer improvements. The loan agreement was executed for \$3,000,000 for water improvements. The terms of the agreement require 20 annual installments of \$150,000 plus interest at 5.85% per annum. At June 30, 2015, the outstanding balance is \$150,000.

During the fiscal year ended June 30, 2001, the City began a water and sewer system improvement project with cost estimates in excess of \$21,000,000. This project is being funded by a \$3,000,000 state grant and \$18,359,551 in Water Pollution Control Revolving Loan Funds. An additional \$2,429,360 has been granted by the Clean Water Management Trust Fund for an associated wet-lands project. Total advances received at June 30, 2009 under all the agreements were \$18,279,137, with an outstanding balance at June 30, 2015 of \$3,655,827. The terms of the agreements require 15 annual installments of \$1,000,000 and \$218,609 plus interest at 2.55% and 2.57% per annum beginning May 1, 2004, respectively.

On December 9, 2009, the City entered into a financing agreement for \$271,000 with Bank of America for the purchase of a jet vac. The installment agreement is collateralized by the equipment acquired with the loan. The terms of the agreement require 20 semi-annual installments of \$13,604 plus interest at 2.77% per annum. The balance outstanding at June 30, 2015 was \$121,616.

On February 2, 2010, the City entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources' North Carolina Water Pollution Control Revolving Fund for water reclamation improvements. The loan agreement was executed for \$6,460,894 for water improvements. The terms of the agreement require 20 installments of \$336,015 plus interest at 2.5% per annum. The balance outstanding at June 30, 2015 was \$5,711,442.

On February 14, 2012, the City entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources' North Carolina Water Pollution Control Revolving Fund for phase 2 of the water reclamation improvements. The loan agreement was executed for \$2,949,322 for water improvements. The terms of the agreement require 20 installments due not earlier than six months after completion of the project. The balance outstanding at June 30, 2015 was \$2,647,679 but the project was not complete.

Annual debt service requirements to maturity for the above notes, including interest of \$1,524,581 for the Utility Fund and \$3,692,249 for the Governmental Funds, are as follows:

Annual debt service requirements for Notes Payable

	Government	tal Funds	Utility Fur	nd
Year Ending				
June 30,	Principal	Interest	Principal	Interest
2016	2,570,191	495,527	2,004,497	252,359
2017	2,481,090	474,261	1,853,625	209,356
2018	2,323,181	418,953	1,811,532	166,569
2019	2,310,708	366,069	591,398	124,411
2020	1,916,950	315,307	575,446	113,398
2021-2025	5,078,025	1,068,547	2,557,277	423,311
2026-2030	3,565,000	477,733	2,415,300	209,980
2031-2034	909,000	75,852	1,113,220	25,197
	\$ 21,154,145	\$ 3,692,249	\$ 12,922,295 \$	1,524,581

d. Advance Refundings

On July 10, 2014, The City issued \$4,609,000 of general obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust to be used for all future debt service payments of \$4,468,238 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$82,976. This amount is being netted against the new debt and amortized over the life of the new debt, which is shorter than the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$334,005 and resulted in an economic gain of \$269,487.

e. Long-Term Obligation Activity

The following is a summary of changes in the City's long-term obligations for the fiscal year ended June 30, 2015:

Governmental activities:	Bal	ance July 1, 2014	l	ncreases	Decreases	Bal	lance June 30, 2015	Cu	rrent Portion of Balance
General obligation debt	\$	3,754,297	\$	1,705,000	\$ 323,574	\$	5,135,723	\$	491,716
Capitalized leases		735,521			206,191		529,330		
Notes Payable		8,515,108		18,866,876	6,227,839		21,154,145		2,570,191
Net pension liability (LGERS)		3,764,520		-	3,764,520		-		-
Net pension obligation (LEO)		289,696		50,273	-		339,969		-
Net OPEB obligation		2,068,924		492,367	-		2,561,291		-
Compensated absences		1,381,483		597,084	642,553		1,336,014		-
Total governmental activities	\$	20,509,549	\$	21,711,600	\$ 11,164,677	\$	31,056,472	\$	3,061,907
Business-type activities:									
General obligation debt	\$	15,445,703	\$	-	\$ 1,817,426	\$	13,628,277	\$	1,706,284
Notes Payable		14,927,446			2,005,151		12,922,295		2,004,497
Net pension liability (LGERS)		572,452		-	572,452		-		-
Net OPEB obligation		312,387		74,343	-		386,730		-
Compensated absences		211,475		97,871	85,552		223,794		-
Total-business type activities	\$	31,469,463	\$	172,214	\$ 4,480,581	\$	27,161,096	\$	3,710,781

Compensated absences and net pension obligation and net other postemployment benefit obligation for governmental activities typically have been liquidated in the general fund. The LGERS plan had a net pension asset as of June 30, 2015; however, the plan had a net pension liability at the beginning of the fiscal year.

C. Interfund Balances and Activity

Balances due to/from other funds

Fund		Due to		Due from		
General			\$	100,000		
Community Development		100,000				
Total	\$	100,000	\$	100,000		
Utility Fund			\$	763,947		
General		763,947				
Total	\$	763,947	\$	763,947		

General fund advanced \$100,000 to the Community Development for operating expenses. The Utility fund loaned \$2,700,000 to the General fund during the fiscal year ended June 30, 2014 to fund a large claim settlement. The balance outstanding at June 30, 2015 is \$763,947.

D. Revenues, Expenditures, and Expenses

On-behalf Payments for Fringe Benefits and Salaries

For the fiscal year ended June 30, 2015, the City of Goldsboro has recognized on-behalf payments for pension contributions made by the State as revenue and an expenditure of \$2,760 for the 24 employed firefighters who perform firefighting duties for the City's fire department. The volunteers and employees elected to be members of the Firefighters and Rescue Worker's Pension Fund, a cost-sharing, multiple employer public employee retirement system established and administered by the State of North Carolina. The Plan is funded by member contributions, investment income, and a State appropriation.

Also, the City has recognized as revenue and an expenditure on-behalf payment for fringe benefits and salaries of \$23,578 for the salary supplement and stipend benefits paid to eligible firefighters by the local board of trustees of the Firefighter's Relief Fund during the fiscal year ended June 30, 2015. Under State law the local board of trustees for the Fund receives an amount each year which the board may use at its own discretion for eligible firefighters or their departments.

E. Net Investment in Capital Assets

	Governmental	Business-type
Capital assets	\$ 61,815,937	\$ 68,032,678
Less: long-term debt	(26,819,198)	(26,550,572)
Add: unexpended debt proceeds	7,807,145	4,153,501
Net investment in capital assets	\$ 42,803,884	\$ 45,635,607

F. Fund Balance

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	\$ 16,229,178
Less: Restricted cash and investments	6,300,863
Inventories	311,053
Stabilization by state statute	2,991,830
Working Capital/Fund Balance Policy	6,002,789
Remaining Fund Balance	\$ 902,543

The City of Goldsboro has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that available fund balance will target at the close of each fiscal year equal to 15% of the general fund operating budget; at no time shall the available fund balance fall below 10% of the general fund operating budget.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances General Fund Non-Major Funds \$1,191,499 \$65,223

III. JOINT VENTURES

The City, in conjunction with Wayne County, participates in a regional transportation authority. Each participating government appoints four members to the nine member board with one joint appointee. The Authority is a joint venture established to facilitate the transportation within the County and improve the quality of life for its citizens. The Authority designates its own management. Wayne County and the Ci ty provide financial support for the Authority, but are not responsible for the debts or entitled to the surpluses of the Authority. The City contributed \$201,999 to the Authority during fiscal year ended June 30, 2015. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2015. Complete financial statements for the Authority can be obtained from the Authority administrative offices at 1615 E. Beech Street, Goldsboro, NC 27530.

The City and the members of the City's fire department each appoint two members to the five-member local board of trustees for the Firemen's Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firemen's Relief Fund is funded by a portion of the fire and lightening insurance premiums which insurers remit to the State. The State passes these moneys to the local board of the Firemen's Relief Fund. The funds are used to assist firefighters in various ways. The City obtains an ongoing financial benefit from the Fund for payments for salaries and fringe benefits made to members of the City's fire department by the board of trustees.

The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2015. The Firemen's Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firemen's Association. This report can be obtained from the Association at Post Office Box 188, Farmville, NC 27828.

The City and the Paramount Foundation each appoint two members to the four-member local board of trustees for the Paramount Foundation.

IV. RELATED ORGANIZATION

The seven-member board of the Goldsboro Housing Authority is appointed by the Mayor of Goldsboro. The City is accountable for the Housing Authority because it appoints the governing board; however, the City is not financially accountable for the Housing Authority. The City of Goldsboro is also disclosed as a related organization in the notes to the financial statements for the Goldsboro Housing Authority.

V. SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Federal and State Assisted Programs

The City has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

VI. SUBSEQUENT EVENTS

The Federal Highway Administration has designated funds not to exceed the amount of \$900,000 for the construction of the Multi-Use Trail along New Hope Road. This project will construct a 10 foot wide multi-use path. The Federal Highway Administration will reimburse the City of Goldsboro at the rate of 80% (\$720,000) and North Carolina Department of Transportation will provide the non-federal match of 20% (\$180,000) for a total estimated project cost of \$900,000. This project must be completed by September 2019.

In July 2015, the City Council signed a construction contract with T.A. Loving Company for the design-build of W.A. Foster Recreation Center. The City entered into an installment financing agreement for \$6,000,000 for this project with the projected completion in the spring 2016.

The City of Goldsboro and County of Wayne entered into an interlocal agreement for the construction of the Wayne County Agricultural and Convention Center. The City has agreed to convey 12 acres of land adjacent to Wayne Community College for this facility. County of Wayne will loan the City approximately \$3,000,000 towards the construction of the multi-sports complex that is part of the P4 Initiative with Seymour Johnson Air Force Base.

VII. CHANGE IN ACCOUNTING PRINCIPLES / RESTATEMENT

The City implemented Governmental Accounting Standards Board (GASB) Statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ending June 30, 2015. The implementation of the statement required the City to record beginning net pension liability and the effects on net position of contributions made by the City during the measurement period (fiscal year ending June 30, 2014). As a result, net position for the governmental and business-type activities decreased by \$2,604,654 and \$396,073, respectively.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles

- Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Funding Progress for the Other Postemployment Benefits
- Schedule of Employer Contributions for the Other Postemployment Benefits
- Schedule of City's Proportionate Share of Net Pension Asset for Local Government Employees Retirement System
- Schedule of City Contributions to Local Government Employees Retirement System
- Schedule of City's Proportionate Share of Net Pension Liability for Firefighters' and Rescue Squad Workers' Pension Plan

City of Goldsboro Law Enforcement Officers' Special Separation Allowance Required Supplementary Information Exhibit A-1

Schedule of Funding Progress

Actuarial
Accrued
Liability(AAL)

			Accided				
		Actuarial	Liability(AAL)				UAAL as a
	Actuarial	Value of	Projected	Unfunded	Funded	Covered	% of Covered
	Valuation	Assets	Unit Credit	AAL (UAAL)	Ration	Payrol	Payroll
_	Date	(a)	(b)	(b-a)	(a/b)	©	((b-a)/c)
	12/31/2002	-	1,166,010	1,166,010	0%	3,227,859	36.12%
	12/31/2003	-	1,161,475	1,161,475	0%	3,255,778	35.67%
	12/31/2004	-	1,407,832	1,407,832	0%	3,728,127	37.76%
	12/31/2005	-	1,370,701	1,370,701	0%	4,010,457	34.18%
	12/31/2006	-	1,410,445	1,410,445	0%	4,023,061	35.06%
	12/31/2007	-	1,600,809	1,600,809	0%	3,952,482	40.50%
	12/31/2008	-	1,666,569	1,666,569	0%	4,145,370	40.20%
	12/31/2009	-	2,247,781	2,247,781	0%	4,656,713	48.27%
	12/31/2010	-	2,116,860	2,116,860	0%	4,644,917	45.57%
	12/31/2011	-	2,304,624	2,304,624	0%	4,782,683	48.19%
	12/31/2012		2,207,264	2,207,264	0%	4,474,318	49.33%
	12/31/2013	-	2,188,704	2,188,704	0%	4,581,140	47.78%
	12/31/2014	-	2,193,108	2,193,108	0%	4,565,861	48.03%

City of Goldsboro Law Enforcements Officers' Special Separation Allowance Required Supplementary Information Exhibit A-2

Schedule of Employer Contributions

Year Ended Annual Required June 30, Contribution*		Percentage Contributed*
2006	\$ 156,479	89.91%
2007	148,804	84.14%
2008	154,411	84.94%
2009	165,026	78.87%
2010	176,342	93.40%
2011	225,959	82.11%
2012	218,893	95.16%
2013	236,275	93.89%
2014	232,641	90.10%
2015	278,516	78.36%

Notes to the Required Scedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation da	ate	12/31/2014
Actuarial co	st method	Projected unit credit
Amortization	n method	Level percent of pay closed
Remaining	amortization period	16 years
Asset valua	tion method	Market Value
Acuarial ass	sumptions	
	Investment rate of return*	5.00%
	Projected Salary Increase*	4.25 - 7.85%
	*Includes inflation at	3.00%
	Cost of living adjustment	N/A

City of Goldsboro Post-Employment Health Benefit Obligation Required Supplementary Information Exhibit A-3

Schedule of Funding Progress

		Acc	Actuarial crued Liability						
Actuarial Valuation	tuarial Value of Assets	(AA	AL) Projected Unit Credit	Uı	nfunded AAL (UAAL)	Funded Ratio	Со	vered Payroll	UAAL as a % of Covered Payroll
Date	(a)		(b)		(b-a)	(a/b)		(c)	((b-a)/c)
12/31/2007	\$ -	\$	3,738,326	\$	3,738,326	0.00%	\$	16,528,775	22.60%
12/31/2009	\$ -	\$	3,581,472	\$	3,581,472	0.00%	\$	18,969,315	18.90%
12/31/2011	\$ -	\$	5,654,583	\$	5,654,583	0.00%	\$	18,791,106	30.10%
12/31/2013	\$ -	\$	2,469,504	\$	2,469,504	0.00%	\$	18,280,714	13.50%

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution *	Percentage Contributed *
2009	357,931	2.20%
2010	371,353	3.10%
2011	371,353	3.10%
2012	352,665	10.81%
2013	352,665	14.32%
2014	554,141	10.81%
2015	562,453	0.00%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as a part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/13
Actuarial cost method	Projected unit credit
Amortization method	Level percent of projeted pay open
Remaining amortization period	30 years
Amortization factor	26.1695
Asset valuation method	Market value of assets
Actuarial assumptions: Invesment rate of return *	4.00%
Annual medical cost trend rate*	7.750/ 5.000/
Pre-Medicare trend rate Post-Medicaire trend rate	7.75%-5.00% 5.75%-5.00%
Year of ultimate trend rate	2019
* Includes inflation at	3.00%

City of Goldsboro Local Government Employees' Retirement System Required Supplementary Information Exhibit A-4

Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)

Last Two Fiscal Years *

	 2015	2014
City's proportion of the net pension liability (asset) %	0.34955%	0.35980%
City's proportion of the net pension liability (asset) \$	\$ (2,061,457) \$	4,336,972
City's covered-employee payroll	\$ 19,751,218 \$	18,765,633
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-10.44%	23.11%
Plan fiduciary net position as a percentage of the total pension liability	0.35%	1.50%

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

Schedule of City Contributions

Last Two Fiscal Years

	2015			2014
Contractually required contribution	\$	1,361,251	\$	1,336,240
Contributions in relation to the contractually required contribution		1,361,251		1,336,240
Contribution deficiency (excess)	\$	-	\$	
City's covered-employee payroll	\$	19,751,218	\$	18,765,633
Contributions as a percentage of covered-employee payroll		6.89%		7.12%

City of Goldsboro Firefighters' and Rescue Squad Workers' Pension Required Supplementary Information Exhibit A-5

Schedule of the City's Proportionate Share of the Net Pension Liability

Last Fiscal Year *

	 2015
City's proportion of the net pension liability (%)	0.00000%
City's proportion of the net pension liability (\$)	\$ -
State's proportionate share of the net pension liability associated with City of Goldsboro	14,927
Total	\$ 14,927
City's covered-employee payroll	\$ 3,599,469
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.41%
Plan fiduciary net position as a percentage of the total pension liability	100.00%

^{*} The amounts presented for the fiscal year ending June 30, 2015 was determined as of June 30, 2014

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

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

		Budget			Variance Positive (Negative)		
REVENUES					•		
Ad valorem taxes	\$	15,455,868	\$	15,293,808	\$	(162,060)	
Penalties and interest		85,000		116,087		31,087	
Total		15,540,868		15,409,895		(130,973)	
Other taxes and licenses:							
Local option sales taxes		6,990,000		7,214,633		224,633	
Privilege licenses		425,000		93,101		(331,899)	
Vehicle taxes - rental/leases		47,000		60,458		13,458	
Penalties and interest		1,200		903		(297)	
Solid waste disposal tax		24,200		22,640		(1,560)	
Total		7,487,400		7,391,735		(95,665)	
Unrestricted intergovernmental							
Payment in lieu of taxes		120,000		115,226		(4,774)	
Utility taxes		2,207,500		2,757,566		550,066	
Beer and wine tax		150,100		169,260		19,160	
Wayne County School Resource		86,076		109,903		23,827	
ABC revenues		396,778		441,469		44,691	
Cherry Hospital reimbursement		54,500		54,239		(261)	
Appropriation from Wayne		-		8,000		8,000	
Other Reimbursements		475,000		51,005		(423,994)	
NCDOT Signals Reimbursement		172,000		197,795		25,795	
DEA funds		58,426		52,918		(5,508)	
Total		3,720,379		3,957,381		237,002	
Restricted intergovernmental:							
Powell Bill allocation		1,004,800		997,373		(7,427)	
Federal Emergency Management Agency		-		-		-	
Controlled substance tax		5,866		7,126		1,260	
Local Law Enforcement Block Grant		-		23,779		23,779	
Transportation planning grant		556,792		392,024		(164,768)	
Main Street Solutions Grant		-		_		_	
Main Street Energy Grant		-		-		-	
Community Transformation Grant		-		-		-	
East Carolina Housing Grant		31,000		31,739		739	
Clean Water Management Grant		375,000		-		(375,000)	
GWTA Garage reimbursement		450,000		1,219,735		769,735	
Total		2,423,458		2,671,776		248,319	

	Budget	Actual	Variance Positive (Negative)
Permits and fees:	244901	, lotted:	(itogaiiro)
Building and inspection permits	125,000	115,680	(9,320)
Mechanical permits	60,000	74,768	14,768
Plumbing, gas and electric inspections	115,000	86,378	(28,622)
Stormwater Management Fee	14,000	16,250	2,250
Miscellaneous permits	69,900	66,524	(3,377)
Total	383,900	359,599	(24,301)
Sales and services:			
Recreation fees	100,000	134,588	34,588
Golf course revenue	604,600	563,778	(40,822)
Recyclable materials sold	32,000	30,295	(1,705)
Cemetery services	65,000	34,373	(30,627)
Refuse services	3,270,500	3,197,939	(72,561)
Cable franchise fees	267,100	268,315	1,215
Miscellaneous fees and services	13,400	14,384	984
Total	4,352,600	4,243,671	(108,929)
Investment earnings	4,100	5,800	1,700
Miscellaneous:			
Cemetery lot sales	1,800	0	(1,800)
Officers fees	22,000	22,400	400
Sale of property	65,789	81,079	15,290
Assessments	300	920	620
Loan Proceeds	-	-	-
Other miscellaneous	1,040,060	301,041	(739,019)
Total	1,129,949	405,440	(724,509)
Total revenues	35,042,654	34,445,298	(597,356)
EXPENDITURES			
General government			
Governing body:			
Salaries and employee benefits	305,933	306,945	
Operating expenses	625,756	543,933	
Reimbursement-enterprise fund	(112,713)	(112,713)	
Total	818,976	738,165	80,810
Administration:			
Salaries and employee benefits	1,362,961	1,006,655	
Operating expenditures	1,660,324	1,436,799	
Capital outlay	11,429	11,429	
Reimbursement-enterprise fund	(265,380)	(265,380)	
Total	2,769,334	2,189,503	579,831

	Budget	Actual	Variance Positive (Negative)
Finance:	Daugo t	, lotter	(Hoganio)
Salaries and employee benefits	812,575	778,288	
Operating expenditures	471,083	456,759	
Reimbursement-enterprise fund	(650,499)	(650,499)	
Total	633,159	584,548	48,610
Public building and grounds:			
Salaries and employee benefits	173,024	172,958	
Operating expenditures	210,042	189,539	
Reimbursement-enterprise fund	(75,897)	(75,897)	_
Total	307,169	286,601	20,568
Total general government	4,528,638	3,798,817	729,821
Transportation:			
Street and highways:			
Salaries and employee benefits	1,635,192	1,625,108	
Street lights	590,972	586,814	
Operating expenditures	1,059,949	932,578	
Capital outlay	218,426	208,369	
Total	3,504,539	3,352,869	151,670
Goldsboro/Wayne Transportation Authority:	208,045	201,989	6,056
Total transportation	3,712,584	3,554,858	157,727
Economic and physical development:			
Planning and redevelopment			
Salaries and employee benefits	570,510	558,338	
Operating expenditures	1,356,047	666,598	
Reimbursement-enterprise	(281,897)	(281,897)	
Capital outlay	76,585	74,996	
Total	1,721,245	1,018,034	703,211
Community affairs			
Salaries and employee benefits	205,848	205,206	
Operating expenditures	18,964	17,729	
Total	224,812	222,935	1,877
Downtown district			
	220 445	227 722	
Salaries and employee benefits	229,445	227,786	
Operating expenditures	81,832	73,342	40.450
Total	311,278	301,128	10,150

			Variance Positive
	Budget	Actual	(Negative)
Other appropriations			
Project Uplift	5,000	5,000	
Community in Schools	15,000	15,000	
Wages	20,000	15,000	
WATCH	25,000	20,000	
Total	65,000	55,000	10,000
Total economic and physical			
development	2,322,334	1,597,097	725,237
Public safety:			
Personnel and safety:			
Salaries and employee benefits	429,962	354,487	
Operating expenditures	152,904	146,626	
Capital outlay	-	-	
Total	582,866	501,112	81,754
Building and traffic maintenance:			
Salaries and employee benefits	341,977	342,870	
Operating expenditures	201,937	169,381	
Capital outlay	1,132	-	
Total	545,046	512,252	32,795
Engineering:			
Salaries and employee benefits	687,960	685,172	
Operating expenditures	290,471	147,267	
Capital outlay	415,000	63,800	
Reimbursement-enterprise fund	(416,881)	(416,881)	
Total	976,550	479,358	497,191
Fire:			
Salaries and employee benefits	4,983,969	4,979,610	
Operating expenditures	613,677	596,703	
Capital outlay	557,018	505,471	
Total	6,154,663	6,081,785	72,879
Police:			
Salaries and employee benefits	7,244,993	6,816,128	
Operating expenditures	1,468,328	1,026,152	
Capital expenditures	289,421	152,970	
Total	9,002,742	7,995,250	1,007,493
Animal control:			
Salaries and employee benefits	57,026	57,016	
Operating expenditures	7,456	7,288	
Total	64,482	64,304	178
. 5.5	3 I, +0Z	5 1,50∓	170

	Dudget	Actual	Variance Positive
Other appropriations	Budget	Actual	(Negative)
Salaries and employee benefits	520,862	521,649	
Operating expenditures	146,433	71,455	
Total	667,295	593,105	74,190
- I Otal	007,293	393,103	74,190
Total public safety	17,993,645	16,227,165	1,766,480
Environmental protection:			
Cemetery:			
Salaries and employee benefits	249,259	246,912	
Operating expenditures	58,620	55,825	
Capital Outlay	<u>-</u>	-	
Total	307,878	302,737	5,141
Sanitation:			
Salaries and employee benefits	2,037,407	1,926,960	
Operating expenditures	1,119,468	1,093,002	
Capital outlay	1.040.000	852,879	
Total	4,196,875	3,872,841	324,034
Total environmental protection	4,504,754	4,175,578	329,175
Cultural and recreational:			
Parks and recreation:			
Salaries and employee benefits	1,560,165	1,518,376	
Operating expenditures	1,094,370	769,896	
Capital outlay	840,188	467,850	
Total	3,494,723	2,756,123	738,601
Golf Course:			
Salaries and employee benefits	450,248	446,586	
Operating expenditures	452,633	267,589	
Capital outlay	6,906	6,906	
Total	909,787	721,081	188,705
Assistance to:			
Museum	22,000	22,000	
Art Council	25,000	25,000	
Total	47,000	47,000	-
Total cultural and recreational	4,451,510	3,524,204	927,306

	Budget	Actual	Variance Positive (Negative)
Debt Service:	<u> </u>		, ,
Principal	2,375,204	2,124,249	
Interest and fees	129,927	206,658	
Total debt service	2,505,131	2,330,907	174,224
Contingency	1,077,634		1,077,634
Total expenditures	41,096,230	35,208,626	5,887,604
Revenue over (under) expenditures	(6,053,576)	(763,329)	5,290,247
Other financing sources (uses):			
Transfer from Utililty Fund	-	-	-
Payment to Bond Escrow Agent	(4,551,214)	(4,551,214)	-
Proceeds from debt	7,606,090	16,013,876	8,407,786
Total other financing sources (uses)	3,054,876	11,462,662	8,407,786
Revenue and other financing sources over (under)			
expenditures and other financing uses	(2,998,700)	10,699,333	13,698,033
Fund balance appropriated	2,998,700	-	(2,998,700)
Revenues, other financing sources and			
appropriated fund balance over (under)			
expenditures and other financing uses	\$ -	10,699,333	\$ 10,699,333
Fund balances, beginning		5,556,062	
Increase (decrease) in inventory	<u> </u>	(26,217)	
Fund balances - ending	=	16,229,178	

NON-MAJOR GOVERNMENTAL FUNDS

City of Goldsboro Combining Balance Sheet Non-Major Governmental Funds June 30, 2015 Exhibit C-1

	owntown strict Fund	Occupancy Tax Fund	,	ommunity velopment Fund	tal Project nd-Street	Totals
ASSETS						
Cash and investments	133,159	1,157,17	9	679,058	-	\$ 1,969,396
Accounts receivable	5,780		-	-	-	5,780
Restricted assets						
Cash and investments	-		-	-	-	-
Total assets	\$ 138,940	\$ 1,157,179	9	\$ 679,058	\$ -	\$ 1,975,177
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable and accrued liabilities	2,495	20,969	9	-	-	\$ 23,464
Due to other funds	 -			100,000	 -	100,000
Total liabilities	2,495	20,96	9	100,000	-	123,464
Deferred Inflows of Resources						
Taxes receivable	5,780		-	-	-	5,780
Fund balances:						
Restricted						
Streets	-		-	-	-	-
Committed						
Economic Development	-	1,111,36	0	579,058	-	1,690,418
Downtown Development	130,665		-	-	-	130,665
Assigned						
Subsequent year's expenditures		24,85)			24,850
Unassigned	-		-	-	-	-
Total fund balance	130,665	1,136,21)	579,058	-	1,845,933
Total liabilities, deferred inflows of						
resources, and fund balances	\$ 138,940	\$ 1,157,179	9	\$ 679,058	\$ -	\$ 1,975,177

City of Goldsboro Combining Statement of Revenues, Expenditures, And Changes in Fund Balance Non-Major Governmental Funds For the Fiscal Year Ended June 30, 2015 Exhibit C-2

		owntown	Occupancy Tax Fund		Community Development Fund		al Project - Street		Totals
Revenues:		thot i dila	Tax Fulla		T GITG	1 dila	Olloot		Totalo
Restricted intergovernmental									
Community Development Block Grant	\$	_	\$ -	\$	802.536	\$	_	\$	802,536
Home Partnership Program	*	_	-	•	51,822	*	_	*	51,822
Program income		_	-		_		_		-
Ad valorem taxes		73,473	-		_		_		73,473
Other taxes and licenses		-	608,514		_		_		608,514
Investment earnings		74	541		_		_		615
Other income		_	679,965		453,061		-		1,133,027
Total revenues		73,547	1,289,021		1,307,420		-		2,669,987
Expenditures									
Economic and physical development									
Salaries and employee benefits		-	119,972						119,972
Operating expenditures		-	221,123		-		-		221,123
Downtown revitalization		74,528	-		842,075		-		916,603
Capital Outlay		-	-		-		-		-
Total Economic and physical development		74,528	341,094		842,075		-		1,257,698
Debt Service:									
Principal		-	427,987		-		-		427,987
Interest		-	44,112		-		-		44,112
Total debt service		-	472,099		-		-		472,099
Total expenditures		74,528	813,193		842,075		-		1,729,796
Revenues over (under) expenditures		(982)	475,827		465,345		-		940,190
FUND BALANCES, beginning of year		131,647	660,383		113,713		-		905,743
FUND BALANCES, end of year	\$	130,665	\$ 1,136,210	\$	579,058	\$	-	\$	1,845,933

SPECIAL REVENUE FUNDS

The Special Revenue Funds are established to account for specific revenues that are legally restricted to expenditures for specified purposes.

INDIVIDUAL FUND DESCRIPTIONS

• Community Development Fund

The Community Development Fund is established to account for block grant monies received from the federal government under Title I of the Housing and Community Development Act of 1974.

Downtown District Fund

The Downtown District Fund is established to account for property tax revenues generated from special assessments to downtown property owners for purposes of downtown revitalization.

Occupancy Tax Fund

The Occupancy Tax Fund was established to account for occupancy tax revenues derived from a tax levied upon the gross receipts received from the rental of any room, lodging or similar accommodation for the purpose of developing tourism, support services, and tourist-related events and for any other appropriate activities to provide tourism-related facilities and attractions

DOT TIGER Grant Fund

The DOT TIGER Grant Fund was established to account for grant proceeds received for a downtown improvement project

City of Goldsboro
Schedule of Revenues, Expenditures, and
Changes in Fund Balance- Budget and Actual
Community Development Fund
From Inception and For the Fiscal Year Ended June 30, 2015
Exhibit C-3

			Actual		Variance	
		Project	Prior	Current	Total	Positive
	Αι	uthorization	Years	Year	to Date	(Negative)
Revenues:						_
Restricted intergovernmental						
Community Development Block Grant	\$	3,127,483	\$ 1,511,313	802,536	\$ 2,313,849	\$ 813,634
Home Partnership Program		1,796,334	1,848,464	51,822	1,900,286	(103,952)
Urgent Repair Program		37,000	37,000	-	37,000	-
Local Grants		112,036	-	453,061	453,061	(341,025)
Total revenues		5,072,853	3,396,777	1,307,420	4,704,197	368,656
Expenditures:						
HOME FY 02-03						
Administration		22,482	22,482	_	22,482	_
Rehabilitation		8,199	6,449	_	6,449	1,750
Homebuyer Assistance		39,308	39,308	_	39,308	-
riomosayor / Bolotanoo		00,000	00,000		00,000	
HOME FY 08-09						
Administration		14,440	14,440	-	14,440	-
Rehabilitation		109,830	62,259	-	62,259	47,571
Homebuyer Assistance		190,244	190,244	-	190,244	-
CHDO		107,051	107,051	-	107,051	-
CDBG FY 09-10						
Administration		133,770	120,518	_	120,518	13,252
Rehabilitation		19,358	20,286	_	20,286	(928)
Public Facilities		267,921	161,772	_	161,772	106,149
Hazardous Management		5,813	5,813	_	5,813	-
Demolition		10,900	10,900	_	10,900	-
Afterschool enrichment		59,758	59,758	_	59,758	-
CDBG-R Project		104,488	104,448	-	104,448	40
HOME EV 00 10						
HOME FY 09-10		20 560	20 E60		20 E60	
Administration		20,569	20,569	-	20,569	-
Rehabilitation		18,614	18,614	-	18,614	-
Homebuyer Assistance		176,160	176,160	-	176,160	-
CHDO-Set Aside		110,621	110,000	-	110,000	621
CDBG FY 10-11						
Administration		107,520	77,220	-	77,220	30,300
Relocation		722	722	-	722	-
Rehabilitation		10,623	62,311	-	62,311	(51,688)
Public Facilities		58,048	76,282	-	76,282	(18,234)
Hazardous Management		40,499	38,592	-	38,592	1,907
Afterschool Enrichment		66,700	66,460	-	66,460	240
Lead Based Paint Hazardous		106,965	280	-	280	106,685
Transitional Housing		20,000	20,000	-	20,000	-
Demolition		10,900	10,900	-	10,900	-

City of Goldsboro Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual Community Development Fund From Inception and For the Fiscal Year Ended June 30, 2015 Exhibit C-3

			Actual		
	Project	Prior	Current	Total	Positive
	Authorization	Years	Year	to Date	(Negative)
HOME FY 10-11					
Administration	27,674	27,474	-	27,474	200
Rehabilitation	27,665	27,662	-	27,662	3
Homebuyer Assistance	161,879	161,879	-	161,879	-
CHDO-Set Aside	98,779	98,779	-	98,779	-
CDBG FY 11-12					
Administration	93,886	73,825	-	73,825	20,061
Relocation	66	-	-	-	66
Public Facilities	136,626	18,738	-	18,738	117,888
Hazardous Materials	27,906	27,288	-	27,288	618
Afterschool Enrichment	57,411	57,411	-	57,411	-
Transitional Housing	21,388	20,000	-	20,000	1,388
Demolition	189,095	194,395	-	194,395	(5,300)
HOME FY 11-12					
Administration	25,701	25,633	-	25,633	68
Housing Development	131,250	131,250	-	131,250	-
Homebuyer Assistance	76,406	76,406	-	76,406	-
CHDO-Administration	10,000	10,000	-	10,000	-
CDBG FY 12-13					
Administration	76,901	61,602	_	61,602	15,299
Relocation	79,285	43,448	_	43,448	35,837
Public Facilities	150,000	35,316	_	35,316	114,684
Afterschool Enrichment	•	•	-	•	
	56,475	56,474	-	56,474	(44.000)
Demolition	-	11,060	-	11,060	(11,060)
HOME FY 12-13					
Administration	17,927	16,600	-	16,600	1,327
Housing Development	131,250	131,250	-	131,250	-
Homebuyers Assistance	5,000	5,000	-	5,000	-
CHDO-Set Aside	32,080	32,080	-	32,080	-
CDBG FY 13-14					
Administration	77,870	62,914	6,968	69,882	7,988
Public Facilities	152,754	-,	2,754	2,754	150,000
Hazardous Materials	500	_	2,701	2,701	500
Afterschool Enrichment	50,140	49,962	89	50,051	89
Demolition	44,217	20,339	22,900	43,239	978
			1,477	51,615	750
Rehab. Homeowners	52,365	50,138	1,477	2,246	
Transitional Housing	5,000	2,246	0.400	•	2,754
Urgent Repair Program	39,100	34,900	2,100	37,000	2,100
HOME FY 13-14					
Administration	16,517	14,316	1,198	15,514	1,003
Homebuyers Assistance	136,881	67,604	34,462	102,066	34,815
CHDO-Set Aside	40,267	33,237	, -	33,237	7,030
	.5,231	-0,-0.		30,207	.,555

City of Goldsboro Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual Community Development Fund From Inception and For the Fiscal Year Ended June 30, 2015 Exhibit C-3

			Actual		Variance
	Project	Prior	Current	Total	Positive
	Authorization	Years	Year	to Date	(Negative)
CDBG FY 14-15					-
Administration	64,433	-	61,012	61,012	3,421
Public Facilities	586,223	-	453,050	453,050	133,173
Hazardous Materials	7,825	-	7,825	7,825	-
Afterschool Enrichment	50,182	-	50,179	50,179	3
Demolition	30,480	-	30,480	30,480	-
Rehab. Homeowners	34,752	-	34,752	34,752	-
Transitional Housing	8,000	-	5,697	5,697	2,303
Urgent Repair Program					-
HOME FY 14-15					-
Administration	15,965	-	14,742	14,742	1,223
Homebuyers Assistance	111,564	-	40,725	40,725	70,839
CHDO-Set Aside	71,665		71,665	71,665	
Total expenditures	5,072,853	3,283,064	842,075	4,125,139	947,714
Revenue over (under) expenditures	\$ -	\$ 113,713	465,345	\$ 579,058	\$ 579,058
Fund balance, beginning of year			113,713		
Fund balance, end of year			\$ 579,058	ı	

	Budget	Actual	Variance Positive (Negative)		
Revenues:					
Ad valorem taxes	69,175	72,745	\$ 3,570		
Penalties and interest	500	728	228		
Investment earnings	100	74	(26)		
Other income	0	0	-		
Total revenues	69,775	73,547	3,772		
Expenditures: Salaries and employee benefits	_	_	_		
Downtown revitalization	148,971	74,528	74,442		
Total expenditures	148,971	74,528	74,442		
Revenue over (under) expenditures	(79,196)	(982)	78,214		
Fund balance appropriated	79,196	-	(79,196)		
Revenues and appropriated fund balance over (under) expenditures	<u> </u>	(982)	\$ (982)		
Fund balance, beginning of year	-	131,647			
Fund balance, end of year	_	\$ 130,665			

	Budget	Actual	Va	ariance Positive (Negative)
Revenues:				
Other taxes and licenses	550,000	608,514	\$	58,514
Other income	679,965	679,965		-
Investment earnings	600	541		(59)
Total revenues	1,230,565	1,289,021		58,455
Expenditures:				
Tourism expenses:				
Salaries and employee benefits	119,614	119,972		(357)
Operating expenditures	399,701	221,123		178,578
Capital Outlay	-	-		
Total Tourism	519,315	341,094		178,221
Debt Service:				
Principal	427,987	427,987		_
Interest	44,112	44,112		-
Total debt service	472,099	472,099		-
Contingency	618,886	 -		618,886
Total expenditures	1,610,300	813,193		797,107
Revenues over (under) expenditures	(379,735)	475,827		(855,562)
Fund balance appropriated	379,735	-		379,735
Revenues, other financing sources and appropriated fund balance over (under) expenditures and other financing uses	\$ <u>-</u>	475,827	\$	475,827
Fund balance, beginning of year		 660,383		
Fund balance, end of year		\$ 1,136,210		

	Project				Variance Positive
	Authorization	Prior Year	Current Year	Total to Date	(Negative)
Revenues:					
Unrestricted intergovernmental:					
Tiger V Grant Reimbursement	\$ 10,000,000	\$ -	\$ 6,730,657	\$ 6,730,657	\$ (3,269,343)
Investment earnings	-	-	433	433	433
Total revenues	10,000,000	-	6,731,090	6,731,090	(3,268,910)
Expenditures:					
Loan Expense	115,000	-	155,737	155,737	(40,737)
Construction Cost	14,500,785	-	11,368,764	11,368,764	3,132,021
Total expenditures	14,615,785	-	11,524,501	11,524,501	3,091,284
Revenues over (under) expenditures	(4,615,785)	-	(4,793,411)	(4,793,411)	(177,626)
Other financing sources (uses)					
Loan Proceeds	4,615,785	-	4,672,966	4,672,966	57,181
Donations	-	-	406,491	406,491	406,491
Total other financing sources	4,615,785	-	5,079,457	5,079,457	463,672
Revenues and other financing sources over					
(under) expenditures and other financing uses	\$ -	\$ -	286,046	\$ 286,046	\$ 286,046
Fund balance, beginning of year					
Fund balance, end of year			\$ 286,046		

CAPITAL PROJECTS FUND

The Capital Projects Fund is established to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Funds.

INDIVIDUAL FUND DESCRIPTIONS

• Capital Projects Fund

The Capital Projects Fund is established to account for general street capital projects.

City of Goldsboro
Schedule of Revenues, Expenditures, and
Changes in Fund Balance- Budget and Actual
Capital Project Fund - Street
From Inception For the Fiscal Year Ended June 30, 2015
Exhibit D-1

					Act	tual			,	, .
		oject orization	Pri	or Years	Currer	nt Year	To	otal to Date	F	/ariance Positive legative)
Revenues										<u> </u>
Street Project										
Investment earnings	\$	4,250	\$	446,764	\$	-	\$	446,764	\$	442,514
Expenditures										
Street Project Fund										
Construction costs			6	5,346,727		-		6,346,727		
Technical services				52,534		-		52,534		
Right of way				-		-		-		
Total expenditures	6,	039,250	(5,399,261		-		6,399,261		(360,011)
Revenues over (under) expenditures	(6,	035,000)	(5,952,497)		-		(5,952,497)		82,503
Other financing sources (uses)										
Proceeds from debt issuance	4,	400,000	4	1,396,000		-		4,396,000		(4,000
Transfer to (from) other funds	1,	635,000		1,556,497		-		1,556,497		(78,503
Total other financing sources	6,	035,000	ţ	5,952,497		-		5,952,497		(82,503
Revenues and other financing sources over										
(under) expenditures and other financing uses	\$	-	\$		\$	-	\$	-	\$	-
Fund balance, beginning of year						-	_			
Fund balance, end of year						-	_			

ENTERPRISE FUND

The Enterprise Fund is established to account for services provided to the general public and the related costs of such services. Although General Statutes and generally accepted accounting principles do not require an annual balanced budget for Enterprise Funds, the City does adopt a balanced budget for this fund.

INDIVIDUAL FUND DESCRIPTION

• Utility Fund

The Utility Fund is established to account for revenues and expenses related to the provision of water and sewer services to residents of the City and adjacent areas. The financial statements that follow present the two main activities of this fund - operations and construction - separately in detailed schedules. The combining financial statements reflect the activities of the Water and Sewer Operating and Capital Project Funds together as the Utility Fund.

City of Goldsboro Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP) Utility Fund For the Fiscal Year Ended June 30, 2015 Exhibit E-1

	Budget	Actual	Variance Positive (Negative)
Revenues	Daagot	70000	(Hoganito)
Operating revenues:			
Charges for services	15,009,465	15,194,165	\$ 184,700
Assessments	9,200	6,626	(2,574)
Water and sewer taps	42,000	54,399	12,399
Miscellaneous fees and services	335,100	342,286	7,186
Total operating revenues	15,395,765	15,597,476	201,711
Nonoperating revenues:			
Other revenues	90,000	173,059	83,059
Investment earnings	8,500	6,612	(1,888)
Total nonoperating revenues	98,500	179,671	(1,888)
Total revenues	15,494,265	15,777,147	199,823
Expenditures			
Maintenance			
Salaries and employee benefits	1,331,992	1,329,376	
Travel	3,736	3,736	
Supplies	430,748	261,902	
Insurance	13,939	13,560	
Repairs and maintenance	48,209	43,238	
Other expenses	663,447	220,089	
	2,492,070	1,871,900	620,170
Water Plant			
Salaries and employee benefits	688,295	681,851	
Travel	2,635	965	
Supplies	735,698	601,121	
Insurance	70,567	60,039	
Utilities	222,900	222,859	
Repairs and maintenance	440,595	274,155	
Other expenses	773,596	389,184	
Utility service fee	901,634	901,634	
	3,835,920	3,131,808	704,112
Waste Treatment Plant			
Salaries and employee benefits	1,163,543	1,157,629	
Travel	5,775	3,564	
Supplies	219,289	137,917	
Insurance	147,334	127,797	
Utilities	617,085	609,204	
Repairs and maintenance	659,048	296,870	
Other expenses	2,075,983	301,966	
Utility service fee	827,258	807,258	
	5,715,314	3,442,205	2,273,109

City of Goldsboro Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP) Utility Fund For the Fiscal Year Ended June 30, 2015 Exhibit E-1

		Budget		Actual	Variance Positive Negative)
Public works department		Daaget		Autuai	 tegative)
Salaries and employee benefits	\$	256,324	\$	256,211	
Supplies		18,119	·	15,267	
Insurance		33,311		33,311	
Repairs and maintenance		461,973		201,315	
Other expenses		170,669		123,606	
		940,396		629,709	310,687
Other					
General operating expenses		181,001		83,746	97,255
Budgetary appropriations					
Bond principal and other debt payments		3,822,578		3,822,573	
Bond interest		814,515		814,513	
Capital outlay		2,305,699		2,305,699	
		6,942,792		6,942,786	7
Total expenditures		20,107,493		16,102,154	4,005,339
Revenues over (under) expenditures		(4,613,228)		(325,007)	4,205,162
Other financing sources (uses):					
Transfer to general fund		-		-	-
Fund balance appropriated		4,613,228		-	(4,613,228)
Total other financing sources(uses)		4,613,228		-	(4,613,228)
Revenues and other financing sources over (under)					
expenditures and other financing uses	\$	-	\$	(325,007)	\$ (408,066)
Reconciliation from budgetary basis (modified accrual) to full Revenues and other financing sources over (under) expenditures and other financing uses	ull accrual:		\$	(325,007)	
Reconciling items:					
Capital outlay				2,305,699	
Bad accounts written off				(78,703)	
Increase in compensated absences				(12,319)	
Decrease in accrued interest payable				34,235	
Basis in retired capital assets				(162,769)	
Increase in OPEB obligation				(74,343)	
Increase in net pension asset				167,038	
Amortization of bond issuance costs				(91,957)	
Bond principal and other debt payments				3,822,573	
Depreciation expense				(3,548,338)	
•				2,361,116	
Change in net position			\$	2,036,109	

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
Water and Sewer Capital Project Fund
For the Fiscal Year Ended June 30, 2015
Exhibit E-2

		Project horization	P	rior Years	Cı	ırrent Year	T	otal to Date	Variance Positive Negative)
Revenues-water projects									
Investment earnings	\$	67,240	\$	86,694	\$	-	\$	86,694	\$ 19,454
Other income		52,822		22,974		-		22,974	(29,848)
Total revenues-water projects		120,062		109,668		-		109,668	(10,394)
Revenues-sewer projects									
Restricted intergovernmental revenue		3,000,000		2,823,363		-		2,823,363	(176,637)
Investment earnings		203,301		441,417		-		441,417	238,116
Other income		118,188		101,485		-		101,485	(16,703)
Total revenues-sewer projects		3,321,489		3,366,265		-		3,366,265	44,776
Total revenues		3,441,551		3,475,933		-		3,475,933	34,382
Expenditures-water projects									
Construction				4,425,955		58,833		4,484,788	
Total expenditures-water projects		4,700,644		4,425,955		58,833		4,484,788	215,856
Expenditures-sewer projects									
Construction				19,695,950		707,034		20,402,984	
Legal and administrative				177,238		-		177,238	
Total expenditures-sewer projects		21,790,715		19,873,188		707,034		20,580,222	1,210,493
Total expenditures		26,491,359		24,299,143		765,867		25,065,010	1,426,349
Revenues over (under) expenditures	(23,049,808)		(20,823,210)		(765,867)		(21,589,077)	1,460,731
Other financing sources (uses)									
Transfers out		(3,634,377)		(3,634,377)		-		(3,634,377)	-
Proceeds from long-term borrowings		26,684,185		31,382,776				31,382,776	4,698,591
Total other financing sources		23,049,808		27,748,399		-		27,748,399	4,698,591
Revenues and other financing									
sources over (under) expenditures	\$	-	\$	6,925,189	\$	(765,867)	\$	6,159,322	\$ 6,159,322

OTHER FINANCIAL INFORMATION

To provide additional insight into the City's operations, both past and present, the following additional financial information is included in subsequent sections of the comprehensive report:

• Governmental Capital Assets

This section includes additional information about the City's investment in governmental fixed assets, including a summary of assets benefiting each governmental function.

• Additional Financial Data

Additional financial data includes information on property tax collections, uncollected property taxes, and additional information about the City's finances.

• Statistical Information

The statistical section includes ten year comparison data on various aspects of City finances as well as other information to enhance understanding of City operations.

• Single Audit Information

The Single Audit section includes auditors reports on federal and state compliance matters and details on the expenditures of federal and state awards.

GOVERNMENTAL CAPITAL ASSETS

City of Goldsboro
Comparative Schedule of Governmental Capital Assets –
By Source
June 30, 2015
(With Comparative Actual Amounts As Of June 30, 2014)
Exhibit F-1

Governmental Capital Assets	2015	2014
Land and improvements	\$ 7,643,170	\$ 7,658,770
Construction in process	12,054,354	1,542,799
Buildings	17,686,641	17,686,641
Streets and infrastructure	60,410,218	59,657,386
Vehicles and equipment	15,828,998	14,516,793
Total	\$ 113,623,381	\$ 101,062,389

Investments in Governmental Capital Assets by Source

Fund source is not readily available at this time. Appropriate information will be available in the future.

City of Goldsboro Schedule of Changes in Governmental Capital Assets For the Fiscal Year Ended June 30, 2015 Exhibit F-2

Functional and Activity	Jı	Balance une 30, 2014		Additions	D	eductions	Bal	ance June 30, 2015
General government	\$	15,983,190	\$	93,030	\$	300,000	\$	15,776,220
Transportation		59,482,257		9,709,812		31,350		69,160,719
Economic and physical development		2,722,508		-		-		2,722,508
Public safety		6,437,342		634,922		267,498		6,804,766
Environmental protection		2,860,671		2,398,013		58,841		5,199,843
Cultural and recreational		13,576,421		621,335		238,431		13,959,325
Total	\$	\$ 101,062,389		13,457,112	\$ 896,120		\$	113,623,381

ADDITIONAL FINANCIAL DATA

City of Goldsboro Schedule of Ad Valorem Taxes Receivable June 30, 2015 Exhibit G-1

Fiscal Year		collected ace June 30, 2014		Additions	Col	lections and Credits	Uncollected Balance June 30 2015		
2014-2015	\$	-	\$	15,215,997	\$	14,938,362	\$	277,635	
2013-2014		431,366		-		233,635		197,731	
2012-2013		231,035		-		92,545		138,490	
2011 and prior		905,338		-		84,233		821,105	
	\$	1,567,739	\$	15,215,997	\$	15,348,775	\$	1,434,961	
	Recor	ncilement with	revenu	J <u>e</u>					
		orem taxes - (al Fund			\$	15,409,895	
	Int	erest collected	ł					(116,087)	
		xes written off						55,568	
wntown District Fund	<u>Total</u>	collections a	nd cre	dits			\$	15,349,376	
vntown District Fund Fiscal Year	Un	collections and collected not sold the collected not sold and sold		dits Additions	Col	lections and Credits	U	15,349,376 ncollected ince June 30, 2015	
	Un	collected ace June 30,			Col		U	ncollected ince June 30,	
Fiscal Year	Un Balar	collected ace June 30,		Additions		Credits	U Bala	ncollected ince June 30, 2015	
Fiscal Year 2014-2015	Un Balar	collected nce June 30, 2014		Additions		Credits 70,549	U Bala	ncollected ince June 30, 2015	
Fiscal Year 2014-2015 2013-2014	Un Balar	collected ace June 30, 2014 - 2,186		Additions		70,549 1,117	U Bala	ncollected ince June 30, 2015 1,817 1,069	
Fiscal Year 2014-2015 2013-2014 2012-2013	Un Balar	collected nce June 30, 2014 - 2,186 1,699		Additions		70,549 1,117 687	U Bala	ncollected ince June 30, 2015 1,817 1,069 1,012	
Fiscal Year 2014-2015 2013-2014 2012-2013	Un Balar \$ Recor	collected nce June 30, 2014 - 2,186 1,699 2,512 - 6,397	\$ \$ revenu	72,366 - - - 72,366	\$	70,549 1,117 687 630	U Bala \$	ncollected ince June 30, 2015 1,817 1,069 1,012 1,882 3,963	
Fiscal Year 2014-2015 2013-2014 2012-2013	\$ Recor	collected nce June 30, 2014 - 2,186 1,699 2,512 6,397 ncilement with corem taxes - Conciling items:	\$ revenu	72,366 - - - 72,366	\$	70,549 1,117 687 630	U Bala	ncollected ince June 30, 2015 1,817 1,069 1,012 1,882 3,963	
2014-2015 2013-2014 2012-2013	\$ Recor Ad Va Rec	collected nce June 30, 2014 - 2,186 1,699 2,512 6,397 ncilement with	\$ revenu	72,366 - - - 72,366	\$	70,549 1,117 687 630	U Bala \$	ncollected ince June 30, 2015 1,817 1,069 1,012 1,882 3,963	

City of Goldsboro Analysis of Current Tax Levy City-Wide Levy June 30, 2015 Exhibit G-2

	Т	otal Property				ı	Property Excluding Registered		Registered
Original levy-City:		Valuation	Rate	Am	ount of Levy	IVIC	otor Vehicles	IVIO	tor Vehicles
Property taxed at current years' rate	\$	2,278,640,675	\$ 0.65	\$	14,811,164	\$	13,247,100	\$	1,564,064
Discoveries		70,647,538	0.65	\$	459,209		459,209		-
Abatements		(8,365,549)		\$	(54,376)		(54,376)		
Total property valuation	\$	2,340,922,664							
Net levy				\$	15,215,997	\$	13,651,933	\$	1,564,064
Uncollected taxes at June 30, 2015					(277,035)		(276,811)		(224)
Current year's taxes collected				\$	14,938,962	\$	13,375,122	\$	1,563,840
Current levy collection percentage					98.18%		97.97%		99.99%
Original levy-Downtown District: Property taxed at current years' rate	\$	27,825,268	\$ 0.25	\$	69,563	\$	65,940	\$	3,623
Discoveries		1,142,800	0.25		2,857		2,857		-
Abatements		(21,652)			(54)		(54)		
Total property valuation	\$	28,946,416							
Net levy				\$	72,366	\$	68,743	\$	3,623
Uncollected taxes at June 30, 2015					(1,817)		(1,817)		
Current year's taxes collected				\$	70,549	\$	66,926	\$	3,623
Current levy collection percentage					97.49%		97.36%		100.00%

City of Goldsboro Schedule of Cash and Investment Balances All Funds June 30, 2015 Exhibit G-3

			-	Market Value
Cash				
On Hand			\$	2,130
NOW, SuperNOW, and Money Market				15,777,323
Total Cash			-	15,779,453
Other Investements				
North Carolina Capital Management Trust			_	16,311,361
Total Cash and Investments			\$	32,090,814
Total Cash and investments			Ψ =	32,030,014
Distributed by Fund:				
				Carrying
			_	Value
0 15 1				
General Fund	•	0.504.447		
Unrestricted	\$	9,564,117	•	45.004.000
Restricted		6,300,863	\$	15,864,980
Special Revenue Fund				
Community Development Fund		679,058		
Downtown District Fund		133,159		
Occupancy Tax Fund		1,157,179		
DOT TIGER Grant Fund		1,509,733		3,479,129
Capital Project Fund - Restricted				
Street		_		_
Sileet				_
Enterprise Fund				
Unrestricted		8,593,204		
Restricted		4,153,501	-	12,746,705
Total Distributed by Fund			\$	32,090,814

STATISTICAL SECTION

This part of the City of Goldsboro's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City'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 City's financial activities take place.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annua financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

City of Goldsboro Net Position by Component Last Ten Fiscal Years (accrual basis of accounting) Table 1

	2006	2007	2008	2009	2010	2011	2012	2013	2014		2015
Governmental activities											
Net Investment in capital assets	\$ 24,367,481	\$ 23,819,777	\$ 28,179,346	\$ 43,352,105	\$ 43,695,950	\$ 43,486,935	\$ 42,700,984	\$ 37,507,996	\$ 38,335,957	\$	42,803,884
Restricted	1,434,487	4,381,889	3,842,808	3,753,545	_	-	-	-	-		6,300,863
Stabilization by State Statute	-	-	-	-	-	4,240,257	2,353,408	3,151,398	3,937,395		2,651,605
Streets	-	-	-	-	-	-	2,899,947	426,930	-		-
Unrestricted	14,792,325	15,854,330	15,843,512	10,473,600	. 	6,121,406	8,087,596	5,367,859	804,941		(2,315,163)
Total governmental activities net position	\$ 40,594,293	\$ 44,055,996	\$ 47,865,666	\$ 57,579,250	\$ 55,538,173	\$ 53,848,598	\$ 56,041,935	\$ 46,454,183	\$ 43,078,293	\$	49,441,189
Business-type activities Net Investment in capital assets Restricted Unrestricted Total business-type activities net position	\$ 33,388,957 2,353,571 9,299,744 \$ 45,042,272	\$ 35,131,179 993,147 12,392,187 \$ 48,516,513	\$ 37,208,215 546,602 11,501,923 \$ 49,256,740	\$ 39,266,792 485,597 9,319,993 \$ 49,072,382	8,904,625	\$ 40,962,133 - 10,748,545 \$ 51,710,678	\$ 40,370,922 - 12,206,203 \$ 52,577,125	\$ 41,216,430 - 12,022,767 \$ 53,239,197	\$ 43,218,439 - 11,720,607 \$ 54,939,046		45,635,607 - 10,943,475 56,579,082
Primary government Net Investment in capital assets Restricted Stabilization by State Statute Streets Unrestricted	\$ 57,756,438 3,788,058 - - - 24,092,069	\$ 58,950,956 5,375,036 - - 28,246,517	\$ 65,387,561 4,389,410 - - 27,345,435	\$ 82,618,897 4,239,142 - - 19,793,593	· · · · · · · - · · · · · · · · · · · ·	\$ 84,449,068 - 4,240,257 - 16,869,951	\$ 83,071,906 - 2,353,408 2,899,947 20,293,799	\$ 78,724,426 - 3,151,398 426,930 17,390,626	\$ 81,554,396 3,937,395 - 12,525,548		38,439,491 \$6,300,863 2,651,605 - 8,628,312
Total primary government net position	\$ 85,636,565	\$ 92,572,509	\$ 97,122,406	\$ 106,651,632	\$106,000,288	\$105,559,276	\$ 108,619,060	\$ 99,693,380	\$ 98,017,339	\$ 1	06,020,271
. I.I. Fa.) go to not poottion											

City of Goldsboro Change in Net Position Last Ten Fiscal Years (accrual basis of accounting) Table 2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 2,532,305	\$ 2,905,578	\$ 2,183,065	\$ 3,312,696	\$ 2,945,434	\$ 2,947,130	\$ 2,822,577	\$ 3,570,115	\$ 3,564,525	\$ 4,184,415
Public safety	13,278,867	13,228,803	13,645,026	15,075,632	15,031,290	15,954,680	15,513,297	17,432,563	19,435,147	15,715,097
Transportation	3,248,984	3,715,936	2,433,738	3,834,972	4,256,885	4,835,713	2,395,299	9,176,022	3,656,128	4,235,342
Economic and physical development	2,475,876	3,067,360	1,753,132	3,632,243	3,915,549	3,221,967	5,048,592	5,502,759	3,696,955	3,724,636
Environmental protection	2,664,612	3,179,927	2,731,841	3,579,950	2,797,958	3,307,854	3,293,159	3,369,229	3,656,775	3,620,474
Cultural and recreational	3,157,751	2,781,964	2,922,101	3,075,009	3,062,944	2,370,322	2,208,649	2,958,211	3,137,048	3,213,278
Interest on long-term debt	337,845	307,088	532,923	338,011	724,351	690,706	724,774	671,960	489,199	505,575
Total governmental activities expense	\$ 27,696,240	\$ 29,186,656	\$ 26,201,826	\$ 32,848,513	\$ 32,734,411	\$ 33,328,372	\$ 32,006,347	\$ 42,680,859	\$ 37,635,777	\$ 35,198,816
Total business-type activities -										
water and sewer	\$12,340,861	12,049,765	\$ 13,253,063	\$ 13,947,671	\$ 12,927,789	\$ 13,135,400	\$ 13,606,323	\$ 14,598,647	\$ 14,121,802	\$ 13,662,335
water and seven										
Total primary government expenses	\$ 40,037,101	\$ 41,236,421	\$ 39,454,889	\$ 46,796,184	\$ 45,662,200	\$ 46,463,772	\$ 45,612,670	\$ 57,279,506	\$ 51,757,579	\$ 48,861,151
_										
Program revenues										
Governmental activities:										
Charges for services	\$ 308,289	Φ 055 504	\$ 446,166	\$ 488,376	\$ 409,691	\$ 380,695	\$ 371,656	\$ 354,205	\$ 347,680	\$ 302,688
General governmental	*,	\$ 355,581	536,438	393,189	361,261	449,256	411,691	435,183	358,876	381,999
Public safety	532,062	545,375	330,430	333, 103	301,201	443,230	409,430	316,779	485,833	1,219,735
Transportation	0.054.750	0.070.040	2,370,956	2,453,812	2,910,753	3,120,888	3,261,733	3,197,586	3,382,985	3,244,483
Environmental protection	2,251,753	2,276,846	709,494	717,592	829,781	750,577	616,498	562,576	727,498	1,831,393
Cultural and recreational	677,264	637,745	709,494	717,592	029,701	750,577	616,496	362,376	727,490	1,031,393
Operating grants and contributions			2,533,730	2 102 764	2,771,467	2,899,883	2,742,032	3,159,698	3,151,217	3,735,555
General governmental	2,257,500	2,363,004		3,182,764		, ,				
Public safety	247,860	400,607	165,883	266,932	94,866	863,878	650,740	372,695	276,439	193,725
Transportation	1,358,235	1,431,108	1,700,532	1,406,872	1,435,682	1,494,860	1,257,218	1,179,871	1,406,886	1,389,397
Environmental protection							534,600	32,356	166,913	-
Economic and physical development	35,057	30,042	31,276	29,822	32,266	31,770	31,812	33,139	31,685	31,739
Cultural and recreational	1,096,697	942,812	947,265	778,966	1,296,977	709,238	1,123,879	527,157	343,778	854,358
Capital grants and contributions										
Economic and physical development	-	-	-	-	-	-	-	-	-	7,137,148
Transportation		2,697,377		11,945,877						

\$ 20,322,221

City of Goldsboro Change in Net Position Last Ten Fiscal Years (accrual basis of accounting) Table 2

			FISCAL Y	EAR						
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
OTHER FINANCING SOURCES (USES)									
Refunding bonds issued	-	-	-	-	-	-	580,200	829,590	-	-
Bonds issued	-	4,000,000	-	-	-	-	2,727,000	0	-	-
Payment to refinanced debt issuance							(2,666,667)	0	-	-
Capital leases	705,100	-	-	-	-	-	559,165	485,229	-	-
Loans	-	-	3,737,606	4,500,000	2,454,376	-	896,000	225,000	-	-
Proceeds frp, ossiamce pf debt	-	-	-	-	-	-	-	-	-	20,686,842
Payments to bond escrow agent	-	-	-	-	-	-	(550,000)	(745,600)	-	(4,551,214)
Total other financing sources (uses)	705,100	4,000,000	3,737,606	4,500,000	2,454,376	_	1,545,698	794,219	-	16,135,628
Net change in fund balances	(\$3,241,653)	\$ 3,969,906	(\$413,978)	(\$1,716,432)	(\$299,520)	(\$2,594,597)	\$ (70,105)	\$ (4,223,873)	\$ (3,642,216)	\$ 11,925,569
Debt services as a percentage of noncapital expenditures	4.91%	4.88%	5.34%	6.50%	8.75%	8.48%	8.44%	8.40%	7.31%	9.10%

City of Goldsboro
Fund Balances
Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 3

	2006	2007	2008		2009	2010	2011		2012	2013	2014		2015
General fund Reserved Designated Unreserved, undesignated	\$ 3,605,087 406,195 7,703,922	\$ 3,201,459 748,358 8,409,725	\$ 5,079,907 1,136,743 6,002,136	\$	4,823,548 556,718 5,437,961	\$ 5,141,907 43,179 5,304,810	\$ } - - -	\$	- - - -	\$; - - -	\$; - - -	\$	- - -
Nonspendable Restricted Committed	-	-	- - -		-	- -	\$ 185,985 4,240,257	\$	258,178 2,353,408	\$ 214,187 3,151,398	\$ 337,269 4,572,888	\$	651,278 8,952,468
Assigned Unassigned Total general fund	\$ - - 11,715,204	\$ - - 12,359,542	\$ - - 12,218,786	\$	- - 10,818,227	\$ - - 10,489,896	4,246,716 8,672,958		67,869 6,902,667 9,582,122	4,710,346 8,075,931	\$ 645,905 5,556,062	\$	6,625,432 16,229,178
All other governmental funds Reserved Unreserved, reported in: Special revenue funds	\$ 544,090 2,080,955	\$ 3,531,711 2,048,151	\$ 165,124 2,788,825	;	\$ -	\$ - 2,838,276	\$ -	;	- -	\$ -	\$ -	Ş	\$ - -
Capital projects funds Nonspendable Restricted Committed	 940,262	1,352,397	3,673,814		3,745,537	3,560,600	3,206,228		- 2,899,947	426,930	-		<u>-</u> -
Downtown Development Economic Development Assigned	-	-	-		-	-	112,727 2,105,108		133,293 1,356,549	108,793 1,022,456	131,647 593,611		130,665 1,976,464
Subsequent Yr's Expenditures Unassigned Total all other governmental funds	\$ 3,565,307	\$ 6,932,259	\$ 6,627,763	\$	6,381,389	\$ 6,398,876	\$ 262,421 - 5 5,686,484	\$	276,892 - 4,666,681	\$ 346,828 - 1,905,007	\$ 180,485 - 905,743	\$	24,850 - 2,131,979

Note: Data presented for the current fiscal year implementing GASB Statement 54.

City of Goldsboro
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

			FISCAL Y	EAR						
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Ad valorem taxes	\$ 11,999,749	\$ 12,478,490	\$ 12,677,755	\$ 13,118,249	\$ 13,943,980	\$ 13,566,023	\$ 15,031,078	\$ 14,686,221	\$ 15,491,073	\$ 15,483,368
Local option sales taxes	5,724,056	6,071,408	6,111,961	5,615,126	5,479,518	5,743,051	6,350,223	6,466,342	6,484,745	7,214,633
Other taxes and licenses	744,390	803,710	790,213	803,216	819,891	966,446	1,169,941	1,132,323	1,157,562	785,616
Unrestricted intergovernmental	2,403,650	2,709,153	2,607,138	3,304,003	2,810,713	2,955,689	3,298,929	3,557,596	3,760,335	3,957,381
Restricted intergovernmental	2,591,699	2,458,420	2,771,548	2,361,353	2,820,545	3,043,940	3,445,825	2,064,100	2,102,416	10,256,791
Permits and fees	500,104	519,127	510,574	362,497	334,980	417,718	384,271	409,622	343,392	359,599
Sales and services	3,269,225	3,291,673	3,545,763	3,673,117	4,164,426	4,265,434	4,255,076	4,124,519	4,421,279	4,243,671
Investment earnings, net of										
market adjustment	611,380	895,367	666,136	238,613	37,793	23,079	17,619	20,605	5,323	6,848
Miscellaneous	445,662	551,256	350,332	918,059	341,302	578,525	455,499	718,339	686,147	1,944,958
TOTAL REVENUES	\$ 28,289,915	\$ 29,778,604	\$ 30,031,420	\$ 30,394,233	\$ 30,753,148	\$ 31,559,905	\$ 34,408,461	\$ 33,179,667	\$ 34,452,272	\$ 44,252,865
EXPENDITURES										
General government	2,433,772	2,897,200	5,608,847	2,910,334	2,543,212	2,547,526	2,890,900	2,883,603	3,252,104	3,790,187
Public safety	12,824,672	12,881,312	13,478,699	14,468,658	14,503,471	15,491,380	15,395,376	16,701,484	18,682,381	15,524,494
Transportation	2,852,845	2,876,364	3,403,367	2,551,782	2,613,336	3,199,589	3,317,544	2,741,812	3,129,332	3,164,379
Economic and physical develop.	3,746,983	2,820,467	3,847,716	3,579,577	3,847,055	3,327,523	4,986,741	5,447,114	3,675,907	3,712,003
Environmental protection	2,658,158	2,761,659	2,902,092	3,137,292	2,730,378	3,243,693	3,231,770	3,308,479	3,383,876	3,322,699
Cultural and recreational	2,748,623	2,686,856	2,917,297	2,777,453	2,740,237	2,362,242	2,624,684	2,900,990	3,049,440	3,014,588
Capital outlay	3,565,262	1,502,553	210,314	5,464,133	2,185,934	1,603,788	1,254,821	1,724,736	442,064	12,975,831
Debt service:	0,000,202	1,002,000	2.0,0	0, 10 1, 100	2, 100,001	1,000,100	1,20 1,02 1	.,. 2 .,. 00	2,00 .	.2,0.0,00.
Principal	1,068,508	1,075,199	1,330,752	1,383,425	1,619,070	1,688,055	1,597,654	1,817,581	1,990,185	2,552,236
Interest and other charges	337,845	307,088	483,920	338,011	724,351	690,706	634,241	654,355	489,199	406,507
Debt issuance cost	-	-	-	-	-	-	60,333	-	-	-
Bond issuance cost	-	-	-	-	-	-	30,200	17,605	-	-
TOTAL EXPENDITURES	32,236,668	29,808,698	34,183,004	36,610,665	33,507,044	34,154,502	36,024,264	38,197,759	38,094,488	 48,462,924
REVENUES OVER (UNDER)	P	•	•	•	•	•				
EXPENDITURES	(\$3,946,753)	(\$30,094)	(\$4,151,584)	(\$6,216,432)	(\$2,753,896)	(\$2,594,597)	\$ (1,615,803)	\$ (5,018,092)	\$ (3,642,216)	\$ (4,210,059)

City of Goldsboro
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	FISCAL YEAR										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
OTHER FINANCING SOURCES (USES))										
Refunding bonds issued	-	-	-	-	-	-	580,200	829,590	-	-	
Bonds issued	-	4,000,000	-	-	-	-	2,727,000	0	-	-	
Payment to refinanced debt issuance							(2,666,667)	0	-	-	
Capital leases	705,100	-	-	-	-	-	559,165	485,229	-	-	
Loans	-	-	3,737,606	4,500,000	2,454,376	-	896,000	225,000	-	-	
Proceeds frp, ossiamce pf debt	-	-	-	-	-	-	-	-	-	20,686,842	
Payments to bond escrow agent	-	-	-	-	-	-	(550,000)	(745,600)	-	(4,551,214)	
Total other financing sources (uses)	705,100	4,000,000	3,737,606	4,500,000	2,454,376		1,545,698	794,219	-	16,135,628	
Net change in fund balances	(\$3,241,653)	\$ 3,969,906	(\$413,978)	(\$1,716,432)	(\$299,520)	(\$2,594,597)	\$ (70,105)	\$ (4,223,873)	\$ (3,642,216)	\$ 11,925,569	
Debt services as a percentage of noncapital expenditures	4.91%	4.88%	5.34%	6.50%	8.75%	8.48%	8.44%	8.40%	7.31%	9.10%	

City of Goldsboro
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
Table 5

Fiscal Year	Property Tax	Sales Tax	Occupancy Tax	Privilege License Tax	Rental/ Lease Tax	Penalties/ Interest	Total
2006	11,756,930	5,724,056	455,171	257,033	29,740	2,446	18,225,376
2007	12,659,906	6,071,408	506,042	259,342	35,451	3,133	19,535,282
2008	12,845,928	6,111,961	485,030	271,201	31,244	3,058	19,748,422
2009	13,246,454	5,615,126	490,139	267,663	32,413	2,983	19,654,778
2010	13,782,127	5,479,518	456,205	302,847	32,433	2,279	20,055,409
2011	13,406,434	5,743,051	548,007	348,402	42,099	2,191	20,090,184
2012	14,862,383	6,350,223	656,984	435,399	48,948	3,346	22,357,283
2013	14,517,335	6,466,342	594,404	470,191	45,089	31	22,093,392
2014	15,311,560	6,484,745	559,596	526,390	50,641	901	22,933,833
2015	15,409,895	7,214,633	608,514	93,101	60,458	903	23,387,504

Source: Comprehensive Annual Financial Report

City of Goldsboro
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
Table 6

Fiscal Year	Property Tax	Sales Tax	Occupancy Tax	Privilege License Tax	Rental/ Lease Tax	Penalties/ Interest	Total
2006	11,999,749	5,724,056	455,171	257,033	29,740	2,446	18,468,195
2007	12,478,232	6,071,408	506,042	259,342	35,451	3,133	19,353,608
2008	12,677,435	6,111,961	485,030	271,201	31,244	3,058	19,579,929
2009	13,024,467	5,615,126	490,139	267,663	32,413	2,007	19,431,815
2010	13,841,941	5,479,518	456,205	302,847	32,433	2,279	20,115,223
2011	13,475,662	5,743,051	548,007	348,402	42,099	2,191	20,159,412
2012	14,934,960	6,350,223	656,984	435,399	48,948	3,346	22,429,860
2013	14,588,386	6,466,342	594,404	470,191	45,089	31	22,164,443
2014	15,386,772	6,484,745	559,596	526,390	50,641	901	23,009,045
2015	15,486,368	7,214,633	608,514	93,101	60,458	903	23,463,977

Source: Comprehensive Annual Financial Report

City of Goldsboro
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Table 7

Fiscal Year Ended June 30	Real Property	Personal Property	Corporate Excess	Total Taxable Assessed Value	Total Direct Tax Rate Per \$100
2006	1,566,856,334	233,192,978	46,274,226	1,846,323,538	0.65
2007	1,643,112,824	217,201,698	51,957,478	1,912,272,000	0.65
2008	1,680,215,516	251,413,598	48,584,886	1,980,214,000	0.65
2009	1,747,795,112	222,147,829	52,379,982	2,022,322,923	0.65
2010	1,880,435,595	227,136,544	53,285,170	2,160,857,309	0.65
2011	1,819,591,480	214,689,304	48,247,524	2,082,528,308	0.65
2012	2,053,210,019	212,513,475	54,808,968	2,320,532,462	0.65
2013	1,983,506,780	211,298,675	55,905,159	2,250,710,614	0.65
2014	2,071,199,242	204,156,845	52,971,759	2,328,327,846	0.65
2015	2,057,232,730	231,037,274	52,652,660	2,340,922,664	0.65

SOURCE: Wayne County Tax Administrator/Collector

Note: Property in the county is reassessed once every eight years on average. The last county-wide

revaluation occurred January 1, 2012. The county assesses property at actual value; therefore,

the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

City of Goldsboro
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value
Table 8

	C	ty Direct Rate	s	Overlapping Rates		
Fiscal Year Ended June 30	General Fund Rate	Total Direct Rate	Downtown Service District Rate	County Rate	Total Direct and Overlapping Rates	
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015	0.65 0.65 0.65 0.65 0.65 0.65 0.65 0.65	0.65 0.65 0.65 0.65 0.65 0.65 0.65 0.65	0.25 0.25 0.25 0.25 0.25 0.25 0.235 0.235 0.235	0.735 0.735 0.764 0.764 0.764 0.7025 0.7025 0.6650	1.635 1.635 1.664 1.664 1.664 1.5875 1.5875 1.5500 1.5500	

⁽¹⁾ Tax rate decrease due to revaluation

NOTES: There is a N.C. statutory tax rate limit of \$1.50 per hundred dollars valuation for ope expenses, but no limitation on the rate of tax which may be levied for debt service.

Tax rates are established on a per \$100 valuation basis.

City of Goldsboro Principal Property Tax Payers Current Year and Nine Years Ago Table 9

		Fiscal Yea	ar 2015		Fiscal Year 2006		
				Percentage of Total			Percentage of Total
		Assessed		Assessed	Assessed		Assessed
Taxpayer	Type of Business	 Valuation	Rank	Valuation	Valuation	Rank	Valuation
Walmart Stores	Retail Department Store	\$ 39,788,026	1	1.73%	22,509,916	3	1.21%
Progress Energy/Duke	Public Utility	22,639,031	2	0.99%	17,411,326	4	0.94%
Berkeley Mall, LLC	Mall Shopping Center	22,625,900	3	0.98%	22,597,120	2	1.22%
Franklin Baking Co.	Bread Manufactoring	21,069,610	4	0.92%	23,818,601	1	1.29%
Goldsboro Apartments Investors LLC	Real Estate	20,890,211	5	0.91%			
Gruma Corporation	Real Estate	20,426,042	6	0.89%			
Berkeley Place Apartments	Real Estate	18,537,824	7	0.81%			
Cooper Standard, Inc.	Rubber & Plastic Auto Parts	14,746,664	8	0.64%	11,418,423	9	0.62%
TWE-Advance-Newhouse Partnership	Public Utility	13,783,857	9	0.60%			
Berkeley Realty Associates	Real Estate	13,320,210	10	0.58%			
Cooper-Bussman, Inc.	Fuse Holders	-			15,603,779	6	0.85%
BellSouth Telephone Company	Public Utility	-			16,397,348	5	0.89%
Dixie Trail, LCC	Real Estate	-			11,236,930	10	0.61%
K5 Associates, LLC	Real Estate	-			14,231,780	7	0.77%
Kenneth and Mary Fallin	Real Estate	 			11,580,890	8	0.63%
TOTALS		\$ 207,827,375		9.05%	\$ 166,806,113		9.03%

Source: Wayne County Tax Administrator/Collector

City of Goldsboro
Property Tax Levies and Collections
Last Ten Fiscal Years
Table 10

Taxes Levied			Collected	d within the			
for the			Fiscal Yea	r of the Levy	Collections	Total Colle	ections to Date
Fiscal Year		Total		Percentage of	in Subsequent		Percentage of
(Original Levy)	Adjustments	Adjusted Levy	Amount	Original Levy	Years	Amount	Adjusted Levy
12,001,103	(120,995)	11,880,108	11,405,024	95.03%	309,750	11,714,774	98.61%
12,429,768	-	12,429,768	11,819,050	95.09%	-	11,819,050	95.09%
12,871,391	(357)	12,871,034	12,268,670	95.32%	315,922	12,584,592	95.43%
13,145,099	-	13,145,099	12,502,285	95.11%	433,521	12,935,806	98.93%
14,043,576	1,997	14,045,573	13,390,703	95.34%	413,655	13,804,358	99.03%
13,668,297	(131,863)	13,536,434	13,443,427	96.45%	425,439	13,868,866	99.05%
15,307,418	(223,957)	15,083,461	14,446,765	94.37%	462,770	14,909,535	99.08%
14,958,097	(328,503)	14,629,594	14,003,582	93.62%	495,880	14,499,462	99.13%
14,270,650	(199,560)	14,071,090	13,728,356	96.20%	482,993	14,211,349	99.27%
13,651,130	(54,376)	13,596,754	13,375,305	97.91%	376,164	13,751,469	99.56%
	for the Fiscal Year (Original Levy) 12,001,103 12,429,768 12,871,391 13,145,099 14,043,576 13,668,297 15,307,418 14,958,097 14,270,650	for the Fiscal Year (Original Levy) Adjustments 12,001,103 (120,995) 12,429,768 - 12,871,391 (357) 13,145,099 - 14,043,576 1,997 13,668,297 (131,863) 15,307,418 (223,957) 14,958,097 (328,503) 14,270,650 (199,560)	for the Fiscal Year (Original Levy) Adjustments Total Adjusted Levy 12,001,103 (120,995) 11,880,108 12,429,768 - 12,429,768 12,871,391 (357) 12,871,034 13,145,099 - 13,145,099 14,043,576 1,997 14,045,573 13,668,297 (131,863) 13,536,434 15,307,418 (223,957) 15,083,461 14,958,097 (328,503) 14,629,594 14,270,650 (199,560) 14,071,090	for the Fiscal Year Total (Original Levy) Adjustments Adjusted Levy Amount 12,001,103 (120,995) 11,880,108 11,405,024 12,429,768 - 12,429,768 11,819,050 12,871,391 (357) 12,871,034 12,268,670 13,145,099 - 13,145,099 12,502,285 14,043,576 1,997 14,045,573 13,390,703 13,668,297 (131,863) 13,536,434 13,443,427 15,307,418 (223,957) 15,083,461 14,446,765 14,958,097 (328,503) 14,629,594 14,003,582 14,270,650 (199,560) 14,071,090 13,728,356	for the Fiscal Year (Original Levy) Adjustments Total Adjusted Levy Fiscal Year Amount Percentage of Original Levy 12,001,103 (120,995) 11,880,108 11,405,024 95.03% 12,429,768 - 12,429,768 11,819,050 95.09% 12,871,391 (357) 12,871,034 12,268,670 95.32% 13,145,099 - 13,145,099 12,502,285 95.11% 14,043,576 1,997 14,045,573 13,390,703 95.34% 13,3668,297 (131,863) 13,536,434 13,443,427 96.45% 15,307,418 (223,957) 15,083,461 14,446,765 94.37% 14,958,097 (328,503) 14,629,594 14,003,582 93.62% 14,270,650 (199,560) 14,071,090 13,728,356 96.20%	for the Fiscal Year (Original Levy) Adjustments Total Adjusted Levy Fiscal Year Amount Percentage of Original Levy Collections in Subsequent Years 12,001,103 (120,995) 11,880,108 11,405,024 95.03% 309,750 12,429,768 - 12,429,768 11,819,050 95.09% - 12,871,391 (357) 12,871,034 12,268,670 95.32% 315,922 13,145,099 - 13,145,099 12,502,285 95.11% 433,521 14,043,576 1,997 14,045,573 13,390,703 95.34% 413,655 13,668,297 (131,863) 13,536,434 13,443,427 96.45% 425,439 15,307,418 (223,957) 15,083,461 14,446,765 94.37% 462,770 14,958,097 (328,503) 14,629,594 14,003,582 93.62% 495,880 14,270,650 (199,560) 14,071,090 13,728,356 96.20% 482,993	for the Fiscal Year (Original Levy) Adjustments Total Adjusted Levy Fiscal Year Amount Percentage of Original Levy Collections in Subsequent In Subsequent Years Amount 12,001,103 (120,995) 11,880,108 11,405,024 95.03% 309,750 11,714,774 12,429,768 - 12,429,768 11,819,050 95.09% - 11,819,050 12,871,391 (357) 12,871,034 12,268,670 95.32% 315,922 12,584,592 13,145,099 - 13,145,099 12,502,285 95.11% 433,521 12,935,806 14,043,576 1,997 14,045,573 13,390,703 95.34% 413,655 13,804,358 13,668,297 (131,863) 13,536,434 13,443,427 96.45% 425,439 13,868,866 15,307,418 (223,957) 15,083,461 14,446,765 94.37% 462,770 14,909,535 14,958,097 (328,503) 14,629,594 14,003,582 93.62% 495,880 14,499,462 14,270,650 (199,560) 14,071,090 13,728,

Sources: Wayne County Tax Collector

City of Goldsboro Ratios of Outstanding Debt By Type Last Ten Fiscal Years Table 11

Governmental Activities Business-type Activities

Fiscal Year	General Obligation Bonds	Installment Loans	Capital Leases	General Obligation Bonds	Installment Loans	Total Primary Government	Per Capita (1)	Percentage of Actual Property Values (2)	Percentage of Personal Income
2006	3,121,622	4,663,556	673,252	22,932,038	17,810,176	49,200,644	1,288	2.66%	1.614%
2007	2,835,050	8,048,443	516,253	20,877,381	17,430,135	49,707,262	1,329	2.60%	1.561%
2008	6,059,336	7,368,584	378,679	18,831,875	15,392,282	48,030,756	1,286	2.43%	1.445%
2009	5,613,477	11,073,528	236,169	16,831,506	13,354,428	47,109,108	1,222	2.33%	1.318%
2010	5,186,392	12,483,544	88,547	23,307,760	18,597,417	59,663,660	1,557	2.76%	1.622%
2011	4,783,535	11,286,892	-0-	21,372,849	17,094,643	54,537,919	1,497	2.62%	1.458%
2012	4,414,177	11,045,130	559,165	19,162,643	18,820,517	54,001,632	1,510	2.33%	1.414%
2013	4,130,120	9,927,456	937,534	17,633,879	16,941,884	49,570,873	1,392	2.20%	1.241%
2014	3,754,297	11,215,108	735,521	15,445,703	14,927,446	46,078,075	1,298	2.01%	1.094%
2015	5,135,723	21,154,145	529,330	13,628,277	12,922,295	53,369,770	1,506	2.28%	1.266%

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

City of Goldsboro
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
Table 12

General		Percentage of Actual		
Obligation	Assessed	Taxable Value		Per
Bonds	Value	of Property	Population	Capita
26,053,660	1,846,323,538	1.41%	38,186	682.28
23,712,431	1,912,272,000	1.24%	37,396	634.09
24,891,211	1,980,214,000	1.26%	37,341	666.59
22,444,983	2,022,322,923	1.11%	38,554	582.17
28,494,152	2,160,857,309	1.32%	38,313	743.72
26,156,384	2,082,528,308	1.26%	36,437	717.85
23,576,820	2,320,532,462	1.02%	35,768	659.16
21,763,999	2,250,710,614	0.97%	35,609	611.19
19,200,000	2,328,327,846	0.82%	35,489	541.01
18,764,000	2,340,922,664	0.80%	35,436	529.52
	Obligation Bonds 26,053,660 23,712,431 24,891,211 22,444,983 28,494,152 26,156,384 23,576,820 21,763,999 19,200,000	Obligation Bonds Assessed Value 26,053,660 1,846,323,538 23,712,431 1,912,272,000 24,891,211 1,980,214,000 22,444,983 2,022,322,923 28,494,152 2,160,857,309 26,156,384 2,082,528,308 23,576,820 2,320,532,462 21,763,999 2,250,710,614 19,200,000 2,328,327,846	General Obligation Bonds Assessed Value of Actual Taxable Value of Property 26,053,660 1,846,323,538 1.41% 23,712,431 1,912,272,000 1.24% 24,891,211 1,980,214,000 1.26% 22,444,983 2,022,322,923 1.11% 28,494,152 2,160,857,309 1.32% 26,156,384 2,082,528,308 1.26% 23,576,820 2,320,532,462 1.02% 21,763,999 2,250,710,614 0.97% 19,200,000 2,328,327,846 0.82%	General Obligation Bonds Assessed Value of Actual Taxable Value of Property Population 26,053,660 1,846,323,538 1.41% 38,186 23,712,431 1,912,272,000 1.24% 37,396 24,891,211 1,980,214,000 1.26% 37,341 22,444,983 2,022,322,923 1.11% 38,554 28,494,152 2,160,857,309 1.32% 38,313 26,156,384 2,082,528,308 1.26% 36,437 23,576,820 2,320,532,462 1.02% 35,768 21,763,999 2,250,710,614 0.97% 35,609 19,200,000 2,328,327,846 0.82% 35,489

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

City of Goldsboro Legal Debt Margin Last Ten Fiscal Years Table 13

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit, 8% of Assessed Value (Statutory Limitation)	\$ 147,705,883	\$ 152,981,760	\$ 158,417,120	\$ 161,785,834	\$ 172,868,585	\$ 166,602,264	\$ 185,642,597	\$ 180,056,849	\$ 186,266,228	\$ 160,454,615
Total net debt applicable to limit	29,768,607	32,325,777	29,224,280	30,277,602	25,253,483	16,070,427	16,018,472	14,995,110	13,004,926	26,819,198
Legal Debt Mar	\$117,937,276	120,655,983	129,192,840	131,508,232	\$ 147,615,102	\$ 150,531,837	\$ 169,624,125	\$ 165,061,739	\$ 173,261,302	\$ 133,635,417
Legai Debit Mai	\$117,957,270	120,000,900	123, 132,040	131,300,232	\$ H1,010, 102	\$ 100,001,007	\$ 109,024,123	\$ 100,001,739	φ 1/3,201,302	\$ 100,000,417
Total net debt applicable to the limit as a percentage of debt limit	l 18.57%	21.13%	18.45%	18.71%	14.60%	9.64%	8.63%	8.33%	6.98%	16.71%
					Legal Debt M	argin Calculati	on for Fiscal Ye	ear 2014		
							Assessed Value			2,340,922,664
							Debt Limit (8% c	f Assessed Value	1	187,273,813
							Debt Applicable	to Limit:		
							General Obliga	ation Bonds		5,135,723
							Other Debt			21,683,475
							Legal Debt Ma	rgin		\$ 160,454,615

Note: NC Statute GS159-55 limits the city's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water and sewer purposes. The legal debt margin is the difference between the debt limit and the City's net debt outstanding applicable to the limit, and represents the City's legal borrowing authority.

City of Goldsboro Direct and Overlapping Governmental Activities Debt Last Ten Fiscal Years Table 14

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Wayne County General Obligation Debt	\$ -	0%	\$ -
Other Debt			
Wayne County Installment Purchase Loans	58,518,000	29.55%	17,292,069
Wayne County Promissory Notes	2,455,354	29.55%	725,557
Subtotal, overlapping debt			7,236,408
Total direct debt			26,819,198
Total direct and overlapping debt			\$ 34,055,606

Sources: Assessed value data used to estimate applicable percentages provided by the Wayne County Tax Collector/Assessor. Debt outstanding data provided by the county.

Notes: Overlapping governments are those that coincide, at lease 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 Goldsboro. This process recognizes that, when considering the City'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.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the city's boundaries and dividing it by the county's total taxable assessed value.

City of Goldsboro Demographic and Economic Stastics Last Ten Fiscal Years Table 15

Fiscal	(1)	(2) Personal income	(2) Per Capita Personal	(1) Median	(3) School	(4) Unemployment
Year	Population	(in thousands)	Income	Age	Enrollment	Rate Percentage
2006	38,186	3,048,195	28,525	35.70	19,425	4.93%
2007	37,396	3,182,363	30,501	34.30	19,352	4.75%
2008	37,341	3,322,504	31,699	35.68	19,373	6.00%
2009	38,554	3,573,759	31,673	35.50	19,386	10.3%
2010	38,313	3,676,875	31,673	36.30	19,608	8.70%
2011	36,437 [5]	3,738,982	31,673	36.10	20,407	9.10%
2012	35,768	3,818,391	29,893	36.76	19,458	8.60%
2013	35,609	3,992,263	31,245	36.69	19,355	8.00%
2014	35,489	4,210,623	33,620	37.60	19,256	7.30%
2015	35,436	4,212,734	33,815	36.00	19,444	6.40%

Sources:

- (1) NC Office of State Planning State Demographer
- (2) US Department of Commerce, Bureau of Economic Analysis
- (3) Wayne County Board of Education
- (4) Employment Security Commission of North Carolina
- (5) US Census 2010

Notes:

Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

City of Goldsboro Principal Employers Current Year and Nine Years Ago Table 16

		201	5		2006				
			Percentage			Percentage			
			of Total MSA			of Total MSA			
Employer	Employees	Rank	Employment (2)	Employees	Rank	Employment (2)			
Coursely Johnson Air Force Door	0.400	4	44.000/.0/	0.057	1	42.00.0/			
Seymour Johnson Air Force Base	6,482	1	11.89% %	6,657		12.90 %			
Wayne County Board of Education	2,997	2	5.50% %	2,552	2	4.95 %			
Wayne Memorial Hospital	1,814	3	3.33% %	1,508	3	2.92 %			
Case Farms	1,049	4	1.92% %						
Wayne County	980	5	1.80% %	670	6	1.29 %			
Cherry Hospital	978	6	1.79% %	1,031	5	2.00 %			
O'Berry Center	817	7	1.50% %	1,071	4	2.08 %			
Goldsboro Milling	800	8	1.47% %						
Cooper Standard Automotive	789	9	1.45% %						
Wal-Mart	695	10	1.28% %	535	7	1.03 %			
City of Goldsboro			-	461	8	0.89 %			
Franklin Baking Company, LLC				346	9	0.67 %			
Goerlich Exhaust Systems				276	10	0.53 %			
Total	17,401		31.93% %	15,107		29.26 %			

Sources:

- (1) Wayne County Development Alliance
- (2) NC Employment Security Commission for the Goldsboro Metropolitan Statistical Area.

City of Goldsboro
Full-time Equivalent City Government Employees By Function
Last Ten Fiscal Years
Table 17

<u>Function</u>	<u>2006</u>	2007	2008	2009	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government	30	31	30	31	30	30	32	32	32	33
Transportation										
Streets & Highways	28	28	28	28	27	27	27	24	21	21
Garage	12	12	12	12	12	12	12	11	10	10
Economic & Physical Development	18	19	19	19	19	19	19	18	16	15
Public Safety										
Police										
Officers	116	117	117	116	115	115	115	112	108	110
Civilians	12	10	10	10	10	10	10	10	10	10
Fire										
Firefighters & Officers	81	82	82	82	82	82	82	82	81	81
Civilians	1	1	1	1	1	1	1	1	1	1
Other	30	28	28	32	32	32	33	33	29	30
Environmental Protection	56	56	56	56	56	56	55	53	48	47
Cultural & Recreational	39	37	39	40	39	39	39	37	35	37
Maintenance	29	28	25	25	25	25	25	26	24	24
Water	11	11	11	11	11	11	11	11	11	11
Sewer	<u>22</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>
TOTAL	485	483	481	487	483	483	485	474	450	454

Sources: City of Goldsboro's Budget Document

City of Goldsboro
Operating Indicators By Function
Last Ten Fiscal Years
Table 18

			ı	Fiscal Year						
Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Physical	4,246	4,150	3,949	3,657	3,186	3,137	3,406	3,212	2,962	2,833
Traffic violations	9,433	8,460	12,276	12,753	13,037	13,201	9,916	8,636	7,205	7,964
Fire										
Number of calls answered	1,973	3,111	2,348	2,192	2,222	2,210	2,083	2,026	2,040	2,475
Inspections	853	471	518	533	806	744	364	944	1,213	1,161
Building Inspections										
New construction permits	330	214	152	89	147	117	120	107	96	77
Highways and streets										
Street resurfacing (miles)	0	0	5.37	0.5	0.0	0.0	0.0	3.3	3.2	3.1
Potholes repaired	209	404	210	573	929	874	258	540	622	488
Sanitation										
Refuse collected (ton	57.6	58.5	54.0	55.8	44.6	46.5	68.1	57.01	50.3	55
Recyclables collected (tons/day)	5.3	5.6	5.9	6.2	5.7	3.9	5.49	5.45	5.6	6.03
Culture and recreation										
Athletic field permits issued	324	349	2	3	5	8	9	14	10	68
Community center admissions	109,650	99,300	99,992	104,106	87,608	119,114	136,480	106,513	132,364	128,073
Water										
New connections	46	30	69	85	23	27	28	29	17	60
Water mains breaks	104	63	55	30	47	26	26	20	40	29
Average daily consumption										
(millions of gallons)	6.0	5.6	5.1	4.6	4.7	5.3	5.4	5.4	5.2	4.7
Number of customers	13,285	13,563	13,533	13,388	13,875	13,590	13,793	13,606	13,755	13,556
Wastewater										
New connections	62	48	71	104	35	42	53	32	35	37
Average daily sewage treatment										
(millions of gallons)	7.1	8.4	5.6	7.1	7.8	8.3	7.0	7.0	8.8	9.5
Number of customers	11,541	11,628	11,687	11,597	11,665	11,670	10,755	11,572	10,640	11,091

Sources: Various city departments.

Note: Indicators are not available for the general government function.

City of Goldsboro
Capital Assets Statistics By Function
Last Ten Fiscal Years
Table 19

Fiscal Year										
Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	59	59	59	59	59	62	65	62	59	59
Fire stations	5	5	5	5	5	5	5	5	5	5
Sanitation										
Collection trucks	11	11	11	12	12	11	11	11	11	7
Highways and streets										
Streets (miles)	156	156	158	169	169	166	169	163	163	163
Streetlights	2,836	2,868	2,903	2,943	3,057	3,035	3,036	2,915	2,926	2,805
Culture and recreation										
Parks acreage	339	339	339	339	339	402	402	403	403	403
Parks	13	13	13	13	13	13	13	13	13	13
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	18	18	18	18	18	18	18	18	18	18
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles)	240	240	241	287	270	270	270	298	270	270
Maximum daily capacity										
(millions of gallons)	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Sewer										
Sanitary sewers (miles)	212	238	239	243	239	239	239	239	241	241
Maximum daily treatment capacity										
(millions of gallons)	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2

Sources: Various city departments.

Notes: No capital asset indicators are available for the general government function.

SINGLE AUDIT SECTION



Carr, Riggs & Ingram, LLC 2805 North Park Drive Goldsboro, North Carolina 27532

Mailing Address: P.O. Box 10588 Goldsboro, North Carolina 27532-0588

(919) 751-8297 (919) 778-0575 (fax) www.cricpa.com

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Goldsboro, as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprises the City of Goldsboro's basic financial statements, and have issued our report thereon dated December 14, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Goldsboro's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the

determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

La Grange, North Carolina December 14, 2015

Cau, Rigge & Ingram, L.L.C.



Carr, Riggs & Ingram, LLC 2805 North Park Drive Goldsboro, North Carolina 27532

Mailing Address: P.O. Box 10588 Goldsboro, North Carolina 27532-0588

(919) 751-8297 (919) 778-0575 (fax) www.cricpa.com

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

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

Report on Compliance for Each Major Federal Program

We have audited the City of Goldsboro compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Goldsboro's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Goldsboro's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance

Opinion on Each Major Federal Program

In our opinion, the City of Goldsboro complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the City of Goldsboro is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

La Grange, North Carolina December 14, 2015

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Mailing Address: P.O. Box 10588 Goldsboro, North Carolina 27532-0588

(919) 751-8297 (919) 778-0575 (fax) www.cricpa.com

REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

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

Report on Compliance for Each Major State Program

We have audited the City of Goldsboro compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North_Carolina*, issued by the Local Government Commission, that could have a direct and material effect on its major State program for the year ended June 30, 2015. The City's major State program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133 "Audits of States, Local Governments, and Nonprofit Organizations", as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major State program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination on the City's compliance.

Opinion on Each Major State Program

In our opinion, the City of Goldsboro complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

La Grange, North Carolina December 14, 2015

Caux Rigge & Ingram, L.L.C.

City of Goldsboro Schedule of Findings and Questioned Costs For the Fiscal Year Ended June 30, 2015

Section I. Summary of Auditor's Results Financial Statements Type of auditor's report issued: Unmodified Internal control over financial reporting: Material weaknesses ____yes X_no Significant deficiencie that are not considered to be material weaknesses ____yes X none reported Noncompliance material to financial statements noted <u>X</u>no _yes Federal Awards Internal control over major federal programs: Material weaknesses ____yes X_no Significant deficiencies identified that are not considered to be material weaknesses ____yes X none reported Noncompliance material to feder: _____yes <u>X</u>no Type of auditor's report issued on compliance for major federal programs: Unmodified Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular /____yes <u>X</u>no Identification of major federal programs: CFDA Nun Names of Federal Program or Cluster 14.228 Community Development Block Grant 20.205 DOT Urban Planning Grant 20.500 FTA - Capital Program Dollar threshold used to distinguish between Type A and Type B Programs \$300,000

___no

Auditee qualified as low-risk aud __X__yes

City of Goldsboro Schedule of Findings and Questioned Costs For the Fiscal Year Ended June 30, 2015

Section I. Summary of Auditor's Results

	State Awa	<u>rds</u>		
	Internal co	ontrol over major State prog	grams:	
		Material weaknesses	yes	<u>X</u> no
		Significant deficiencies id that are not considered to material weaknesses	be	X_none reported
	Noncompl	iance material to State	yes	<u>X</u> no
	Type of a	uditor's report issued on co	mpliance for majo	or State programs: Unmodified.
	required	findings disclosed that are to be reported in accordance addit Implementation Act		<u>X</u> no
	Identificat	ion of major State programs	S:	
	<u>Pı</u>	rogram Names		
		Non-State System Street-	Aid Allocation (Po	well Bill)
		Section II - Financial Sta	tement Findings	
None repo	orted			
	Secti	on III - Federal Award Findin	gs and Questione	d Costs
None repo	orted			
	Sec	tion IV - State Award Finding	s and Questioned	Costs
None repo	orted			

City of Goldsboro Corrective Action Plan For the Fiscal Year Ended June 30, 2015

Section II - Financial Statement Findings							
None reported							
	Section III - Federal Award Findings and Questioned Costs						
None reported							
	Section IV - State Award Findings and Questioned Costs						
None reported							

City of Goldsboro
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2015

None reported

City of Goldsboro Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2015

				ederal			
Onestes /Deep through	Federal	Pass-through	•	rect and		04-4-	
Grantor/Pass-through	CFDA	Grantor's		s-through)	ت ىر	State	
Grantor/Program Title	Number	Number	Expenditures		Expenditures		
Federal Awards:							
Cash Programs:							
U.S. Department Of Housing and Urban							
<u>Development</u>							
Passed through N.C. Department of							
Commerce:							
Community Development Block							
Grant-Entitlement Grants	14.228	98-R-0004	\$	642,995	\$	25,000	
Passed-through N.C. State Housing							
Finance Agency:							
HOME Investment							
Partnership	14.239	M-98-MC-3702090		162,792		-	
U.S. Department of Transportation							
Passed through N.C. Dept. of							
Transportation							
Union Station	20.205-3			25,730		6,194	
Multi-use Trail	20.205-4			56,610		14,153	
Urban Planning	20.205-5			317,381		2,712	
FTA - Capital Program	20.500			6,730,657		-	
Department of Justice							
JAG Grant	16.810	2013-DJ-BX-0923		23,779		-	
State Awards:							
Cash Assistance:							
N.C. Department of transportation:							
Powell Bill				-		997,373	
N.C. Department of Environment and							
Natural Resources							
PARTF-assisted development project at Stoney	Creek Park			-		5,523	
Total assistance			¢.	7.050.044	æ	4.050.055	
Total assistance			\$	7,959,944	\$	1,050,955	

City of Goldsboro Notes to the Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2015

1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of City of Goldsboro and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, <u>Audits of States, Local Governments</u>, and Non-Profit Organizations and the <u>State Single Audit Implementation Act</u>. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.