CITY *of* WILSON
NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2017

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CITY OF WILSON
NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2017

FINANCIAL SERVICES
KIM A. HANDS
CHIEF FINANCIAL OFFICER

CITY OF WILSON, NORTH CAROLINA

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CITY OF WILSON

North Carolina

INCORPORATED 1849

27894-0010

October 11, 2017

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

The Comprehensive Annual Financial Report (CAFR) of the City of Wilson, North Carolina ("the City") for the fiscal year ended June 30, 2017 is hereby submitted for your review. This report was prepared by the City's Financial Services Department and it is the inclusive publication of the City's financial position and operational results as of and for the fiscal year ended June 30, 2017. The City of Wilson, like all other units of local government in the state of North Carolina is required by state law to publish a complete set of financial statements within four months of the close of each fiscal year. The City is also required by the OMB Uniform Guidance and the State Single Audit Implementation Act to have a compliance audit on federal and state financial assistance programs. This report meets these requirements.

Management assumes full responsibility for the accuracy, completeness, and reliability of the data presented in the report. To provide a reasonable basis for making these representations, management of the City has designed and implemented a comprehensive internal control framework to safeguard the City's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City of Wilson's financial statements in conformity with generally accepted accounting principles (GAAP). The cost of internal controls should not outweigh their benefits. For this reason, the City's internal controls framework has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we believe the information contained in this financial report is accurate and complete in all material respects.

The City's financial statements have been audited by Martin Starnes and Associates, CPAs, P.A., a firm of certified public accountants. It is the responsibility of the independent auditors to issue a report expressing their opinion on the basic financial statements of the City based on their audit. The independent auditors' report is presented in the financial section of this report. The audit was designed to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2017 are free of material misstatement. The auditors examined, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessed the accounting principles used and significant estimates made by management; and evaluated the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, the City of Wilson's financial statements for the fiscal year ended June 30, 2017 are presented fairly in conformity with GAAP.

In addition, the auditors' reports required as a part of the single audit are found in the Single Audit Section of this report. These reports focus not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements involving the administration of state and federal financial awards.

The management's discussion and analysis (MD&A) required by GAAP and included in the Financial Section of the report is a narrative introduction, overview, and analysis provided by management to accompany the basic financial statements. The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Wilson's MD&A can be found immediately following the independent auditors' report.

Profile of the City

The City of Wilson was incorporated in 1849, and is located on the eastern seaboard along Interstate 95. It is the largest municipality in Wilson County and serves as the county seat. The City has a population of almost 50,000 and covers a land area of nearly 30 square miles.

The City levies a property tax on the appraised value of real property and certain tangible personal property located within its boundaries as authorized by state statute. The County also levies a property tax on property within the City's corporate limits and is the only other entity empowered to do so. The City is also permitted by state statute to broaden its corporate boundaries by annexation.

The City of Wilson operates under the Council-Manager form of government. The Council is the policy-making and legislative body of City government and consists of a Mayor and seven Council members. The Council members are elected from districts while the Mayor is elected at-large.

The Mayor and Council members serve four-year staggered terms. The Mayor is the presiding officer of the Council and votes only in case of a tie. A Mayor Pro-Tempore is selected by the Council from its members.

The City Manager and the City Attorney are appointed by the Council. The City Manager is the Chief Executive Officer of the City and is accountable for carrying out the policies and ordinances of the Council and for administering the day-to-day operations of the City through appointed department directors and staff members.

The City provides a full range of services to its citizens including police and fire protection; transportation; sanitation; cultural and recreational activities; housing and community development programs; water, wastewater, and storm water utilities; and land use and development services. In addition, the City owns and operates electric and natural gas distribution systems and broadband services.

Excellence in Action

Duke Energy Progress purchased the assets of NC Eastern Municipal Power Association (NCEMPA), the governing body of Wilson Energy in 2015. The $1.2 billion sale of minority interest in several power plants reduced NCEMPA's debt by more than 70 percent. The remaining debt of $492 million is scheduled to be paid off in 10 years. The debt reduction resulted in the City Council to passing the largest electric rate decrease in Wilson's history two years ago when residential rates dropped by 17.6 percent, commercial rates by 15.4 percent, industrial rates by an average of 7.2 percent in FY16. In May of 2017, City Council announced a further rate reduction in line with a wholesale rate reduction. Beginning July 1, 2017, the City will pass along a rate reduction of 4.0% to Wilson Energy residential customers. With these wholesale rate decreases, the City has been able to adopt a rate structure to not only provide savings to its customers, but to also build reserves that will support ongoing capital needs to keep our system viable.

Greenlight is the City's state-of-the-art, fiber-to-the-premise system providing customers with data, voice, and video services. Since its inception in 2008, Greenlight has grown to provide services to nearly 8,700 customers. Greenlight was the first service provider in the state to offer Gigabit Fiber-to-the-Home service making Wilson North Carolina's Gigabit City. Greenlight was recognized by President Obama as one of the nation's fastest broadband networks and Wilson was credited as having "inspired leadership and community mobilization." Greenlight offers services to customers along existing Wilson Energy routes. Following an FCC ruling that overturned State law limiting fee-based municipal broadband service beyond county borders, the town of Pinetops in neighboring Edgecombe County, became the first expansion of Greenlight services. Unfortunately, the FCC ruling was overturned on appeal and Greenlight was forced to discontinue cable service to the area.

NC State's Institute of Emerging Issues selected Wilson to participate in InnovateNC, a two-year, cross-city learning collaborative expected to boost innovation and economic development. Other participating cities include Asheville, Greensboro, Pembroke and Wilmington. As part of this program, which kicked off in FY 2016, participating cities

receive tools and technical assistance valued at $250,000 as they partner with leading organizations focused on innovation, entrepreneurial communities and boosting local and state economies. Wilson's current involvement in InnovateNC focuses on developing an inclusive entrepreneurial economy while retaining its rich community character. It involves building on local assets, including Wilson's community owned Greenlight gigabit network.

Choosing Wilson

Location

The City is strategically situated with access to all major regional, national, as well as, international markets. It is conveniently located along Interstate 95, halfway between New York and Florida; approximately 475 miles from New York City and 240 miles from Washington, D.C. The City is served by U.S. highways 264 and 301 and North Carolina highways 42 and 58. Interstate 795 connects Wilson to the City of Goldsboro and on to I-40 south, enhancing access to the seaports at Wilmington and Morehead City, North Carolina. U.S. 264 provides the City with an interstate grade highway connecting Greenville and the Research Triangle Park.

Education

Wilson students are served by Wilson County Schools, a public school district that encompasses fourteen elementary schools, six middle schools, three traditional high schools, a learning center and an early college program affiliated with Wilson Community College. Students are enrolled in a five-year program that culminates with both high school diplomas and associate degrees. The district is part of a countywide system that is a shared responsibility between the County and the State; therefore, the City has no financial responsibility for the public education system. There are also several private schools in the area that provide basic education similar to the public school system. The City is also served by two charter schools that are funded by the County and State; the Sallie B. Howard School for the Arts is approved to serve K-8 and Wilson Preparatory Academy is approved as a K-12 school.

The City is home to two colleges serving thousands of students of all ages and stages of their careers. Chartered in 1958, Wilson Community College is part of the North Carolina Community College System and is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools. The College offers more than 20 Associate Degrees, 8 diploma and 34 certificate curricula, Adult High School Diploma, NC High School Equivalency Diploma Programs and a wide variety of continuing education classes. Enrollment for the 2015-2016 academic year exceeded 9900 full and part-time students. Wilson Community College also operates a state-funded technical assistance program known as the Small Business Center. The Center offers potential small business owners free counseling and seminars. Access to resources, such as the Small Business Center, a good business environment and low business cost were three components that led Wallethub, an internet research company that provides information on and reviews of financial companies, products and services, to name Wilson as one of the top twelve small cities in the U.S. for businesses.

Work has begun on the expansion of the Lee campus, the former site of Lee Motor Company, which donated the land. This campus adds 11 acres of land and 58,000 square feet of existing facilities to Wilson Community College. Lee Campus will eventually house the Advanced Automotive Technology, Applied Engineering Technology, HVAC, and Advanced Manufacturing programs. In addition to the $2 million renovation budget already set aside by Wilson County and the federal government, the college has also been awarded $95 thousand from the Cannon Foundation and $6.5 million from the state as part of the Connect NC bond.

Founded in 1902 as Atlantic Christian College, Barton College is a four-year, private, liberal arts college that is fully accredited by the Southern Association of Colleges and Schools. Barton offers a wide range of professional and liberal arts programs leading to the baccalaureate degree. The college also offers a Master of Education program. Plans are underway to add a Master of Business Administration program. The school is seeking accreditation from the Association to Advance Schools of Business, the top accrediting body for schools of business. The academic community includes more than1000 students and 200 faculty and staff. Barton continues

to be ranked by U.S. News & World Report as one of the Best Baccalaureate Colleges in the South and in the 2016 Edition of the Princeton Review as one of the Best Regional Colleges of the Southeast. Barton also supports 19 athletic teams in NCAA Division II and is part of the Conference Carolinas.

Also located in Wilson is the Eastern North Carolina School for the Deaf (ENCSD), which provides specialized instruction to students ages 5-21 who are deaf, hard of hearing and deaf-blind. ENCSD was established in 1964 to serve students from North Carolina's 53 eastern counties and now operates on a 54-acre campus. The school is a day/residential facility operated by the Office of Educational Services in the N.C. Department of Health and Human Services, and all services provided are free of charge to students and their families. The high school has an emphasis on independent living skills, career awareness and preparedness training, but many students follow college prep and tech prep tracks. ENCSD is dually accredited by the Conference of Educational Administrators Serving the Deaf and by the Southern Association of Colleges and Schools.

As part of the school's 50th anniversary, students, community members and leaders banded together to revitalize the school's 10-acre low ropes course and biking trails. State budget cuts over the last few years had left the school with no way to maintain the once renowned course. Thanks to a $16,000 donation from BB&T to renovate the course, it is now the largest of its kind in the state with 22 initiatives and obstacles. The course is designed to be used for team building and personal growth. Ropes courses also help individuals in leadership, group dynamics, bonding, problem solving and self-esteem. Those using the course must be guided by one of the 10 certified and trained course facilitators. There are also two miles of tight and challenging biking trails that encircle the property. The bike trails are open to the public.

Officials within the hearing impaired community have also announced a first-of-its-kind project, The Wilson Village. Wilson Village, a private project to be built on 20 acers of land on Firestone Parkway at an estimated $12 million cost. It will be a planned living community, custom designed for the needs of the deaf, hard of hearing and those who support them. The goal of the project is to dramatically and permanently improve the quality of life for deaf citizens, their families, service care providers and the community they live in. Current plans call for a gated community of units that would be equipped with telecommunication and technology based amenities, which are vital for the deaf community. Construction is scheduled to begin once plans have been approved.

Health Care

Extensive medical services are available in the City. The City and County are served by several health care providers including DLP Wilson Medical Center, the Wilson County Health Department, the Wilson Community Health Center, the Beacon Center, and the Longleaf Neuro-Medical Treatment Center. In addition, numerous physicians, dentists and other professional practitioners have offices in Wilson.

Established in 1964, DLP Wilson Medical Center, a private, not-for-profit organization, serves a five-county region with over 125,000 people. Driven with organizational values including respect, integrity, great teamwork, honesty, and trust, DLP Wilson Medical Center offers a continuum of services through a 294 licensed-bed hospital, a 90-bed nursing care and rehabilitation center, home care and hospice care company, child care center and healthcare foundation. It also offers a wound healing center designed to assist people with diabetic or other conditions. An $82-million-dollar renovation project has begun that will reduce the number of beds to 178 to make way for larger patient rooms, larger and more accessible bathrooms and areas near patient rooms for staff to sit and work closer with the patients. These plans include the reinstatement of an inpatient behavioral or mental health unit with at least 24 beds. With an average patient population of 85 to 100, administrators feel the154 medical /surgical rooms will be more than enough to support the area needs. More than 100 active physicians serve on the

hospital's medical staff, over 95 percent of who are board-certified, representing 28 specialties. The medical center employs more than 1,200 full and part-time staff members.

The Wilson County Health Department and Eastpointe provide a full range of health and mental health services. These include, among others, a comprehensive home health nursing program and specialized clinical services offered through the County health department. Eastpointe, a local management entity, works with people needing services and their families, as well as other healthcare professionals to find solutions for the prevention and treatment of behavioral health disorders. They link individuals and families to services and supports helping them to live successfully in their communities through a provider network offering a full range of counseling, education, diagnosis, and treatment services related to mental health, developmental disabilities, and substance abuse.

The Wilson Community Health Center is operated by Carolina Family Health Centers, Inc. of Wilson. Services are open to all Wilson County residents and include Internal Medicine, Pediatrics, Family Practice, Oral Health, and Behavioral Health care and treatment. Wilson Community Health Center also operates a dispensing Pharmacy, available to all registered patients. The Center accepts Medicaid, Medicare and most Commercial Insurance Plans. Charges are income-based for those who are uninsured. Carolina Family Health Centers, Inc. also operates CFHC Dental Center and Harvest Family Health Center in nearby Elm City, both of which serve Wilson residents.

The Longleaf Neuro-Medical Treatment Center (formerly the North Carolina Special Care Center) is a State-owned multi-purpose facility situated on 40 acres within the City. The center is a 233-bed long-term care facility that includes a 40-bed unit for the treatment of individuals with Alzheimer's. The center employs more than 250 staff that provides both intermediate and skilled level of care to patients who are not able to be placed in traditional nursing care facilities due to psychiatric diagnosis and/or atypical physical circumstances.

Transportation

The City, along with other area local governments, is a co-owner of the Rocky Mount-Wilson Airport, a regional airport located a few miles outside the City. The airport has a 7,100-foot-long runway and serves thousands of general aviation aircraft operations each year.

Additionally, the City owns and operates the Wilson Industrial Air Center located within the City's boundaries. Constructed as a World War II training facility, this airport provides all services usually associated with a general aviation airport. It has three 4,500-foot runways and is used extensively by industrial, commercial, governmental, medical, law enforcement, military and recreational aircraft. The airport often serves blimps that are enroute to or from major sporting events on the East Coast. The airport provides a courtesy vehicle to enable those flying into the airport easy access in carrying out their business needs.

The Raleigh-Durham International Airport (RDU), a major commercial airport, sits on 5,000 acres of land in Wake County, approximately 55 miles west of the City. RDU is home to nine air carriers and their regional partners. Combined, they fly customers to 47 nonstop destinations on an average of 400 flights daily, including direct flights to more than 30 cities, including London, Toronto, and Paris. The airport served more than 11 million people in 2016.

The CSX Railroad and Carolina Coastal Railway provide rail freight service for the City and surrounding area. Wilson is located along CSX's main north-south corridor on the East Coast; as many as 40 trains pass through the city on a daily basis. Passenger service for Wilson is provided by Amtrak's Carolinian and Palmetto lines. During the calendar year that ended December 31, 2016 Amtrak reported annual revenue of more than $3.4 million dollars with more than 57,000 passengers embarking and disembarking at this station.

A comprehensive network of local public transportation is provided by a City-owned and operated bus system, subsidized by the North Carolina Department of Transportation. The City is also served by the Greyhound bus company and two cab companies operating more than 20 taxis.

Economic Evolution

Once widely known as the World's Greatest Tobacco Market, Wilson enjoys a diverse economy today, including a healthy mix of agriculture, manufacturing, commercial, and service businesses.

Wilson is the birthplace of Branch Banking and Trust Corporation (BB&T), which is among the nation's top financial-holding companies with more than $219 billion in assets as of December 2016. BB& T operates more than 2,100 financial centers in 15 states and Washington D.C. and offers a full range of consumer and commercial banking, security brokerage, asset management, mortgage and insurance products and services. Currently based in Winston-Salem, BB&T remains among Wilson County's top employers with approximately 2,000 people working in various financial services.

Bridgestone Americas operates a plant in Wilson that employs around 1,800 people making more than 32,000 radial tires for cars and light trucks each day. It is the largest passenger tire facility in the Americas. The Wilson plant is a recipient of a 2015 Project of the Year award from the "Environmental Leader," a publication that informs business leaders about environmental and sustainability news. The award was given to the plant for developing a comprehensive program to achieve zero waste to the landfill. It is the first plant in the world to be recognized by Underwriters Laboratories for its Zero Waste to Landfill validation. It is also the first tire plant and the first plant in North Carolina to be awarded an ISO 50001 certification. The site has also received the Rising Star safety award from the NC Department of Labor.

The 2016 announcement of a five-year, $164 million investment in the Wilson facility has been increased to a 10-year, $344 million investment. The continued expansion will allow Bridgestone to meet market demands and invest in newer more efficient technology. In addition to the 167,000 square feet of manufacturing space and new tire assembly machines, material handling systems, curing presses and other equipment already announced, this latest expansion will also add an additional 50,000 square-feet and a new rubber mixer to the facility. Total tire production is expected to grow to 35,000 per day and sixteen new jobs will be added once the expansion is completed in the fall of 2018.

The Sandoz plant in Wilson has been awarded the Carolina Star, the highest safety award given by the NC Department of Labor. Sandoz, which manufactures generic drugs and employees more than 460 workers, is only one of 103 sites in the state to receive the award and the first site in Wilson County. Carolina Star work-sites are recognized for being self-sufficient in their ability to control hazards on the job. The Star program is an ongoing partnership between a company's managers and employees and the state Occupational Safety and Health division. Sandoz began the program seven years ago. It received the Rising Star award in 2013 for having good safety and health programs. Sandoz will continue to be audited each year to confirm it continues the high safety standard required to maintain the certification needed for the Carolina Star distinction.

Other large employers include Wilson County, City of Wilson, Smithfield Packing Co. (pork products), UTC Aerospace Systems (aircraft fire protection systems), Merck Manufacturing Division (pharmaceutical drugs), and Wilson Community College.

Industrial Growth and Development

The county unemployment rate for 2016 averaged 8.98%. As with seasonal employment, unemployment percentages typically increase during the summer and then fall off at the year end.

Area declines in employment came from the closure of the Voith press fabric facility. 70 employees lost their jobs due to a decline in demand for press fabrics. A layoff of about 150 employees at the Ardagh Group, a glassmaking facility that specializes in glass beer bottles, will affect nearly half of the plant's workforce. This is expected to be a temporary layoff and should last until the first quarter of 2018. A reduction in customer orders attributed to the layoff.

These declines were offset by growth in other areas. Ontario-based Linamar Corporation, a leading supplier of engine, transmission, driveline and mobile aerial work programs, purchased the Carolina Forge manufacturing facility. Linamar announced plans to invest $40 million as it creates 125 new jobs and expands the current facility by 2019. Peak Demand, a manufacturer of transmission and distribution electrical products, has announced plans for a new factory in the downtown district that will make products for distribution throughout the Americas. The 50,000 square foot facility will open in a renovated tobacco process warehouse and is expected to employee 37 people within three years.

Available industrial space in Wilson County continues to decline. Currently only two vacant buildings in the 100,000 square foot range are on the market. Construction of a new 100,000-square-foot shell building in the Wilson Corporate Park, the seventh, is nearly complete and the building is being marketed by the Wilson Economic Development Council. Infrastructure in the Wilson Corporate Park is largely complete. Water, Sewer, Natural Gas, Electric, Fiber and Stormwater Management Systems are available to all remaining sites in the Park. Where practical, all systems have been looped, making it one of the more attractive parks in North Carolina. As a result, ElectriCities of North Carolina has designated the park as a Smart Site for being shovel-ready for new development. ElectriCities will market the location internationally at trade shows and industry events.

The City's investments in infrastructure have made the community very competitive on a national scale. The industrial park was recently chosen by the North Carolina Railroad as one of the best industrial sites in the state in terms of rail access. The Wilson Economic Development Council, with considerable input from the City and County, continues to actively market Wilson throughout North and South America and Europe.

The City and County are participating in the development of the 830-acre Woodard Parkway mega industrial site, which is located around the interchange of U.S. 264 and N.C. 58. This will be a mixture of residential, industrial, commercial and office spaces that will expand development toward the Greenville, N.C., area. While the master plan for the property is completed, the property is leased for farming. The Golden LEAF Foundation has awarded a grant of $1 million to the park. This will be added to a $1.38-million-dollar grant awarded by the NC Industrial Development Fund-Utility Account. The two grants will fund about 80 percent of the parks water and sewer cost. Wilson City Council has approved $250,000 in funding for the project and matching funds have been approved by the County. An additional $90,000, contingency fund has been provided by Wilson County Properties. The land continues to be leased for farming as the development continues.

There are currently eight solar farms at various stages of construction located throughout the City and County. These farms are part of a growing trend toward renewable energy that will reduce our dependence on petroleum and coal reserves. They will also generate income for landowners from properties that had previously been underdeveloped. Wilson Energy will also benefit from this new technology. GCL New Energy, the builder of the solar sites, paid for $1.4 million in upgrades to the electric grid. Six of the solar farms are designed to produce up to 10 megawatts of power and the remaining two will produce up to 5 megawatts of power. In addition, the farms are expected to generate an estimated $400,000 in revenue for Wilson energy.

Wilson County was included in the expansion of Foreign Trade Zone 214. This will provide money saving benefits for companies in the county that import and export goods to and from other countries. Inclusion in a foreign trade zone means that companies are not required to pay customs duties until the product leaves the zone; increasing their cash flow.

Retail/Restaurant Growth and Development

Heritage Crossing Shopping Center, a 100-acre shopping hub is the largest active retail development within the City. It includes major tenants such as Target, Belk, and Marshalls. Expansions have included Bed Bath and Beyond, PetSmart, Best Buy, Five Below, Harris Teeter Grocery, Olive Garden, Sleepy's and Panera Bread.

Some business closures included Rocky's Steak House, 126 Nash Event Center and Radio Shack.

German grocery chain Lidl has completed construction on a 36,000-square foot store that opened earlier this year. the store employs about 35 people. Planet Fitness, a national fitness chain, has also opened a 23,500 square foot facility in Wilson.

Other new businesses include DreamDaze Comics Fun & Games, a comic and game shop and a third Wilson location of El Tapatio Mexican Restaurant. Varee Asian Café & Bakery offers both traditional Thai and French cuisine. The locally owned chain also has locations in Rocky Mount and Raleigh. Realo Discount Drug, another regional chain has also opened a location in Wilson. Freedom Family Medicine offers direct primary care to patients without sending claims to insurance providers. Another regional chain of medical clinics, Boice-Willis Family Medicine has added a Wilson location to their chain.

Hardee's Restaurants will open a second Wilson location. The new store located along US 301 at the site of the former Griff's Steak Barn. Griff's was demolished and the new construction is well-underway. Plans are also in the works for a new senior living apartment complex; the Ravenswood Reserve is expected to have 60 one-and two-bedroom units. If approved, the 55-and-older complex would open in 2018.

The Wilson Downtown Development Corporation (WDDC), funded by a tax district, works to promote the City's core as a walkable district with scenic and historic buildings, state-of-the-art businesses, and in close proximity to a top-notch educational area. Downtown revitalization now includes an 1888 era Victorian house that will serve as the City's administrative offices. WDDC offers a Downtown Alive concert series, which now attracts thousands of people to hear a variety of bands on Wednesday evenings. WDDC supports a downtown farmers' market, which opened in 2010 and now attracts hundreds of shoppers every Wednesday morning throughout the late spring and summer months. The holiday season continues to draw visitors to the downtown area to see the new LED lighting in the trees that line the streets. Visits to Santa's village, carriage rides, and ice skating have also proven to be popular attractions.

Plans for a $12 million redevelopment project of the Hi Dollar warehouse into Whirligig Station are underway. Waukeshaw Development of Petersburg, Virginia initiated the year-long transformation of the 64,000-square-foot former tobacco warehouse, the largest redevelopment project in downtown history. The finished site will provide a combination of 90 loft apartments, commercial spaces for a restaurant, retail and offices as well as the Whirligig Park welcome center. The planned renovations include adding an upper level to the interior of the warehouse which will expand the property to 85,000-square feet. The developer sited the City's progressive plans for the Whirligig Park project and the Innovation Zone, which is currently being developed, as a major factor in their decision to redevelop the property. The City will be investing $1.29 million to complete the park. Plans call for the addition of concrete pavers, a seating wall, lighting, whirligig base work, landscaping, irrigation, signage and park accessories.

Renovations continue at South Street properties, another area adjacent to the Whirligig Park. Wilson Downtown Properties will help market the completed project. Emphasis will be placed on finding tenants to compliment the park and the Hi Dollar development. The first business to open at the property is 217 Brew Works, a craft beer brewery and beer garden.

Wilson is one of several NC cities that received a $96,107 state grant geared toward downtown revitalization. The city plans to use the grant to support existing projects such as the conversion of the Hi Dollar warehouse and the Vollis Simpson Whirligig Park, as well as supporting other private investments in the area.

Wilson Furniture Company Lofts, which opened in 2014 and joined Nash Street Lofts as a newly redeveloped live/work space in the heart of historic downtown Wilson continues to remain fully leased. The spaces were restored in part by funding from the state's historic preservation tax credit program. The Nash Street Lofts project was the recipient of the Upper Floor Redevelopment award presented by the NC Main Street program of the NC Department of Commerce. The Main Street program works to assist small towns with their efforts to maintain their historic locations.

The Wilson Times returned to its downtown roots when it relocated its office from Downing St. to the former 126 Nash Event Center that closed earlier this year. This site is also home to other Wilson Times Company ventures such as The Wilson County Phone Directory and Mobile Billboards as well as several other specialty publications. Plans are also underway to bring an art gallery to Barnes Street.

Unfortunately, this past year also marked the closing of Wilson Hardware. The store opened in 1869 as Palmer and Green Hardware and has been at the same downtown location for 147 years. It was not only one of the oldest locally owned businesses; it was also one of the oldest in the state. A new owner has opened Krueger's Candies which was originally established in 1955 in Wildwood New Jersey. From the early beginning this has been, and continues to be a family owned & operated business offering homemade fudge, taffy, caramels and mints in this historical setting.

Planning / Business Development

The City is home to the Upper Coastal Plains Council of Governments (UCPCOG). The UCPCOG is one of seventeen multi-county planning and development regions in the State. The UCPCOG includes a small business incubator, which targets the counties within the UCPCOG, and is housed in the downtown business district.

The City is a major participant in a countywide strategic planning process known as Wilson 20/20 Vision. Wilson 20/20 brought together local leaders in government, business, industry, education, and health care, as well as citizens to assist in projecting where the City and Wilson County will be in the year 2020. The purpose of this process was to develop a plan and set goals with clear approaches to achieving those goals. The Wilson 20/20 Vision work helped shape the City's creation of "Wilson Growing Together: The 2030 Comprehensive Plan." City staff worked with hundreds of citizens, business and educational leaders, and others to develop ideas for how the Wilson community should develop over the next 20 years. The comprehensive plan sets out goals for Wilson, including a revitalized downtown; stronger neighborhoods; an enhanced transportation system; and improved partnerships between the City and Wilson County, Barton College, Wilson Community College and Wilson 20/20. The City Council unanimously approved the 2030 Comprehensive Plan. Discussions during the 2030 plan's development were instrumental in the development of the Vollis Simpson Whirligig Park, the City's brownfields program, traffic improvements around Barton College and other initiatives.

Wilson 20/20 has received multiple grants from its corporate sponsors such as: Bridgestone Americas, Merck and DLP Wilson Medical Center. Recent grants include $200,000 from the Healthcare Foundation of Wilson to address adolescent pregnancy, alcohol and drug abuse, obesity and STDs. The sponsorship, as well as continued leadership

and participation of these corporations are important as Wilson 20/20 looks to expand upon their three initiatives: the Youth Master Plan, Beyond 21 and the Impact initiative. The Youth Master Plan is a partnership with Wilson County Schools that seeks to improve the future of our youth as they address safety, wellness, workforce development, K-12 education and out-of-school time. Beyond 21 will address the needs of adults. Groups have been formed to study unemployment and underemployment, talent retention and attraction, community leadership and civic engagement, health and wellness, elderly and aging population and entrepreneurship in the Wilson area. The Impact Initiative is a collaborative effort with the Wilson Chamber of Commerce and Wilson Economic Development Council to offer leadership training and is designed to identify, train and deploy people with an interest in area leadership roles, including political office and service on boards or committees.

The EPA Brownfields Program, which aids in the redevelopment of property that is abandoned, idle, or underused with actual or perceived environmental contamination, awarded Wilson and its coalition partner, Greenville, an additional $1,000,000 in revolving loan fund grants. $600,000 will go toward hazardous substances and $400,000 for petroleum cleanup. The grants will be used to fund loans and sub grants to support cleanup activities, market the revolving loan fund, conduct cleanup planning and oversight, and perform community outreach activities.

City leaders and residents have joined together to formulate a plan to revive the US 301 corridor with new improvements to intersections, landscaping, crosswalks, sidewalks, drainage and walking paths. The improvements will be paid for by a $10 million Federal Transportation Investment Generation Economic Recovery or TIGER grant that has been awarded to the City. The NC Department of Transportation allocated $6.5 million, to go along with an additional $3 million provided by the City, and an agreement for the City to perform some of the work, which will provide for transportation-related needs, environmental, quality-of-life and economic improvements for the area to encourage new investment and development. The planned improvements will stretch along US 301 from Lipscomb Road to Black Creek Road and has an expected completion date of 2022. The bulk of the money will be used on roadway, shoulder and curb and gutter infrastructure improvements.

Recreation and Tourism

The City offers various recreational and cultural opportunities for its citizens. Two large community centers and two smaller neighborhood centers are owned and operated by the City. These centers target recreation for all ages and feature both outdoor and indoor athletic areas as well as areas for social events, fitness programs and instructional and various arts and crafts activities. The two larger centers have swimming facilities including one pool that can be covered and enjoyed year-round.

The City's J. Burt Gillette Athletic Complex includes eight lighted, regulation soccer fields and four lighted Little League fields with a showcase field that features a stadium that seats over 450 people. The complex regularly attracts regional, state and even national sports events. In the past five years, more than 2,000 separate soccer teams have visited Wilson to participate in tournaments. The Little League facility, opened in spring 2009 and has gained the standing as a superior, well-run facility for hosting various tournaments.

The complex is also home to the BB&T Noah's Arc All Children's Playground, which is one of the few playgrounds in eastern North Carolina that is designed to be used by children of all abilities, including those who use wheelchairs or other aids. Tourism plays a fundamental role in economic growth. Wilson County consistently experiences significant growth in travel and tourism as the City's recreation sports programs, Whirligig Festival and events such as Eyes on Main Street continue to bring people to the area. Wilson not only garners visitors from North Carolina, but also from other states in the US as well as from other countries. Beginning in FY 2017, the Wilson County Tourism Board started receiving a three percent funding increase, following an increase in hotel occupancy tax. This funding is designed to convey one percent of the revenue generated annually to the City. These revenues will be utilized to construct improvements on several of the J. Burt Gillette complex's fields, including the addition of artificial turf to two of the soccer fields, as well as bricking in the baseball stadium.

The City owns and operates 28 various park and picnic areas. Other facilities include four lakes and reservoirs, a rose garden, tennis courts, an 18-hole golf course, and nine miles of walking/nature trails. A long-time favorite, the miniature train at the Recreation Center now draws riders as the Christmas Train of Lights. Decorations, music, Christmas cookies and hot chocolate promote the holiday spirit. The nonprofit program is funded by donations from the community and area businesses. The City Parks and Recreation Department was recently awarded $10,000 from the Healthcare Foundation of Wilson to support an outreach exercise program designed for intellectually challenged school-aged children and adults. The City also received a $50,000 grant from the Merck Foundation which will be used to help complete a 2-mile greenway around Lake Wilson.

The City of Wilson's Human Relations department hosts 1st Fridays on the Lawn through the months July-October. The first Friday of each month consists of a free community concert, family entertainment, and educational opportunities using music and festivities to bring a diverse community together on the beautiful library lawn.

Fleming Stadium, a historic baseball stadium, which once hosted baseball greats such as Ted Williams, Richie Ashburn, and Karl Yastremski, now serves as the home of the Wilson Tobs, a member of a summer college baseball league. The North Carolina Baseball Museum operates year-round at Fleming Stadium. The museum includes memorabilia from many of North Carolina's minor league baseball teams, both past and present, plus items from native North Carolinians who have been inducted into the Baseball Hall of Fame.

The City leases two buildings in its downtown area to the Wilson Arts Council, a private non-profit agency. Both buildings are of historical significance and have been renovated with a combination of public and private funds. One building, administrative offices of the Wilson Arts Council and is used for various art exhibits and special events. BB&T continues to support the Arts Council and has committed $500,000 for renovations and restoration of the site. The other building is the Boykin Center for Performing Arts, a restored Vaudeville theater, which seats 650 and is the site of numerous plays and concerts each year.

International photographer, Jerome Perlinghi of Wilson, annually presents Eyes on Main Street, a photo festival that reflects "main streets" from around the world. It features 100 large-scale photographs displayed along Nash Street from BB&T to Pender Street. Several of the exhibiting photographers attend the festival and offer workshops. There is live music and free workshops for children. The festival runs from early May to Labor Day. For their work, Jerome and Rosa De Perlinghi received a Gertrud S. Caraway Award of Merit from Preservation of North Carolina. The award is given in recognition to individuals or organizations that have demonstrated a commitment to historic preservation.

Imagination Station is a non-profit children's interactive science museum located in the downtown area. The mission of the museum is to create, develop, and operate an exciting and fun science learning center for eastern North Carolina. The museum is housed in the historic Wilson Federal Courthouse and U.S. Post Office building that was constructed in 1928. It provides visitors with a quality science experience and offers over 200 hands-on exhibits. One floor of the museum houses the fledgling N.C. Museum of the Coastal Plain.

The Oliver Nestus Freeman Round House Museum features artifacts that depict the culture and contributions of African-Americans in the Wilson community. The house was built by Freeman, a stone mason, in 1946. The house was restored and relocated to its current location in 2001. AT&T has contributed $10,000 to the museum which will be used to support educational programming activities.

The North Carolina Whirligig Festival is Wilson's award winning tribute to the work of local folk artist Vollis Simpson and his whirligigs, the State's official folk art. The festival which began in 2004 is held in the downtown area adjacent to the Vollis Simpson Whirligig Park which will eventually display 31 of the artist's colossal, wind-powered, kinetic creations. The Whirligig Festival is a two-day event that attracts an average of 35,000 people to the downtown area. It features music, dance, contests, a Whirli-Kidz Zone, the 5K Whirli-Run, and vendor spaces for local artists, food vendors and non-profit organizations. It also supports arts and culture in the Wilson area and provides scholarships for children to attend the Wilson Whirligig Festival Summer Camp.

The whirligigs were already considered the region's top tourist attraction when they were on display in a farm field outside the city limits; now the park is expected to become an important cultural attraction for visitors on a both a statewide and national level. Whirligigs have been placed at the Welcome Centers of both the north and south bound entrances of North Carolina along Interstate 95. Signage at the structures advises travelers of the Wilson connection.

The Vollis Simpson Whirligig Park and Museum has been approved as a 501(c) (3) tax-exempt non-profit organization. Sponsorship funding has also been provided for specific whirligig structures. First Citizens is providing $50,000 for Dive Bomber Duck, currently on loan to the State and displayed at the NC Welcome Center on I-95 near the South Carolina line. Southern Bank is providing $25,000 to sponsor Blue Wind, a structure in the park. Bridgestone Americas is providing $50,000 to sponsor Milkshake America. The City of Wilson is providing staff support to this project, which has already attracted more than $4 million in support, including grants from some of the country's most prestigious foundations, such as the Kresge Foundation and ArtPlace America, grants from the National Endowment for the Arts and the North Carolina Arts Council, as well as donations from private corporations and individuals both locally and nationally. A new partnership with the Kohler Foundation, the philanthropic arm of the plumbing products company, has also been announced. The foundation does not release specific monetary information about their partnerships but did confirm it is a "significant amount." A 4,000 square foot multipurpose shelter is to be added along South Street. The open-air shelter which will be used for a farmer's market can also be used for numerous activities. The shelter will be paid for with $12,000 in local donations as well as $100,000 from the US Department of Agriculture and $160,000 from the NC Tobacco Trust Fund. The revitalization of the downtown area and the restoration of the whirligigs and the 25 jobs created by the work, have been included as a case study in a book by the National Endowment for the Arts, "How To Do Creative Placemaking."

The City of Wilson has a dynamic group of future leaders that are a part of the Wilson Youth Council (WYC), one of 30 youth councils in the state that focuses on leadership development through community service. This group of more than 150 teens learns decision-making skills and teamwork as they volunteer in their communities. Teen members represent almost every high school in Wilson including public, private and home schooled. Over the past nine years, WYC has received a state level award every year, including the "NC Most Outstanding Youth Council of the Year" for 2015, 2014, 2012 and 2008, the "NC Member of the Year" for 2015 and 2012 and the "Most Diverse Council" for 2012. In 2015, they were also recognized with the "Service Project of the Year" for their work with the Young Athletes program at Special Olympics.

Long-Term Financial Planning and Major Initiatives

The potential for future residential and commercial development in and around the City has increased in recent years, particularly with the increased accessibility to Raleigh and the Research Triangle Park. Long-term strategic

planning has been a key focus of the City's leaders, resulting in the City's insightful involvement in providing a state-of-the-art infrastructure and utility services, which are essential for long-term growth.

A significant element in the planning process is the preparation of a five-year Capital Improvement Plan (CIP), which is reviewed and updated annually.

Water supply, as well as wastewater treatment capabilities, is essential for a growing community. The City completed the expansion of its main reservoir in 1999, positioning Wilson to have an adequate supply of raw water for at least the next 40 years. A substantial investment has also been made in the wastewater treatment and discharge facilities over the last several years, including the initial stages of a reclaimed water system.

All told, the City has invested more than $122,393,520 in its water resources infrastructure over the past 19 years and additional investments are projected for the future. The current CIP for FY 2018-2022 includes approximately $22.7 million for water and wastewater improvements during the five-year period. The timing of these expansions will change annually during the planning process, and are dependent upon economic factors, such as the degree of growth in the City, throughout this period. Most of the projects, once approved, are expected to be funded by debt issuances.

In addition to water resources, the City owns and operates an electric and gas distribution system serving not only the City, but also Wilson County. The system reaches into five other surrounding counties as well. The City continues to review efficiencies presented by the broadband infrastructure and is strategically replacing end-of-life electric, gas, and water meters with advanced metering infrastructure (AMI) compatible meters. AMI is an architecture allowing for automated, two-way communication between a smart utility meter with an IP address and a utility billing software. The goal of an AMI is to provide these utility systems with real-time data about utility consumption and allow customers to make informed choices about energy usage. This is another continuous improvement toward service excellence the City is committed in providing our customers. This meter replacement is identified in the CIP.

In addition to the aforementioned utility enterprise funds initiatives, the City's Parks and Recreation will finalize an update to their Master Plan in FY 2016-17. While there is nothing slated for development for this area, the update to the Master Plan will provide decision makers with prospective areas for development including quality-of-life amenities.

The City received the results of an actuarial study on the City's retiree health care obligations. This study was conducted in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employees for Postemployment Benefits Other Than Pensions* (OPEB). While GASB 45 does not require any change in the way OPEB are funded, the City annually reviews the options available in dealing with this unfunded liability. Our fiscal standpoint is to contribute at a level that the City will be able to consistently sustain. To reduce the impact from this unfunded liability, the City took action several years ago that proactively eliminated retiree health care benefits for employees hired July 1, 1993, and thereafter.

AWARDS AND ACKNOWLEDGEMENTS

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 Wilson for its CAFR for the fiscal year ended June 30, 2016. This was the thirtieth consecutive year that the City received this prestigious award. The award recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded the Certificate of Achievement, the City had to publish an easily readable and efficient CAFR that satisfied both GAAP and applicable legal requirements. The award is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City has also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the FY 2016-17. To receive this award, the City's budget document was judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device. This is the twenty-seventh consecutive year the City has received this award.

The preparation of this report would not have been possible without the support and dedication of the staff of the Accounting Division of the Financial Services Department. We would like to convey our appreciation to all personnel who contributed to, and assisted with, the preparation of this report.

In conclusion, we would like to convey our thanks to the Mayor and City Council for their continued interest and support in planning and conducting the financial activities for the City in a responsible and professional manner. We wish to thank the citizens of the City of Wilson for providing the opportunity to continue to improve the professionalism of financial reporting for the City of Wilson.

Respectfully submitted,

Grant W. Goings
City Manager

Kim A. Hands
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wilson

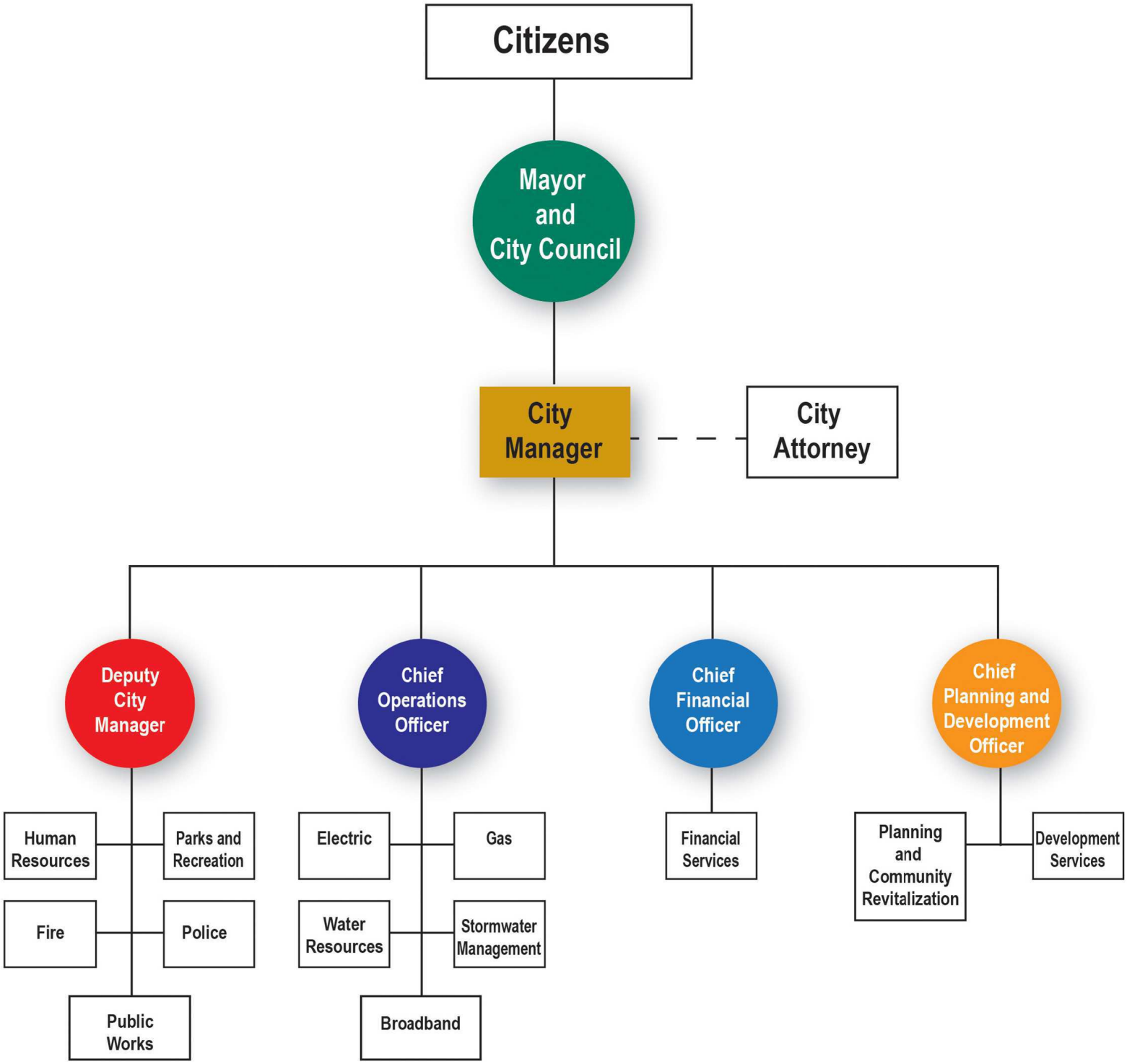
North Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

City of Wilson



CITY OF WILSON, NORTH CAROLINA

CITY COUNCIL

MAYOR
C. BRUCE ROSE

MAYOR PRO TEM
JAMES M. JOHNSON, III
District 4

A. P. COLEMAN
District 1

MICHAEL S. BELL
District 2

WILLIAM T. FYLE
District 3

DONALD I. EVANS
District 5

LOGAN T. LILES
District 6

DERRICK D. CREECH
District 7

CITY MANAGER
GRANT W. GOINGS

CHIEF FINANCIAL OFFICER
KIM A. HANDS

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

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

Independent Auditor's Report

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

Report On the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of and for the year ended June 30, 2017, and the related Notes to the Financial Statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

730 13th Avenue Drive SE ◆ Hickory, North Carolina 28602 ◆ Phone 828-327-2727 ◆ Fax 828-328-2324
13 South Center Street ◆ Taylorsville, North Carolina 28681 ◆ Phone 828-632-9025 ◆ Fax 828-632-9085
Toll Free Both Locations 1-800-948-0585 ◆ Website: www.martinstarnes.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of June 30, 2017, 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.

As discussed in Note 20 to the financial statements, for fiscal year ending June 30, 2017 the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 73, Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Other Post-Employment Benefits' Schedules of Funding Progress and Employer Contributions, and the Local Government Employees' Retirement System Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilson's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary schedules, other schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2017 on our consideration of the City of Wilson's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Wilson's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
October 10, 2017

CITY OF WILSON, NORTH CAROLINA

Management's Discussion and Analysis

As management of the City of Wilson (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, 2017. We encourage readers to read the information presented here in conjunction with the transmittal letter located at the front of this report, and the City's financial statements which follow this narrative that provide more specific detail.

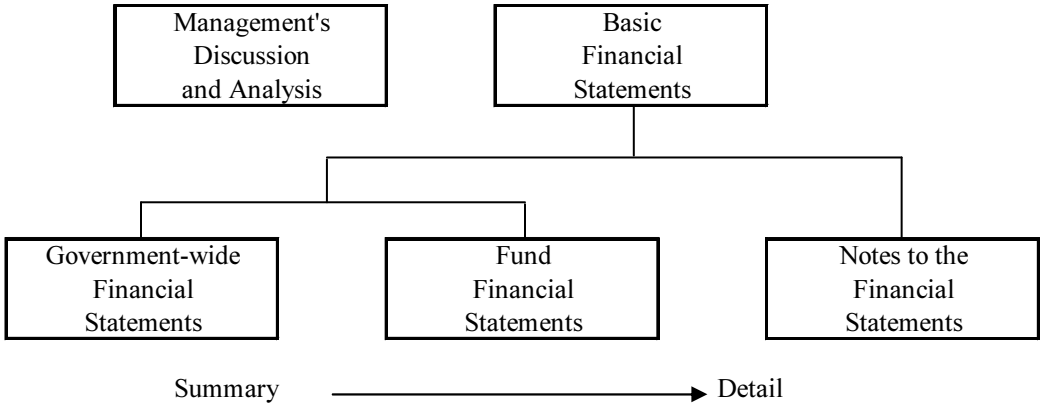
Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $359,649,664 (*net position*). Of this amount, $92,322,885 (*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 $14,740,005, consisting of a $846,978 increase in net position of governmental activities and a $13,893,027 increase in net position of business-type activities. The governmental increase is due to a number of factors: Increases in property and sales taxes during the current year, and funding contributions from business-type activities to support upcoming economic community investment projects. The increase in business-type activities was driven by operations of three of the City's utilities; electric, water resources, and broadband.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $29,571,206, an increase of $334,176 in comparison with the prior year. Approximately 28.9 percent of this total amount, or $8,551,014, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $13,770,544, or 28.6 percent of total general fund expenditures for the fiscal year.
- The City's total debt increased by $9,697,178 (9.5 percent) during the current fiscal year. The key factors in this increase (resulting from new reporting requirements) is the recognition of net pension liability for the LEOSSA plan of $4,612,672, an increase of $11,358,495 in the net pension liability for OPEB and the LGERS plan, and reductions related to regularly scheduled principal reduction on existing outstanding debt.

Overview of the Financial Statements

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

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements 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 are fund financial statements. These statements focus on the activities of the various funds and provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison 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. In addition, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements. Also, following the notes is the required supplementary information. This section contains funding information about the City's pension plans.

Government-wide Financial Statements

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

The 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 the City 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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) or for which cash flows have already occurred.

Both of the government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the City's basic services such as general administration, public safety, parks and recreation, and sanitation services. Property taxes, sales taxes, state-collected revenues and charges for services finance most of these activities. The business-type activities are those that the City charges a fee for the service provided. These include electric, gas, water and wastewater, mass transit, industrial air center, broadband, and stormwater management. The final category consists of the component units, whose financial information is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the state statutes or the City's budget ordinance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison to governmental activities in the government-wide financial statements.

The City maintains thirty-one individual governmental funds (27 of these are capital or grant project related). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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, management, and the City Council of the City 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. 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 related to the General Fund: 1) the original budget as adopted by the City Council; 2) the final budget as amended by the City Council; 3) the actual resources, charges to appropriations, and ending balances: and 4) the difference or variance between the final budget and the actual resources and charges.

The basic governmental fund financial statements can be found on pages 17-22 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater utilities, stormwater activities and its electric, gas, mass transit, broadband, and municipal airport operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for risk management activities, group insurance benefits, and costs of the City's operations center. The services of the Risk Management and Group Insurance Benefits Funds predominately benefit governmental rather than business-type activities, and have been included with governmental activities in the government-wide financial statements. The services of the Operations Center Fund predominately benefits business-type activities and has been included with business-type activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 23-28 of this report.

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

The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 31-65 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its law enforcement employees and other post employment benefits. Required supplementary information can be found on pages 66-71.
The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 72-219 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. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. The assets and deferred outflows of the City exceeded liabilities and deferred inflows by $359,649,664 as of June 30, 2017.

By far the largest portion of the City's net position (72.1 percent) reflects its net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table # 1
Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	$ 54,140,655	$ 52,681,527	$ 92,003,510	$ 92,735,087	$ 146,144,165	$ 145,416,614
Capital assets	59,316,973	57,997,582	275,508,746	268,477,701	334,825,719	326,475,283
Total assets	113,457,628	110,679,109	367,512,256	361,212,788	480,969,884	471,891,897
Deferred outflows of resources	8,335,428	1,718,966	3,995,500	927,247	12,330,928	2,646,213
Current and other liabilities	6,390,828	5,518,350	14,176,011	14,672,645	20,566,839	20,190,995
Long-term liabilities outstanding	28,220,268	14,938,648	83,737,899	87,459,951	111,958,167	102,398,599
Total liabilities	34,611,096	20,456,998	97,913,910	102,132,596	132,525,006	122,589,594
Deferred inflows of resources	691,585	1,240,109	434,557	741,177	1,126,142	1,981,286
Net position:						
Net investment in capital assets	58,052,520	56,372,034	201,123,545	186,315,101	259,176,065	242,687,135
Restricted	8,150,714	5,212,739			8,150,714	5,212,739
Unrestricted	20,287,141	29,116,195	72,035,744	72,951,161	92,322,885	102,067,356
Total net position	$ 86,490,375	$ 90,700,968	$ 273,159,289	$ 259,266,262	$ 359,649,664	$ 349,967,230

A portion of the City's net position (2.27 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $92,322,885 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a net increase of $2,937,975 in restricted net position reported. The amount for governmental-type activities increased primarily due to changes in the stabilization reserve ($2,836,462) whereby funds contractually committed have been restricted.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	$ 7,361,937	$ 6,984,166	$ 184,331,957	$ 184,087,240	$ 191,693,894	$ 191,071,406
Operating grants and contributions	1,719,861	2,715,218	978,982	701,032	2,698,843	3,416,250
Capital grants and contributions	777,396	807,973	3,659,901	727,732	4,437,297	1,535,705
General revenues:						
Property taxes	22,949,347	22,389,796			22,949,347	22,389,796
Other taxes	13,615,651	12,386,001			13,615,651	12,386,001
Grants and contributions not restricted to specific programs	770,014	222,745	285,375		1,055,389	222,745
Investment income	28,886	279,245	14,332	517,623	43,218	796,868
Other general revenues	271,787	281,042	273,886	72,155	545,673	353,197
Total revenues	47,494,879	46,066,186	189,544,433	186,105,782	237,039,312	232,171,968
Expenses						
Program Activities						
Governmental Activities:						
General government	6,134,474	5,197,499			6,134,474	5,197,499
Public safety	23,222,455	22,361,129			23,222,455	22,361,129
Public services	6,167,534	6,163,279			6,167,534	6,163,279
Environmental services	5,654,752	5,227,689			5,654,752	5,227,689
Planning and development	3,678,604	2,076,702			3,678,604	2,076,702
Human services	250,003	235,644			250,003	235,644
Culture and recreation	6,195,136	6,245,259			6,195,136	6,245,259
Interest on long-term debt	38,942	43,643			38,942	43,643
Business-type Activities:						
Electric			116,998,496	117,526,795	116,998,496	117,526,795
Gas			14,264,237	14,391,883	14,264,237	14,391,883
Water Resources			21,585,549	20,385,571	21,585,549	20,385,571
Mass Transit			1,304,691	1,295,941	1,304,691	1,295,941
Industrial Air Center			148,704	164,866	148,704	164,866
Broadband			13,901,264	12,431,507	13,901,264	12,431,507
Stormwater Management			2,754,466	2,893,274	2,754,466	2,893,274
Total expenses	51,341,900	47,550,844	170,957,407	169,089,837	222,299,307	216,640,681
Increase (Decrease) in Net Position before transfers	(3,847,021)	(1,484,658)	18,587,026	17,015,945	14,740,005	15,531,287
Transfers	4,693,999	5,610,220	(4,693,999)	(5,610,220)		
Increase (Decrease) in Net Position	846,978	4,125,562	13,893,027	11,405,725	14,740,005	15,531,287
Net Position-Beg., as previously reported	90,700,968	85,486,403	259,266,262	247,860,537	349,967,230	333,346,940
Restatement	(5,057,571)	1,089,003			(5,057,571)	1,089,003
Net Position-Beginning, as restated	85,643,397	86,575,406	259,266,262	247,860,537	344,909,659	334,435,943
Net Position-Ending	$ 86,490,375	$ 90,700,968	$ 273,159,289	$ 259,266,262	$ 359,649,664	$ 349,967,230

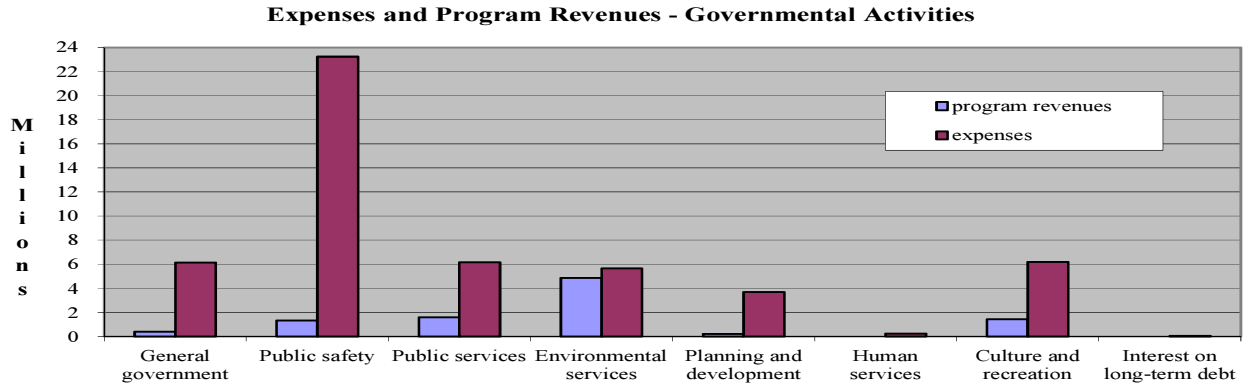
Overall, the City's net position increased by $14,740,005 during the current fiscal year. There are various factors that influenced this increase both positively and negatively. *(Note: The City implemented Governmental Accounting Standards Board (GASB) Statement 73 in the fiscal year ending June 30, 2017. The implementation required the City to record beginning total pension liability and a corresponding reduction of beginning net position. As a result of this new standard, net position for the governmental activities decreased by $5,071,571).*

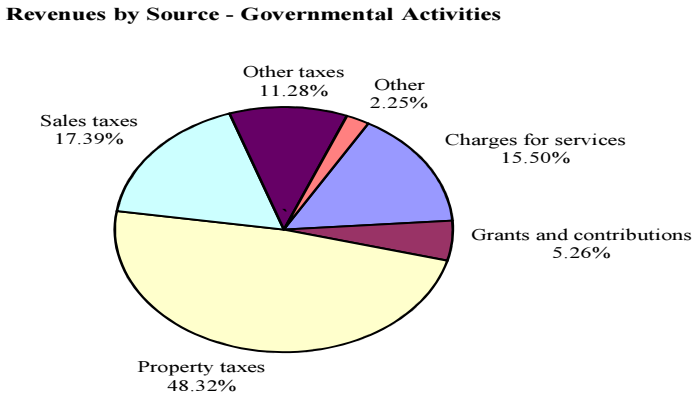
For FY 2017, the City experienced one of the warmest winters in years impacting our major utilities, along with a hotter summer period for FY 2017 compared to FY 2016. Our utilities are sensitive to several factors, with weather conditions being a significant influence. There was a slight increase in electricity sales volume of 0.5 percent, a decrease in gas sales volume of 2.0 percent, and a decrease of 0.8 percent in water volume sales. Adjustments were made to base rates for services (water, sewer, gas and stormwater). Broadband subscribers increased during the year by 7.7 percent. The overall effect was an increase in net position for electric of $5,384,972, water resources of $6,457,912, stormwater of $411,460 and broadband of $1,674,420, while gas experienced a decrease in net position of $795,579.

Governmental Activities. Governmental activities increased the City's net position by $846,988 due to a number of factors, both positive and negative, during the current fiscal year. Key elements of this increase are as follows:

- Property tax revenues increased by $559,551 (2.5 percent) over the prior year.
- Capital grants and contributions decreased $19,581 compared to the prior year, while operating grant and contributions decreased slightly by $13,178.
- The City recognized a liability increase of $1,185,903 during the year related to governmental activities for other post employment benefits (OPEB).
- Charges for services increased approximately $377,771, or 5.4 percent, due to a 7.9 percent increase in the number of building inspections coupled with increased commercial building permit fees implemented in fiscal year 2017.
- Contribution of land and vacated property to City totaled $183,207 for the year.

Figure 2

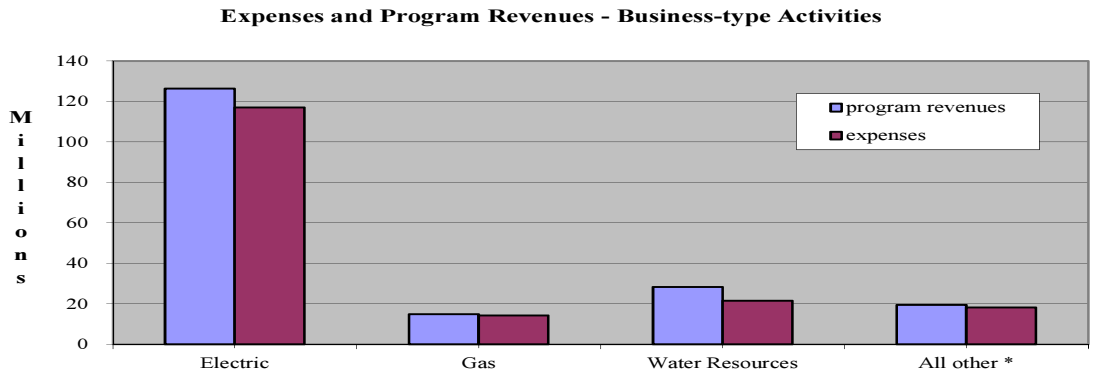




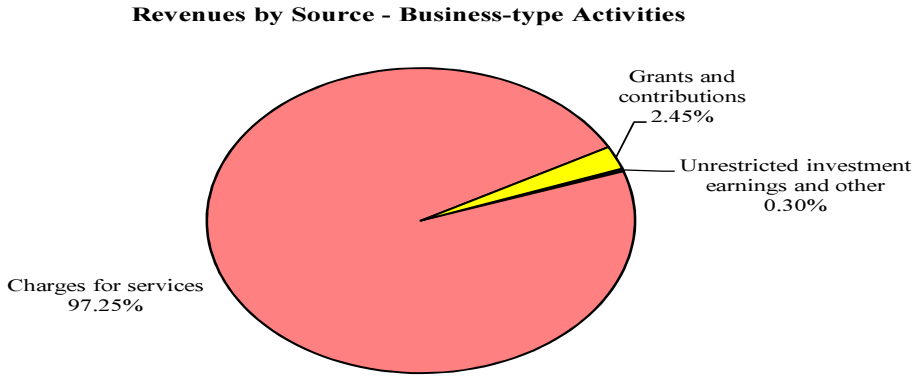
Business-type Activities. Business-type activities increased the City's net position by $13,893,027. Key elements of this increase are as follows:

- The City recognized a liability increase of $412,051 during the year related to business-type activities for other post employment benefits (OPEB).
- Capital grants and contributions increased by 2,932,169 over the prior year as land and a warehouse were donated to the City from a former industrial customer. The capital contribution to Water Resources totaled $2,924,827.
- For Electric, while sales volume increased slightly by 0.5 percent, operating revenues were less than the previous year by $2,716,883, as FY 2017 marks the first full year of reduced electric rates following last year's sale of NCEMPA's generating assets to Duke Progress Energy. Operating expenditures decreased by 594,181 or 0.51 percent, as another wholesale cost reduction was received in the fourth quarter.
- For Water Resources, metered water sales to consumer and sewer services revenues increased $1,021,489, buoyed by 1.0 percent increase in volume sales and base rate increases for both water and sewer. Also, land and warehouse were donated to the City from a former industrial customer valued at $2,924,827.
- Gas sales volume for 2017 decreased 2.0 percent from the prior year, which was down about 18.4 percent from 2015. Still, operating revenue remained steady as adjustments were made to rates during the year to stabilize the fund. Operating expenditures for Gas decreased $333,359 (2.3 percent) along with the decrease in gas purchases from the supplier.
- Operating expenditures for Water Resources were $1,456,153 (7.4 percent) higher for 2017 in comparison to 2016 as the City purchased new automated meters to deploy in the system.
- During 2017, operating revenues for Broadband increased $1,394,689, or 9.9 percent over the prior year offset with an increase in operating costs of 1,617,067 or 14.2 percent increase over prior year, spurred by contractual work and services provided to other units.

Figure 3



* All other includes (Mass Transit, Industrial Air Center, Broadband and Stormwater Management)



Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

The General Fund is one of the major operating funds of the City. At the end of the current fiscal year, available fund balance in the General Fund was $18,723,084, while total fund balance was $23,565,459. Wilson's City Council has determined that the City should maintain an available fund balance of 25% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the City. The City currently has an available fund balance of 38.9 percent of general fund expenditures, while total fund balance represents 48.9 percent of the same amount. Given the current state of the economy, Council and management recognize that sustaining this level during uncertain times may be difficult. Steps have been taken to mitigate the draw on this resource and future corrective actions are anticipated should the economy worsen.

At June 30, 2017 the governmental funds of the City reported a combined fund balance of $29,571,206, a 1.14 percent increase from last year. Included in this change in fund balances is a decrease in the General Fund and increases in the Special Revenue Funds and Capital Project Funds.

The net change in fund balance of the General Fund was a decrease of $1,372,972 due to a number of factors, some of which have been previously discussed. Fluctuations in the economy can affect the City's revenue from year to year and such occurrences can be found in privilege licenses, investment income and sales tax revenues. Sales tax revenues increased by $1,120,542 or 15.7 percent due to taxable sales in Wilson County increasing by 9.5 percent and the addition of a three percent occupancy tax shared with the City. Motor Vehicle licenses revenue increased by $544,318 as a result of the $25 increase in the municipal vehicle license fee per vehicle. The main element of the decrease in fund balance is the transfer of $2,016,070 for site improvements at the City's athletic complex. Expenditures overall for the year were higher, increasing by $4,040,099 or 8.48 percent, compared to the prior year.

The increase in fund balance for the capital project funds is to due to the receipt of contribution from the General Fund to fund site improvements at the athletic complex, while the increase in special revenue funds is due to Urgent Repair Program funds received but yet to be expended for program expenditures.

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

Amendments were made to increase appropriations for street resurfacing, equipment and vehicles, maintenance of vehicles, and maintenance of buildings and land purchases. Also, appropriations using forfeiture proceeds, grants and transfers to fund capital projects were made. The above changes accounted for $5,213,660 of the $5,410,215 added to the General Fund budget. Encumbrances totaling $771,159 were automatically added at the outset of the fiscal year as authorized in the original budget ordinance.

Of the aforementioned items, appropriations increased in relation to: general government expenditures for renovation of office buildings ($330,000) and land purchases ($275,000); police expenditures for video storage server ($28,360) and forfeiture funded purchase of police vehicles and equipment ($172,680); fire expenditures for vehicle replacements ($1,115,145) and maintenance of vehicles ($50,000); planning and development services expenditures for lot maintenance ($15,000); parks and recreation expenditures for maintenance of buildings, fishing pier and parks equipment ($155,420) and expanded programs and events ($255,000); public services and engineering expenditures for street resurfacing ($300,000), replacement of a garbage truck ($260,000) and other

vehicles ($72,000); transfers to J. Burt Gillette Athletic Complex projects ($2,116,730), Fleming Stadium Project ($20,825), 2016 Urgent Repair Project ($5,000) and Building Reuse Project ("217 Brew Works") ($2,500).

Overall, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates. Some of the more significant variances between budget and actual results were the following:

- Sales tax revenue is highly sensitive to fluctuations in the economy and taxable sales increased compared to 2016; and sales tax revenues were above the budget estimate for 2017 by approximately $2,095,922.
- Intergovernmental revenues are well beyond the budget projection estimates overall by $1,420,423 due to utility sales taxes exceeding budget expectations for 2017 and FEMA reimbursement revenues for hurricane damage.
- Motor vehicle property taxes exceeded budget expectations ($583,343). Changes were made to the statewide vehicle tax system a couple of years ago and collections have risen beyond normal collection levels but are expected to stabilize and allow for more predictable patterns.
- Police department experienced significant savings compared to the budget due to lapse salaries and benefits for vacancies the past year ($485,760).
- Street maintenance experienced significant savings compared to the amended budget due to contractual street improvements yet to be initiated by year's end. Still, some $360,159 is encumbered for activities to be completed the following year.

Proprietary Funds. The City's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of each fund is as follows: Electric at $43,539,089; Gas at $7,984,969; Water Resources at $15,175,331; Mass Transit at $395,565; Industrial Air Center at $294,947; Broadband at $1,731,657 and Stormwater Management at $2,208,704. The total increase or decrease in net position for each fund was as follows: Electric increased $5,384,972; Gas decreased $795,579; Water Resources increased $6,478,112; Mass Transit decreased $175,222; Industrial Air Center decreased $3,850; Broadband increased $1,674,420 and Stormwater Management increased $411,460. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2017, totals $334,825,719 (net of accumulated depreciation). These assets include buildings, streets and sidewalks, land, machinery and equipment, and vehicles. The total increase in the City's investment in capital assets for the current fiscal year was 2.56 percent (a 2.27 percent increase for governmental activities and a 2.62 percent increase for business-type activities).

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

- Various electric distribution system improvements were made during the year at a cost of $1,666,830 and improvements of $502,248 were also made to the gas distribution system.
- Another phase has been completed in the Electric, Gas, and Water utilities as they upgrade to more advanced metering infrastructure technology. Current year costs total $4,087,284.
- Construction continues on the fiber to the premise system which provides broadband services for residents, business, governmental and other institutions. Costs for the current year total $653,861.
- Additional site improvements totaling $3.2 million are underway at the J. Burt Gillette Athletic Complex and will include adding two artificial turf soccer fields, a pavilion and field surface replacement at the baseball stadium. Costs for the current year total $548,806.
- The Fire department replaced two pumper trucks in the current year at cost of $ 1,066,688.
- Land and a warehouse valued at $2,924,827 were donated to Water Resources from a former industrial customer.
- Work has begun on Merrimont Park Drainage improvement project with costs of $683,753 incurred in the current year.

Table 3
Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Land	$ 20,392,115	$ 19,942,909	$ 28,776,711	$ 25,791,884	$ 49,168,826	$ 45,734,793
Land improvements	5,589,873	5,301,985	3,578,369	3,728,191	9,168,242	9,030,176
Buildings	10,407,969	10,581,448	11,927,948	11,806,959	22,335,917	22,388,407
Distribution system			211,950,171	210,767,784	211,950,171	210,767,784
Rolling stock	5,196,272	4,202,274	4,429,595	3,107,463	9,625,867	7,309,737
Furniture, Fixtures, and equipment	4,092,629	3,541,570	14,845,952	13,254,075	18,938,581	16,795,645
Infrastructure	13,638,115	14,427,396			13,638,115	14,427,396
Construction in progress				21,345		21,345
Total	$ 59,316,973	$ 57,997,582	$ 275,508,746	$ 268,477,701	$ 334,825,719	$ 326,475,283

Additional information on the City's capital assets can be found in Note 5 on pages 44-46 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2017, the City had total debt outstanding of $110,936,425. Of this amount, $59,473,000 represents bonded debt. The City has $6,120,000 in debt backed by the full faith and credit of the City and $10,533,000 in bonds secured solely by revenues of the Combined Enterprise System (water, wastewater, and natural gas). In addition, the City has $42,820,000 of certificates of participation outstanding. The remainder of the City's long-term obligations comprises pension related debt and compensated absences.

Table 4
Outstanding Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
General obligation bonds	$	$	$ 6,120,000	$ 7,325,000	$ 6,120,000	$ 7,325,000
Revenue bonds			10,533,000	11,267,000	10,533,000	11,267,000
Certificates of participation			42,820,000	46,405,000	42,820,000	46,405,000
State Revolving Loans			11,880,133	13,553,708	11,880,133	13,553,708
Notes payable	1,264,453	1,625,548	2,071,510	2,523,922	3,335,963	4,149,470
Compensated absences	2,511,982	2,379,219	1,182,755	1,176,379	3,694,737	3,555,598
OPEB	9,976,032	8,790,129	3,503,980	3,091,929	13,480,012	11,882,058
Pension related debt (LGERS)	9,855,129	2,143,752	4,604,779	957,661	14,459,908	3,101,413
Pension related debt (LEOSSA)	4,612,672				4,612,672	
Total	$ 28,220,268	$ 14,938,648	$ 82,716,157	$ 86,300,599	$ 110,936,425	$ 101,239,247

The City of Wilson's total debt increased by $ 9,697,178, or (9.58 percent). The key factors in this increase were the recognition of net pension liability for the LEOSSA plan of $4,612,672, an increase of $12,956,449 in the net pension liability for OPEB and the LGERS plan, and reductions related to regularly scheduled principal reduction on existing outstanding debt.

The City maintains an "Aa2" rating from Moody's Investor Services, an "AA" rating from Standard and Poor's Rating Service, and an "AA" rating from Fitch Ratings on its general obligation debt.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The City is currently at 1.4 percent. The legal debt margin for the City is $267,296,054.

Additional information regarding the City's long-term debt can be found in note 7 on pages 46-52 of this report.

Economic Factors

The average unemployment rate for Wilson County is currently 7.91 percent. The statewide and the national average unemployment rates for fiscal year 2017 are 4.86 percent and 4.65 percent respectively. Taxable sales within Wilson County increased by 9.5 percent from $909,128,016 in 2016 to $995,644,509 in 2017.

Budget Highlights for the Fiscal Year Ending June 30, 2018

For the City as a whole, the adopted budget for FY 2018 is 1.9 percent less than the FY 2017 budget. All departments worked diligently examining ways to improve efficiencies and contain costs. The costs of health care benefits for employees increased 3.0 percent and will be absorbed by the City. While health care costs have risen more rapidly than the general economic growth and continue to do so, the City continues to explore strategies that will reduce costs and to implement options to curtail future health care plan cost increases.

Governmental Activities: During the current fiscal year, unassigned fund balance in the General Fund decreased to $13,770,544. The City has appropriated $4,404,100 for spending in the 2018 fiscal year budget. Property tax receipts are conservatively projected to increase by a modest 1.0 percent for 2018. Sales tax revenues are projected increase 1.8 percent over the 2017 budget but are still lower than the 2016 levels.

Business-type Activities: The City will implement an electric rate reduction of 4.0 percent for residential and commercial customers for FY 2018. Water and sewer volume is projected to remain relatively steady for FY 2018, while gas volume is expected to have a slightly higher demand with a more traditional winter weather conditions. The City will implement base rate increases for gas, water and sewer on July 1, 2017. Also, effective for 2018, the stormwater fee will increase from $3.80 to $4.20 per equivalent unit.

Requests for Information

This report is designed to provide an overview of the City's finances. Questions concerning any of the information found in this report or requests for additional financial information should be directed to the Chief Financial Officer, City of Wilson, P.O. Box 10, Wilson, NC 27894, khands@wilsonnc.org.

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Business Type Activities	Total Primary Government	Component Units: Downtown Development	Component Units: Cemetery Commission	Total Reporting Unit
ASSETS						
Current assets:						
Cash and cash equivalents/investments	$ 43,494,109	$ 64,620,057	$ 108,114,166	$ 105,484	$ 151,377	$ 108,371,027
Receivables (net of allowance for uncollectibles):						
Property taxes	578,959		578,959	4,347		583,306
Motor vehicle licenses taxes	11,097		11,097			11,097
Sales tax distribution	1,384,389		1,384,389			1,384,389
Video programming tax	94,000		94,000			94,000
Utility sales tax	991,000		991,000			991,000
PEG channel tax	20,690		20,690			20,690
Telecommunications tax	94,000		94,000			94,000
Customer accounts		18,780,597	18,780,597			18,780,597
Assessments:						
Paving and clearance of property	927,124		927,124			927,124
Water and sewer		5,685	5,685			5,685
Accrued interest	43,733	68,055	111,788	101	152	112,041
Refundable sales and use tax		1,710,723	1,710,723			1,710,723
Other receivables	898,855	720,990	1,619,845	350		1,620,195
Notes receivable	75,209		75,209			75,209
Internal balances	1,338,146	(1,338,146)				
Due from other agencies and other governments	1,076,022	478,853	1,554,875	4,421		1,559,296
Inventories	400,300	4,239,801	4,640,101			4,640,101
Prepaid expenses	18,801	350,733	369,534	1,383	1,564	372,481
Restricted cash and cash equivalents	651,240	2,366,162	3,017,402			3,017,402
Total current assets	52,097,674	92,003,510	144,101,184	116,086	153,093	144,370,363
Non-current assets:						
Investment in joint venture - RMT/Wilson Airport	2,042,981		2,042,981			2,042,981
Capital assets (net of accumulated depreciation):						
Land	20,392,115	28,776,711	49,168,826		25,754	49,194,580
Land improvements	5,589,873	3,578,369	9,168,242		380,757	9,548,999
Buildings	10,407,969	11,927,948	22,335,917		6,000	22,341,917
Distribution system		211,950,171	211,950,171			211,950,171
Rolling stock	5,196,272	4,429,595	9,625,867		3,868	9,629,735
Furniture, fixtures, and equipment	4,092,629	14,845,952	18,938,581		74,718	19,013,299
Infrastructure	13,638,115		13,638,115			13,638,115
Total capital assets	59,316,973	275,508,746	334,825,719		491,097	335,316,816
Total assets	113,457,628	367,512,256	480,969,884	116,086	644,190	481,730,160
DEFERRED OUTFLOW OF RESOURCES						
Deferred outflow of resources on refunding		61,184	61,184			61,184
Pension deferrals - LGERS	6,288,996	2,974,400	9,263,396	31,603	56,794	9,351,793
Contributions to pension plan in current fiscal year - LGERS	1,938,969	959,916	2,898,885	18,470	14,389	2,931,744
Benefit payments made and admin. expenses - LEOSSA	107,463		107,463			107,463
Total deferred outflows of resources	8,335,428	3,995,500	12,330,928	50,073	71,183	12,452,184
LIABILITIES						
Current Liabilities:						
Accounts payable	2,210,471	10,586,958	12,797,429	7,370	4,505	12,809,304
Insurance claims payable	2,105,432		2,105,432			2,105,432
Accrued wages and amounts withheld	1,315,929	732,374	2,048,303	11,585	5,427	2,065,315
Other liabilities	103,677		103,677			103,677
Accrued interest	4,079	490,517	494,596			494,596
Payable from restricted assets	651,240	2,366,162	3,017,402			3,017,402
Total current liabilities	6,390,828	14,176,011	20,566,839	18,955	9,932	20,595,726
Long-term liabilities:						
Due within one year						
Compensated absences	1,729,660	839,031	2,568,691	8,717		2,577,408
Notes payable	313,063	2,125,987	2,439,050			2,439,050
Certificate of participation - payable		3,750,000	3,750,000			3,750,000
General Obligation Bonds payable		1,205,000	1,205,000			1,205,000
Revenue bonds payable		739,000	739,000			739,000
Due in more than one year						
Compensated absences	782,322	343,724	1,126,046	18,347	3,794	1,148,187
Post employment benefit payable	9,976,032	3,503,980	13,480,012			13,480,012
Net pension liability - LGERS	9,855,129	4,604,779	14,459,908	60,047	80,012	14,599,967
Total pension liability - LEOSSA	4,612,672		4,612,672			4,612,672
Notes payable	951,390	11,825,656	12,777,046			12,777,046
Certificate of participation - payable		39,726,425	39,726,425			39,726,425
General Obligation Bonds payable		5,271,188	5,271,188			5,271,188
Revenue bonds payable		9,803,129	9,803,129			9,803,129
Total long-term liabilities	28,220,268	83,737,899	111,958,167	87,111	83,806	112,129,084
Total liabilities	34,611,096	97,913,910	132,525,006	106,066	93,738	132,724,810
DEFERRED INFLOWS OF RESOURCES						
Retiree insurance premium prepayments	3,189		3,189			3,189
Pension deferrals - LGERS	591,534	434,557	1,026,091	9,265	5,793	1,041,149
Pension deferrals - LEOSSA	96,862		96,862			96,862
Total deferred inflows of resources	691,585	434,557	1,126,142	9,265	5,793	1,141,200
NET POSITION						
Net investment in capital assets	58,052,520	201,123,545	259,176,065		491,097	259,667,162
Restricted for:						
Stabilization by State Statute	7,501,690		7,501,690	14,522		7,516,212
Public safety	353,588		353,588			353,588
Planning and development	50,584		50,584			50,584
General government	194,852		194,852			194,852
Culture and recreation	50,000		50,000			50,000
Unrestricted	20,287,141	72,035,744	92,322,885	36,306	124,745	92,483,936
Total net position	$ 86,490,375	$ 273,159,289	$ 359,649,664	$ 50,828	$ 615,842	$ 360,316,334

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position					
					Primary Government			Component Units		Total
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Downtown Development	Cemetery Commission	Reporting Unit
Primary government:										
Governmental activities:										
General government	$ 6,134,474	$	$	$ 409,605	$ (5,724,869)	$	$ (5,724,869)	$	$	$ (5,724,869)
Public safety	23,222,455	1,094,361	233,553		(21,894,541)		(21,894,541)			(21,894,541)
Public services	6,167,534	138,669	1,364,969	91,980	(4,571,916)		(4,571,916)			(4,571,916)
Environmental services	5,654,752	4,824,599	50,169		(779,984)		(779,984)			(779,984)
Planning and development	3,678,604	87,019	108,670	25,000	(3,457,915)		(3,457,915)			(3,457,915)
Human services	250,003				(250,003)		(250,003)			(250,003)
Culture and recreation	6,195,136	1,217,289	(37,500)	250,811	(4,764,536)		(4,764,536)			(4,764,536)
Interest on long-term debt	38,942				(38,942)		(38,942)			(38,942)
Total governmental activities	51,341,900	7,361,937	1,719,861	777,396	(41,482,706)		(41,482,706)			(41,482,706)
Business-type activities:										
Electric	116,998,496	125,560,188		693,695		9,255,387	9,255,387			9,255,387
Gas	14,264,237	14,874,458	1,981			612,202	612,202			612,202
Water and Sewer	21,585,549	25,063,489	325,360	2,960,592		6,763,892	6,763,892			6,763,892
Mass Transit	1,304,691	79,438	651,641	4,114		(569,498)	(569,498)			(569,498)
Industrial Air Center	148,704	26,206				(122,498)	(122,498)			(122,498)
BroadBand	13,901,264	15,506,242				1,604,978	1,604,978			1,604,978
Stormwater Management	2,754,466	3,221,936		1,500		468,970	468,970			468,970
Total business-type activities	170,957,407	184,331,957	978,982	3,659,901		18,013,433	18,013,433			18,013,433
Total primary government	$ 222,299,307	$ 191,693,894	$ 2,698,843	$ 4,437,297	(41,482,706)	18,013,433	(23,469,273)			(23,469,273)
Component units:										
Downtown Development	$ 343,912	$ 48,674	$ 15,750	$				(279,488)		(279,488)
Cemetery Commission	458,280	480,988							22,708	22,708
Total component units	$ 802,192	$ 529,662	$ 15,750	$				(279,488)	22,708	(256,780)
General revenues:										
Property taxes					22,949,347		22,949,347	67,360		23,016,707
Sales taxes					8,260,412		8,260,412			8,260,412
Occupancy tax					268,229		268,229			268,229
Utility sales taxes					5,087,010		5,087,010			5,087,010
Grants and contributions not restricted to specific programs					770,014	285,375	1,055,389			1,055,389
Privilege License Tax					3,183		3,183			3,183
Miscellaneous					175,698	138,936	314,634	258,065		572,699
Alcoholic beverage taxes					84,375		84,375			84,375
Gain on sale of capital assets					8,531	134,950	143,481			143,481
Unrestricted investment earnings					28,886	14,332	43,218	281	(92)	43,407
Total general revenues not including transfers					37,635,685	573,593	38,209,278	325,706	(92)	38,534,892
Transfers					4,693,999	(4,693,999)				
Total general revenues and transfers					42,329,684	(4,120,406)	38,209,278	325,706	(92)	38,534,892
Change in net position					846,978	13,893,027	14,740,005	46,218	22,616	14,808,839
Net position - beginning, as previously reported					90,700,968	259,266,262	349,967,230	4,610	593,226	350,565,066
Restatement					(5,057,571)		(5,057,571)			(5,057,571)
Net Position - beginning, as restated					85,643,397	259,266,262	344,909,659	4,610	593,226	345,507,495
Net position - ending					$ 86,490,375	$ 273,159,289	$ 359,649,664	$ 50,828	$ 615,842	$ 360,316,334

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

CITY OF WILSON, NORTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents/investments	$ 22,300,856	$ 6,730,486	$ 29,031,342
Receivables (net of allowance for uncollectibles):			
Property taxes	578,959		578,959
Motor vehicle license taxes	11,097		11,097
Sales tax distribution	1,384,389		1,384,389
Video programming	94,000		94,000
Utility sales tax	991,000		991,000
PEG Channel tax	20,690		20,690
Telecommunications tax	94,000		94,000
Assessments - paving/clearing	927,124		927,124
Accrued interest	28,414	720	29,134
Other receivables	598,141		598,141
Notes receivable		75,209	75,209
Interfund receivables	139,235		139,235
Due from other agencies and governments	928,181	147,841	1,076,022
Inventories	400,300		400,300
Restricted cash and cash equivalents	644,490	6,750	651,240
Total assets	$ 29,140,876	$ 6,961,006	$ 36,101,882
LIABILITIES			
Accounts payable	$ 1,401,197	$ 809,274	$ 2,210,471
Interfund payable		139,235	139,235
Accrued wages and amounts withheld	1,310,732		1,310,732
Payable from restricted assets	644,490	6,750	651,240
Other liabilities	103,677		103,677
Total liabilities	3,460,096	955,259	4,415,355
DEFERRED INFLOWS OF RESOURCES			
Uncollected property taxes, assessments and miscellaneous receivables	2,115,321		2,115,321
Total deferred inflows of resources	2,115,321		2,115,321
FUND BALANCES			
Non Spendable			
Inventories	400,300		400,300
Restricted			
Stabilization by State Statute	4,442,075	3,059,615	7,501,690
General government	194,852		194,852
Public safety	353,588		353,588
Planning and development		50,584	50,584
Culture and recreation		50,000	50,000
Committed			
Public services		134,065	134,065
Planning and development		1,293,481	1,293,481
Culture and recreation		1,244,934	1,244,934
Assigned			
Subsequent year's expenditures	4,404,100	119,420	4,523,520
Planning and development		192,883	192,883
Unassigned	13,770,544	(139,235)	13,631,309
Total fund balances	23,565,459	6,005,747	29,571,206
Total liabilities, deferred inflows of resources and fund balances	$ 29,140,876	$ 6,961,006	$ 36,101,882

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

CITY OF WILSON, NORTH CAROLINA

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2017

Fund Balance Governmental Funds		$	29,571,206
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Governmental capital assets	$ 117,452,808		
Internal Service Fund capital assets	274,961		
Less accumulated depreciation	(58,239,935)		
Less accumulated depreciation - Internal Service Fund	(170,861)		59,316,973
The City has an equity interest in a joint venture. This investment is not a current financial resource and therefore is not reported in the funds.			2,042,981
Deferred outflows of resources related to pensions are not reported in the funds			8,335,428
Deferred revenue in governmental funds is susceptible to full accrual on the government-wide statements.			
Uncollected property taxes, assessments, and miscellaneous receivables	2,115,321		
Other receivables - Refuse unbilled accounts receivable	273,164		2,388,485
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
Post employment benefits payable	(9,976,032)		
Net Pension Liability - LGERS	(9,855,129)		
Total Net Pension Liability - LEOSSA	(4,612,672)		
Notes payable	(1,264,453)		
Compensated absences	(2,497,103)		
Compensated absences - Internal Service Fund	(14,879)		
Accrued interest payable	(4,079)		(28,224,347)
Pension related deferrals			(688,396)
Internal service funds are used by management to charge the costs of risk management and group insurance benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			13,748,045
Net position of governmental activities		$	86,490,375

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes:			
Property	$ 20,153,716	$	$ 20,153,716
Motor vehicle property	2,064,553		2,064,553
Motor vehicle license	726,911		726,911
Vehicle rental	53,459		53,459
Sales	8,260,412		8,260,412
Occupancy	268,229		268,229
Privilege license	3,183		3,183
Licenses and permits	658,149		658,149
Intergovernmental revenues	7,578,443	570,879	8,149,322
Assessments	52,822		52,822
Charges for services	6,585,200		6,585,200
Investment income	(4,662)	28,189	23,527
Loan repayments and related interest		(10,973)	(10,973)
Contributions	25,000	(59,500)	(34,500)
Other	302,587	106,417	409,004
Total revenues	46,728,002	635,012	47,363,014
EXPENDITURES			
Current:			
General government	6,530,592		6,530,592
Public safety	23,706,842		23,706,842
Public services	4,414,594	646,274	5,060,868
Environmental services	5,663,595		5,663,595
Planning and development	1,520,040	2,154,763	3,674,803
Human services	242,351		242,351
Culture and recreation	5,704,759	845,231	6,549,990
Debt service:			
Principal	361,095		361,095
Interest	38,402		38,402
Total expenditures	48,182,270	3,646,268	51,828,538
Excess (deficiency) of revenues over (under) expenditures	(1,454,268)	(3,011,256)	(4,465,524)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,467,376	5,979,925	9,447,301
Transfers out	(3,491,230)	(1,261,521)	(4,752,751)
Sales of capital assets	105,150		105,150
Total other financing sources (uses)	81,296	4,718,404	4,799,700
Net change in fund balances	(1,372,972)	1,707,148	334,176
Fund balance - beginning	24,938,431	4,298,599	29,237,030
Fund balance - ending	$ 23,565,459	$ 6,005,747	$ 29,571,206

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

CITY OF WILSON, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 334,176
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.		
Expenditures for capital assets	$ 4,159,122	
Expenditures for capital assets - Internal Service Fund	81,810	
Less current year depreciation	(3,075,738)	
Less current year depreciation - Internal Service Fund	(12,817)	1,152,377
The net effect of various miscellaneous transactions involving capital assets is to increase net position.		
Donated capital from governments	275,185	
Gain/(Loss) on Sales of Capital Assets	(108,171)	167,014
Benefit payments paid and administrative expenses for the LEOSSA are not included on the Statement of Activities		107,463
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue for miscellaneous revenue and assessments	(99,718)	
Unbilled accounts receivable	(8,201)	
Change in unavailable revenue for tax revenues	(49,292)	(157,211)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payments	361,095	
Accrued interest	(540)	360,555
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in long-term compensated absences	(134,862)	
Change in long-term compensated absences - Internal Service Fund	2,099	
Pension expense	(893,303)	
Recognition of post employment benefits liability	(1,185,903)	(2,211,969)
The net revenue of certain activities of the internal service fund is reported with governmental activities.		1,094,573
Change in net position of governmental activities		$ 846,978

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

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property	$ 19,819,670	$ 19,819,670	$ 20,153,716	$ 334,046
Motor vehicle property	1,481,210	1,481,210	2,064,553	583,343
Motor vehicle license	862,880	862,880	726,911	(135,969)
Vehicle rental	28,830	28,830	53,459	24,629
Sales	6,164,490	6,164,490	8,260,412	2,095,922
Occupancy			268,229	268,229
Privilege licenses	1,000	1,000	3,183	2,183
Licenses and permits	357,250	357,250	658,149	300,899
Intergovernmental revenues	5,753,460	6,158,020	7,578,443	1,420,423
Assessments	21,500	21,500	52,822	31,322
Charges for services	5,853,660	5,878,660	6,585,200	706,540
Investment income	125,100	125,100	(4,662)	(129,762)
Other	49,580	215,600	327,587	111,987
Fund balance appropriated	3,951,230	9,537,024		(9,537,024)
Total revenues	44,469,860	50,651,234	46,728,002	(3,923,232)
EXPENDITURES				
Current:				
General government:				
Mayor and council	66,050	66,050	54,503	11,547
City Manager	343,640	343,640	306,393	37,247
City Attorney	115,870	215,870	176,081	39,789
Human Resources	450,490	451,869	342,255	109,614
Financial Services	1,175,420	1,229,164	1,175,428	53,736
Information Technology Services	317,830	317,830	317,828	2
General insurance and utilities	2,949,120	3,414,080	3,295,756	118,324
Other general government services & unclassified	970,540	1,026,014	862,348	163,666
Total general government	6,388,960	7,064,517	6,530,592	533,925
Public safety				
Police	12,935,600	13,362,436	12,740,357	622,079
Fire	8,227,550	9,959,589	9,886,467	73,122
Construction standards	724,660	710,458	646,372	64,086
Neighborhood improvements	420,870	463,970	433,646	30,324
Total public safety	22,308,680	24,496,453	23,706,842	789,611
Public services				
Public services administration	987,320	987,320	994,176	(6,856)
Engineering	500,680	513,474	424,302	89,172
Parking and traffic	569,500	597,789	485,322	112,467
Street maintenance	2,801,950	3,104,486	2,510,794	593,692
Total public services	4,859,450	5,203,069	4,414,594	788,475
Environmental services	5,457,370	5,741,877	5,663,595	78,282
Planning and development	1,455,090	1,579,343	1,520,040	59,303
Human services	251,560	251,560	242,351	9,209
Culture and recreation	5,098,500	5,827,935	5,704,759	123,176

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Debt service:				
Principal	$ 361,060	$ 361,060	$ 361,095	$ (35)
Interest	38,440	38,440	38,402	38
Debt service costs	2,500	2,500		2,500
Total debt service	402,000	402,000	399,497	2,503
Total expenditures	46,221,610	50,566,754	48,182,270	2,384,484
Excess (deficiency) of revenues over (under) expenditures	(1,751,750)	84,480	(1,454,268)	(1,538,748)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,406,750	3,406,750	3,467,376	60,626
Transfers out	(1,655,000)	(3,491,230)	(3,491,230)	
Sales of capital assets			105,150	105,150
Total other financing sources (uses)	1,751,750	(84,480)	81,296	165,776
Net change in fund balances	$	$	(1,372,972)	$ (1,372,972)
Fund balances - beginning			24,938,431	
Fund balances - ending			$ 23,565,459	

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF FUND NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
ASSETS									
Current assets:									
Cash and cash equivalents/investments	$ 37,086,149	$ 5,240,605	$ 14,991,507	$ 607,314	$ 292,302	$ 1,918,097	$ 2,405,374	$ 62,541,348	$ 16,541,476
Receivables (net of allowances for uncollectibles):									
Customer accounts	13,341,166	968,739	2,855,919			1,614,773		18,780,597	
Assessments - water and sewer			5,685					5,685	
Accrued interest	39,406	5,333	15,868	587	295	2,208	2,113	65,810	16,844
Refundable sales and use tax	1,710,723							1,710,723	
Other receivables	260,769	765	4,740		2,350	162,603	289,763	720,990	27,550
Due from other agencies and governments	157,663	1,981	177,663	70,607		70,939		478,853	
Inventories	2,044,917	177,306	181,430			1,836,148		4,239,801	
Prepaid expenses									18,801
Prepaid insurance cost on debt issuance	197,963	2,431	75,883			74,456		350,733	
Total current assets	54,838,756	6,397,160	18,308,695	678,508	294,947	5,679,224	2,697,250	88,894,540	16,604,671
Noncurrent assets:									
Restricted cash - Deposits	1,676,243	196,937	349,349	134		143,499		2,366,162	
Advances to other funds		2,780,000						2,780,000	
Capital assets:									
Land	5,712,240	234,948	21,590,962	77,981	314,867		381,715	28,312,713	463,998
Land improvements	10,651		5,368,385		540,527			5,919,563	1,684,066
Buildings	398,807	20,749	9,111,818	1,116,290	312,925	232,634	94,834	11,288,057	9,953,691
Distribution system	127,393,647	27,856,782	182,464,927			26,293,995	12,745,955	376,755,306	
Rolling stock	9,922,298	1,482,383	4,362,206	1,329,274	74,682	459,203	1,047,141	18,677,187	20,643
Furniture, fixtures and equipment	18,701,494	869,985	4,994,259	14,299	20,000	14,995,713	59,100	39,654,850	1,081,291
Less accumulated depreciation	(84,147,374)	(10,599,116)	(88,869,732)	(1,852,210)	(722,328)	(21,170,208)	(5,034,633)	(212,395,601)	(5,802,918)
Total capital assets:	77,991,763	19,865,731	139,022,825	685,634	540,673	20,811,337	9,294,112	268,212,075	7,400,771
Total noncurrent assets:	79,668,006	22,842,668	139,372,174	685,768	540,673	20,954,836	9,294,112	273,358,237	7,400,771
Total assets	$ 134,506,762	$ 29,239,828	$ 157,680,869	$ 1,364,276	$ 835,620	$ 26,634,060	$ 11,991,362	$ 362,252,777	$ 24,005,442
DEFERRED OUTFLOWS OF RESOURCES									
Deferred outflow of resources on refunding			61,184					61,184	
Pension deferrals - LGERS	1,022,450	278,850	1,208,350	92,950		185,900	185,900	2,974,400	
Contributions to pension plan in current fiscal year - LGERS	320,910	87,521	405,617	29,174		58,347	58,347	959,916	
Total deferred outflows of resources	1,343,360	366,371	1,675,151	122,124		244,247	244,247	3,995,500	

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF FUND NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
LIABILITIES									
Current liabilities:									
Accounts payable	$ 8,567,521	$ 515,485	$ 471,872	$ 27,987	$	$ 610,240	$ 370,513	$ 10,563,618	$ 23,340
Accrued wages and amounts withheld	249,732	71,459	239,826	19,919		131,800	19,638	732,374	5,197
Accrued interest	198,903	10,455	108,217			158,956		476,531	13,986
Customer deposits	1,676,243	196,937	349,349	134		143,499		2,366,162	
Insurance claims payable									2,105,432
General obligation bonds - current			1,205,000					1,205,000	
Revenue bonds - current		166,275	572,725					739,000	
Notes payable - current	261,756	190,656	1,673,575					2,125,987	
Certificates of participation - current	760,000					2,687,633		3,447,633	302,367
Compensated absences - current	303,494	83,070	289,430	12,640		136,183	14,214	839,031	8,306
Total current liabilities	12,017,649	1,234,337	4,909,994	60,680		3,868,311	404,365	22,495,336	2,458,628
Noncurrent liabilities:									
General obligation bonds payable			5,271,188					5,271,188	
Revenue bonds payable		2,205,744	7,597,385					9,803,129	
Notes payable	1,047,025	572,073	10,206,558					11,825,656	
Certificates of participation payable	21,286,124					17,071,967		38,358,091	1,368,334
Compensated absences - noncurrent	113,547	20,416	107,521	21,389		63,529	17,322	343,724	6,573
Post employment benefit payable	1,498,747	391,020	1,446,633	167,580				3,503,980	
Net pension liability - LGERS	1,597,195	435,598	1,845,989	145,199		290,399	290,399	4,604,779	
Advances from other funds						2,780,000		2,780,000	
Total noncurrent liabilities	25,542,638	3,624,851	26,475,274	334,168		20,205,895	307,721	76,490,547	1,374,907
Total liabilities	37,560,287	4,859,188	31,385,268	394,848		24,074,206	712,086	98,985,883	3,833,535
DEFERRED INFLOWS OF RESOURCES									
Retiree insurance premium prepayments									3,189
Pension deferrals - LGERS	113,888	31,059	237,843	10,353		20,707	20,707	434,557	
Total deferred inflows of resources	113,888	31,059	237,843	10,353		20,707	20,707	434,557	3,189
NET POSITION									
Net investment in capital assets	54,636,858	16,730,983	112,557,578	685,634	540,673	1,051,737	9,294,112	195,497,575	5,730,070
Unrestricted	43,539,089	7,984,969	15,175,331	395,565	294,947	1,731,657	2,208,704	71,330,262	14,438,648
Total net position	$ 98,175,947	$ 24,715,952	$ 127,732,909	$ 1,081,199	$ 835,620	$ 2,783,394	$ 11,502,816	266,827,837	$ 20,168,718
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.								6,331,452	
Net position of business-type activities								$ 273,159,289	

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
Operating revenues:									
Metered general consumers	$ 118,337,711	$ 14,718,386	$ 11,554,843	$	$	$	$	$ 144,610,940	$
Sales to other distributors	2,165,282							2,165,282	
Sales to other utilities	2,010,409	136,172	120,371					2,266,952	
Municipal street lights	350,000							350,000	
Rental of area lights	1,871,032							1,871,032	
Municipal hydrants			23,814					23,814	
Sewer services			12,908,760					12,908,760	
Bus fares				73,177				73,177	
Airport rental income					26,206			26,206	
Broadband services						13,961,364		13,961,364	
Stormwater management fee							3,195,264	3,195,264	
Contributions from various funds									15,247,905
Contributions from employees									1,280,044
Contributions from retirees									201,675
Other	825,754	19,900	455,701	143,197		1,544,878	26,672	3,016,102	173,760
Total operating revenues	125,560,188	14,874,458	25,063,489	216,374	26,206	15,506,242	3,221,936	184,468,893	16,903,384
Operating expenses:									
Cost of purchased electricity	86,460,419							86,460,419	
Cost of purchased gas		8,271,269						8,271,269	
Production and distribution	8,934,439	2,628,695	6,691,981					18,255,115	
Broadband inside plant						905,755		905,755	
General and administrative	10,482,622	2,627,909	3,708,347	346,697	109,476	1,115,603		18,390,654	
Engineering	1,867,290							1,867,290	
Maintenance				878,595	31,291			909,886	225,085
Marketing & public relations	181,830							181,830	
System control and communications	2,414,952							2,414,952	
Water reclamation			4,600,835					4,600,835	
Wastewater collection			2,032,083					2,032,083	
Stormwater management							2,503,341	2,503,341	
Broadband programming fees						6,478,479		6,478,479	
Technical support services						(132,243)		(132,243)	
Unified Communications Center						137,357		137,357	
Administrative fees									1,282,881
Insurance claims									2,388,723
Benefits claim payments									10,520,970
Broadband operations						2,849,991		2,849,991	
Special projects				8,652				8,652	
Depreciation	4,686,356	731,108	4,084,522	103,088	9,514	1,675,155	285,314	11,575,057	320,258
Total operating expenses	115,027,908	14,258,981	21,117,768	1,337,032	150,281	13,030,097	2,788,655	167,710,722	14,737,917
Operating income (loss)	10,532,280	615,477	3,945,721	(1,120,658)	(124,075)	2,476,145	433,281	16,758,171	2,165,467

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
Nonoperating revenue (expense):									
Investment income	$ 2,313	$ (7,415)	$ 14,173	$ 181	$ 225	$ 4,688	$ (3,121)	$ 11,044	$ 8,649
Other income	4,783	48,823	81,769		2,000	126		137,501	150
Intergovernmental	157,663	1,981	325,360	652,098		127,712		1,264,814	
Interest expense	(1,025,998)	(100,639)	(774,333)			(920,605)		(2,821,575)	(89,885)
Contributions to other agencies	(1,287,996)	(9,570)						(1,297,566)	
Prepaid insurance cost on bond issuance	(12,738)	(1,216)	(15,370)			(13,646)		(42,970)	
Total nonoperating revenue (expense)	(2,161,973)	(68,036)	(368,401)	652,279	2,225	(801,725)	(3,121)	(2,748,752)	(81,086)
Income (loss) before contributions and transfers	8,370,307	547,441	3,577,320	(468,379)	(121,850)	1,674,420	430,160	14,009,419	2,084,381
Transfers in			20,200	289,500	118,000			427,700	
Transfers out	(3,679,030)	(1,343,020)	(80,000)				(20,200)	(5,122,250)	
Capital contributions	693,695		2,960,592	3,657			1,500	3,659,444	
Change in net position	5,384,972	(795,579)	6,478,112	(175,222)	(3,850)	1,674,420	411,460	12,974,313	2,084,381
Total net position - beginning	92,790,975	25,511,531	121,254,797	1,256,421	839,470	1,108,974	11,091,356		18,084,337
Total net position - ending	$ 98,175,947	$ 24,715,952	$ 127,732,909	$ 1,081,199	$ 835,620	$ 2,783,394	$ 11,502,816		$ 20,168,718

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	918,714
Change in net position of business-type activities	$ 13,893,027

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from customers and users	$ 125,793,716	$ 14,663,219	$ 25,057,147	$ 216,395	$ 26,035	$ 15,517,897	$ 3,192,392	$ 184,466,801	$
Cash received from interfund services provided									16,727,536
Insurance claim reimbursements									162,289
Cash paid to suppliers	(103,161,189)	(11,115,738)	(9,795,614)	(645,305)	(103,159)	(8,899,056)	(1,531,451)	(135,251,512)	(14,503,515)
Cash paid to employees	(7,912,369)	(2,179,012)	(6,844,846)	(573,386)	(38,760)	(2,455,404)	(588,709)	(20,592,486)	(232,095)
Net cash provided by (used in) operating activities	14,720,158	1,368,469	8,416,687	(1,002,296)	(115,884)	4,163,437	1,072,232	28,622,803	2,154,215
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfer from other funds				289,500	118,000			407,500	
Transfer to other funds	(3,679,030)	(1,343,020)	(80,000)				(20,200)	(5,122,250)	
Grant funds received			147,697	735,043		56,773		939,513	
Contributions to other agencies	(1,287,996)	(9,570)						(1,297,566)	
Interfund payable to other funds						(200,000)		(200,000)	
Interfund receivable from other funds		200,000						200,000	
Contributions					2,000			2,000	
Net cash provided (used) by noncapital financing activities	(4,967,026)	(1,152,590)	67,697	1,024,543	120,000	(143,227)	(20,200)	(5,070,803)	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Acquisition and construction of capital assets	(9,593,244)	(1,452,669)	(2,795,056)		(7,638)	(667,010)	(850,523)	(15,366,140)	(546,084)
Principal paid on capital debt	(1,341,756)	(355,806)	(3,447,425)			(2,217,031)		(7,362,018)	(287,969)
Interest paid on capital debt	(1,132,806)	(97,921)	(842,503)			(1,014,830)		(3,088,060)	(94,320)
Proceeds from sales of capital assets	18,508	37,041	81,769			126		137,444	
Contributed capital	693,695		20,200	3,657				717,552	
Net cash provided (used) by capital and related financing activities	(11,355,603)	(1,869,355)	(6,983,015)	3,657	(7,638)	(3,898,745)	(850,523)	(24,961,222)	(928,373)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and dividends received	(466)	(6,430)	10,194	57	179	4,111	(3,540)	4,105	4,199
Net cash provided (used) in investing activities	(466)	(6,430)	10,194	57	179	4,111	(3,540)	4,105	4,199
Net increase (decrease) in cash and cash equivalents/investments	(1,602,937)	(1,659,906)	1,511,563	25,961	(3,343)	125,576	197,969	(1,405,117)	1,230,041
Cash and cash equivalents/investments, (including restricted cash) - July 1	40,365,329	7,097,448	13,829,293	581,487	295,645	1,936,020	2,207,405	66,312,627	15,311,435
Cash and cash equivalents/investments, (including restricted cash) - June 30	$ 38,762,392	$ 5,437,542	$ 15,340,856	$ 607,448	$ 292,302	$ 2,061,596	$ 2,405,374	$ 64,907,510	$ 16,541,476

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities-Enterprise Funds								
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities									
Operating income (loss)	$ 10,532,280	$ 615,477	$ 3,945,721	$ (1,120,658)	$ (124,075)	$ 2,476,145	$ 433,281	$ 16,758,171	$ 2,165,467
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation expense	4,686,356	731,108	4,084,522	103,088	9,514	1,675,155	285,314	11,575,057	320,258
Insurance refunds									150
Change in assets and liabilities									
(Increase) decrease in accounts receivable	283,998	(211,239)	4,822	651	(171)	(11,642)	(29,544)	36,875	(16,481)
(Increase) decrease in inventory	(26,205)	76,018	8,348			(178,178)		(120,017)	
(Increase) decrease in prepaid items									(1,963)
Increase (decrease) in retiree insurance premium prepayments									2,922
Increase (decrease) in insurance claims payable									(146,407)
Increase (decrease) in customer deposits	(50,470)	(5,198)	(11,164)	21		23,297		(43,514)	
Increase (decrease) in accounts payable	(1,023,681)	79,431	96,128	(18,614)	(1,152)	151,209	357,780	(358,899)	(168,349)
Increase (decrease) in accrued wages and amounts withheld	227,801	58,306	181,852	25,028		11,073	9,023	513,083	(1,382)
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(1,058,218)	(288,605)	(1,250,620)	(96,202)		(192,403)	(192,403)	(3,078,451)	
Increase (decrease) in net pension liability	1,253,697	341,917	1,481,642	113,972		227,945	227,945	3,647,118	
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(105,400)	(28,746)	(124,564)	(9,582)		(19,164)	(19,164)	(306,620)	
Total adjustments	4,187,878	752,992	4,470,966	118,362	8,191	1,687,292	638,951	11,864,632	(11,252)
Net cash provided by (used in) operating activities	$ 14,720,158	$ 1,368,469	$ 8,416,687	$ (1,002,296)	$ (115,884)	$ 4,163,437	$ 1,072,232	$ 28,622,803	$ 2,154,215
Noncash investing, capital, and financing activities:									
Capital assets contributed (to)/from other funds/customers	$ (15,315)	$ 66,969	$ 2,960,592	$	$	$	$ 1,500	$ 3,013,746	$
Capital assets acquired to be paid for in subsequent years	$ 147,261	$ 10,174	$ 63,879	$	$	$	$	$ 221,314	$ 157,302
Increase (decrease) in fair value of investments	$ (211,358)	$ (34,513)	$ (72,695)	$ (2,791)	$ (1,472)	$ (10,015)	$ (10,159)	$ (343,003)	$ (76,179)

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017

	Private-purpose Trust
	John Glover Fire Education
ASSETS	
Cash and cash equivalents	$ 4,073
Accrued interest	10
Investments, at fair value:	
U.S. Government agencies	2,788
Money Market	1,849
Certificate of Deposit	132
North Carolina Cash Management Trust	1,346
Total investments	6,115
Total assets	$ 10,198
NET POSITION	
Held in Trust for pension benefits and other purposes	10,198
Total net position	$ 10,198

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

CITY OF WILSON, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Private-purpose Trust
	John Glover Fire Education
ADDITIONS	
Contributions:	
Private donations	$
Total contributions	
Investment earnings:	
Interest	64
Net increase (decrease) in the fair value of investments	(58)
Total investment earnings	6
Total additions	$ 6
DEDUCTIONS	
Benefits	$
Scholarships	2,000
Total deductions	2,000
Change in net position	(1,994)
Net position - beginning	12,192
Net position - ending	$ 10,198

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

Note 1. Summary of Significant Accounting Policies

The City of Wilson, North Carolina, ("the City") was incorporated in 1849 and operates under a Council-Manager form of government. The City provides the following services: public safety (police and fire), streets, environmental services, water and sewer, stormwater, planning, inspections and zoning, parks and recreation, electric, gas, broadband, and general administration services.

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A - Reporting Entity

The City of Wilson is a municipal corporation that is governed by an elected mayor and a seven-member council. The City's basic financial statements include all funds over which the City has accountability. As required by generally accepted accounting principles, these financial statements present the financial position and results of the operations of the City and its component units, legally separate entities for which the City is financially accountable. Blended component units are in substance part of the City's operations and are combined with amounts of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Included within the reporting entity -

City of Wilson Financing Assistance Corporation

The City of Wilson Financing Assistance Corporation (COWFAC) assists the City in acquiring, constructing, financing, selling and/or leasing of real property, improvements, facilities, equipment and other tangible and intangible personal property. The sole purpose of the COWFAC is to provide a funding source for City assets and enter into lease or financing arrangements with the City to repay the debt. The COWFAC governing board is appointed by City Council. The City is required to make payments to the COWFAC in an amount sufficient to pay the scheduled debt service on COWFAC debt. As a blended component unit, with a June 30 year end, the assets and liabilities of the corporation are combined with the assets and liabilities of the primary government.

Downtown Development Corporation

Downtown Development Corporation is a not-for-profit corporation, established to promote economic development in a municipal service district created by the act of City Council. A municipal service district tax is levied under the taxing authority of the City and remitted to the Downtown Development Corporation for use in the downtown district. The Downtown Development Corporation's budget is subject to the approval of City Council. The Downtown Development Corporation, which has a June 30 year end, is a discretely presented component unit presented in a separate column in the City's financial statements in order to emphasize that it is legally separate from the city.

Wilson Cemetery Commission

Wilson Cemetery Commission is responsible for maintaining and operating the municipal cemeteries. A five-member board appointed by City Council manages it. The Wilson Cemetery Commission's operating budget is subject to the approval of the City Council. The City Council sets charges for cemetery services. The City is required to provide sufficient appropriation in the annual budget for the care and maintenance of municipal cemeteries. The Wilson Cemetery Commission, which has a June 30 year end, is a discretely presented component unit presented in a separate column in the City's financial statements in order to emphasize that it is legally separate from the city.

There are no significant disclosures related to the above entities, which are not already included herein; therefore, no separate financial statements have been issued for these entities.

B – Basis of Presentation

Government-wide Statements: The entity-wide financial statements (i.e., the statement of net position and the statement of activities) include the financial activities of the overall government (Primary Government and its Component Units). Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities of the City. Governmental activities, defined as activities supported through taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on customer demand-based fees and charges for support services. Inter-fund transactions are eliminated for the most part. Net position may serve over time as a useful indicator of a government's financial condition. The government-wide Statement of Net Position shows all assets and liabilities of the City and the net position, which is the difference between assets and liabilities.

The Statement of Activities presents a comparison between direct expenses (gross and net) 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 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 reported as general revenues.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include certain services provided between funds at market or near market rates, which are treated as revenues and expenses, and net residual amounts due between governmental and business-like activities, which are presented as internal balances. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

The City does not currently employ an indirect cost allocation system. An administrative service fee is charged by the General Fund to the other operating funds to address General Fund services provided (e.g., general administration, financial administration, personnel, legal, etc.).

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

Proprietary funds distinguish *operating* revenues and expenses from the *non-operating* items. *Operating* revenues and expenses generally result from charges for providing service and producing and delivering goods in relation with a proprietary fund's principal operations. The principal operating revenues of the enterprise funds, charges for services, results from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Non-operating* revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources with the exception of those funds that are required by law 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 environmental services.

The City reports the following major enterprise funds:

Electric Fund. The Electric Fund accounts for the operation of the City's electric power distribution system.

Gas Fund. The Gas Fund accounts for the operation of the City's gas distribution system.

Water Resources Fund. The Water Resources Fund accounts for the operation of the City's water and sewer system.

Broadband Fund. The Broadband Fund accounts for the operation of the City's broadband services providing video, voice, and data services.

Mass Transit Fund. The Mass Transit Fund accounts for the operation of the City's mass transit system.

Industrial Air Center Fund. The Industrial Air Center Fund accounts for the operation of the City's municipal airport.

Stormwater Management Fund. The Stormwater Management Fund accounts for activities of the stormwater management system of the City.

Additionally, the government reports the following fund types:

Internal Service Funds. Internal Service Funds account for a risk management (insurance) program, limited risk self-insurance health program, and operation center facility operations and maintenance program.

Private Purpose Trust Fund accounts for monies held in trust for a private individual that provides financial assistance to private individuals for their education in fire fighting.

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, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Economic resources measurement focus requires all assets and liabilities are included on the statement of net position or balance sheet. Accrual basis accounting requires revenues to be recognized when earned and expenses to be recognized when a liability is incurred, regardless of the timing of related cash flow. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized as revenues in the fiscal year in which they are levied. Revenue from grants and donations is recognized in the fiscal year for which all eligibility requirements imposed by the provider 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 program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses separately from non-operating transactions. 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 funds are charges to customers for sales and services related to electric, gas, water, sanitary sewer, storm water management services and broadband services. The City also recognizes restoration of services, service taps, bus fares, and airport rentals as operating revenues. Operating expenses for enterprise funds include cost of sales and services, production and distribution, administration, and depreciation on capital assets. All revenues and expenses not meeting these criteria (such as investment earnings) are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current

period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for un-matured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Non-exchange transactions occur when one government provides (or receives) value to (or from) another party without receiving (or giving) equal value in return. The City regards all revenues as 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 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 the beer and wine 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 Wilson County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including, those dedicated for specific purposes are reported as general revenues rather than program revenues. 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.

The City reports deferred inflows of resources on its Governmental Funds Balance Sheet. Deferred inflows arise when potential revenue does not meet the ″available″ criteria for recognition in the current period. Deferred inflows also arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflows is removed from the governmental funds balance sheet and revenue is recognized.

D - Budgetary Data

The City's budget is adopted as required by the North Carolina General Statutes. The annual budgetary process entails the preparation of budgetary documents within an established timetable. The timetable is designed to incorporate the amount of time necessary to produce a draft budget document prior to June 1st, when the City Manager submits a proposed operating budget of estimated revenues and expenditures to the City Council for the fiscal year commencing July 1. Public hearings are conducted to obtain taxpayer comments. Prior to July 1st, the budget is legally enacted through passage of an ordinance. Annual appropriated budgets are adopted for the General Fund, Community Development Fund, General Government Capital Project Fund, Economic Development Reserve Fund and Enterprise Funds. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. The budget includes all funds with the exception of Trust Funds and the Internal Service Funds.

All annual appropriations lapse at the fiscal year end. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Project ordinances are adopted for Special Revenue Grant Projects, Capital Projects and Enterprise Fund Capital Projects, which are consolidated with the operating funds for reporting purposes.

The City Manager is authorized to transfer budgeted amounts between objects of expenditures within any department without limitation. The City Manager is also authorized to transfer up to $50,000 in budgeted expenditures between departments within each fund. All amendments must be approved by resolution of the City Council. The financial statement budget columns reflect all budget amendments adopted by the City Council through June 30.

During the year, several supplementary appropriations were necessary; however, individual amendments were not material in relation to the original appropriations.

Also as required by State law, the City's internal service funds (Risk Management, Group Insurance Benefit, and Operation's Center) operate under financial plans that were adopted by the governing board at the time the City's budget ordinance was approved. The financial plans were also entered into the minutes of the governing board.

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

1. Deposits and Investments

The deposits of the City of Wilson and each of its component units are secured as required by North Carolina General Statute ("G.S") 159-31. Each of these units may establish official depositories with any bank or savings and loan association whose principal office is located in North Carolina. G.S. 159-30(c) authorizes each of these units to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC registered external investment pool dedicated to serving North Carolina public units.

The City's investments with a maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices and in accordance with GASB Statement 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools. The securities of the NCCMT Government Portfolio, an SEC-registered (2a-7) external investment pool, are measured at amortized cost, which is the NCCMT's share price. For the majority of investments, the City has the ability to hold all securities to maturity. However, due to economic conditions and when it is beneficial to the City, the City may elect to sell investments prior to their maturity on the secondary market. In accordance with State law, the City has invested in securities 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.

Each of these units may also establish time deposits in the form of NOW, Super NOW and money market accounts, and certificates of deposit. Depositories must collateralize public deposits in excess of federal depository insurance coverage by using one of two methods. Under the *dedicated method*, each depository in the name of each local unit establishes a separate escrow account, and the responsibility of monitoring collateralization rests with the local unit. Under the *pooling method*, which is a collateral pool, each depository establishes an escrow account in the name of the State Treasurer to secure all its public deposits. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in its 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 its component units or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City or its component units 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 depository. The City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance.

2. Cash and Cash Equivalents

The City of Wilson and its component units pool money 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. It is the City's policy to use unrestricted resources first, and then restricted resources as needed.

3. Restricted Assets

Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected.

City of Wilson Restricted Cash		
Governmental Activities		
General Fund		
	Deposits	$ 644,490
Community Development Fund		
	Deposits	6,750
Total Governmental Activities		$ 651,240
Business-type Activities		
Electric Fund		
	Customer Deposits	$ 1,676,243
Gas Fund		
	Customer Deposits	196,937
Water Resources Fund		
	Customer Deposits	349,349
Mass Transit Fund		
	Customer Deposits	134
Broadband Fund		
	Customer Deposits	143,499
Total Business-type Activities		$ 2,366,162
Total Restricted Cash		$ 3,017,402

4. Ad Valorem Taxes Receivable

In accordance with North Carolina General Statutes (GS 105-347 and G.S. 159-13(a)), all ad valorem taxes are levied by the City of Wilson on property other than motor vehicles on July 1st, the beginning of the fiscal year. The Wilson County Tax Administrator acts as agent for the City in listing, assessing and collecting all taxes related to real and personal property located in the City. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2016.

By the following June 30, taxes receivable are delinquent and are not considered a resource to finance current year operations. A lien attaches to real property as of the listing date (January 2) and to personal property when the levy or garnishment attachment is made.

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. Internal Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

7. Inventory and Prepaid Items

The inventories of the City are recorded as an expenditure/expense when consumed rather than when purchased. Inventory is determined by physical count and valued at cost using the average cost method. These inventories are accounted for in the central warehouse, which is managed by the Purchasing Division in the Financial Services Department.

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

8. Long Term Receivables

Assessments that can be paid over a ten-year period which only require an annual payment amount that equals 10% of the original amount are considered long-term receivables. Notes receivable for Community Development loans that were incurred to improve substandard properties for rent to low-income people are financed for periods of 10 to 20 years. All of these receivables have a lien against real property for collateral.

9. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the entity-wide financial statements. Fund financial statements of governmental funds do not include capital assets since they are on the current financial measurement focus and the modified accrual accounting basis. Capital assets include individual assets that have a life of longer than one year and a value of $5,000 or greater, except for infrastructure assets, which must have a value of at least $50,000.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair market value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Any interest incurred during the construction phase of proprietary capital assets is reflected in the capitalized value of the asset constructed. 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.

Depreciation has been provided over the estimated useful lives of the capital assets using the straight-line method. The estimated useful lives are as follows:

Capital asset	Useful Life
Equipment	5 - 30 years
Land improvements	25 - 30 years
Buildings	30 - 50 years
Distribution systems	30 - 50 years
Infrastructure	30 - 50 years

10. Long-Term Obligations

Long-term liabilities are reported as liabilities in the government-wide statements and the proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs on debt issuance are expensed over the life of the debt. Governmental fund types do not show long-term liabilities in the fund financial statements since their measurement focus is on current financial resources and the modified accrual basis of accounting.

In 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.

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until that time. The City has a few items that meet this criterion: contributions made to pension plan in the 2017 fiscal year, benefit payments and administrative expenses for LEOSSA, and the difference between the reacquisition price and the net carrying amount of revenue bonds refunded. 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 a few items that meet this criterion: unearned revenue related to taxes receivable, assessments, and miscellaneous receivables, insurance premium prepayment, and pension deferrals. Fund statement receivables recorded in the governmental funds that have been assessed for improvements are recognized as a receivable on the assessment date and have been reduced by an allowance for doubtful accounts. The receivables are recognized as revenue when collected during the year. Government-wide and proprietary fund statements record revenue from receivables when the transaction occurs and have also been reduced by an allowance for doubtful accounts.

12. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the City, the current portion of the accumulated vacation pay is not considered to be material; therefore no expenditure or liability has been reported in the fund financial statements. The City also has a compensatory time policy that allows employees to accrue leave in lieu of payment for overtime worked. The City's liability for accumulated compensatory time, earned vacation and salary related payments as of June 30, 2017 are not recorded in the fund financial statements for governmental funds financial statements and are a reconciling item to government-wide financials. For the City′s proprietary funds financial statements and government-wide financials, an expense and a liability for compensated absences, and the salary related payments, are accrued within those funds when incurred. Vacation leave accrued over the 30 day limit is converted to sick leave annually. The City's liability for compensated absences at June 30, 2017 is $3,694,737. 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 policy of the City provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

13. 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 externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 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 not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

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)].

Restricted for general government – portion of fund balance restricted by revenue source to be utilized by the public affairs division of the administrative services department for cable television channels maintained by the City for public, educational or governmental use; such as adding additional programming or upgrading equipment.

Restricted for public safety – Police distributed share of Federal DEA, IRS/Customs Border Protection and Judicial forfeitures; State Controlled Substance Tax Assessment and pledged grant matching funds portion of fund balance restricted by revenue sources to be used for law enforcement to purchase vehicles, equipment, and other approved items.

Restricted for planning and development – portion of fund balance that is restricted by the N. C. Housing Finance Agency for energy efficient homes grants, urgent repair grants, and comprehensive rehabilitation needs to be utilized by the planning and development services department.

Restricted for culture and recreation – portion of fund balance that is restricted for parks and recreation department by corporate donation for park trail additions and improvements.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes by majority vote by quorum of Wilson's City Council (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing board. The City Council 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 public services – portion of fund balance committed by City Council for the public services department for public street maintenance (paving and resurfacing of streets) and for a rail station canopy replacement as matching funds for state grant.

Committed for planning and development – portion of fund balance committed by City Council for the planning and development services department for the purchase and/or construction of buildings for economic purposes; also, matching City funds for TIGER grant were set aside to fund engineering for substantial improvement along one of the City's main highway corridors.

Committed for culture and recreation – portion of fund balance committed by City Council for the construction of a whirligig park and adjourning infrastructure; along with site improvements to the City of Wilson's main park facility and trail and bridge improvements at one of the lake parks.

Assigned Fund Balance – the portion of fund balance that the City of Wilson intends to use for specific purposes.

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 City Council approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations within funds up to $50,000.

Assigned for planning and development – portion of fund balance assigned by City Council for community development administration and loan program management; also includes matching portion for Wilson inventory landscape trees grant.

Unassigned Fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City of Wilson follows the guidelines as set forth by the GASB Statement 54, that in the use of unrestricted fund balance amounts, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The City of Wilson has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bonds proceeds, federal funds, state funds, local non-city funds, city funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City.

It is the City's policy to maintain an amount of fund balance available for appropriation in the General Fund no less than twenty-five percent of annual expenditures.

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	$ 23,565,459
Less Inventories	400,300
Less Stabilization by State Statute	4,442,075
Available Fund Balance	$ 18,723,084

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
	$ 762,166	$ 2,835,845

The Downtown Development Corporation has encumbrances in the amount of $ 10,000.

14. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which 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 LGERS. Investments are reported at fair value.

15. Other Resources

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as "Transfers to other funds" in the General Fund and "Transfers from other funds" in the receiving fund in the fund financial statements.

16. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

17. Comparative Data/Reclassifications

Comparative data for the prior year has been presented on certain supplemental financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

Note 2. Detail Notes on All Funds

A. Assets

1. Deposits

At June 30, 2017, the carrying amount of the City's deposits, including restricted deposits, was $43,926,545. The carrying amounts of the Downtown Development Corporation and the Wilson Cemetery Commission deposits were $44,135 and $60,562 respectively. The City has balances totaling $1,448,410 invested in certificates of deposit, of which, $1,300 and $8,538 are presented in the Downtown Development Corporation and Wilson Cemetery Commission, respectively. The City has investments in Money Market accounts of $20,184,422, of which, $18,198 and $25,446 are presented in the Downtown Development Corporation and Wilson Cemetery Commission, respectively. The bank balances for the above deposits were $67,167,753, including all certificates of deposit and Money Market accounts, which consist of $67,056,335 for the City, $44,135 for the Downtown Development Corporation and $67,283 for the Wilson Cemetery Commission. At June 30, 2017, the City's petty cash fund totaled $8,400. The Downtown Development Commission and the Wilson Cemetery petty cash funds totaled $925 and $50, respectively. All deposits were maintained with financial institutions which collateralize deposits in excess of FDIC by the pooling method. Of the bank balance above, $250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

2. Investments

Pooled cash and investments are maintained and used by all funds.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

As of June 30, 2017, the City had the following investments and maturities:

Investment Type	Valuation Measurement Method	Investment Maturity (in Years) Fair Value	Less Than 1	1-5
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	$ 804,975		$ 804,975
Federal Home Loan Mortgage Corporation	Fair Value Level 1	10,265,082	1,425,530	8,839,552
Federal National Mortgage Association	Fair Value Level 1	19,899,246	2,665,164	17,234,082
NC Capital Management Trust - Government Portfolio	Amortized Cost	14,658,158	14,658,158	
		$ 45,627,461	$ 18,748,852	$ 26,878,609

As of June 30, 2017, the Wilson Cemetery Commission had the following investments and maturities:

Investment Type	Valuation Measurement Method	Investment Maturity (in Years) Fair Value	Less Than 1	1-5
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	$ 994		$ 994
Federal Home Loan Mortgage Corporation	Fair Value Level 1	12,683	1,761	10,922
Federal National Mortgage Association	Fair Value Level 1	24,586	3,293	21,293
NC Capital Management Trust - Government Portfolio	Amortized Cost	18,518	18,518	
		$ 56,781	$ 23,572	$ 33,209

As of June 30, 2017, the Downtown Development had the following investments and maturities:

Investment Type	Valuation Measurement Method	Investment Maturity (in Years) Fair Value	Less Than 1	1-5
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	$ 720		$ 720
Federal Home Loan Mortgage Corporation	Fair Value Level 1	9,175	1,274	7,901
Federal National Mortgage Association	Fair Value Level 1	17,786	2,382	15,404
NC Capital Management Trust - Government Portfolio	Amortized Cost	13,245	13,245	
		$ 40,926	$ 16,901	$ 24,025

Interest rate risk is not managed by a formal investment policy to limit exposure to fair value losses arising from rising interest rates.

The City has no policy on managing credit risk. General Statute 159-30(c) authorizes the City and its component units to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers′ acceptances; and the North Carolina Capital Management Trust, an SEC registered external investment pool. The City complies with these provisions.

The credit risk for the City and its component units are as follows:

Investment Type	**Credit Rating**
Federal Home Loan Bank	Aaa
Federal Home Loan Mortgage Corporation	Aaa
Federal National Mortgage Association	Aaa
NC Capital Management Trust – Government Portfolio	AAAm

Concentration of credit risk is not managed by a formal investment policy limiting the amount that may be invested in any one issuer.

The concentration of credit risk for the City and its component units are as follows:

Investment Type	**% of Total Investments**
Federal Home Loan Bank	2%
Federal Home Loan Mortgage Corporation	22%
Federal National Mortgage Association	44%
NC Capital Management Trust – Government Portfolio	32%

Investment income is allocated to the various funds based on their equity in a pooled account. Each fund′s equity in pooled cash and investments is set forth in the accompanying financial statements. As required for periods beginning after June 15, 1997 by Statement 31 of the Governmental Accounting Standards Board, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," the City and its component units are reported at fair value as determined

by quoted market prices. The NCCMT Government Portfolio′s securities are measured at amortized cost, which is the NCCMT′s share price.

During fiscal year ended June 30, 2017, the City, Downtown Development Corporation, and the Wilson Cemetery Commission have realized a net gain of $3,910, $0, and $9, respectively from the sale of investments. The calculation of realized loss is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses in investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of the investments reported in the prior year. The net increase/(decrease) in the fair value of the City′s, Downtown Development Corporation's and the Wilson Cemetery Commission's investments during fiscal year ended June 30, 2017 were $(550,785), ($333), and ($895) respectively. These amounts take into account all changes in fair value (including purchases and sales) that occurred during the year. The City′s, Downtown Development Corporation's, and the Wilson Cemetery Commission's unrealized gain / (loss) on investments held at June 30, 2017 were $494,651, $446, and $694 respectively.

3. Receivables - Allowance for Uncollectibles

The receivables shown for Governmental and Business-type activities are presented net of the following allowances for doubtful accounts as of June 30, 2017:

Funds	
Governmental	$ 3,639,530
Business-type	825,000
Total	$ 4,464,530

Accounts receivable for the Downtown Development Corporation are presented net of a $747 allowance for doubtful accounts.

4. Due from Other Agencies and Governments

The following summarizes amounts due from other agencies and governments by source as of June 30, 2017.

Funds	Local	State	Federal	Total
Governmental	$ 462,148	$ 262,569	$ 351,305	$ 1,076,022
Business-type	1,481	107,761	369,611	478,853
Total	$ 463,629	$ 370,330	$ 720,916	$ 1,554,875

The Downtown Development Corporation has a local due from other governments in the amount of $4,421.

5. Capital Assets

The following summarizes the changes in capital assets for the governmental activities:

Primary Government

	Beginning Balances	Additions	Transfers In/out	Retirements	Ending Balances
Governmental Activities					
Captial Assets, not being depreciated					
Land	$ 19,942,909	$ 460,206	$	$ (11,000)	$ 20,392,115
	19,942,909	460,206		(11,000)	20,392,115
Capital assets, being depreciated:					
Land Improvements	9,545,395	596,378			10,141,773
Buildings	17,956,898	187,014			18,143,912
Rolling Stock	16,933,157	1,991,785	(66,969)	(827,466)	18,030,507
General Equipment	7,097,652	887,390	15,315	(32,536)	7,967,821
Furniture, Fixtures, and equipment	4,225,354	120,229		(95,971)	4,249,612
Infrastructure	37,481,555				37,481,555
Sidewalks	1,047,359	273,115			1,320,474
Total capital assets, being depreciated	94,287,370	4,055,911	(51,654)	(955,973)	97,335,654
Less accumulated depreciation for:					
Land Improvements	(4,243,410)	(308,490)			(4,551,900)
Buildings	(7,375,450)	(360,493)			(7,735,943)
Rolling Stock	(12,730,883)	(902,543)	55,187	744,004	(12,834,235)
General Equipment	(3,655,919)	(420,641)	(4,084)	30,712	(4,049,932)
Furniture, Fixtures, and equipment	(4,125,517)	(33,992)		84,637	(4,074,872)
Infrastructure	(23,936,913)	(1,027,615)			(24,964,528)
Sidewalks	(164,605)	(34,781)			(199,386)
Total Accumulated Depreciation	(56,232,697)	(3,088,555)	51,103	859,353	(58,410,796)
Total capital assets, being depreciated, net	38,054,673	967,356	(551)	(96,620)	38,924,858
Governmental activities capital assets, net	$ 57,997,582	$ 1,427,562	$ (551)	$ (107,620)	$ 59,316,973

The following summarizes the changes in capital assets for the business-type activities:

	Beginning Balances	Additions	Transfers In (out)	Retirements	Ending Balances
Business-type activities					
Capital Assets, not being depreciated					
Land	$ 25,791,884	$ 2,984,827	$	$	$ 28,776,711
Construction in progress	21,345		(21,345)		
Total capital assets, not being depreciated	25,813,229	2,984,827	(21,345)		$ 28,776,711
Capital assets, being depreciated:					
Land Improvements	7,603,629				7,603,629
Buildings	20,722,723	519,025			21,241,748
Utility distribution System	333,454,150	9,770,467	21,345	(6,629)	343,239,333
Tanks Reservoirs dams Waterways	33,515,973				33,515,973
Rolling Stock and other vehicles	16,875,771	2,258,906	66,969	(524,459)	18,677,187
Furniture, fixtures, and equipment	37,161,372	3,382,261	(15,315)	(46,495)	40,481,823
Total capital assets, being depreciated	449,333,618	15,930,659	72,999	(577,583)	464,759,693
Less accumulated depreciation for:					
Land Improvements	(3,875,439)	(149,821)			(4,025,260)
Buildings	(8,915,764)	(398,036)			(9,313,800)
Utility distribution System	(144,367,007)	(7,954,994)		6,629	(152,315,372)
Tanks, reservoirs, dams, waterways	(11,835,331)	(654,432)			(12,489,763)
Rolling Stock and other vehicles	(13,768,308)	(946,060)	(55,187)	521,963	(14,247,592)
Furniture, fixtures, and equipment	(23,907,296)	(1,779,155)	4,084	46,496	(25,635,871)
Total Accumulated depreciation	(206,669,145)	(11,882,498)	(51,103)	575,088	(218,027,658)
Total capital assets, being depreciated, net	242,664,473	4,048,161	21,896	(2,495)	246,732,035
Business-type activities capital assets, net	$ 268,477,702	$ 7,032,988	$ 551	$ (2,495)	$ 275,508,746

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

Governmental activities:	
General government	$ 360,716
Public Safety	813,289
Highways and streets, including depreciation of general infrastructure assets	1,155,999
Environmental services	346,287
Culture and recreation	410,464
Planning and development	1,800
Total depreciation expense - governmental activities	$ 3,088,555
Business-type activities:	
Electric	$ 4,686,356
Gas	731,108
Water	4,084,522
Mass Transit	103,088
Industrial Air Center	9,514
Broadband	1,675,155
Stormwater	285,314
Operations Center	307,441
Total depreciation expense - business-type activities	$ 11,882,498

A summary of Wilson Cemetery Commission capital assets activity by type at June 30, 2017:

	Beginning Balance June 30, 2016	Additions	Transfers In (Out)	Retirements	Ending Balance June 30, 2017
Capital assets, not being depreciated:					
Land	$ 25,754	$	$	$	$ 25,754
Total capital assets, not being depreciated	25,754				25,754
Capital assets, being depreciated:					
Land Improvements	769,091	81,982			851,073
Buildings	76,609				76,609
Rolling Stock	184,584			(45,390)	139,194
Furniture, fixtures and equipment	124,800	9,372			134,172
Total capital assets, being depreciated	1,155,084	91,354		(45,390)	1,201,048
Less accumulated depreciation:					
Land improvements	(454,437)	(15,879)			(470,316)
Buildings	(69,831)	(778)			(70,609)
Rolling stock	(175,471)	(5,245)		45,390	(135,326)
Furniture, fixtures and equipment	(46,650)	(12,804)			(59,454)
Total accumulated depreciation	(746,389)	(34,706)		45,390	(735,705)
Total capital assets, being depreciated net	408,695	56,648			465,343
Total capital assets, net	$ 434,449	$ 56,648	$	$	$ 491,097

6. Operating Leases

The City has committed to various operating leases. Lease expenditures for the year ended June 30, 2017 amounted to $929,237.

Future minimum lease payments for these leases are as follows:

Year Ending	Amount
2018	$ 874,806
2019	479,206
2020	264,732
2021	92,643
2022	22,740
2023-2027	
	$ 1,734,127

7. Long-Term Debt

The City is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the City may have outstanding to eight percent (8%) of the appraised value of property subject to taxation. At June 30, 2017, the statutory legal debt margin for the City was $267,296,054.

Principal and interest requirements for Governmental Activities debt will be provided by appropriation in the General Fund in the year in which they become due. Principal and interest requirements for Business-type Activities debt will be

provided through operating revenues in the respective Business-type Activities Funds and appropriated in the year in which they become due.

Revenue Bonds issued in fiscal year 2003 pledge the income derived from the Combined Utility System for payment of the debt. These Series 2002 Revenue Bonds were subsequently refunded in fiscal years 2012 and 2014. Currently the Combined Utility System is composed of the Water System, Wastewater System and Gas System. Certain financial covenants are contained in the revenue bond order, among the most restrictive of which provide that the City maintain a long-term revenue bonded debt service coverage ratio of not less than 120%. The overall Combined Utility System debt service coverage ratio must be maintained at a ratio of 100%. The coverage ratio as of June 30, 2017 for revenue bonded debt service is 935.51% and 205.90% for all debt. The City is in compliance with the covenants as to rates, fees, rentals and charges as presented in the Report of Independent Auditors on Revenue Bond Covenant Compliance letter that is included in the Other Financial Information tab later in this report.

A summary of changes in long-term liabilities is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within 1 year
Governmental Activities					
Notes payable	$ 1,625,548	$	$ (361,095)	$ 1,264,453	$ 313,063
Post employment benefits	8,790,129	3,085,538	(1,899,635)	9,976,032	
Net pension Liability (LGERS)	2,143,752	7,711,377		9,855,129	
Total pension Liability-LEOSSA		4,612,672		4,612,672	
Accrued compensated balances	2,379,219	1,754,418	(1,621,655)	2,511,982	1,729,660
	14,938,648	17,164,005	(3,882,385)	28,220,268	2,042,723

The Downtown Development Corporation had accrued compensated absences balance of $27,064 as of June 30, 2017.

For the governmental funds, accrued compensated absences and post-employment benefits are generally liquidated in the General Fund.

Business Type Activities	Beginning Balance	Additions	Retirements	Ending Balance	Due Within 1 year
Electric Fund					
Electric Notes Payable	$ 1,570,537	$	$ (261,756)	$ 1,308,781	$ 261,756
Electric COPS Payable	22,705,000		(1,080,000)	21,625,000	760,000
Electric Deferred COPS Premium	521,242		(33,095)	488,147	
Electric Deferred COPS Discount	(71,169)		4,146	(67,023)	
Post employment benefits	1,324,546	453,243	(279,042)	1,498,747	
Net pension liability (LGERS)	343,498	1,253,697		1,597,195	
Accrued Compensated Absences	397,152	307,870	(287,981)	417,041	303,494
Electric Fund long term liabilities	26,790,806	2,014,810	(1,937,728)	26,867,888	1,325,250
Gas Fund					
Gas Notes Payable	953,385		(190,656)	762,729	190,656
Gas Revenue Bonds	2,535,075		(165,150)	2,369,925	166,275
Gas Deferred Revenue Bonds Premium	2,284		(190)	2,094	
Post employment benefits	344,120	122,027	(75,127)	391,020	
Net pension liability (LGERS)	93,681	341,917		435,598	
Accrued Compensated Absences	102,561	79,672	(78,747)	103,486	83,070
Gas Fund long term liabilities	4,031,106	543,616	(509,870)	4,064,852	440,001

CITY OF WILSON, NORTH CAROLINA

Business Type Activities	Beginning Balance	Additions	Retirements	Ending Balance	Due Within 1 year
Water Resources Fund					
Water & Sewer Notes Payable	13,553,708		(1,673,575)	11,880,133	1,673,575
Water & Sewer GO Bonds	7,325,000		(1,205,000)	6,120,000	1,205,000
Water and Sewer GO Bond Premium	415,553		(59,365)	356,188	
Water & Sewer Revenue Bonds	8,731,925		(568,850)	8,163,075	572,725
Water & Sewer Deferred Revenue Bond Premium	7,674		(639)	7,035	
Post employment benefits	1,275,783	444,526	(273,676)	1,446,633	
Net pension liability (LGERS)	364,347	1,481,642		1,845,989	
Accrued Compensated Absences	414,549	246,334	(263,932)	396,951	289,430
Water Resources Fund long term liabilities	32,088,539	2,172,502	(4,045,037)	30,216,004	3,740,730
Broadband Fund					
Broadband COPS Payable	21,750,039		(2,217,031)	19,533,008	2,687,633
Broadband Deferred COPS Premium	272,882		(46,290)	226,592	
Net pension liability (LGERS)	62,454	227,945		290,399	
Accrued Compensated Absences	205,189	127,509	(132,986)	199,712	136,183
Broadband Fund long term liabilities	22,290,564	355,454	(2,396,307)	20,249,711	2,823,816
Mass Transit Fund					
Post employment benefits	147,480	52,297	(32,197)	167,580	
Net pension liability (LGERS)	31,227	113,972		145,199	
Accrued Compensated Absences	32,923	14,397	(13,291)	34,029	12,640
Mass Transit Fund long term liabilities	211,630	180,666	(45,488)	346,808	12,640
Stormwater Management Fund					
Net pension liability (LGERS)	62,454	227,945		290,399	
Accrued Compensated Absences	24,004	20,126	(12,594)	31,536	14,214
Stormwater Fund long term liabilities	86,458	248,071	(12,594)	321,935	14,214
Operation Center Fund					
Operation Center COPS Payable	1,949,961		(287,969)	1,661,992	302,367
Operation Center Deferred COPS Premium	10,886		(2,177)	8,709	
Operation Center Fund long term liabilities	1,960,847		(290,146)	1,670,701	302,367
Business activity long-term liabilities	$ 87,459,950	$ 5,515,119	$ (9,237,170)	$ 83,737,899	$ 8,659,018

At June 30, 2017 long-term debt, excluding accrued compensated absences, consists of the following:

Governmental Activities:

General Fund

Notes Payable (Installment Contract):

Carter National Bank Land and Building purchase due in annual principal installment of $108,334 through June 2021, interest at 3.09%	$ 433,328
Carter Bank Building Renovation, note due in annual principal installments of $73,676 through June 2021, interest at 3.09%	294,610
Aerial Ladder Fire Truck; note due in annual installments at $139,369 including interest through May 2021, interest at 1.55%	536,515
Total Governmental Activities Long-Term Debt	$ 1,264,453

Business-Type Activities

Electric Fund:

Notes Payable (Installment Contract):

Industrial Development- Land note due in annual principal installments of $261,756 through June 2022, interest rate at 3.09%	1,308,781

Certificate of Participation Payable:

Electric system improvements Series 2007 A-1 certificates due in annual principal installments of $330,000 to $1,155,000 through May 2032, interest at 4.00% to 5.00%	9,485,000
Electric system improvements Series 2008 certificates due in annual principal installments of $475,000 to $1,330,000 through May 2033, interest at 3.25% to 5.00%	12,140,000
	21,625,000
Total Electric fund	22,933,781

Gas Fund:

Notes Payable (Installment Contract):

MGP Site Cleanup, note due in annual principal installments of $190,656 through June, 2021, interest at 3.09%	762,729

Revenue Bonds:

753,275 – 2013 Revenue Bonds due in annual principal installments of $142,875 to $150,525 through June 2019, including interest at 1.38%	298,800
2,155,500 – 2011 Revenue Bonds due in annual principal installments of $15,750 to $254,250 through June 2028, including interest at 2.99%	2,071,125
	2,369,925
Total Gas fund	3,132,654

Water Resources Fund:

Notes Payable (Installment Contract):	
Wastewater Facility upgrades to 14MGD; note due in annual principal installments of $654,601 through May 1, 2021; interest at 2.91%	2,618,404
Happy Valley Water Reuse and Sewer Rehabilitation; note due in annual principal installments of $22,468 beginning after the completion of the capital project and continuing through May 2025, interest at 2.205%.	179,747
Wastewater Facility Phase III Upgrade; note due in annual principal installments of $968,147, beginning after completion of the project and continuing through May 2026, interest at 2.205%.	8,713,329
Contentnea Interceptor Line; note due in annual principal installments of $28,358 through May 2030; interest rate at 0.00%.	368,653
	11,880,133
General Obligation Bonds:	
$15,280,000 – 2009 Water serial bonds due in annual principal installments of $225,000 to $1,345,000 through June 1, 2023: interest at 2.00% to 5.00%.	6,120,000
Revenue Bonds:	
$1,441,431 – 2013 Sewer Revenue Bonds due in annual principal installments of $280,856 to $295,894 through June 2019; interest at 1.38%	587,364
$1,084,294 – 2013 Water Revenue Bonds due in annual principal installments of $211,269 to $222,581 through June 2019 interest rate at 1.38%	441,836
$4,237,162 – 2011 Sewer Revenue Bonds due in annual principal installments of $30,960 to $499,790 through June 2028; interest at 2.99%	4,071,302
$3,187,338 – 2011 Water Revenue Bonds due in annual principal installments of $23,290 to $375,959 through June 2028; interest rate at 2.99%	3,062,573
	8,163,075
Total Water Resources fund	26,163,208

Broadband Fund:

Certificates of Participation Payable:	
Broadband system development Series 2007A-2 and Series 2007B certificates due in annual principal installments of $115,000 to $1,755,926 through April 2022, interest at 4.00% to 5.00%	9,698,008
Broadband system development Series 2008 certificates due in annual principal installments of $745,000 to $1,240,000 through May 2023, interest at 3.25% to 5.00%	9,835,000
Total Broadband fund	19,533,008

Operation Center Fund:

Certificates of Participation Payable:	
Operations Center Building Series 2007 A-2 certificates due in annual principal installments of $102,846 to 364,075 through April 2022: interest at 4.00% to 5.00%	1,661,992
Total Business Activities Long-Term Debt	$ 73,424,643
Total Primary Government Long-Term Debt	$ 74,689,096

Notes payable are collateralized by capital assets with a carrying value of $5,802,366, a lien on property sold to a third party and pledges of water resources revenues.

The annual requirements to amortize all long-term debt (except accrued compensated absences) outstanding as of June 30, 2017, including interest payments, are as follows:

	Governmental Activities		Business-type Activities		Total	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2018	$ 313,063	$ 30,809	$ 7,819,987	$ 2,879,134	$ 8,133,050	$ 2,909,943
2019	315,095	23,154	7,999,987	2,580,112	8,315,082	2,603,266
2020	317,158	15,467	8,265,986	2,306,535	8,583,144	2,322,002
2021	319,137	7,759	8,471,092	1,991,916	8,790,229	1,999,675
2022			7,840,732	1,663,961	7,840,732	1,663,961
2023-2027			19,426,785	5,133,465	19,426,785	5,133,465
2028-2032			12,270,074	1,962,911	12,270,074	1,962,911
2033-2037			1,330,000	66,500	1,330,000	66,500
	$ 1,264,453	$ 77,189	$ 73,424,643	$ 18,584,534	$ 74,689,096	$ 18,661,723

The annual requirements to amortize general obligation bonded debt outstanding as of June 30, 2017 including interest payments are as follows:

	Governmental Activities		Business-type Activities		Total	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2018	$	$	$ 1,205,000	$ 233,269	$ 1,205,000	$ 233,269
2019			1,205,000	173,019	1,205,000	173,019
2020			1,180,000	133,856	1,180,000	133,856
2021			1,160,000	92,556	1,160,000	92,556
2022			1,145,000	50,506	1,145,000	50,506
2023-2027			225,000	9,000	225,000	9,000
	$	$	$ 6,120,000	$ 692,206	$ 6,120,000	$ 692,206

The annual requirements to amortize revenue obligation bonded debt outstanding as of June 30, 2017 including interest payments are as follows:

	Governmental Activities		Business-type Activities		Total	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2018	$	$	$ 739,000	$ 287,813	$ 739,000	$ 287,813
2019			754,000	276,183	754,000	276,183
2020			890,000	256,991	890,000	256,991
2021			915,000	230,005	915,000	230,005
2022			945,000	202,199	945,000	202,199
2023-2027			5,160,000	563,765	5,160,000	563,765
2028-2032			1,130,000	16,893	1,130,000	16,893
	$	$	$ 10,533,000	$ 1,833,849	$ 10,533,000	$ 1,833,849

The annual requirements to amortize certificates of participation obligation bonded debt outstanding as of June 30, 2017 including interest payments are as follows:

	Governmental Activities		Business-type Activities		Total	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2018	$	$	$ 3,750,000	$ 2,013,902	$ 3,750,000	$ 2,013,902
2019			3,915,000	1,843,202	3,915,000	1,843,202
2020			4,069,999	1,684,422	4,069,999	1,684,422
2021			4,270,000	1,494,534	4,270,000	1,494,534
2022			4,470,001	1,292,877	4,470,001	1,292,877
2023-2027			9,960,000	4,344,249	9,960,000	4,344,249
2028-2032			11,055,000	1,946,018	11,055,000	1,946,018
2033-2037			1,330,000	66,500	1,330,000	66,500
	$	$	$ 42,820,000	$ 14,685,704	$ 42,820,000	$ 14,685,704

The annual requirements to amortize notes payable for certain equipment, facilities and real property outstanding as of June 30, 2017, including interest payments are as follows:

	Governmental Activities		Business-type Activities		Total	
Year Ending	Principal	Interest	Principal	Interest	Principal	Interest
2018	$ 313,063	$ 30,809	$ 2,125,987	$ 344,150	$ 2,439,050	$ 374,959
2019	315,095	23,154	2,125,987	287,708	2,441,082	310,862
2020	317,158	15,467	2,125,987	231,266	2,443,145	246,733
2021	319,137	7,759	2,126,092	174,821	2,445,229	182,580
2022			1,280,731	118,379	1,280,731	118,379
2023-2027			4,081,785	216,451	4,081,785	216,451
2028-2032			85,074		85,074	
	$ 1,264,453	$ 77,189	$ 13,951,643	$ 1,372,775	$ 15,216,096	$ 1,449,964

8. Pension Plan Obligations

Local Governmental Employees′ Retirement System

Plan Description. The City of Wilson, and its component units, are participating employers in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the 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 of Wilson employees and its component unit 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 and its component units' contractually required contribution rate for the year ended June 30, 2017, was 8.00% of compensation for law enforcement officers and 7.31% 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 $2,917,355 for the year ended June 30, 2017. Of this amount, $2,898,885 represents the City's contribution and $18,470 represents the City's component unit, the Downtown Development Corporation because of its inclusion in the City's Agency account for LGERS.

Contributions to the pension plan from the City's component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, were $14,389 for the year ended June 30, 2017.

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, 2017, the City reported a liability of $14,519,955 for its proportionate share of the net pension liability, which includes the City's share of $14,459,908, and the City's component unit, the Downtown Development Corporation, with a share of $60,047 because of its inclusion in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, reported liabilities of $80,012 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. The total pension liability was then rolled forward to the measurement date of June 30, 2016 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2016, the City's proportion was 0.68415%, which was a decrease of 0.01165% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the City recognized pension expense of $3,736,256 for the City's share and the City's component unit, the Downtown Development Corporation which is included in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, recognized pension expense of $23,153. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 272,805	$ 508,796
Changes of assumptions	994,487	
Net difference between projected and actual earnings on pension plan investments	8,027,707	
Changes in proportion and differences between City contributions and proportionate share of contributions		526,560
City contributions subsequent to the measurement date	2,917,355	
Total	$ 12,212,354	$ 1,035,356

$2,917,355 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to

the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2018. Of this amount, $2,898,885 represents the City's contribution and $18,470 represents the City's component unit, the Downtown Development Corporation because of its inclusion in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, contributed $14,389. $1,035,356 is reported as deferred inflows of resources, and of this amount $1,026,091 is for the City and $9,265 is for the City's component unit, the Downtown Development Corporation. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, had $5,793 reported as deferred inflows of resources. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 1,158,717
2019	1,160,282
2020	3,692,856
2021	2,247,788
2022	-
Thereafter	

Actuarial Assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 7.75 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, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2016 are summarized in the following table:

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

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability (asset)	$ 34,462,626	$ 14,519,955	$ (2,137,647)

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

Law Enforcement Officers Special Separation Allowance (″Plan″)

Plan Description. The City of Wilson administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 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, 2016, the Separation Allowance's membership consisted of:

Inactive Members Currently Receiving Benefits	16
Active plan members	115
Total	131

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 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 criteria which are outlined in GASB Statement 73.

Actuarial Assumptions. The entry age actuarial cost method was used in the December 31, 2015 valuation. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.86 percent

The discount rate used to measure the TPL is the weekly average of the Bond Buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

DEATHS AFTER RETIREMENT (HEALTHY): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 104% for males and 100% for females.

DEATHS BEFORE RETIREMENT: RP-2014 Employee base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015.

DEATHS AFTER RETIREMENT (BENEFICIARY): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 123% for males and females.

DEATHS AFTER RETIREMENT (DISABLED): RP-2014 Disabled Retiree base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 103% for males and 99% for females.

Contributions. The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are paid in the General Fund. The City paid $237,640 as benefits came due for the reporting period.

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

At June 30, 2017, the City reported a total pension liability of $4,612,672. The total pension liability was measured as of December 31, 2016 based on a December 31, 2015 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2016 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2017, the City recognized pension expense of $339,233.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	$
Changes of assumptions and other inputs		96,862
Benefit payments and administrative expenses subsequent to the measurement date	107,463	
Total	$ 107,463	$ 96,862

$107,463 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ (19,180)
2019	(19,180)
2020	(19,180)
2021	(19,180)
2022	(19,180)
Thereafter	(962)

$107,463 paid as benefits came due and $0 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 3.86 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage-point higher (4.86 percent) than the current rate:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Total Pension Liability	$ 5,026,507	$ 4,612,672	$ 4,236,386

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

	2017
Beginning balance	$ 4,608,320
Service Cost	197,759
Interest on the total pension liability	160,275
Changes of benefit terms	
Differences between expected and actual experience in the measurement of the total pension liability	
Changes of assumptions or other inputs	(116,042)
Benefit payments	(237,640)
Other changes	
Ending Balance of the total pension liability	$ 4,612,672

The plan currently uses mortality tables that vary by age, 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, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Retirement Income Plan

Plan Description. The City and the Downtown Development Corporation provide retirement benefits for all of its law enforcement officers and other full-time employees through a defined contribution plan administered by the North Carolina Department of the State Treasurer and a Board of Trustees. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Participation begins at the date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. The Wilson Cemetery Commission does not provide these benefits. 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 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, NC 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires that the City contribute an amount equal to 5% of each law enforcement officer′s salary each month. The City also makes a contribution of 5% for all other full-time and certain part-time employees. All covered employees may make voluntary contributions to the Plan. All contributed amounts plus investment earnings allocated to the employee accounts are fully vested immediately. Total contributions for the year ended June 30, 2017 were $2,752,699 which consisted of $1,963,955 from the City and $788,744 from employees.

9. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

10. Other Post-Employment Benefits (OPEB)

Plan Description. Under the terms of a City resolution, the City administers a single-employer defined benefit Healthcare Benefits Plan ("HCB Plan"). The City pays the full cost of coverage for employees' benefits through private insurers and employees have the option of purchasing dependent coverage at the City's group rates. The City pays the full cost of coverage for employees' (excluding a maximum $15 contribution by the retiree) hired prior to July 1, 1991. The City will pay a graduated amount of the cost of coverage for employees hired between July 1, 1991 and June 30, 1993 ranging from $0 for employees with 10 years or less of service with the City to a maximum of the full premium less a $15 contribution by the retiree for employees with 21 or more years of service with the City. No post-employment health benefits will be provided to employees hired after July 1, 1993. The plan provides lifetime healthcare benefits for eligible retirees until they become ineligible for coverage or eligible for Medicare at their cost. Benefit provisions are established by the City and funded through the annual budget process adopted by City Council. Also, the City's retirees can purchase coverage for their dependents at the City's group rates. The City Council may amend the benefit provisions.

Retired Employees' Years Of Creditable Service	Date Hired	
	Pre-July 1, 1993	On or after July 1, 1993
Less than 10 years	Not eligible for coverage	Not eligible for coverage
10-20 years	Graduated amount paid by City	Not eligible for coverage
20+ years	Full coverage paid by City	Not eligible for coverage

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 receiving benefits	272	18
Active plan members	72	8
Total	344	26

Funding Policy. The City pays part of the coverage cost for the healthcare benefits paid to qualified retirees under a City resolution that can be amended by City Council. The City's members pay $15 per month for individual coverage, $73 per month for parent/child coverage, $168 per month for employee/spouse coverage and $257 per month for family coverage to age 65. Medicare coverage contribution amount for the retiree is $6.36 per month after age 65. The City has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 94.56% of annual covered payroll. For the current year, the City contributed $2,559,677 or 53.82% of covered payroll. The City obtains healthcare coverage through private insurers.

Summary of Significant Accounting Policies. Postemployment expenditures are made from the Group Insurance Benefits Fund, which is maintained on the modified accrual basis of accounting during the year. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation. The City's OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an 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. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the healthcare benefits:

Annual Pension Cost and Net Pension Obligation Calculation

Annual required contribution	$4,496,730
Interest on net OPEB obligation	475,282
Adjustment to annual required contribution	(814,381)
Annual OPEB cost (expense)	4,157,631
Contributions made	(2,559,677)
Increase (decrease) in OPEB obligation	1,597,954
Net OPEB obligation - beginning of year (as restated)	11,882,058
Net OPEB obligation - end of year	$13,480,012

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 were as follows:

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	3,050,581	69.0%	11,692,452
2016	3,082,109	93.8%	11,882,058
2017	4,157,631	61.6%	13,480,012

Funded Status and Funding Progress. As of December 31, 2015, 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 $56,953,283. The covered payroll (annual payroll of active employees covered by the plan) was $4,755,125, and the ratio of the UAAL to the covered payroll was 1197.7 percent. 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 multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to 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 the 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 assets, consistent with the long-term prospective of the calculations.

In the December 31, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent 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 to 5.00 percent annually. The investment rate included a 3.00 percent inflation assumption. The actuarial value of assets, if 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 dollar amount of projected payroll on a closed basis. The remaining amortization period at December 31, 2015, was 21 years.

11. Other Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for Members of the Local Governmental Employees′ Retirement System (Death Benefit Plan), a multiple-employer, State administered, cost-sharing plan funded on a one-year term cost basis. Lump-sum death benefits are provided to the beneficiaries of those employees 1) who die in active service after one year of contributing membership in the System, or 2) 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. This payment is 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 be less than $25,000 and no more than $50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible employees. 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. Contributions are determined as a percent of monthly payroll based on rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City considers these contributions immaterial.

12. Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources at June 30, 2017. Deferred outflows of resources are comprised of the following:

Source	Amount
Deferred outflow of resources on refunding	$ 61,184
Pension deferrals - LGERS	9,263,396
Contributions to pension plan in current fiscal year - LGERS	2,898,885
Benefit payments made and admin expenses - LEOSSA	107,463
	$ 12,330,928

The City's component unit, the Downtown Development Corporation, had pension deferrals of $31,603 and contributions to pension plan in the current fiscal year of $18,470, which are not in the table above, but are included in the table under Note 8 for Deferred Outflows of Resources because of the inclusion in the City's Agency account for LGERS.

The City has several deferred inflows of resources at June 30, 2017. Deferred inflows of resources at year-end are comprised of the following:

Source	Amount
Retiree insurance premium prepayments	$ 3,189
Uncollected property taxes, assessments, and miscellaneous receivables (General Fund)	2,115,321
Pension deferrals - LGERS	1,026,091
Pension deferrals - LEOSSA	96,862
	$ 3,241,463

The City's component unit, the Downtown Development Corporation, has pension deferrals of $9,265 not reflected in the table above, but are included in the table under Note 8 for Deferred Inflows of Resources because of its inclusion in the City's Agency account for LGERS.

13. Other Resources

During the year, the General, Electric, and Gas Funds provided substantial support to various other funds in the form of transfers. Transfers are used to move unrestricted revenues to fund various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs. The computation of the transfers is consistent with the method allowed by the General Assembly and within the City's established policy, and includes a portion to cover payment in lieu of taxes. Transfers from the Electric, Gas, and General Fund to the Mass Transit and Industrial Air Center Funds are to support operations within the specific fund. Transfers from the General Fund to Community Development are to support operations. Transfers to other Special Revenue Fund(s) are to support operations pertaining to those specific purposes. Transfers to Capital Projects are to fund capital needs.

Specific to fiscal year 2017 transfers, the General Fund made transfers of $2,500 to the Economic Development Building Reuse ("217 Brew Works") Grant Project and $5,000 to the 2016 Urgent Repair Grant Project to provide matching funds for the grants; and a transfer of $112,000 to the Community Development Fund to help cover operating costs. Also, transfers from the General Fund were made to the following capital projects: Fleming Stadium Improvements capital project ($20,825), J. Burt Gillette Athletic Complex Grass Soccer Fields capital project ($79,835), J. Burt Gillette Athletic Complex Site Improvements capital project ($2,016,070), Lake Wilson Walking Trail & Bridge capital project ($200,000), Public Street Maintenance & Construction capital project ($725,000), and the General Government Capital Project Fund ($200,000). The Electric Fund made transfers for Economic Community Investment for the following projects: TIGER grant match ($762,800), Downtown Building Revitalization project ($250,000), and to the Economic Development Reserve Fund ($325,000). The Electric Fund also made transfers to the General Fund ($2,174,730) and to the Mass Transit Fund ($166,500).

A summary of the City′s transfers is listed below:

	Transfers In						
Transfers Out	**General**	**Mass Transit**	**Industrial Air Center**	**Special Revenue**	**Water Resources**	**Capital Projects**	**Total**
General	$	$ 12,000	$ 118,000	$ 119,500	$	$ 3,241,730	$ 3,491,230
Electric	2,174,730	166,500				1,337,800	3,679,030
Gas	1,232,020	111,000					1,343,020
Water Resources						80,000	80,000
Stormwater Mgmt.					20,200		20,200
Capital Projects	60,626			895		1,200,000	1,261,521
Total Transfers In	$ 3,467,376	$ 289,500	$ 118,000	$ 120,395	$ 20,200	$ 5,859,530	$ 9,875,001

14. Inter-fund Receivables/Payables

Balances due to/from other funds at June 30, 2017 consist of the following:

Due to General Fund for temporary coverage of grant eligible expenditures yet to be reimbursed by the grant agency.

Non-major Governmental	$ 139,235
Total	$ 139,235

Advance Loans between funds:
In fiscal years 2008 and 2009, funds were loaned in the amount of $1,980,000 and $1,250,000, respectively, to the Broadband Fund from the Gas Fund to help fund expenditures in the initial startup years of this enterprise. The term over which the loan is scheduled to be re-paid is 15 years, commencing FY 2014 and ending FY 2029.

15. Commitments and Contingencies

The City is involved in litigation for several general liability claims. The City intends to defend the cases vigorously. The City also believes the ultimate resolution of the proceedings is not likely to have a material adverse impact on its financial position.

North Carolina Eastern Municipal Power Agency

On July 13, 1981 the City entered into a fifty-year contract with the North Carolina Eastern Municipal Power Agency (the Power Agency) to purchase electric power. The Power Agency is organized as a public body under the laws of the State of North Carolina. The Power Agency is authorized to study, plan, finance, construct, reconstruct, acquire, improve, enlarge, extend, better, own, operate, and maintain systems or facilities or any interest therein for the generation, transmission and/or transformation, of electric power and energy and is authorized to sell for resale electric power and energy.

The City has agreed to purchase its share (15.5%) of the Power Agency output and to charge rates for electric power and energy sold sufficient to provide revenues adequate to meet its obligation to the Power Agency.

The obligation of the City to purchase electric power is an operating expense of the Electric Fund and is payable solely from the revenues of the Electric Fund.

Construction Projects

At June 30, 2017, the City is obligated for $2,116,180 in commitments for construction project contracts. The commitments are fully budgeted.

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 monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

16. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Losses from asserted claims and from unasserted claims identified under the City's incident reporting system are accrued based on estimates that incorporate the City's past experience, as well as other considerations including the nature of each claim and relevant trend factors.

The City has established the following funds to account for and finance its uninsured risks of loss.

Group Insurance Benefits Fund

The City has established a limited risk management program (an internal service fund) for employees' health, dental, vision, and life insurance benefits. Premiums are paid into the Group Insurance Benefits Internal Service Fund by all other funds and are available to pay claims and administrative costs of the program. During fiscal year 2017, a total of $10,104,017 (cash basis) was incurred for medical benefits and administrative costs.

An excess coverage health insurance policy covers individual medical claims in excess of $160,000 per employee. Incurred but not reported claims of $1,278,642 and reported claims of $171,633 have been accrued as liabilities at June 30, 2017. Inter-fund premiums are based primarily upon the insured fund′s claims experience and are reported as inter-fund services provided and used.

During the year there was no significant decrease in insurance coverage, nor have there been any settlements in excess of insurance coverage for the past three years.

Risk Management Fund

The City has established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. In fiscal year 2016-2017 the Risk Management Fund provided coverage for up to a maximum of $500,000 for each worker′s compensation claim, a maximum of $500,000 for automobile and general liability claims, a $500,000 maximum for property and casualty claims and police officer and public official liability claims, a $25,000 maximum for property loss coverage, and a $5,000 maximum for flood insurance claims. City employees are covered under a blanket dishonesty bond through our employee dishonesty coverage. The deductible for this $500,000 coverage is $5,000. Additionally, the Chief Financial Officer is bonded for $250,000. The $5,000 deductible for flood insurance applies to those properties insured through the National Flood Insurance Plan (NFIP). Because the City has been designated to be in an "A" area (close to a river, lake or stream) by the Federal Emergency Management Agency, the City is eligible to purchase coverage up to $500,000 per structure through the NFIP. Comprehensive and collision losses for most vehicles are self-insured. The City purchases commercial insurance for claims in excess of coverage provided by the Risk Management Fund. Settled claims have not exceeded insurance coverage in the last three years.

All funds participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to maintain an adequate reserve for catastrophic losses. Accrued liabilities as of June 30, 2017 included $539,182 for incurred but not reported claims and $115,975 for reported claims. The reserve as of June 30, 2017 was $5,730,957 as reported as total net position of the Risk Management Fund.

The claims liability reported at June 30, 2017 for each fund, if any, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in Risk Management Claims Liability amounts for the years ended June 30, 2016 and 2017 were as follows:

Fiscal Year	Group Insurance Benefits Fund	Risk Management Fund
June 30, 2017		
Insurance claims payable, Beginning of year	$ 1,596,598	$ 655,241
Claims and changes in estimates	9,498,373	733,109
Claim payments	(9,644,696)	(733,193)
Insurance claims payable, end of year	$ 1,450,275	$ 655,157
June 30, 2016		
Insurance claims payable, Beginning of year	$ 1,531,996	$ 638,305
Claims and changes in estimates	9,936,789	745,645
Claim payments	(9,872,187)	(728,709)
Insurance claims payable, end of year	$ 1,596,598	$ 655,241

17. Related Organizations

Wilson Housing Authority

The City Council appoints the five-member board of the Wilson Housing Authority. The City′s accountability does not extend beyond making these appointments. The Wilson Housing Authority makes payments in lieu of property taxes to the City. The City recorded revenue of $6,986 for the year ended June 30, 2017. Complete financial statements for the Housing Authority can be obtained from the Authority's office at 301 East Nash Street, Wilson, North Carolina 27893.

18. Joint Ventures

Wilson Economic Development Council

The City is a participant with the County of Wilson (County) in a joint venture, the Wilson Economic Development Council (the Council), to promote industrial and commercial development of the City and the County of Wilson. A nine-member board composed of four appointees from the City, four appointees from the County, and a chairman from either the City or County, based on election by the board, manages the Council. The by-laws of the Council state that the City and County are to provide funding for the financial requirements and operations of the Council. In accordance with the joint venture agreement, the City contributed $294,045 to the Council for the year ended June 30, 2017. The participating governments do not have any equity interest in the joint venture. Accordingly, no equity interest has been reflected in the financial statements at June 30, 2017. Complete financial statements for the Council can be obtained from the Council′s administrative office at 126 West Nash Street, Wilson, North Carolina 27893.

Rocky Mount - Wilson Airport Authority

The City is a participant with the County of Wilson, City of Rocky Mount, County of Edgecombe and County of Nash in a joint venture to operate the Rocky Mount - Wilson Airport Authority (the Authority) for the joint benefit of all co-sponsors. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor′s original contribution. The city′s initial contribution totaled $200,000, which represents two-sevenths of the total contribution. A seven-member board governs the Authority, two from each City and one from each County. All co-sponsors are obligated by contract to contribute funds on an annual basis, as needed, to enable the Authority to operate the airport. The City contributed $95,720 to the Authority during the year ended June 30, 2017. The participating governments have an equity interest in the joint venture. The City has a share of 29% in the joint venture, and accordingly, an equity interest has been reflected in the City's financial statements in the Statement of Net Position as a non-current asset in the amount of $2,042,981 at June 30,

2017. This amount represents 29% of the net position of the Authority shown in their audited June 30, 2016 financial statements. Complete financial statements for the Authority can be obtained from the Authority′s administrative office at 250 Airport Drive, Elm City, North Carolina 27822.

19. Jointly Governed Organizations

North Carolina Eastern Municipal Power Agency

The City, in conjunction with 32 other local governments, is a member of the North Carolina Eastern Municipal Power Agency (the Agency). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation and transmission facilities. Each participating government appoints one commissioner to the Agency′s governing board. The 32 members, who receive power from the Agency, have signed power sales agreements to purchase a specified share of the power generated by the Agency. Except for the power sales purchase requirements, no local government participant has any obligation, entitlement or residual interest. The City′s purchases of power for the year ended June 30, 2017 were $86,192,736.

On July 31, 2015 the NCEMPA completed the sale of most of its electricity generating assets to Duke Energy. These proceeds were used to defease the NCEMPA's outstanding revenue bonds. The NCEMPA entered into contractual arrangements with its member cities and Duke Energy. Under these arrangements, the NCEMPA will supply wholesale power to its members and will purchase this power from Duke Energy. In addition to payments made for electric power, NCEMPA members will make payments for their share of the debt service on the NCEMPA's new revenue bonds.

The Wilson City Council voted in FY 2016 to lower rates nearly 18 percent for residential customers, the largest rate cut in history. The rate decrease was made possible by the sale of power plants owned by North Carolina Eastern Municipal Power Agency (NCEMPA), the city of Wilson's wholesale power provider. Wilson approved the largest decrease in rates among all the NCEMPA cities, and savings began in September 2015. In April 2016, the collective savings reached $10 million and continues to grow every day. Average monthly utility bills have decreased by $62 since the rate decrease was enacted. "For years, the City Council searched for a solution to our electric utility costs," said City Councilman Donald Evans, who also serves as the secretary of the NCEMPA Board of Commissioners. "Until recently, we didn't have any feasible options to reduce the wholesale cost of power. We were incredibly pleased to be a part of the historic $1.2 billion NCEMPA transaction that resulted in passing along this savings to Wilson Energy customers."

Upper Coastal Plain Council of Governments

The City, in conjunction with five counties and 35 other municipalities established the Upper Coastal Plain Council of Governments (the Council). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council′s governing board. The City received $14,999 in grants from the Council and expenditures to the Council for dues and professional services totaled $22,314 during the fiscal year ended June 30, 2017.

Electricities of North Carolina, Inc.

Electricities of North Carolina, Inc. is a nonprofit organization which provides support to 64 municipally owned electric utilities, and represents member interest in legislative and regulatory matters. The City paid dues and training costs of $10,338 to Electricities of North Carolina, Inc. during the fiscal year ended June 30, 2017.

20. Change in Accounting Principles/Restatement

The City implemented Governmental Accounting Standards Board (GASB) Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB 67 and 68*, in the fiscal year ending June 30, 2017. The implementation of the statement required the City to record beginning total pension liability and the effects on net position of benefit payments and administrative expenses paid by the City to the Law Enforcement Officers' Special Separation Allowance during the measurement period (fiscal year ending December 31, 2016). As a result, net position for the governmental activities decreased by $5,057,571.

CITY OF WILSON, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
FOR YEAR ENDING JUNE 30, 2017

	2017
Beginning balance	$ 4,608,320
Service Cost	197,759
Interest on the total pension liability	160,275
Changes of benefit terms	
Differences between expected and actual experience in the measurement of the total pension liability	
Changes of assumptions or other inputs	(116,042)
Benefit payments	(237,640)
Other changes	
Ending balance of the total pension liability	$ 4,612,672

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

CITY OF WILSON, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
FOR YEAR ENDING JUNE 30, 2017

	2017
Total pension liability	$ 4,612,672
Covered payroll	$ 6,799,646
Total pension liability as a percentage of covered payroll	67.84%

Notes to the schedules:

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

CITY OF WILSON, NORTH CAROLINA

OTHER POST EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN
REQUIRED SUPPLEMENTARY INFORMATION
ANALYSIS OF FUNDING PROGRESS
YEARS ENDED JUNE 30, 2017 (UNAUDITED)

(1) Actuarial Valuation Date	(2) Actuarial Value of Assets	(3) Actuarial Accrued Liability (AAL) Projected Unit Credit	(4) Unfunded AAL (UAAL) (3) - (2)	(5) Funded Ratio (2)/(3)	(6) Annual Covered Payroll	(7) UAAL as a Percentage Of Covered Payroll (4)/(6)
12/31/05		$ 77,731,284	$ 77,731,284	0.00%	$ 12,113,128	641.7%
12/31/07		55,368,638	55,368,638	0.00%	9,608,663	576.2%
12/31/09		45,738,371	45,738,371	0.00%	10,532,109	434.3%
12/31/11		40,547,913	40,547,913	0.00%	6,986,833	580.3%
12/31/13		41,904,743	41,904,743	0.00%	6,347,053	660.2%
12/31/15		56,953,283	56,953,283	0.00%	4,755,125	1197.7%

CITY OF WILSON, NORTH CAROLINA

OTHER POST EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

Years Ended June 30	Annual Required Contribution	Percentage Contributed
2009	$ 4,044,482	38.68%
2010	4,196,150	55.72%
2011	3,550,501	73.68%
2012	3,550,501	58.97%
2013	3,167,924	63.18%
2014	3,229,325	74.13%
2015	3,316,249	63.48%
2016	3,392,393	85.26%
2017	4,496,730	56.92%

Notes to the Required Schedules:

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 data	12/31/15
Actuarial cost method	Projected unit credit
Amortization method	Level dollar amount, closed
Remaining amortization period	21
Asset Valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return	4.00%
Medical cost trend rate	7.75 to 5.00%
Year of Ultimate trend rate	2022
Includes inflation at	3.00%

CITY OF WILSON, NORTH CAROLINA

PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST FOUR FISCAL YEARS*

Local Government Employees' Retirement System

	2017	2016	2015	2014
Wilson's proportion of the net pension liablity (asset) (%)	0.68415%	0.69580%	0.70547%	0.70640%
Wilson's proportion of the net pension liablity (asset) ($)	$ 14,519,955	$ 3,122,709	$ (4,160,484)	$ 8,514,833
Wilson's covered payroll	$ 38,140,818	$ 36,984,060	$ 36,113,259	$ 33,433,176
Wilson's proportinate share of the net pension liability (asset) as a percentage of its covered payroll	38.07%	8.44%	-11.52%	25.47%
Plan fiduciary net pension as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

The City's proportion includes the amount for the City's component unit, the Downtown Development Corporation because it shares the same ORBIT account number in LGERS.

CITY OF WILSON, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION
LAST FOUR FISCAL YEARS
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)

Local Government Employees' Retirement System

	2017	2016	2015	2014
Contractually required contribution	$ 2,917,355	$ 2,592,195	$ 2,636,097	$ 2,566,344
Contributions in relation to the contractually required contribution	2,917,355	2,592,195	2,636,097	2,566,344
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Wilson's covered payroll	$ 39,285,918	$ 38,140,818	$ 36,984,060	$ 36,113,259
Contributions as a percentage of covered payroll	7.43%	6.80%	7.13%	7.11%

The City's contribution includes the amount for the City's component unit, the Downtown Development Corporation because it shares the same ORBIT account number in LGERS.

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL BALANCE SHEETS- GENERAL FUND
JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
Cash and cash equivalents/investments	$ 22,300,856	$ 24,003,231
Receivables (net of allowance for uncollectibles):		
Property taxes	578,959	623,062
Motor vehicle license taxes	11,097	16,286
Sales tax distribution	1,384,389	1,339,668
Video programming	94,000	96,000
Utility sales tax	991,000	1,080,000
PEG Channel tax	20,690	21,000
Telecommunications tax	94,000	95,000
Assessments - paving/clearing	927,124	1,179,165
Accrued interest	28,414	20,287
Other receivables	598,141	445,823
Interfund receivables	139,235	408,245
Due from other agencies and governments	928,181	361,251
Inventories	400,300	367,721
Restricted cash and cash equivalents	644,490	384,412
TOTAL ASSETS	$ 29,140,876	$ 30,441,151
LIABILITIES		
Accounts payable	$ 1,401,197	$ 1,544,112
Accrued wages and amounts withheld	1,310,732	1,218,545
Payable from restricted assets	644,490	384,412
Other liabilities	103,677	91,316
TOTAL LIABILITIES	3,460,096	3,238,385
DEFERRED INFLOWS OF RESOURCES		
Uncollected property taxes, assessments and miscellaneous receivables	2,115,321	2,264,335
TOTAL DEFERRED INFLOWS OF RESOURCES	2,115,321	2,264,335
FUND BALANCES		
Non Spendable		
Inventories	400,300	367,721
Restricted		
Stabilization by State Statute	4,442,075	4,186,989
General government	194,852	178,615
Public safety	353,588	273,240
Committed		
LEO Special Separation Allowance		223,752
Assigned		
Subsequent year's expenditures	4,404,100	3,951,230
Planning and development		17,500
Unassigned	13,770,544	15,739,384
Total fund balances	23,565,459	24,938,431
Total liabilities, deferred inflows of resources and fund balances	$ 29,140,876	$ 30,441,151

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016
REVENUES:				
Property taxes	$ 19,819,670	$ 20,153,716	$ 334,046	$ 20,266,159
Motor vehicle property taxes	1,481,210	2,064,553	583,343	1,902,291
Motor vehicle license taxes	862,880	726,911	(135,969)	182,593
Vehicle rental tax	28,830	53,459	24,629	49,870
Privilege license taxes	1,000	3,183	2,183	2,909
Licenses and permits	357,250	658,149	300,899	418,982
Intergovernmental revenues	6,158,020	7,578,443	1,420,423	7,472,060
Assessments	21,500	52,822	31,322	29,955
Charges for services	5,878,660	6,585,200	706,540	6,460,112
Investment income	125,100	(4,662)	(129,762)	175,594
Sales tax	6,164,490	8,260,412	2,095,922	7,139,870
Occupancy tax		268,229	268,229	
Other	215,600	327,587	111,987	586,118
Total revenues	41,114,210	46,728,002	5,613,792	44,686,513
FUND BALANCE APPROPRIATED	9,537,024		(9,537,024)	
Total revenues and fund balance appropriations	50,651,234	46,728,002	(3,923,232)	44,686,513
EXPENDITURES:				
Current operating:				
Administrative services	5,001,110	4,781,124	219,986	4,117,909
Financial services	1,229,164	1,175,428	53,736	1,122,358
Information technology services	317,830	317,828	2	317,828
Human Resources	451,869	342,255	109,614	321,133
Police	13,362,436	12,740,357	622,079	12,825,918
Fire	9,959,589	9,886,467	73,122	8,324,237
Planning & development services	2,753,771	2,600,058	153,713	2,545,470
Parks and recreation	5,827,935	5,704,759	123,176	5,278,711
Public services	11,261,050	10,234,497	1,026,553	11,318,240
Debt service:				
Installment purchase contract payment	402,000	399,497	2,503	405,122
Total expenditures	50,566,754	48,182,270	2,384,484	46,576,926
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	84,480	(1,454,268)	(1,538,748)	(1,890,413)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	3,406,750	3,467,376	60,626	3,390,510
Transfers to other funds	(3,491,230)	(3,491,230)		(1,056,475)
Sale of capital assets		105,150	105,150	48,520
Total other financing sources (uses)	(84,480)	81,296	165,776	2,382,555
NET CHANGE IN FUND BALANCES		(1,372,972)	(1,372,972)	492,142
FUND BALANCE, BEGINNING OF YEAR		24,938,431	24,938,431	24,446,289
FUND BALANCE, END OF YEAR	$	$ 23,565,459	$ 23,565,459	$ 24,938,431

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016
REVENUES:				
Property taxes:				
Current year	$ 19,539,770	$ 19,763,698	$ 223,928	$ 19,881,776
Previous years	194,460	297,584	103,124	300,452
Penalties and interest on taxes	85,440	92,434	6,994	83,931
Total	19,819,670	20,153,716	334,046	20,266,159
Motor vehicle property taxes:				
Current year	1,401,810	2,051,230	649,420	1,432,815
Previous years	75,000		(75,000)	452,244
Penalties and interest on taxes	4,400	13,323	8,923	17,232
Total	1,481,210	2,064,553	583,343	1,902,291
Motor vehicle license taxes:				
Current year	825,000	684,680	(140,320)	133,515
Previous years	37,880	42,233	4,353	48,038
Penalties and interest on taxes		(2)	(2)	1,040
Total	862,880	726,911	(135,969)	182,593
Vehicle rental tax	28,830	53,459	24,629	49,870
Privilege license taxes	1,000	3,183	2,183	2,909
Licenses and permits:				
Building permits and inspection fees	349,950	628,885	278,935	408,224
Street cuts	7,300	29,264	21,964	10,758
Total	357,250	658,149	300,899	418,982
Intergovernmental revenues:				
State of North Carolina:				
Alcoholic beverage tax	195,000	223,417	28,417	216,526
Utility sales tax	3,540,000	4,249,243	709,243	4,430,203
Telecommunications	278,000	379,601	101,601	357,906
Video programming	431,500	458,166	26,666	458,022
Powell Bill allocation-restricted for street improvements	1,250,000	1,364,969	114,969	1,382,907
Controlled substance tax		31,463	31,463	5,680
Solid waste tax distribution	25,000	33,619	8,619	31,103
Forfeitures	172,680	83,836	(88,844)	132,425
Payment in lieu of taxes		6,986	6,986	6,219
Wilson County ABC distribution	63,960	84,375	20,415	81,250
Grant	201,880	662,768	460,888	369,819
Total	6,158,020	7,578,443	1,420,423	7,472,060
Assessments-paving and clearance of property	21,500	52,822	31,322	29,955
Charges for services:				
Wedgewood Facility	576,400	690,687	114,287	667,815
Recreation	396,640	526,602	129,962	507,201
Solid waste collection fee	4,478,550	4,825,668	347,118	4,728,160
Police	300,000	365,837	65,837	364,549
Fire	98,200	135,644	37,444	152,286
Engineering		5,715	5,715	1,592
Parking	28,870	35,047	6,177	38,509
Total	5,878,660	6,585,200	706,540	6,460,112
Investment income	125,100	(4,662)	(129,762)	175,594

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONCLUDED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016
Sales tax	$ 6,164,490	$ 8,260,412	$ 2,095,922	$ 7,139,870
Occupancy tax		268,229	268,229	
Other:				
Rental	10,000	12,436	2,436	12,396
Miscellaneous	205,600	315,151	109,551	573,722
Total other	215,600	327,587	111,987	586,118
Total revenues	41,114,210	46,728,002	5,613,792	44,686,513
OTHER FINANCING SOURCES:				
Transfers in:				
Electric Fund	1,675,000	1,675,000		1,675,000
Gas Fund	1,102,920	1,102,920		1,102,920
Electric / Gas (Payment in lieu of taxes)	628,830	628,830		612,590
Capital Project Funds		3,141	3,141	
General Government Capital Project Fund		57,485	57,485	
Total transfers in	3,406,750	3,467,376	60,626	3,390,510
Sale of capital assets		105,150	105,150	48,520
Total other financing sources	3,406,750	3,572,526	165,776	3,439,030
TOTAL REVENUES AND OTHER FINANCING SOURCES	44,520,960	50,300,528	5,779,568	48,125,543
FUND BALANCE APPROPRIATED	9,537,024		(9,537,024)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 54,057,984	$ 50,300,528	$ (3,757,456)	$ 48,125,543

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEPARTMENT OF ADMINISTRATIVE SERVICES:				
Division of mayor and council:				
Personnel Services	$ 55,520	$ 56,336	$ (816)	$ 56,179
Operating Expenditures	76,590	52,671	23,919	52,715
Recovered Costs	(66,060)	(54,504)	(11,556)	(54,447)
Total	66,050	54,503	11,547	54,447
Division of administration:				
Personnel Services	587,550	497,413	90,137	559,136
Operating Expenditures	99,740	115,374	(15,634)	78,238
Recovered Costs	(343,650)	(306,394)	(37,256)	(318,687)
Total	343,640	306,393	37,247	318,687
Division of law:				
Litigation and legal fees	431,750	352,162	79,588	251,002
Cost redistribution	(215,880)	(176,081)	(39,799)	(125,501)
Total	215,870	176,081	39,789	125,501
Division of public relations:				
Personnel Services	286,430	296,125	(9,695)	234,629
Operating Expenditures	125,940	112,874	13,066	103,985
Recovered Costs	(273,900)	(273,895)	(5)	(216,167)
Total	138,470	135,104	3,366	122,447
Division of public service:				
Operating Expenditures	3,596,980	3,451,368	145,612	3,187,977
Recovered Costs	(1,039,990)	(943,170)	(96,820)	(747,516)
Capital Outlay	657,460	587,928	69,532	102,056
Total	3,214,450	3,096,126	118,324	2,542,517
Division of facility services:				
Personnel Services	827,300	766,473	60,827	574,070
Operating Expenditures	222,220	230,366	(8,146)	210,336
Recovered Costs	(660,630)	(610,654)	(49,976)	(400,199)
Capital Outlay	55,000	56,399	(1,399)	
Total	443,890	442,584	1,306	384,207
Division of governmental community projects:				
Downtown Development Corporation	255,000	255,000		255,000
Patriotism Committee	2,000	2,808	(808)	2,465
Area airport	47,860	47,860		47,854
Upper Coastal Plain C.O.G.	22,320	22,314	6	22,435
Total	327,180	327,982	(802)	327,754

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEPARTMENT OF ADMINISTRATIVE SERVICES (continued):				
Division of human relations:				
Personnel Services	$ 266,110	$ 272,276	$ (6,166)	$ 264,032
Operating Expenditures	69,300	50,857	18,443	59,099
Recovered Costs	(83,850)	(80,782)	(3,068)	(80,782)
Total	251,560	242,351	9,209	242,349
Total administrative services	5,001,110	4,781,124	219,986	4,117,909
DEPARTMENT OF FINANCIAL SERVICES:				
Division of accounting:				
Personnel Services	1,214,270	1,276,298	(62,028)	1,190,678
Operating Expenditures	204,923	149,598	55,325	160,469
Recovered Costs	(851,230)	(855,538)	4,308	(810,688)
Total	567,963	570,358	(2,395)	540,459
Division of purchasing and warehousing:				
Personnel Services	615,660	631,911	(16,251)	604,305
Operating Expenditures	220,220	193,237	26,983	200,795
Recovered Costs	(532,180)	(521,412)	(10,768)	(483,060)
Capital Outlay	54,000	43,870	10,130	
Total	357,700	347,606	10,094	322,040
Division of billing, collection, and customer service:				
Personnel Services	2,769,580	2,642,855	126,725	2,682,311
Operating Expenditures	1,212,981	1,313,111	(100,130)	1,114,492
Recovered Costs	(3,817,180)	(3,805,020)	(12,160)	(3,790,545)
Capital Outlay	51,970	49,317	2,653	193,244
Total	217,351	200,263	17,088	199,502
Division of print services:				
Personnel Services	137,270	117,038	20,232	113,318
Operating Expenditures	80,030	72,942	7,088	72,474
Recovered Costs	(131,150)	(132,779)	1,629	(125,435)
Total	86,150	57,201	28,949	60,357
Total financial services	1,229,164	1,175,428	53,736	1,122,358

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES:				
Operating Expenditures	$ 2,520,860	$ 2,455,263	$ 65,597	$ 2,455,263
Recovered Costs	(2,203,030)	(2,137,435)	(65,595)	(2,137,435)
Total information technology services	317,830	317,828	2	317,828
DEPARTMENT OF HUMAN RESOURCES:				
Personnel Services	663,580	467,373	196,207	444,061
Operating Expenditures	88,609	103,051	(14,442)	91,161
Recovered Costs	(300,320)	(228,169)	(72,151)	(214,089)
Total human resources	451,869	342,255	109,614	321,133
DEPARTMENT OF POLICE:				
Personnel Services	11,097,510	10,611,750	485,760	10,377,908
Operating Expenditures	2,128,033	2,158,390	(30,357)	2,217,959
Recovered Costs	(221,950)	(360,829)	138,879	(370,455)
Capital Outlay	358,843	331,046	27,797	600,506
Total police	13,362,436	12,740,357	622,079	12,825,918
DEPARTMENT OF FIRE:				
Personnel Services	7,797,280	7,780,971	16,309	7,653,901
Operating Expenditures	872,802	835,509	37,293	932,745
Recovered Costs	(389,860)	(389,049)	(811)	(382,695)
Capital Outlay	1,679,367	1,659,036	20,331	120,286
Total fire	9,959,589	9,886,467	73,122	8,324,237
DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES:				
Division of planning and community revitalization:				
Personnel Services	949,420	930,783	18,637	759,307
Operating Expenditures	213,063	179,149	33,914	163,690
Recovered Costs		(16,431)	16,431	(21,703)
Capital Outlay	25,000	25,272	(272)	
Total	1,187,483	1,118,773	68,710	901,294
Division of construction standards:				
Personnel Services	702,370	689,202	13,168	649,405
Operating Expenditures	141,008	86,105	54,903	346,056
Recovered Costs	(154,920)	(151,556)	(3,364)	(139,060)
Capital Outlay	22,000	22,621	(621)	
Total	710,458	646,372	64,086	856,401

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES: (continued):				
Division of land development:				
Personnel Services	$ 309,910	$ 318,087	$ (8,177)	$ 306,972
Operating Expenditures	18,850	18,581	269	15,209
Total	328,760	336,668	(7,908)	322,181
Division of neighborhood improvement:				
Personnel Services	295,890	302,328	(6,438)	292,917
Operating Expenditures	168,080	131,318	36,762	105,325
Total	463,970	433,646	30,324	398,242
Division of geographic information services:				
Personnel Services	265,940	272,744	(6,804)	259,725
Operating Expenditures	49,570	50,256	(686)	51,035
Recovered Costs	(252,410)	(258,401)	5,991	(269,408)
Capital Outlay				26,000
Total	63,100	64,599	(1,499)	67,352
Total planning and development services	2,753,771	2,600,058	153,713	2,545,470
DEPARTMENT OF PARKS AND RECREATION:				
Division of parks:				
Personnel Services	1,331,390	1,383,648	(52,258)	1,317,030
Operating Expenditures	878,208	815,653	62,555	799,282
Recovered Costs		(12,000)	12,000	(12,212)
Capital Outlay	233,255	208,333	24,922	17,590
Total	2,442,853	2,395,634	47,219	2,121,690
Division of recreation:				
Personnel Services	1,673,700	1,673,200	500	1,584,695
Operating Expenditures	757,043	718,454	38,589	632,996
Capital Outlay	57,320	56,282	1,038	41,635
Total	2,488,063	2,447,936	40,127	2,259,326
Division of reservoirs:				
Personnel Services	12,290	11,817	473	11,661
Operating Expenditures	57,540	11,026	46,514	5,378
Total	69,830	22,843	46,987	17,039
Division of Wedgewood facilities:				
Personnel Services	406,500	414,382	(7,882)	409,223
Operating Expenditures	420,689	423,964	(3,275)	440,608
Capital Outlay				30,825
Total	827,189	838,346	(11,157)	880,656
Total parks and recreation	5,827,935	5,704,759	123,176	5,278,711

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEPARTMENT OF PUBLIC SERVICES				
Division of administration				
Personnel Services	$ 456,310	$ 522,418	$ (66,108)	$ 460,174
Operating Expenditures	918,690	866,220	52,470	787,019
Recovered Costs	(387,680)	(394,462)	6,782	(364,008)
Total	987,320	994,176	(6,856)	883,185
Division of street construction and maintenance:				
Personnel Services	1,718,370	1,638,981	79,389	1,647,864
Operating Expenditures	1,747,116	1,280,661	466,455	1,379,032
Recovered Costs	(450,000)	(483,436)	33,436	(475,262)
Capital Outlay	89,000	74,588	14,412	275,403
Total	3,104,486	2,510,794	593,692	2,827,037
Division of environmental services:				
Personnel Services	2,486,690	2,375,422	111,268	2,366,518
Operating Expenditures	2,949,180	3,019,917	(70,737)	2,806,176
Recovered Costs	(168,500)	(168,500)		(168,500)
Capital Outlay	474,000	436,756	37,244	718,258
Total	5,741,370	5,663,595	77,775	5,722,452
Division of engineering:				
Personnel Services	293,410	322,114	(28,704)	298,379
Operating Expenditures	106,702	78,725	27,977	863,804
Recovered Costs				(7,200)
Capital Outlay	113,362	23,463	89,899	98,327
Total	513,474	424,302	89,172	1,253,310
Division of fleet maintenance:				
Personnel Services	1,239,000	1,256,578	(17,578)	1,197,558
Operating Expenditures	572,824	386,654	186,170	349,971
Recovered Costs	(1,509,130)	(1,493,206)	(15,924)	(1,440,767)
Capital Outlay	13,410	6,282	7,128	
Total	316,104	156,308	159,796	106,762
Division of stormwater compliance:				
Personnel Services	341,850	303,037	38,813	319,279
Operating Expenditures	52,677	23,223	29,454	31,832
Recovered Costs	(394,020)	(326,260)	(67,760)	(343,791)
Total	507		507	7,320
Division of parking and traffic:				
Personnel Services	345,970	307,254	38,716	326,345
Operating Expenditures	229,857	155,447	74,410	193,764
Recovered Costs				(1,935)
Capital Outlay	21,962	22,621	(659)	
Total	597,789	485,322	112,467	518,174
Total public services	11,261,050	10,234,497	1,026,553	11,318,240

CITY OF WILSON, NORTH CAROLINA

GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016) (CONCLUDED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
DEBT SERVICE:				
Installment purchase contract - principal payment	$ 361,060	$ 361,095	$ (35)	$ 359,076
Installment purchase contract - interest payment	38,440	38,402	38	46,046
Debt service fees	2,500		2,500	
Total debt service	402,000	399,497	2,503	405,122
TOTAL EXPENDITURES	50,566,754	48,182,270	2,384,484	46,576,926
OTHER EXPENDITURES AND USES:				
Transfers to other funds	3,491,230	3,491,230		1,056,475
Total other expenditures and uses	3,491,230	3,491,230		1,056,475
TOTAL EXPENDITURES AND OTHER USES	$ 54,057,984	$ 51,673,500	$ 2,384,484	$ 47,633,401

NONMAJOR GOVERNMENTAL FUNDS (continued)

SPECIAL REVENUE FUNDS

Community Development – Accounts for community development programs and housing rehabilitation loans made to qualified property owners.

2012 CDBG (NC Catalyst Funds-Flynn Christian Home) Grant- Accounts for expenditures for the rehabilitation of the Flynn Christian Fellowship Home.

New Homes Loan Pool and System Vision Program Grant - Accounts for grant funds from NCHFA which provides interest-free loans for new home buyers. Additional funds are available for homes meeting System Vision standards.

2016 Urgent Repair Program – Accounts for 2016 Urgent Repair Program Grant from the North Carolina Housing Finance Agency to address urgent repairs on owner-occupied homes; budgeted on a grant project basis.

Brownfields Assessment and Cleanup Petroleum Grant - Accounts for EPA grant funds which address Brownfields properties in City of Wilson, potentially contaminated with petroleum.

Brownfields Assessment and Cleanup Hazardous Grant - Accounts for EPA grant funds which address Brownfields properties in City of Wilson, potentially contaminated with hazardous substances.

Brownfields Cleanup Revolving Loan Fund Grant – Accounts for low costs or no interest loans or subgrants for environmental cleanups at Brownfields' properties contaminated with hazardous substances and petroleum products.

2013 Single Family Rehabilitation Loan Pool Grant - Accounts for NC Housing Authority grant funds which address comprehensive rehabilitation of existing moderately deteriorated single family housing units occupied by lower income households.

2016 Essential Single-Family Rehabilitation Loan Pool Grant - Accounts for NC Housing Authority grant funds which address comprehensive rehabilitation of existing moderately deteriorated single family housing units occupied by lower income households.

Essential Single-Family Rehabilitation Loan Pool – Disaster Recovery Grant - Accounts for NC Housing Authority grant funds which directly benefits persons and families affected by certain natural disasters.

NC Small Cities CDBG Economic Development Grant – Accounts for CDBG grant funds to facilitate the renovation, restoration, and redevelopment of 309 Nash Street (Thomas Drug Store).

Rural Economic Development (Building Reuse Program "217 Brew Works") Grant – Accounts for Rural Economic Development grant funds to support the building reuse of 217 South Street for the creation of 10 full-time positions.

NOTE: The schedules for Special Revenue Funds, which have a project ordinance for the life of the project, disclose project authorization, current, as well as prior years' revenue and expenditures to date, and respective variances. The schedules for Special Revenue Funds, which are budgeted on an annual basis, disclose current year budget, actual and respective variances.

CAPITAL PROJECTS FUNDS

Whirligig Park:

Whirligig – NEA – Our Town Grant – Accounts for grant to support the conservation, relocation and installation of the whirligigs created by Vollis Simpson. These whirligigs will be the centerpiece of the Vollis Simpson Whirligig Park.

Whirligig South & Douglas Streets Infrastructure – Accounts for the replacement of old infrastructure on South & Douglas Streets adjacent to the Vollis Simpson Whirligig Park.

Whirligig – Underserved & Limited Resource Communities ("ULRC") Grant – Accounts for program support to encourage the development of economic development activities, service and projects that benefit underserved populations and limited resource communities across the State.

Whirligig – NC Arts Council – Changes in the Wind Grant – Accounts for program support for Changes in the Wind: Whirligigs Rebuild an Old Tobacco Town, explores how Wilson, NC used its best and most authentic arts assets to create an economic development catalyst.

Whirligig Park Farmers' Market Shelter Grant – Accounts for assistance with construction costs of a Farmers' Market shelter at the Vollis Simpson Whirligig Park in Downtown Wilson.

Whirligig Park NC Downtown Revitalization Grant – Accounts for the downtown revitalization at the Vollis Simpson Whirligig Park in downtown Wilson.

Economic Community Investment – Whirligig Park – Accounts for the contribution to the continuation of projects and efforts to complete the Vollis Simpson Whirligig Park.

Whirligig Park NC Downtown Revitalization Grant II – Accounts for the downtown revitalization at the Vollis Simpson Whirligig Park in downtown Wilson.

Rail Station Canopy Replacement – Accounts for the cost of replacing the canopy at the rail station.

Fleming Stadium Improvements – Accounts for expenditures for engineering and construction costs for improvements to Fleming Stadium.

General Government Capital Project – Accounts for accumulated funds for the purpose of constructing, purchasing, renovating, or otherwise acquiring capital assets for general government purposes.

Economic Development Shell Building Project – Accounts for expenditures for the purchase and/or construction of buildings for economic development purposes.

J. Burt Gillette Athletic Complex Grass Soccer Fields- Accounts for land improvements, construction, and installation of lights for two additional grass soccer fields at Gillette Athletic Complex.

J. Burt Gillette Athletic Complex/Soccer Fields/Site Improvement- Accounts for the addition of two artificial soccer fields with a pavilion built between them, replacement of the grass in the baseball stadium with artificial turf and site improvements.

Lake Wilson Walking Trail and Bridge- Accounts for constructing a walking trail and bridge at Lake Wilson.

Public Street Maintenance and Construction- Accounts for maintaining, repairing, constructing, reconstructing, widening and improving public streets in the City of Wilson that do not form a part of the State highway system.

NONMAJOR GOVERNMENTAL FUNDS (concluded)

CAPITAL PROJECTS FUNDS

Economic Community Investment Downtown Building Revitalization – Accounts for the continuation of projects and efforts to redevelop and rehabilitate structures in the downtown area.

Economic Community Investment - TIGER – Accounts for the City of Wilson's matching contribution for the USDOT's Transportation Investment Generating Economic Recovery (TIGER) grant entitled "US 301 Road to Opportunity" awarded to the City in the amount of $10 million dollars.

NOTE: The schedules for capital projects which have a capital project ordinance for the life of the project disclose project authorization, current as well as prior years' revenues and expenditures to date and respective variances.

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents/investments	$ 569,494	$ 6,160,992	$ 6,730,486
Accrued interest	375	345	720
Notes receivable	75,209		75,209
Due from other agencies and governments	8,606	139,235	147,841
Restricted cash and cash equivalents	6,750		6,750
Total assets	$ 660,434	$ 6,300,572	$ 6,961,006
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 11,317	$ 797,957	$ 809,274
Interfund payable		139,235	139,235
Payable from restricted assets	6,750		6,750
Total liabilities	18,067	937,192	955,259
Fund balances:			
Restricted			
Stabilization by State Statute	84,190	2,975,425	3,059,615
Planning and development	50,584		50,584
Culture and recreation		50,000	50,000
Committed			
General government			
Public services		134,065	134,065
Planning and development	195,290	1,098,191	1,293,481
Culture and recreation		1,244,934	1,244,934
Assigned			
Subsequent year's expenditures	119,420		119,420
Planning and development	192,883		192,883
Unassigned		(139,235)	(139,235)
Total fund balances	642,367	5,363,380	6,005,747
Total liabilities, deferred inflows of resources and fund balances	$ 660,434	$ 6,300,572	$ 6,961,006

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	Community Development	Community Development Block Grants	New Homes Loan Pool and System Vision Grant	Urgent Repair Program Grant	Brownfields Assessment and Cleanup Grants	Single Family Rehabilitation Loan Pool Grants	Rural Economic Development Grant	Total Nonmajor Special Revenue Funds
ASSETS								
Cash and cash equivalents/investments	$ 315,014	$	$ 46	$ 50,584	$ 201,345	$	$ 2,505	$ 569,494
Accrued interest	375							375
Notes receivable	75,209							75,209
Due from other agencies and governments					8,606			8,606
Restricted cash and cash equivalents	6,750							6,750
TOTAL ASSETS	$ 397,348	$	$ 46	$ 50,584	$ 209,951	$	$ 2,505	$ 660,434
LIABILITIES AND FUND BALANCE								
LIABILITIES:								
Accounts payable	$ 2,711	$	$	$	$ 8,606	$	$	$ 11,317
Payable from restricted assets	6,750							6,750
Total liabilities	9,461				8,606			18,067
FUND BALANCES:								
Restricted:								
Stabilization by State Statute	$ 75,584	$	$	$	$ 8,606	$	$	$ 84,190
Planning and development				50,584				50,584
Committed								
Planning and development			46		192,739		2,505	195,290
Assigned:								
Subsequent year's expenditures	119,420							119,420
Planning and development	192,883							192,883
Unassigned								
Total fund balances	387,887		46	50,584	201,345		2,505	642,367
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 397,348	$	$ 46	$ 50,584	$ 209,951	$	$ 2,505	$ 660,434

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2017

	Whirligig Park	Rail Station Canopy Replacement	Fleming Stadium Improvements	J. Burt Gillette Athletic Complex	Economic Community Investment Downtown Building Revitalization	Economic Community Investment TIGER	Lake Wilson Walking Trail and Bridge	Public Street Maintenance and Construction	General Government Capital Project	Economic Development Shell Building Project	Total Nonmajor Capital Project Funds
ASSETS											
Cash and cash equivalents/investments	$ 1,222,756	$ 54,724	$	$ 2,958,333	$ 433,848	$ 822,339	$ 244,309	$ 81,259	$	$ 343,424	$ 6,160,992
Receivables:											
Accrued interest										345	345
Due from other agencies and governments	139,235										139,235
TOTAL ASSETS	$ 1,361,991	$ 54,724	$	$ 2,958,333	$ 433,848	$ 822,339	$ 244,309	$ 81,259	$	$ 343,769	$ 6,300,572
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Accounts payable	$ 46,085	$	$	$ 285,160	$ 55,264	$ 411,448	$	$	$	$	$ 797,957
Interfund payable	139,235										139,235
Total liabilities	185,320			285,160	55,264	411,448					937,192
FUND BALANCES:											
Restricted:											
Stabilization by State Statute	$ 1,160,234	$	$	$ 1,778,220	$	$ 34,708	$	$ 1,918	$	$ 345	$ 2,975,425
Culture and recreation							50,000				50,000
Committed:											
Public services		54,724						79,341			134,065
Planning and development					378,584	376,183				343,424	1,098,191
Culture and recreation	155,672			894,953			194,309				1,244,934
Unassigned	(139,235)										(139,235)
Total fund balances	1,176,671	54,724		2,673,173	378,584	410,891	244,309	81,259		343,769	5,363,380
TOTAL LIABILITIES AND FUND BALANCES	$ 1,361,991	$ 54,724	$	$ 2,958,333	$ 433,848	$ 822,339	$ 244,309	$ 81,259	$	$ 343,769	$ 6,300,572

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenues	$ 320,068	$ 250,811	$ 570,879
Investment income	2,016	26,173	28,189
Loan repayments and related interest	(10,973)		(10,973)
Contributions		(59,500)	(59,500)
Other		106,417	106,417
Total revenues	311,111	323,901	635,012
EXPENDITURES			
Current:			
Public services		646,274	646,274
Planning and development	342,101	1,812,662	2,154,763
Culture and recreation		845,231	845,231
Total expenditures	342,101	3,304,167	3,646,268
Excess (deficiency) of revenues over expenditures	(30,990)	(2,980,266)	(3,011,256)
OTHER FINANCING SOURCES (USES)			
Transfers in	120,395	5,859,530	5,979,925
Transfers out		(1,261,521)	(1,261,521)
Total other financing sources (uses)	120,395	4,598,009	4,718,404
Net change in fund balances	89,405	1,617,743	1,707,148
Fund balances - beginning	552,962	3,745,637	4,298,599
Fund balances - ending	$ 642,367	$ 5,363,380	$ 6,005,747

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Community Development	Community Development Block Grants	New Homes Loan Pool and System Vision Grant	Urgent Repair Program Grant	Brownfields Assessment and Cleanup Grants	Single Family Rehabilitation Loan Pool Grants	Rural Economic Development Grant	Total
REVENUES:								
Intergovernmental revenues	$	$ 38,169	$	$ 50,000	$ 226,398	$ 5,501	$	$ 320,068
Investment income	844			79	1,088		5	2,016
Loan repayments and related interest	(10,973)							(10,973)
Total revenues	(10,129)	38,169		50,079	227,486	5,501	5	311,111
EXPENDITURES:								
Administration	5,571				44,934	5,501		56,006
Special programs	61,967	38,169		4,495				104,631
Loan expenditures					181,464			181,464
Total expenditures	67,538	38,169		4,495	226,398	5,501		342,101
Excess (deficiency) of revenues over expenditures	(77,667)			45,584	1,088		5	(30,990)
OTHER FINANCING SOURCES (USES):								
Transfers in	112,895			5,000			2,500	120,395
Total other financing sources and uses	112,895			5,000			2,500	120,395
Net change in fund balances	35,228			50,584	1,088		2,505	89,405
Fund balances - beginning	352,659		46		200,257			552,962
Fund balances - ending	$ 387,887	$	$ 46	$ 50,584	$ 201,345	$	$ 2,505	$ 642,367

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Whirligig Park	Rail Station Canopy Replacement	Fleming Stadium Improvements	J. Burt Gillette Athletic Complex	Economic Community Investment Downtown Building Revitalization	Economic Community Investment TIGER	Lake Wilson Walking Trail and Bridge	Public Street Maintenance and Construction	General Government Capital Project	Economic Development Shell Building Project	Total
REVENUES:											
Intergovernmental revenues	$ 250,811	$	$	$	$	$	$	$	$	$	$ 250,811
Investment income	3,934	324	32	6,045	2,410	5,521	809	2,533	3,909	656	26,173
Contributions			(29,500)	(80,000)			50,000				(59,500)
Other										106,417	106,417
Total revenues	254,745	324	(29,468)	(73,955)	2,410	5,521	50,809	2,533	3,909	107,073	323,901
EXPENDITURES											
Engineering				115,333		1,107,430					1,222,763
Construction				409,518	18,860		6,500				434,878
Special programs	289,925			23,955	205,264			646,274		481,108	1,646,526
Total expenditures	289,925			548,806	224,124	1,107,430	6,500	646,274		481,108	3,304,167
Excess (deficiency) of revenues over expenditures	(35,180)	324	(29,468)	(622,761)	(221,714)	(1,101,909)	44,309	(643,741)	3,909	(374,035)	(2,980,266)
OTHER FINANCING SOURCES AND USES:											
Transfers in	80,000		20,825	3,295,905	250,000	762,800	200,000	725,000	200,000	325,000	5,859,530
Transfers out	(4,036)								(1,257,485)		(1,261,521)
Total other financing sources (uses)	75,964		20,825	3,295,905	250,000	762,800	200,000	725,000	(1,057,485)	325,000	4,598,009
Net change in fund balances	40,784	324	(8,643)	2,673,144	28,286	(339,109)	244,309	81,259	(1,053,576)	(49,035)	1,617,743
Fund balances - beginning	1,135,887	54,400	8,643	29	350,298	750,000			1,053,576	392,804	3,745,637
Fund balances - ending	$ 1,176,671	$ 54,724	$	$ 2,673,173	$ 378,584	$ 410,891	$ 244,309	81,259	$	$ 343,769	$ 5,363,380

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES:				
Investment income	$	$ 844	$ 844	$ 1,288
Loan repayments and related interest	13,000	(10,973)	(23,973)	11,968
Other				3,850
Total revenues	13,000	(10,129)	(23,129)	17,106
Fund balance appropriated	940		(940)	
Total revenues and fund balance appropriations	13,940	(10,129)	(24,069)	17,106
EXPENDITURES:				
Administration	25,940	5,571	20,369	1,618
Special programs	100,000	61,967	38,033	35,276
Total expenditures	125,940	67,538	58,402	36,894
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(112,000)	(77,667)	34,333	(19,788)
OTHER FINANCING USES:				
Transfers from other funds	112,000	112,895	895	112,554
Total other financing uses	112,000	112,895	895	112,554
NET CHANGE IN FUND BALANCES	$	35,228	$ 35,228	92,766
FUND BALANCE, BEGINNING OF YEAR		352,659		259,893
FUND BALANCE, END OF YEAR		$ 387,887		$ 352,659

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM GRANT PROJECTS
JUNE 30, 2017 AND 2016

	2012 CDBG (NC Catalyst Funds) Flynn Christian Home	NC Small Cities Community Development Block Grant (CDBG)	Total	
			2017	2016
ASSETS				
Cash and cash equivalents/investments	$	$	$	$
Due from other agencies and governments				111,831
TOTAL ASSETS	$	$	$	$ 111,831
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable				
Interfund payable				111,831
Total liabilities				111,831
FUND BALANCE:				
Reserved for:				
Stabilization by State Statute				128,570
Unassigned				(128,570)
Total fund balances				
TOTAL LIABILITIES AND FUND BALANCE	$	$	$	$ 111,831

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM GRANT PROJECTS
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2012 CDBG (NC Catalyst Funds) Flynn Christian Home	NC Small Cities Community Development Block Grant (CDBG)	Total	
			2017	2016
REVENUES				
Intergovernmental revenues	$ 38,169	$	$ 38,169	$ 209,484
Total revenues	38,169		38,169	209,484
EXPENDITURES:				
Administration				162
Special programs	38,169		38,169	209,322
Total expenditures	38,169		38,169	209,484
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
NET CHANGE IN FUND BALANCES				
FUND BALANCE, BEGINNING OF YEAR				
FUND BALANCE, END OF YEAR	$	$	$	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
2012 CDBG (NC CATALYST FUNDS - FLYNN CHRISTIAN HOME) (Project CD0051)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
2012 CDBG NC Catalyst Funds	$ 500,000	$ 500,000	$	$ 500,000	$
NC Housing Finance Agency Grant Funds	150,000	111,831	38,169	150,000	
TOTAL REVENUES AND OTHER SOURCES	$ 650,000	$ 611,831	$ 38,169	$ 650,000	$
EXPENDITURES:					
Administration	$ 43,764	$ 43,763	$	$ 43,763	$ 1
Relocation	49,500	54,500	(5,000)	49,500	
Rehabilitation	556,736	513,568	43,169	556,737	(1)
TOTAL EXPENDITURES	$ 650,000	$ 611,831	$ 38,169	$ 650,000	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
NC SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM ECONOMIC DEVELOPMENT GRANT (Project DTR001
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to date	Positive (Negative)
REVENUES AND OTHER SOURCES:					
NC Department of Commerce	$ 500,000	$	$	$	$ (500,000)
TOTAL REVENUES AND OTHER SOURCES	$ 500,000	$	$	$	$ (500,000)
EXPENDITURES:					
Renovation of Building	$ 500,000	$	$	$	$ 500,000
TOTAL EXPENDITURES	$ 500,000	$	$	$	$ 500,000

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
NEW HOMES LOAN POOL AND SYSTEM VISION GRANT (Project CD0041)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
System Vision Grant	$ 200,000	$ 163,290	$	$ 163,290	$ (36,710)
Investment income		46		46	46
TOTAL REVENUES AND OTHER SOURCES	$ 200,000	$ 163,336	$	$ 163,336	$ (36,664)
EXPENDITURES:					
Energy Efficiency Construction	$ 200,000	$ 163,290	$	$ 163,290	$ 36,710
TOTAL EXPENDITURES	$ 200,000	$ 163,290	$	$ 163,290	$ 36,710

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
2016 URGENT REPAIR PROGRAM GRANT (Project CD0056)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
2016 Urgent Repair Program Grant	$ 100,000	$	$ 50,000	$ 50,000	$ (50,000)
Investment income			79	79	79
Transfer from General Fund	5,000		5,000	5,000	
TOTAL REVENUES AND OTHER SOURCES	$ 105,000	$	$ 55,079	$ 55,079	$ (49,921)
EXPENDITURES:					
Administration	$ 11,000	$	$	$	$ 11,000
Rehabilitation	94,000		4,495	4,495	89,505
TOTAL EXPENDITURES	$ 105,000	$	$ 4,495	$ 4,495	$ 100,505

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS
BROWNFIELDS ASSESSMENT AND CLEANUP GRANT PROJECTS
JUNE 30, 2017 AND 2016

	Brownfields Assessment and Cleanup Petroleum Grant	Brownfields Assessment and Cleanup Hazardous Grant	Brownfields Cleanup Revolving Loan Fund Grant	Total 2017	Total 2016
ASSETS					
Cash and cash equivalents/investments	$	$	$ 201,345	$ 201,345	$ 195,753
Due from other agencies and governments			8,606	8,606	21,526
TOTAL ASSETS	$	$	$ 209,951	$ 209,951	$ 217,279
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Accounts payable			8,606	8,606	10,170
Interfund payable					6,852
Total liabilities			8,606	8,606	17,022
FUND BALANCE:					
Reserved for:					
Stabilization by State Statute			8,606	8,606	22,408
Committed					
Planning and development			192,739	192,739	194,103
Unassigned					(16,254)
Total fund balances			201,345	201,345	200,257
TOTAL LIABILITIES AND FUND BALANCE	$	$	$ 209,951	$ 209,951	$ 217,279

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BROWNFIELDS ASSESSMENT AND CLEANUP GRANT PROJECTS
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	Brownfields Assessment and Cleanup Petroleum Grant	Brownfields Assessment and Cleanup Hazardous Grant	Brownfields Cleanup Revolving Loan Fund Grant	Total 2017	Total 2016
REVENUES					
Intergovernmental revenues	$ 1,030	$	$ 225,368	$ 226,398	$ 124,743
Investment income			1,088	1,088	257
Total revenues	1,030		226,456	227,486	125,000
EXPENDITURES:					
Administration	1,030		43,904	44,934	124,743
Loans			181,464	181,464	
Total expenditures	1,030		225,368	226,398	124,743
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			1,088	1,088	257
OTHER FINANCING SOURCES/(USES)					
Transfers from other funds					200,000
Total other financing sources and uses					200,000
NET CHANGE IN FUND BALANCES			1,088	1,088	200,257
FUND BALANCE, BEGINNING OF YEAR			200,257	200,257	
FUND BALANCE, END OF YEAR	$	$	$ 201,345	$ 201,345	$ 200,257

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
BROWNFIELDS ASSESSMENT AND CLEANUP - PETROLEUM GRANT PROJECT (Project PL0014)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to date	Positive (Negative)
REVENUES AND OTHER SOURCES:					
Grant - Environmental Protection Agency	$ 200,000	$ 198,970	$ 1,030	$ 200,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 200,000	$ 198,970	$ 1,030	$ 200,000	$
EXPENDITURES:					
Administration	$ 200,000	$ 198,970	$ 1,030	$ 200,000	$
TOTAL EXPENDITURES	$ 200,000	$ 198,970	$ 1,030	$ 200,000	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
BROWNFIELDS ASSESSMENT AND CLEANUP - HAZARDOUS GRANT PROJECT (Project PL0010)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
Grant - Environmental Protection Agency	$ 200,000	$ 200,000	$	$ 200,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 200,000	$ 200,000	$	$ 200,000	$
EXPENDITURES:					
Administration	$ 200,000	$ 200,000	$	$ 200,000	$
TOTAL EXPENDITURES	$ 200,000	$ 200,000	$	$ 200,000	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
BROWNFIELDS CLEANUP REVOLVING LOAN FUND GRANT PROJECT (Project PL0020)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to date	Positive (Negative)
REVENUES AND OTHER SOURCES:					
Grant - Environmental Protection Agency	$ 1,000,000	$ 64,622	$ 225,368	$ 289,990	$ (710,010)
Investment income		257	1,088	1,345	1,345
Transfer from General Fund	200,000	200,000		200,000	
TOTAL REVENUES AND OTHER SOURCES	$ 1,200,000	$ 264,879	$ 226,456	$ 491,335	$ (708,665)
EXPENDITURES:					
Administration	$ 200,000	$ 64,622	$ 43,904	$ 108,526	$ 91,474
Loans	1,000,000		181,464	181,464	818,536
TOTAL EXPENDITURES	$ 1,200,000	$ 64,622	$ 225,368	$ 289,990	$ 910,010

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS
SINGLE FAMILY REHABILITATION LOAN POOL GRANT PROJECTS
JUNE 30, 2017 AND 2016

	2013 Single Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool-Disaster Recovery Grant	Total	
				2017	2016
ASSETS					
Cash and cash equivalents/investments	$	$	$	$	$
Due from other agencies and governments					65,205
TOTAL ASSETS	$	$	$	$	$ 65,205
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Accounts payable					
Interfund payable					65,205
Total liabilities					65,205
FUND BALANCE:					
Reserved for:					
Stabilization by State Statute					65,205
Committed					
Planning and development					
Unassigned					(65,205)
Total fund balances					
TOTAL LIABILITIES AND FUND BALANCE	$	$	$	$	$ 65,205

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
SINGLE FAMILY REHABILITATION LOAN POOL GRANT PROJECTS
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2013 Single Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool-Disaster Recovery Grant	Total	
				2017	2016
REVENUES					
Intergovernmental revenues	$ 5,501	$	$	$ 5,501	$ 207,427
Total revenues	5,501			5,501	207,427
EXPENDITURES:					
Administration	5,501			5,501	38,263
Special programs					169,164
Total expenditures	5,501			5,501	207,427
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
NET CHANGE IN FUND BALANCES					
FUND BALANCE, BEGINNING OF YEAR					
FUND BALANCE, END OF YEAR	$	$	$	$	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
2013 SINGLE FAMILY REHABILITATION LOAN POOL GRANT PROJECT (Project CD0052)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
2013 Single-Family Rehabilitation Loan Pool	$ 397,960	$ 373,484	$ 5,501	$ 378,985	$ (18,975)
TOTAL REVENUES AND OTHER SOURCES	$ 397,960	$ 373,484	$ 5,501	$ 378,985	$ (18,975)
EXPENDITURES:					
Administration	$ 77,060	$ 67,363	$ 5,501	$ 72,864	$ 4,196
Rehabilitation	320,900	306,121		306,121	14,779
TOTAL EXPENDITURES	$ 397,960	$ 373,484	$ 5,501	$ 378,985	$ 18,975

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
ESSENTIAL SINGLE-FAMILY REHABILITATION LOAN POOL GRANT PROJECT (Project CD0057)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to date	Positive (Negative)
REVENUES AND OTHER SOURCES:					
Essential Single-Family Rehabilitation Loan Pool	$ 175,000	$	$	$	$ (175,000)
TOTAL REVENUES AND OTHER SOURCES	$ 175,000	$	$	$	$ (175,000)
EXPENDITURES:					
Administration	$ 18,000	$	$	$	$ 18,000
Rehabilitation	157,000				157,000
TOTAL EXPENDITURES	$ 175,000	$	$	$	$ 175,000

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
ESSENTIAL SINGLE-FAMILY REHABILITATION LOAN POOL - DISASTER RECOVERY GRANT PROJECT (Project CD0058)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to date	Positive (Negative)
REVENUES AND OTHER SOURCES:					
NCHFA - Essential Single-Family Rehabilitation Loan Pool - Disaster Recovery	$ 150,000	$	$	$	$ (150,000)
TOTAL REVENUES AND OTHER SOURCES	$ 150,000	$	$	$	$ (150,000)
EXPENDITURES:					
Rehabilitation	$ 150,000	$	$	$	$ 150,000
TOTAL EXPENDITURES	$ 150,000	$	$	$	$ 150,000

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
RURAL ECONOMIC DEVELOPMENT (BUILDING REUSE PROGRAM "217 BREW WORKS") GRANT PROJECT (Project DTR002)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
NC Department of Commerce	$ 50,000	$	$	$	$ (50,000)
Investment Income			5	5	5
Transfer from General Fund	2,500		2,500	2,500	
TOTAL REVENUES AND OTHER SOURCES	$ 52,500	$	$ 2,505	$ 2,505	$ (49,995)
EXPENDITURES:					
Rural Economic Development (Building Reuse Program "217 Brew Works"	$ 52,500	$	$	$	$ 52,500
TOTAL EXPENDITURES	$ 52,500	$	$	$	$ 52,500

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS
WHIRLIGIG PARK
JUNE 30, 2017 AND 2016

	Whirligig NEA Our Town	Whirligig South & Douglas Streets Infrastructure	Whirligig Underserved & Limited Resource Communities	Whirligig NC Arts Council Changes in the Wind	Whirligig Park Farmers' Market Shelter	Whirligig Park NC Downtown Revitalization	Economic Community Investment Whirligig Park	Whirligig Park NC Downtown Revitalization Grant II	Total 2017	Total 2016
ASSETS										
CURRENT ASSETS:										
Cash and cash equivalents/investments	$	$ 21,060	$	$	$	$	$ 1,201,696	$	$ 1,222,756	$ 1,135,887
Other receivables										
Due from other agencies and governments					139,235				139,235	103,529
TOTAL ASSETS	$	$ 21,060	$	$	$ 139,235	$	$ 1,201,696	$	$ 1,361,991	$ 1,239,416
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	$	$	$	$	$	$	$ 46,085	$	$ 46,085	$
Interfund payable					139,235				139,235	103,529
Total liabilities					139,235		46,085		185,320	103,529
FUND BALANCE:										
Restricted:										
Stabilization by State Statute		13,956			139,235		1,007,043		1,160,234	103,529
Culture and recreation										
Committed:										
Culture and recreation		7,104					148,568		155,672	1,135,887
Unassigned					(139,235)				(139,235)	(103,529)
Total fund balances		21,060					1,155,611		1,176,671	1,135,887
TOTAL LIABILITIES AND FUND BALANCE	$	$ 21,060	$	$	$ 139,235	$	$ 1,201,696	$	$ 1,361,991	$ 1,239,416

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
WHILIGIG PARK
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	Whirligig NEA Our Town	Whirligig South & Douglas Streets Infrastructure	Whirligig Underserved & Limited Resource Communities	Whirligig NC Arts Council Changes in the Wind	Whirligig Park Farmers' Market Shelter	Whirligig Park NC Downtown Revitalization	Economic Community Investment Whirligig Park	Whirligig Park NC Downtown Revitalization Grant II	Total 2017	Total 2016
REVENUES										
Intergovernmental revenues	$	$	$	$	$ 156,471	$	$	$ 94,340	$ 250,811	$ 195,935
Contributions										172,302
Investment income		94		15		3	3,665	157	3,934	119
Total revenues		94		15	156,471	3	3,665	94,497	254,745	368,356
EXPENDITURES:										
Special programs					156,471		39,114	94,340	289,925	698,258
Total expenditures					156,471		39,114	94,340	289,925	698,258
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		94		15		3	(35,449)	157	(35,180)	(329,902)
OTHER FINANCING SOURCES/(USES)										
Transfers from other funds							80,000		80,000	1,464,848
Transfers to other funds				(3,141)		(738)		(157)	(4,036)	(663)
Total other financing sources and uses				(3,141)		(738)	80,000	(157)	75,964	1,464,185
NET CHANGE IN FUND BALANCES		94		(3,126)		(735)	44,551		40,784	1,134,283
FUND BALANCE, BEGINNING OF YEAR		20,966		3,126		735	1,111,060		1,135,887	1,604
FUND BALANCE, END OF YEAR	$	$ 21,060	$	$	$	$	$ 1,155,611	$	$ 1,176,671	$ 1,135,887

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG - NEA OUR TOWN CAPITAL PROJECT FUND (Project DDWG17)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Installation of Whirligigs	$ 205,100	$ 205,100	$	$ 205,100	$
TOTAL EXPENDITURES	$ 205,100	$ 205,100	$	$ 205,100	$
REVENUES AND OTHER FINANCING SOURCES:					
Grant - National Endowment for the Arts	$ 100,000	$ 100,000	$	$ 100,000	$
Contributions	105,100	105,100		105,100	
TOTAL REVENUES AND OTHER SOURCES	$ 205,100	$ 205,100	$	$ 205,100	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG SOUTH & DOUGLAS STREETS INFRASTRUCTURE CAPITAL PROJECT FUND (Project DDWG18)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Infrastructure	$ 350,000	$ 329,059	$	$ 329,059	$ 20,941
TOTAL EXPENDITURES	$ 350,000	$ 329,059	$	$ 329,059	$ 20,941
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$ 25	$ 94	$ 119	$ 119
Transfer from General Fund	350,000	350,000		350,000	
TOTAL REVENUES AND OTHER SOURCES	$ 350,000	$ 350,025	$ 94	$ 350,119	$ 119

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG - UNDERSERVED AND LIMITED RESOURCE COMMUNITIES ("ULRC") CAPITAL PROJECT FUND (Project DDWG19)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Project	$ 25,000	$ 25,000	$	$ 25,000	$
TOTAL EXPENDITURES	$ 25,000	$ 25,000	$	$ 25,000	$
REVENUES AND OTHER FINANCING SOURCES:					
Grant - NC Department of Commerce	$ 25,000	$ 25,000	$	$ 25,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 25,000	$ 25,000	$	$ 25,000	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG - NC ARTS COUNCIL - CHANGES IN THE WIND CAPITAL PROJECT FUND (Project DDWG20)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Project Program Support	$ 9,000	$ 9,000	$	$ 9,000	$
Transfer to General Fund	3,137		3,141	3,141	(4)
TOTAL EXPENDITURES	$ 12,137	$ 9,000	$ 3,141	$ 12,141	$ (4)
REVENUES AND OTHER FINANCING SOURCES:					
Grant - NC Arts Council	$ 9,000	$ 9,000	$	$ 9,000	$
Investment income	12	1	15	16	4
Contributions					
Transfer from General Fund	3,125	3,125		3,125	
TOTAL REVENUES AND OTHER SOURCES	$ 12,137	$ 12,126	$ 15	$ 12,141	$ 4

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG PARK FARMERS' MARKET SHELTER CAPITAL PROJECT FUND (Project DDWG21)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Farmer's Market Shelter	$ 160,000	$ 3,529	$ 156,471	$ 160,000	$
TOTAL EXPENDITURES	$ 160,000	$ 3,529	$ 156,471	$ 160,000	$
REVENUES AND OTHER FINANCING SOURCES:					
Grant - NC Tobacco Trust Fund Commission	$ 160,000	$ 3,529	$ 156,471	$ 160,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 160,000	$ 3,529	$ 156,471	$ 160,000	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG PARK NORTH CAROLINA DOWNTOWN REVITALIZATION CAPITAL PROJECT FUND (Project DDWG22)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Downtown Revitalization	$ 96,107	$ 96,107	$	$ 96,107	$
Transfer to Community Development Fund	737		738	738	(1)
TOTAL EXPENDITURES	$ 96,844	$ 96,107	$ 738	$ 96,845	$ (1)
REVENUES AND OTHER FINANCING SOURCES:					
Grant - NC Office of State Budget & Management	$ 96,107	$ 96,107	$	$ 96,107	$
Investment income	74	72	3	75	1
Transfer from grant projects	663	663		663	
TOTAL REVENUES AND OTHER SOURCES	$ 96,844	$ 96,842	$ 3	$ 96,845	$ 1

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
ECONOMIC COMMUNITY INVESTMENT - WHIRLIGIG PARK CAPITAL PROJECT FUND (Project DDWG23)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Construction	$ 1,191,060	$	$ 39,114	$ 39,114	$ 1,151,946
TOTAL EXPENDITURES	$ 1,191,060	$	$ 39,114	$ 39,114	$ 1,151,946
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$	$ 3,665	$ 3,665	$ 3,665
Transfer from Electric Fund	1,111,060	1,111,060		1,111,060	
Transfer from Water Resources Fund	80,000		80,000	80,000	
TOTAL REVENUES AND OTHER SOURCES	$ 1,191,060	$ 1,111,060	$ 83,665	$ 1,194,725	$ 3,665

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
WHIRLIGIG PARK NORTH CAROLINA DOWNTOWN REVITALIZATION GRANT II CAPITAL PROJECT FUND (Project DDWG24)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Whirligig Park Downtown Revitalization	$ 94,340	$	$ 94,340	$ 94,340	$
Transfer to Community Development Fund	157		157	157	
TOTAL EXPENDITURES	$ 94,497	$	$ 94,497	$ 94,497	$
REVENUES AND OTHER FINANCING SOURCES:					
Grant - NC Department of Commerce	$ 94,340	$	$ 94,340	$ 94,340	$
Investment income	157		157	157	
TOTAL REVENUES AND OTHER SOURCES	$ 94,497	$	$ 94,497	$ 94,497	$

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
RAIL STATION CANOPY REPLACEMENT CAPITAL PROJECT FUND (Project PS0006)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	$ 40,000	$	$	$	$ 40,000
Construction	435,000				435,000
TOTAL EXPENDITURES	$ 475,000	$	$	$	$ 475,000
REVENUES AND OTHER FINANCING SOURCES:					
Grant proceeds	$ 427,500	$	$	$	$ (427,500)
Investment income		6,900	324	7,224	7,224
Transfer from other funds	47,500	47,500		47,500	
TOTAL REVENUES AND OTHER SOURCES	$ 475,000	$ 54,400	$ 324	$ 54,724	$ (420,276)

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FLEMING STADIUM IMPROVEMENTS CAPITAL PROJECT FUND (Project RE0024)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	$ 33,836	$ 33,836	$	$ 33,836	$
Land improvements	133,139	133,139		133,139	
Buildings improvements	371,210	371,209		371,209	1
TOTAL EXPENDITURES	$ 538,185	$ 538,184	$	$ 538,184	$ 1
REVENUES AND OTHER FINANCING SOURCES:					
Contribution	$ 345,500	$ 375,000	$ (29,500)	$ 345,500	$
Investment income	360	327	32	359	(1)
Transfer from General Fund	192,325	171,500	20,825	192,325	
TOTAL REVENUES AND OTHER SOURCES	$ 538,185	$ 546,827	$ (8,643)	$ 538,184	$ (1)

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS
J.BURT GILLETTE ATHLETIC COMPLEX
JUNE 30, 2017 AND 2016

	J. Burt Gillette Athletic Complex Grass Soccer Fields	J. Burt Gillette Athletic Complex Stadium/Soccer Fields Site Improvements	Total 2017	Total 2016
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents/investments	$	$ 2,958,333	$ 2,958,333	$
Other receivables				100,000
TOTAL ASSETS	$	$ 2,958,333	$ 2,958,333	$ 100,000
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	$	$ 285,160	$ 285,160	$
Interfund payable				99,971
Total liabilities		285,160	285,160	99,971
FUND BALANCE:				
Restricted:				
Stabilization by State Statute		1,778,220	1,778,220	100,000
Committed:				
Culture and recreation		894,953	894,953	
Unassigned				(99,971)
Total fund balances		2,673,173	2,673,173	29
TOTAL LIABILITIES AND FUND BALANCE	$	$ 2,958,333	$ 2,958,333	$ 100,000

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
J.BURT GILLETTE ATHLETIC COMPLEX
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	J. Burt Gillette Athletic Complex Grass Soccer Fields	J. Burt Gillette Athletic Complex Stadium/Soccer Fields Site Improvements	Total	
			2017	2016
REVENUES				
Contributions	$ (80,000)	$	$ (80,000)	$ 100,000
Investment income	136	5,909	6,045	
Total revenues	(79,864)	5,909	(73,955)	100,000
EXPENDITURES:				
Engineering		115,333	115,333	
Construction		409,518	409,518	
Administration		23,955	23,955	
Total expenditures		548,806	548,806	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(79,864)	(542,897)	(622,761)	100,000
OTHER FINANCING SOURCES/(USES)				
Transfers from other funds	79,835	3,216,070	3,295,905	
Transfers to other funds				
Total other financing sources and uses	79,835	3,216,070	3,295,905	
NET CHANGE IN FUND BALANCES	(29)	2,673,173	2,673,144	100,000
FUND BALANCE, BEGINNING OF YEAR	29		29	(99,971)
FUND BALANCE, END OF YEAR	$	$ 2,673,173	$ 2,673,173	$ 29

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
J. BURT GILLETTE ATHLETIC COMPLEX GRASS SOCCER FIELDS CAPITAL PROJECT FUND (Project RE0025)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Land improvements	$ 134,350	$ 134,348	$	$ 134,348	$ 2
Construction	195,220	195,220		195,220	
Equipment	157,000	157,000		157,000	
TOTAL EXPENDITURES	$ 486,570	$ 486,568	$	$ 486,568	$ 2
REVENUES AND OTHER FINANCING SOURCES:					
Contribution	$ 145,000	$ 225,000	$ (80,000)	$ 145,000	$
Investment income	165	27	136	163	(2)
Transfer from General Fund	341,405	261,570	79,835	341,405	
TOTAL REVENUES AND OTHER SOURCES	$ 486,570	$ 486,597	$ (29)	$ 486,568	$ (2)

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
J. BURT GILLETTE ATHLETIC COMPLEX STADIUM/SOCCER FIELDS/SITE IMPROVEMENTS CAPITAL PROJECT FUND (Project RE0033)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	$ 130,600	$	$ 115,333	$ 115,333	$ 15,267
Construction	2,862,535		409,518	409,518	2,453,017
Administration	104,800		23,955	23,955	80,845
TOTAL EXPENDITURES - Capital Outlay	$ 3,097,935	$	$ 548,806	$ 548,806	$ 2,549,129
EXPENDITURES AND OTHER FINANCING USES:					
Contingency	$ 118,135	$	$	$	$ 118,135
TOTAL EXPENDITURES	$ 3,216,070	$	$ 548,806	$ 548,806	$ 2,667,264
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$	$ 5,909	$ 5,909	$ 5,909
Transfer from General Government Capital Project Fund	1,200,000		1,200,000	1,200,000	
Transfer from General Fund	2,016,070		2,016,070	2,016,070	
TOTAL REVENUES AND OTHER SOURCES	$ 3,216,070	$	$ 3,221,979	$ 3,221,979	$ 5,909

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
ECONOMIC COMMUNITY INVESTMENT DOWNTOWN BUILDING REVITALIZATION CAPITAL PROJECT FUND (Project DD0025)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES					
Construction	$ 300,000	$	$ 18,860	$ 18,860	$ 281,140
Administration/Operating	50,000				50,000
Project incentives	250,000		205,264	205,264	44,736
TOTAL EXPENDITURES	$ 600,000	$	$ 224,124	$ 224,124	$ 375,876
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$ 298	$ 2,410	$ 2,708	$ 2,708
Transfer from Electric Fund	600,000	350,000	250,000	600,000	
TOTAL REVENUES AND OTHER SOURCES	$ 600,000	$ 350,298	$ 252,410	$ 602,708	$ 2,708

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
ECONOMIC COMMUNITY INVESTMENT - TIGER CAPITAL PROJECT FUND (Project PL0023)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Economic Community Investment - TIGER	$ 1,512,800	$	$ 1,107,430	$ 1,107,430	$ 405,370
TOTAL EXPENDITURES	$ 1,512,800	$	$ 1,107,430	$ 1,107,430	$ 405,370
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$	$ 5,521	$ 5,521	$ 5,521
Transfer from Electric Fund	1,512,800	750,000	762,800	1,512,800	
TOTAL REVENUES AND OTHER SOURCES	$ 1,512,800	$ 750,000	$ 768,321	$ 1,518,321	$ 5,521

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
LAKE WILSON WALKING TRAIL AND BRIDGE CAPITAL PROJECT FUND (Project PK0062)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Land improvements	$ 25,000	$	$	$	$ 25,000
Construction	200,000		6,500	6,500	193,500
General equipment	25,000				25,000
TOTAL EXPENDITURES	$ 250,000	$	$ 6,500	$ 6,500	$ 243,500
REVENUES AND OTHER FINANCING SOURCES:					
Contributions	$ 50,000	$	$ 50,000	$ 50,000	$
Investment income			809	809	809
Transfer from General Fund	200,000		200,000	200,000	
TOTAL REVENUES AND OTHER SOURCES	$ 250,000	$	$ 250,809	$ 250,809	$ 809

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
PUBLIC STREET MAINTENANCE AND CONSTRUCTION CAPITAL PROJECT FUND (Project PS0023)
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Infrastructure improvement/maintenance	$ 725,000	$	$ 646,274	$ 646,274	$ 78,726
TOTAL EXPENDITURES	$ 725,000	$	$ 646,274	$ 646,274	$ 78,726
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	$	$	$ 2,533	$ 2,533	$ 2,533
Transfer from General Fund	725,000		725,000	725,000	
TOTAL REVENUES AND OTHER SOURCES	$ 725,000	$	$ 727,533	$ 727,533	$ 2,533

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT SHELL BUILDING PROJECT
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES:				
Investment income	$	$ 656	$ 656	$ 1,391
Other		106,417	106,417	
Total revenues		107,073	107,073	1,391
Fund balance appropriated	200,000		(200,000)	
Total revenues and fund balance appropriations	200,000	107,073	(92,927)	1,391
EXPENDITURES:				
Special programs	525,000	481,108	43,892	
Total expenditures	525,000	481,108	43,892	
OTHER FINANCING SOURCES/(USES):				
Transfers from (to) other funds	325,000	325,000		200,000
Total other financing sources/(uses)	325,000	325,000		200,000
NET CHANGE IN FUND BALANCES	$	(49,035)	$ (49,035)	201,391
FUND BALANCE, BEGINNING OF YEAR		392,804		191,413
FUND BALANCE, END OF YEAR		$ 343,769		$ 392,804

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL GOVERNMENT CAPITAL PROJECT
FOR THE YEAR ENDED JUNE 30, 2017 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES:				
Investment income	$ 4,795	$ 3,909	$ (886)	$ 7,629
Total revenues	4,795	3,909	(886)	7,629
Fund balance appropriated	1,052,690		(1,052,690)	
Total revenues and fund balance appropriations	1,057,485	3,909	(1,053,576)	7,629
OTHER FINANCING SOURCES/(USES):				
Transfers from other funds	200,000	200,000		200,000
Transfers (to) other funds	(1,257,485)	(1,257,485)		
Total other financing sources/(uses)	(1,057,485)	(1,057,485)		200,000
NET CHANGE IN FUND BALANCES	$	(1,053,576)	$ (1,053,576)	207,629
FUND BALANCE, BEGINNING OF YEAR		1,053,576		845,947
FUND BALANCE, END OF YEAR		$		$ 1,053,576

CITY OF WILSON, NORTH CAROLINA

ENTERPRISE FUNDS

Electric Fund – Accounts for the operation of the City's electric power distribution system. The financial statements that follow present the main activities of this fund - operations, a rate stabilization reserve, and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the three activities together as one fund.

Gas Fund – Accounts for the operation of the City's natural gas distribution system. The financial statements that follow present the main activities of this fund - operations and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the two activities together as one fund.

Water Resources Fund – Accounts for the operation of the City's water and sewer system. The financial statements that follow present the main activities of this fund - operations, a revolving loan program, a capital reserve, and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the four activities together as one fund.

Mass Transit Fund – Accounts for the operation of the City's transit system.

Industrial Air Center Fund – Accounts for the operations of the City's municipal airport.

Broadband Fund – Accounts for the operation of the City's broadband services providing video, voice and data services.

Stormwater Management Fund – Accounts for the operations of the City's stormwater run-off system. The financial statements that follow present the main activities of this fund - operations and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the two activities together as one fund.

NOTE: The schedules for enterprise capital projects funds which have a capital project ordinance for the life of the project disclosed project authorization, current, as well as prior years' revenues and expenditures to date, and respective variances. The schedules for capital projects which are budgeted on an annual basis disclose current year budget, actual and respective variances.

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL STATEMENT OF FUND NET POSITION - ENTERPRISE FUNDS - ELECTRIC

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 37,086,149	$ 38,638,616
Receivables (net of allowances for uncollectibles):		
Customer accounts	13,341,166	13,580,942
Accrued interest	39,406	36,627
Refundable sales and use tax	1,710,723	1,439,089
Other receivables	260,769	576,625
Due from other agencies and governments	157,663	
Inventories	2,044,917	2,018,712
Prepaid insurance cost on debt issuance	197,963	210,700
Total current assets	54,838,756	56,501,311
NONCURRENT ASSETS:		
Restricted cash - Deposits	1,676,243	1,726,713
Capital assets:		
Land	5,712,240	5,712,240
Land improvements	10,651	10,651
Buildings	398,807	295,513
Distribution system	127,393,647	121,258,776
Rolling stock	9,922,298	8,441,232
Furniture, fixtures and equipment	18,701,494	16,858,377
Construction-in-progress		21,345
Total capital assets	162,139,137	152,598,134
Less accumulated depreciation	(84,147,374)	(79,570,973)
Capital assets, net	77,991,763	73,027,161
Total noncurrent assets	79,668,006	74,753,874
TOTAL ASSETS	134,506,762	131,255,185
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	1,022,450	
Contributions to pension plan in current fiscal year - LGERS	320,910	285,142
Total deferred outflows of resources	1,343,360	285,142
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	8,567,521	9,591,202
Accrued wages and amounts withheld	249,732	216,020
Accrued interest	198,903	205,322
Customer deposits	1,676,243	1,726,713
Notes payable - current	261,756	261,756
Certificates of participation - current	760,000	1,080,000
Compensated absences - current	303,494	276,086
Total current liabilities	12,017,649	13,357,099
NONCURRENT LIABILITIES:		
Notes payable	1,047,025	1,308,781
Certificates of participation payable	21,286,124	22,075,073
Compensated absences - noncurrent	113,547	121,067
Post employment benefit payable	1,498,747	1,324,546
Net pension liability - LGERS	1,597,195	343,498
Total noncurrent liabilities	25,542,638	25,172,965
Total liabilities	37,560,287	38,530,064
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	113,888	219,288
Total deferred inflows of resources	113,888	219,288
NET POSITION		
Net investment in capital assets	54,636,858	48,301,551
Unrestricted	43,539,089	44,489,424
TOTAL NET POSITION	$ 98,175,947	$ 92,790,975

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - ELECTRIC

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Metered general consumers	$ 118,337,711	$ 121,353,558
Sales to other distributors	2,165,282	2,354,626
Sales to other utilities	2,010,409	2,034,464
Municipal street lights	350,000	350,000
Rental of area lights	1,871,032	1,842,114
Other	825,754	342,309
Total operating revenues	125,560,188	128,277,071
OPERATING EXPENSES:		
Cost of purchased electricity	86,460,419	86,672,656
Production and distribution	8,934,439	7,497,908
General and administrative	10,482,622	10,142,375
Engineering	1,867,290	4,686,360
Marketing & public relations	181,830	165,947
System control and communications	2,414,952	2,023,348
Depreciation	4,686,356	4,433,495
Total operating expenses	115,027,908	115,622,089
OPERATING INCOME (LOSS)	10,532,280	12,654,982
NONOPERATING REVENUES (EXPENSES):		
Investment income	2,313	312,498
Other income	4,783	30,590
Intergovernmental	157,663	
Interest expense	(1,025,998)	(1,152,645)
Contributions to other agencies	(1,287,996)	(1,396,016)
Prepaid insurance cost on bond issuance	(12,738)	(12,738)
Total nonoperating revenue (expense)	(2,161,973)	(2,218,311)
INCOME (LOSS) BEFORE TRANSFERS	8,370,307	10,436,671
Transfers out	(3,679,030)	(4,741,550)
Capital contributions	693,695	678,629
CHANGE IN NET POSITION	5,384,972	6,373,750
NET POSITION - BEGINNING	92,790,975	86,417,225
NET POSITION - ENDING	$ 98,175,947	$ 92,790,975

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS - ELECTRIC

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016 (CONTINUED)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 125,793,716	$ 132,197,235
Cash paid to suppliers	(103,161,189)	(105,913,282)
Cash paid to employees	(7,912,369)	(7,278,183)
Contribution to other agencies		(1,396,016)
Net cash provided by operating activities	14,720,158	17,609,754
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds	(3,679,030)	(4,741,550)
Contributions to other agencies	(1,287,996)	
Net cash used for nonoperating activities	(4,967,026)	(4,741,550)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(9,593,244)	(3,882,561)
Principal paid on capital debt	(1,341,756)	(1,196,756)
Interest paid on capital debt	(1,132,806)	(1,184,564)
Proceeds from sales of capital assets	18,508	30,590
Contributed capital	693,695	678,629
Net cash used for capital and related financing activities	(11,355,603)	(5,554,662)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	(466)	328,424
Net cash provided (used) in investing activities	(466)	328,424
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS	(1,602,937)	7,641,966
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	40,365,329	32,723,363
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 38,762,392	$ 40,365,329

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS - ELECTRIC

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016 (CONCLUDED)

	2017	2016
Reconciliation of operating income to net cash provided (used) by operating activities		
Operating income (loss)	$ 10,532,280	$ 12,654,982
Adjustments to reconcile operating income (loss) to net cash provided (used in) operating activities		
Depreciation expense	4,686,356	4,433,495
Contribution to other agencies		(1,396,016)
Change in assets and liabilities		
(Increase) decrease in accounts receivable	283,998	3,845,835
(Increase) decrease in inventory	(26,205)	160,726
Increase (decrease) in customer deposits	(50,470)	74,329
Increase (decrease) in accounts payable	(1,023,681)	(2,159,693)
Increase (decrease) in accrued wages and amounts withheld	227,801	106,444
(Increase) decrease in net pension asset		457,653
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(1,058,218)	4,829
Increase (decrease) in net pension liability	1,253,697	343,498
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(105,400)	(916,328)
Total adjustments	4,187,878	4,954,772
Net cash provided by (used in) operating activities	$ 14,720,158	$ 17,609,754
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	$ (15,315)	$ (290,025)
Capital assets acquired to be paid for in subsequent years	$ 147,261	$ 147,261
Increase (decrease) in fair value of investments	$ (211,358)	$ 119,283

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - ELECTRIC OPERATING FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Electric services:				
Metered general consumer sales	$ 118,181,070	$ 118,337,711	$ 156,641	$ 121,353,558
Sales to other distributors	2,248,000	2,165,282	(82,718)	2,354,626
Sales to other utilities	1,997,000	2,010,409	13,409	2,034,464
Municipal street lighting	350,000	350,000		350,000
Rental of area lights	1,858,000	1,871,032	13,032	1,842,114
Other	852,300	825,754	(26,546)	342,309
Total operating revenues	125,486,370	125,560,188	73,818	128,277,071
NONOPERATING REVENUES:				
Investment income	50,000	(30,489)	(80,489)	269,761
Grants		157,663	157,663	
Other income		4,783	4,783	30,590
Total nonoperating revenues	50,000	131,957	81,957	300,351
TOTAL REVENUES	125,536,370	125,692,145	155,775	128,577,422
FUND BALANCE APPROPRIATED	8,043,709		(8,043,709)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 133,580,079	$ 125,692,145	$ (7,887,934)	$ 128,577,422

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - ELECTRIC OPERATING FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONCLUDED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING EXPENDITURES:				
Electric power purchased	$ 88,476,710	$ 86,460,419	$ 2,016,291	$ 86,672,656
Production and distribution:				
City and County:				
Personnel Services	4,610,190	5,009,962	(399,772)	4,524,855
Operating Expenditures	2,940,077	3,924,477	(984,400)	3,098,053
Recovered Costs	(130,000)		(130,000)	(125,000)
Capital outlay	6,050,807	3,465,118	2,585,689	2,268,688
Total	13,471,074	12,399,557	1,071,517	9,766,596
System control and communications:				
Personnel Services	1,203,790	1,186,560	17,230	1,179,662
Operating Expenditures	1,242,121	1,228,392	13,729	843,686
Capital outlay	2,410,213	1,338,887	1,071,326	1,053,977
Total	4,856,124	3,753,839	1,102,285	3,077,325
General and administrative:				
Personnel Services	502,200	334,213	167,987	320,649
Operating Expenditures	10,145,259	9,864,240	281,019	9,893,557
Capital outlay	217,880	85,844	132,036	
Total	10,865,339	10,284,297	581,042	10,214,206
Engineering:				
Personnel Services	1,224,330	1,321,851	(97,521)	1,229,551
Operating Expenditures	2,603,230	545,439	2,057,791	3,456,809
Capital outlay	580,572	172,364	408,208	299,925
Total	4,408,132	2,039,654	2,368,478	4,986,285
Key Accounts & Marketing:				
Personnel Services	91,450	93,494	(2,044)	91,393
Operating Expenditures	107,840	88,336	19,504	74,554
Total	199,290	181,830	17,460	165,947
Total operating expenditures	122,276,669	115,119,596	7,157,073	114,883,015
INTEREST EXPENSE	1,131,800	1,126,387	5,413	1,181,594
OTHER EXPENDITURES AND USES:				
Contributions to other agencies	1,719,820	1,287,996	431,824	1,396,016
Transfers to other funds	6,860,030	6,860,030		4,922,550
Certificates of participation principal repayments	1,080,000	1,080,000		935,000
Lease purchase principal repayments	261,760	261,756	4	261,756
Contingency	250,000		250,000	
Total other expenditures and uses	10,171,610	9,489,782	681,828	7,515,322
TOTAL EXPENDITURES AND OTHER USES	$ 133,580,079	$ 125,735,765	$ 7,844,314	$ 123,579,931

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
ELECTRIC RATE STABILIZATION FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	$	$ 1,315	$ 1,315	$ 26,907
TOTAL REVENUES AND OTHER SOURCES	$	$ 1,315	$ 1,315	$ 26,907

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
SUBSTATION NO. 14 & NO 15 DISTRIBUTION SYSTEM IMPROVEMENTS CAPITAL PROJECT FUND (Project ED0216)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Construction	$ 10,117,030	$ 7,531,719	$	$ 7,531,719	$ 2,585,311
TOTAL EXPENDITURES -					
CAPITAL OUTLAY	$ 10,117,030	$ 7,531,719	$	$ 7,531,719	$ 2,585,311
NONOPERATING EXPENDITURES AND					
OTHER USES:					
Administrative/Closing costs	$ 152,400	$ 152,372	$	$ 152,372	$ 28
Transfer to other funds	521,270	521,270		521,270	
TOTAL NONOPERATING EXPENDITURES					
AND OTHER USES	$ 673,670	$ 673,642		$ 673,642	$ 28
TOTAL EXPENDITURES	$ 10,790,700	$ 8,205,361	$	$ 8,205,361	$ 2,585,339
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Transfer from other funds	$ 6,310,560	$ 6,512,919	$	$ 6,512,919	$ 202,359
Investment income	300,000	358,026	6,226	364,252	64,252
Bonds issued	4,180,140	4,180,136		4,180,136	(4)
TOTAL REVENUES AND					
OTHER SOURCES	$ 10,790,700	$ 11,051,081	$ 6,226	$ 11,057,307	$ 266,607

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
ADVANCED METERING INFRASTRUCTURE AMI PILOT PROJECT CAPITAL PROJECT FUND (Project ED0336)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 1,400,000	$ 1,282,938	$	$ 1,282,938	$ 117,062
Equipment	1,350,000	1,312,344		1,312,344	37,656
TOTAL EXPENDITURES AND OTHER USES	$ 2,750,000	$ 2,595,282	$	$ 2,595,282	$ 154,718
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 2,750,000	$ 2,750,000	$	$ 2,750,000	$
Investment income		8,202	815	9,017	9,017
TOTAL REVENUES AND OTHER SOURCES	$ 2,750,000	$ 2,758,202	$ 815	$ 2,759,017	$ 9,017

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
INTERCONNECTION LINES TO SUBSTATIONS #2, #3, #4, #5, #8, #10, #14, RW (MT. OLIVE, LLC) CAPITAL PROJECT FUND
(Project ED0347)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Construction	$ 1,731,000	$ 197,596	$ 1,523,052	$ 1,720,648	$ 10,352
TOTAL EXPENDITURES AND OTHER USES	$ 1,731,000	$ 197,596	$ 1,523,052	$ 1,720,648	$ 10,352
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 331,000	$ 181,000	$ 150,000	$ 331,000	$
Investment income		958	16,366	17,324	17,324
Contributions	1,400,000	678,629	693,695	1,372,324	(27,676)
TOTAL REVENUES AND OTHER SOURCES	$ 1,731,000	$ 860,587	$ 860,061	$ 1,720,648	$ (10,352)

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
ADVANCED METERING INFRASTRUCTURE CAPITAL PROJECT FUND (Project ED0352)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
General Equipment	$ 445,305	$	$ 445,305	$ 445,305	$
AMI Infrastructure Meters	2,562,675		2,562,674	2,562,674	1
TOTAL EXPENDITURES - CAPITAL OUTLAY	$ 3,007,980	$	$ 3,007,979	$ 3,007,979	$ 1
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 3,000,000	$	$ 3,000,000	$ 3,000,000	$
Investment income	7,980		7,979	7,979	(1)
TOTAL REVENUES AND OTHER SOURCES	$ 3,007,980	$	$ 3,007,979	$ 3,007,979	$ (1)

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
301 INFRASTRUCTURE/CORRIDOR IMPROVEMENTS CAPITAL PROJECT FUND (Project ED0371)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Project Development	$ 31,000	$	$	$	$ 31,000
TOTAL EXPENDITURES - CAPITAL OUTLAY	$ 31,000	$	$	$	$ 31,000
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 31,000	$	$ 31,000	$ 31,000	$
Investment income			101	101	101
TOTAL REVENUES AND OTHER SOURCES	$ 31,000	$	$ 31,101	$ 31,101	$ 101

CITY OF WILSON, NORTH CAROLINA

ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - ELECTRIC
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:		
Operating Fund	$	125,692,145
Electric Rate Stabilization Fund		1,315
Substation No. 14 & No. 15 Distribution System Improvements Capital Project Fund		6,226
Advanced Metering Infrastructure AMI Pilot Program Capital Project Fund		815
Interconnection Lines to Substation #2, #3, #4, #5, #8, #10, #14, RW (Mt. Olive, LLC) Capital Project Fund		860,061
Advanced Metering Infrastructure Capital Project Fund		3,007,979
301 Infrastructure/Corridor Improvements Capital Project Fund		31,101
		129,599,642
TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS:		
Operating Fund		125,735,765
Interconnection Lines to Substation #2, #3, #4, #5, #8, #10, #14, RW (Mt. Olive, LLC) Capital Project Fund		1,523,052
Advanced Metering Infrastructure Capital Project Fund		3,007,979
		130,266,796
EXCESS OF REVENUES & OTHER SOURCES OVER EXPENDITURES AND OTHER USES		(667,154)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(4,686,356)
Capital outlay		9,664,684
Notes payable principal retirements		1,341,756
(Increase) decrease in accrued vacation		(19,889)
Other post employment benefit payable		(174,201)
Amortization of bond premium		33,095
Amortization of bond discount		(4,146)
Amortization of prepaid insurance costs on bonds		(12,738)
Increase (decrease) in deferred outflows of resources - LGERS pensions		1,058,218
(Increase) decrease in deferred inflows of resources - LGERS pensions		105,400
(Increase) decrease in net pension liability - LGERS pensions		(1,253,697)
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	5,384,972

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - GAS

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 5,240,605	$ 6,895,313
Sales tax distribution		
Customer accounts	968,739	752,309
Accrued interest	5,333	6,318
Other receivables	765	5,956
Due from other agencies and governments	1,981	
Inventories	177,306	253,324
Prepaid insurance cost on debt issuance	2,431	3,647
Total current assets	6,397,160	7,916,867
NONCURRENT ASSETS:		
Restricted cash - Deposits	196,937	202,135
Advances to other funds	2,780,000	2,980,000
Capital Assets:		
Land	234,948	234,948
Buildings	20,749	20,749
Distribution system	27,856,782	27,051,284
Rolling stock	1,482,383	1,417,845
Furniture, fixtures and equipment	869,985	351,750
Total capital assets	30,464,847	29,076,576
Less accumulated depreciation	(10,599,116)	(9,944,188)
Capital assets, net	19,865,731	19,132,388
Total noncurrent assets	22,842,668	22,314,523
TOTAL ASSETS	29,239,828	30,231,390
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	278,850	
Contributions to pension plan in current fiscal year - LGERS	87,521	77,766
Total deferred outflows of resources	366,371	77,766
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	515,485	436,054
Accrued wages and amounts withheld	71,459	60,978
Accrued interest	10,455	7,547
Customer deposits	196,937	202,135
Revenue bonds - current	166,275	165,150
Notes payable - current	190,656	190,656
Compensated absences - current	83,070	73,958
Total current liabilities	1,234,337	1,136,478
NONCURRENT LIABILITIES:		
Revenue bonds payable	2,205,744	2,372,209
Notes payable	572,073	762,729
Compensated absences - noncurrent	20,416	28,603
Post employment benefit payable	391,020	344,120
Net pension liability - LGERS	435,598	93,681
Total noncurrent liabilities	3,624,851	3,601,342
Total liabilities	4,859,188	4,737,820
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	31,059	59,805
Total deferred inflows of resources	31,059	59,805
NET POSITION		
Net investment in capital assets	16,730,983	15,641,644
Unrestricted	7,984,969	9,869,887
TOTAL NET POSITION	$ 24,715,952	$ 25,511,531

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - GAS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Metered general consumers	$ 14,718,386	$ 14,686,620
Sales to other utilities	136,172	142,443
Other	19,900	23,207
Total operating revenues	14,874,458	14,852,270
OPERATING EXPENSES:		
Cost of purchased gas	8,271,269	8,556,583
Production and distribution	2,628,695	2,545,459
General and administrative	2,627,909	2,834,004
Depreciation	731,108	657,294
Total operating expenses	14,258,981	14,593,340
OPERATING INCOME (LOSS)	615,477	258,930
NONOPERATING REVENUES (EXPENSES):		
Investment income	(7,415)	50,490
Other income	48,823	19,574
Intergovernmental	1,981	
Interest expense	(100,639)	(109,688)
Contributions to other agencies	(9,570)	(9,570)
Prepaid insurance cost on bond issuance	(1,216)	(1,216)
Total nonoperating revenue (expense)	(68,036)	(50,410)
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	547,441	208,520
Transfers out	(1,343,020)	(1,337,520)
CHANGE IN NET POSITION	(795,579)	(1,129,000)
NET POSITION - BEGINNING	25,511,531	26,640,531
NET POSITION - ENDING	$ 24,715,952	$ 25,511,531

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - GAS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 14,663,219	$ 14,935,934
Cash paid to suppliers	(11,115,738)	(11,819,847)
Cash paid to employees	(2,179,012)	(2,142,783)
Contribution to other agencies		(9,570)
Net cash provided by operating activities	1,368,469	963,734
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds	(1,343,020)	(1,337,520)
Contributions to other agencies	(9,570)	
Interfund receivable from other funds	200,000	100,000
Net cash used for noncapital financing activities	(1,152,590)	(1,237,520)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(1,452,669)	(1,310,261)
Principal paid on capital debt	(355,806)	(351,981)
Interest paid on capital debt	(97,921)	(107,451)
Proceeds from sales of capital assets	37,041	16,576
Net cash used for capital and related financing activities	(1,869,355)	(1,753,117)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	(6,430)	59,598
Net cash provided (used) in investing activities	(6,430)	59,598
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(1,659,906)	(1,967,305)
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	7,097,448	9,064,753
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 5,437,542	$ 7,097,448
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 615,477	$ 258,930
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	731,108	657,294
Contribution to other agencies		(9,570)
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(211,239)	83,664
(Increase) decrease in inventory	76,018	(6,283)
Increase (decrease) in customer deposits	(5,198)	1,916
Increase (decrease) in accounts payable	79,431	(30,854)
Increase (decrease) in accrued wages and amounts withheld	58,306	38,732
(Increase) decrease in net pension asset		124,815
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(288,605)	1,317
Increase (decrease) in net pension liability	341,917	93,681
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(28,746)	(249,908)
Total adjustments	752,992	704,804
Net cash provided by (used in) operating activities	$ 1,368,469	$ 963,734
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	$ 66,969	$ 147,814
Capital assets acquired to be paid for in subsequent years	$ 10,174	$ 10,714
Increase (decrease) in fair value of investments	$ (34,513)	$ 15,769

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - GAS
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Gas services:				
Metered general consumer sales	$ 18,670,400	$ 14,718,386	$ (3,952,014)	$ 14,686,620
Sales to other utilities	175,000	136,172	(38,828)	142,443
Other income	9,000	19,900	10,900	23,207
Total operating revenues	18,854,400	14,874,458	(3,979,942)	14,852,270
NONOPERATING REVENUES:				
Investment income		(8,855)	(8,855)	49,171
Other income		48,823	48,823	19,574
Grants		1,981	1,981	
Total nonoperating revenues		41,949	41,949	68,745
TOTAL REVENUES	18,854,400	14,916,407	(3,937,993)	14,921,015
REPAYMENT OF ADVANCES FROM OTHER FUNDS		200,000	200,000	100,000
FUND BALANCE APPROPRIATED	989,398		(989,398)	
TOTAL REVENUES AND OTHER SOURCES FUND BALANCE APPROPRIATIONS	$ 19,843,798	$ 15,116,407	$ (4,727,391)	$ 15,021,015
OPERATING EXPENDITURES:				
Cost of purchased gas	$ 11,000,000	$ 8,271,269	$ 2,728,731	$ 8,556,583
Production and distribution:				
Personnel Services	2,150,340	2,037,725	112,615	2,017,933
Operating Expenditures	584,439	622,853	(38,414)	552,591
Recovered Costs	(204,520)	(31,883)	(172,637)	(25,065)
Capital outlay	1,641,959	1,452,669	189,290	1,310,261
Total	4,172,218	4,081,364	90,854	3,855,720
General and administrative:				
Personnel Services	185,020	151,768	33,252	143,035
Operating Expenditures	2,528,870	2,403,750	125,120	2,700,517
Total	2,713,890	2,555,518	158,372	2,843,552
Total operating expenditures	17,886,108	14,908,151	2,977,957	15,255,855
INTEREST EXPENSE	99,290	100,829	(1,539)	109,878
OTHER EXPENDITURES AND USES:				
Contributions to other agencies	9,570	9,570		9,570
Transfers to other funds	1,343,020	1,343,020		1,337,520
Bond retirements	165,150	165,150		161,325
Lease purchase principal repayments	190,660	190,656	4	190,656
Contingency	150,000		150,000	
Total other expenditures and uses	1,858,400	1,708,396	150,004	1,699,071
TOTAL EXPENDITURES AND OTHER USES	$ 19,843,798	$ 16,717,376	$ 3,126,422	$ 17,064,804

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
GAS PEAK SHAVING FACILITY CAPITAL PROJECT FUND (Project GD0005)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	$ 125,000	$	$	$	$ 125,000
Land	75,000				75,000
Construction	750,000				750,000
Contingency	50,000				50,000
TOTAL EXPENDITURES	$ 1,000,000	$	$	$	$ 1,000,000
NONOPERATING REVENUES AND					
OTHER SOURCES:					
Investment income	$	$ 118,968	$ 1,440	$ 120,408	$ 120,408
Transfer from other funds	150,000	150,000		150,000	
Installment contracts issued	850,000				(850,000)
TOTAL REVENUES AND					
OTHER SOURCES	$ 1,000,000	$ 268,968	$ 1,440	$ 270,408	$ (729,592)

CITY OF WILSON, NORTH CAROLINA

GAS FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - GAS
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES - MODIFIED ACCRUAL BASIS		
Operating Fund	$	15,116,407
Gas Peak Shaving Facility Capital Project Fund		1,440
		15,117,847
TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS		
Operating Fund		16,717,376
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES		(1,599,529)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(731,108)
Capital outlay		1,452,669
Bond retirements		165,150
Notes payable payments		190,656
Repayment of advance to other funds		(200,000)
Amortization of bond premium		190
(Increase) decrease in accrued vacation		(925)
Other post employment benefit payable		(46,900)
Increase (decrease) in deferred outflows of resources - LGERS pensions		288,605
(Increase) decrease in deferred inflows of resources - LGERS pensions		28,746
(Increase) decrease in net pension liability - LGERS pensions		(341,917)
Amortization of prepaid insurance costs on bonds		(1,216)
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	(795,579)

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - WATER RESOURCES (CONTINUED)

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 14,991,507	$ 13,468,780
Receivables (net of allowances for uncollectibles):		
Customer accounts	2,855,919	2,838,070
Assessments - water and sewer	5,685	6,068
Accrued interest	15,868	11,889
Other receivables	4,740	27,028
Due from other agencies and governments	177,663	
Inventories	181,430	189,778
Prepaid insurance cost on debt issuance	75,883	91,253
Total current assets	18,308,695	16,632,866
NONCURRENT ASSETS:		
Restricted cash - Deposits	349,349	360,513
Capital Assets:		
Land	21,590,962	18,666,135
Land improvements	5,368,385	5,368,385
Buildings	9,111,818	9,111,818
Distribution system	182,464,927	180,412,136
Rolling stock	4,362,206	4,114,032
Furniture, fixtures and equipment	4,994,259	4,783,000
Total capital assets	227,892,557	222,455,506
Less accumulated depreciation	(88,869,732)	(85,123,060)
Capital assets, net	139,022,825	137,332,446
Total noncurrent assets	139,372,174	137,692,959
TOTAL ASSETS	157,680,869	154,325,825
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources on refunding	61,184	71,382
Pension deferrals - LGERS	1,208,350	
Contributions to pension plan in current fiscal year - LGERS	405,617	363,347
Total deferred outflows of resources	1,675,151	434,729
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	471,872	375,744
Accrued wages and amounts withheld	239,826	211,226
Accrued interest	108,217	107,328
Customer deposits	349,349	360,513
General obligation bonds - current	1,205,000	1,205,000
Revenue bonds - current	572,725	568,850
Notes payable - current	1,673,575	1,673,575
Compensated absences - current	289,430	285,013
Total current liabilities	4,909,994	4,787,249

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - WATER RESOURCES (CONCLUDED)

JUNE 30, 2017 AND 2016

	2017	2016
NONCURRENT LIABILITIES:		
General obligation bonds payable	$ 5,271,188	$ 6,535,553
Revenue bonds payable	7,597,385	8,170,749
Notes payable	10,206,558	11,880,133
Compensated absences - noncurrent	107,521	129,536
Post employment benefit payable	1,446,633	1,275,783
Net pension liability - LGERS	1,845,989	364,347
Total noncurrent liabilities	26,475,274	28,356,101
Total liabilities	31,385,268	33,143,350
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	237,843	362,407
Total deferred inflows of resources	237,843	362,407
NET POSITION		
Net investment in capital assets	112,557,578	107,369,968
Unrestricted	15,175,331	13,884,829
Total net position	$ 127,732,909	$ 121,254,797

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Metered general consumers	$ 11,554,843	$ 11,185,225
Sales to other utilities	120,371	109,096
Municipal hydrants	23,814	23,814
Sewer services	12,908,760	12,256,889
Other	455,701	363,850
Total operating revenues	25,063,489	23,938,874
OPERATING EXPENSES:		
Production and distribution	6,691,981	6,164,367
General and administrative	3,708,347	3,255,892
Water reclamation	4,600,835	4,523,554
Wastewater collection	2,032,083	1,738,102
Depreciation	4,084,522	3,979,700
Total operating expenses	21,117,768	19,661,615
OPERATING INCOME (LOSS)	3,945,721	4,277,259
NONOPERATING REVENUE (EXPENSES):		
Investment income	14,173	108,628
Other income	81,769	6,417
Intergovernmental	325,360	
Interest expense	(774,333)	(884,132)
Prepaid insurance cost on bond issuance	(15,370)	(15,370)
Total nonoperating revenue (expense)	(368,401)	(784,457)
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	3,577,320	3,492,802
Transfers in	20,200	
Transfers out	(80,000)	
Capital contributions	2,960,592	7,375
CHANGE IN NET POSITION	6,478,112	3,500,177
NET POSITION - BEGINNING	121,254,797	117,754,620
NET POSITION - ENDING	$ 127,732,909	$ 121,254,797

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016 (CONTINUED)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 25,057,147	$ 23,914,442
Cash paid to suppliers	(9,795,614)	(9,960,244)
Cash paid to employees	(6,844,846)	(6,820,118)
Net cash provided by (used for) operating activities	8,416,687	7,134,080
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds	(80,000)	
Grant funds received	147,697	
Net cash provided (used) by noncapital financing activities	67,697	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(2,795,056)	(3,115,283)
Principal paid on capital debt	(3,447,425)	(3,449,250)
Interest paid on capital debt	(842,503)	(939,815)
Proceeds from sales of capital assets	81,769	10,149
Net cash provided by (used for) capital and related financing activities	(6,983,015)	(7,494,199)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	10,194	116,985
Net cash provided (used) in investing activities	10,194	116,985
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS	1,511,563	(243,134)
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDED RESTRICTED CASH) - BEGINNING OF YEAR	13,829,293	14,072,427
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 15,340,856	$ 13,829,293

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016 (CONCLUDED)

	2017	2016
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 3,945,721	$ 4,277,259
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	4,084,522	3,979,700
Change in assets and liabilities		
(Increase) decrease in accounts receivable	4,822	(35,961)
(Increase) decrease in inventory	8,348	10,810
(Increase) decrease in prepaid items		
Increase (decrease) in customer deposits	(11,164)	11,529
Increase (decrease) in accounts payable	96,128	(1,057,684)
Increase (decrease) in accrued wages and amounts withheld	181,852	78,827
(Increase) decrease in net pension asset		582,468
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(1,250,620)	5,707
Increase (decrease) in net pension liability	1,481,642	364,347
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(124,564)	(1,082,922)
Total adjustments	4,470,966	2,856,821
Net cash provided by (used in) operating activities	$ 8,416,687	$ 7,134,080
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	$ 2,960,592	$ 6,396
Capital assets acquired to be paid for in subsequent years	$ 63,879	$ 63,879
Increase (decrease) in fair value of investments	$ (72,695)	$ 36,311

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
ENTERPRISE FUNDS - WATER RESOURCES OPERATING FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Water services:				
Metered general consumer charges	$ 12,279,590	$ 11,554,843	$ (724,747)	$ 11,185,225
Sales to other utilities	90,000	120,371	30,371	109,096
Municipal hydrants	24,000	23,814	(186)	23,814
Sewer services	12,925,180	12,908,760	(16,420)	12,256,889
Other	462,420	455,701	(6,719)	363,850
Total operating revenues	25,781,190	25,063,489	(717,701)	23,938,874
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		(6,040)	(6,040)	74,176
Other		81,769	81,769	6,417
Grants	214,900	325,360	110,460	
Total nonoperating revenues and other sources	214,900	401,089	186,189	80,593
TOTAL REVENUES AND OTHER SOURCES	25,996,090	25,464,578	(531,512)	24,019,467
TRANSFERS FROM OTHER FUNDS	1,214,000	1,214,000		
FUND BALANCE APPROPRIATED	2,096,521		(2,096,521)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 29,306,611	$ 26,678,578	$ (2,628,033)	$ 24,019,467

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - WATER RESOURCES OPERATING FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONCLUDED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING EXPENDITURES:				
Water production:				
Personnel Services	$ 1,528,860	$ 1,435,376	$ 93,484	$ 1,383,554
Operating Expenditures	2,949,294	2,531,996	417,298	2,116,223
Capital outlay	888,690	342,575	546,115	192,350
Total	5,366,844	4,309,947	1,056,897	3,692,127
Water distribution:				
Personnel Services	1,542,370	1,389,855	152,515	1,304,210
Operating Expenditures	1,412,907	1,334,754	78,153	1,371,889
Recovered Costs	(100,000)		(100,000)	(11,509)
Capital outlay	885,471	990,092	(104,621)	1,009,615
Total	3,740,748	3,714,701	26,047	3,674,205
Total production and distribution	9,107,592	8,024,648	1,082,944	7,366,332
General and administrative:				
Personnel Services	270,420	146,591	123,829	225,050
Operating Expenditures	3,551,691	3,302,046	249,645	3,135,298
Capital outlay				5,900
Total	3,822,111	3,448,637	373,474	3,366,248
Water reclamation:				
Personnel Services	2,220,630	2,138,632	81,998	2,174,563
Operating Expenditures	2,964,177	2,462,203	501,974	2,348,991
Capital outlay	613,620	543,240	70,380	236,935
Total	5,798,427	5,144,075	654,352	4,760,489
Wastewater collection:				
Personnel Services	1,875,290	1,762,992	112,298	1,785,624
Operating Expenditures	1,186,686	1,065,385	121,301	818,154
Recovered Costs	(650,000)	(796,294)	146,294	(865,676)
Capital outlay	527,845	418,182	109,663	428,719
Total	2,939,821	2,450,265	489,556	2,166,821
Total operating expenditures	21,667,951	19,067,625	2,600,326	17,659,890
INTEREST EXPENSE	841,630	843,393	(1,763)	933,939
OTHER EXPENDITURES AND USES:				
Bond retirements	1,773,850	1,773,850		1,775,675
Lease purchase principal repayments	1,673,580	1,673,575	5	1,673,575
Transfer to other funds	3,149,600	3,149,600		217,900
Contingency	200,000		200,000	
Total other expenditures and uses	6,797,030	6,597,025	200,005	3,667,150
TOTAL EXPENDITURES AND OTHER USES	$ 29,306,611	$ 26,508,043	$ 2,798,568	$ 22,260,979

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
ENTERPRISE FUNDS - WATER RESOURCES REVOLVING LOAN FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	$	$ 81	$ 81	$ 1,649

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - WATER RESOURCES CAPITAL RESERVE FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	$	$ (1,229)	$ (1,229)	$ 16,883
Fund balance appropriated	1,214,000		(1,214,000)	
Transfer from other funds		553,572	553,572	67,900
Total nonoperating revenues and other sources	1,214,000	552,343	(661,657)	84,783
TOTAL REVENUES AND OTHER SOURCES	$ 1,214,000	$ 552,343	$ (661,657)	$ 84,783
EXPENDITURES AND OTHER USES:				
Transfers to other funds	$ 1,214,000	$ 1,214,000	$	$
TOTAL EXPENDITURES AND OTHER USES	$ 1,214,000	$ 1,214,000	$	$

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - BUCKHORN RESERVOIR WETLANDS FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	$	$ 12,707	$ 12,707	$ 11,640
TOTAL REVENUES AND OTHER SOURCES	$	$ 12,707	$ 12,707	$ 11,640

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
TURBO BLOWER UPGRADE CAPITAL PROJECT FUND (Project WM0031)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 17,500	$ 17,500	$	$ 17,500	$
Construction	400,535	400,535		400,535	
General equipment	371,000	371,000		371,000	
TOTAL EXPENDITURES - CAPITAL OUTLAY	789,035	789,035		789,035	
NONOPERATING EXPENDITURES AND OTHER USES:					
Transfer to other funds	96,965		96,972	96,972	(7)
TOTAL EXPENDITURES AND OTHER USES	$ 886,000	$ 789,035	$ 96,972	$ 886,007	$
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	$ 2,000	$ 1,516	$ 491	$ 2,007	$ 7
Transfers from other funds	884,000	884,000		884,000	
TOTAL REVENUES AND OTHER SOURCES	$ 886,000	$ 885,516	$ 491	$ 886,007	$ 7

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
STEEL MAIN REPLACEMENTS CAPITAL PROJECT FUND (Project WD0081)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 390,000	$ 363,517	$ 16,610	$ 380,127	$ 9,873
Land improvements	10,000	6,116		6,116	3,884
Construction	1,980,000	1,770,264	122,260	1,892,524	87,476
Contingency	72,140				72,140
TOTAL EXPENDITURES AND OTHER USES	$ 2,452,140	$ 2,139,897	$ 138,870	$ 2,278,767	$ 173,373
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	$	$ 10,536	$ 1,642	$ 12,178	$ 12,178
Transfers from other funds	2,452,140	2,478,040		2,478,040	25,900
TOTAL REVENUES AND OTHER SOURCES	$ 2,452,140	$ 2,488,576	$ 1,642	$ 2,490,218	$ 38,078

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
LONGVIEW PUMP STATION UPGRADE CAPITAL PROJECT FUND (Project WM0144)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Construction	$ 1,469,000	$	$ 91,949	$ 91,949	$ 1,377,051
TOTAL EXPENDITURES AND OTHER USES	$ 1,469,000	$	$ 91,949	$ 91,949	$ 1,377,051
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	$	$	$ 2,019	$ 2,019	$ 2,019
Transfer from Water Resources Fund	1,469,000		669,000	669,000	(800,000)
TOTAL REVENUES AND OTHER SOURCES	$ 1,469,000	$	$ 671,019	$ 671,019	$ (797,981)

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
NEW BLOWER AND AERATION CONTROLS CAPITAL PROJECT FUND (Project WM0146)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 122,000	$	$	$	$ 122,000
Construction	1,092,000				1,092,000
TOTAL EXPENDITURES AND OTHER USES	$ 1,214,000	$	$	$	$ 1,214,000
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	$	$	$ 1,472	$ 1,472	$ 1,472
Transfer from Water Resources Fund	1,214,000		1,214,000	1,214,000	
TOTAL REVENUES AND OTHER SOURCES	$ 1,214,000	$	$ 1,215,472	$ 1,215,472	$ 1,472

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
WOODARD PARKWAY INFRASTRUCTURE CAPITAL PROJECT FUND (Project WD0095)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	$ 269,090	$	$	$	$ 269,090
Land	25,000				25,000
Construction	2,606,220		270,151	270,151	2,336,069
Contingency	147,650				147,650
TOTAL EXPENDITURES AND OTHER USES	$ 3,047,960	$	$ 270,151	$ 270,151	$ 2,777,809
NONOPERATING REVENUES AND OTHER SOURCES:					
Golden Leaf Foundation Grant	$ 1,200,000	$	$	$	$ (1,200,000)
NC Rural Center Industrial Development Fund Grant	1,377,760				(1,377,760)
Contribution from Wilson County	150,000				(150,000)
Investment income			1,061	1,061	1,061
Transfer from Water Resources Fund	300,000	150,000	150,000	300,000	
Transfer from Stormwater Management Fund	20,200		20,200	20,200	
TOTAL REVENUES AND OTHER SOURCES	$ 3,047,960	$ 150,000	$ 171,261	$ 321,261	$ (2,726,699)

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
BASIN RENOVATION, FILTER REBUILD WIGGINS MILL AND TOISNOT CAPITAL PROJECT FUND (Project WP0090)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Construction	$ 1,080,000	$	$	$	$ 1,080,000
TOTAL EXPENDITURES AND OTHER USES	$ 1,080,000	$	$	$	$ 1,080,000
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	$	$	$ 1,969	$ 1,969	$ 1,969
Transfer from Water Resources Fund	1,080,000		580,000	580,000	(500,000)
TOTAL REVENUES AND OTHER SOURCES	$ 1,080,000	$	$ 581,969	$ 581,969	$ (498,031)

CITY OF WILSON, NORTH CAROLINA

WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - WATER RESOURCES
FOR THE YEAR ENDED JUNE 30, 2017

REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:		
Operating Fund	$	26,678,578
Revolving Loan Fund		81
Water Resources Capital Reserve Fund		552,343
Buckhorn Reservoir Wetlands Fund		12,707
Turbo Blower Upgrade Capital Project Fund		491
Steel Main Replacements Capital Project Fund		1,642
Woodard Parkway Infrastructure Capital Project Fund		171,261
Longview Pump Station Upgrade Capital Project Fund		671,019
New Blower and Aeration Controls Capital Project Fund		1,215,472
Basin Renovation, Filter Rebuild Wiggins Mill and Toisnot Capital Project Fund		581,969
		29,885,563
EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS:		
Operating Fund		26,508,043
Water Resources Capital Reserve Fund		1,214,000
Steel Main Replacements Capital Project Fund		138,870
Turbo Blower Upgrade Capital Project Fund		96,972
Woodard Parkway Infrastructure Capital Project Fund		270,151
Longview Pump Station Upgrade Capital Project		91,949
		28,319,985
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$	1,565,578
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Bond retirements		1,773,850
Depreciation		(4,084,522)
Capital outlay		2,814,312
Notes payable payments		1,673,575
(Increase) decrease in accrued vacation		17,598
Other post employment benefit payable		(170,850)
Increase (decrease) in deferred outflows of resources - LGERS pensions		1,250,620
(Increase) decrease in deferred inflows of resources - LGERS pensions		124,564
(Increase) decrease in net pension liability - LGERS pensions		(1,481,642)
Amortization of bond premium		60,004
Amortization of refunding bond reacquisition price difference		(15,370)
Amortization of prepaid insurance costs on bonds		(10,197)
Contributed capital		2,960,592
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	$	6,478,112

CITY OF WILSON, NORTH CAROLINA

MASS TRANSIT FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - MASS TRANSIT

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 607,314	$ 581,374
Receivables (net of allowances for uncollectibles):		
Accrued interest	587	463
Other receivables		651
Due from other agencies and governments	70,607	153,552
Total current assets	678,508	736,040
NONCURRENT ASSETS:		
Restricted cash - Deposits	134	113
CAPITAL ASSETS:		
Land	77,981	77,981
Buildings	1,116,290	1,116,290
Rolling stock	1,329,274	1,329,274
Furniture, fixtures and equipment	14,299	14,299
Total capital assets	2,537,844	2,537,844
Less accumulated depreciation	(1,852,210)	(1,749,122)
Capital assets, net	685,634	788,722
TOTAL ASSETS	1,364,276	1,524,875
DEFERRED OUTFLOW OF RESOURCES		
Pension deferrals - LGERS	92,950	
Contributions to pension plan in current fiscal year - LGERS	29,174	25,922
Total deferred outflows of resources	122,124	25,922
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	27,987	46,601
Accrued wages and amounts withheld	19,919	16,097
Customer deposits	134	113
Compensated absences - current	12,640	11,724
Total current liabilities	60,680	74,535
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	21,389	21,199
Post employment benefit payable	167,580	147,480
Net pension liability - LGERS	145,199	31,227
Total noncurrent liabilities	334,168	199,906
Total liabilities	394,848	274,441
DEFERRED INFLOW OF RESOURCES		
Pension deferrals - LGERS	10,353	19,935
Total deferred inflows of resources	10,353	19,935
NET POSITION		
Net investment in capital assets	685,634	788,722
Unrestricted	395,565	467,699
TOTAL NET POSITION	$ 1,081,199	$ 1,256,421

CITY OF WILSON, NORTH CAROLINA

MASS TRANSIT FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - MASS TRANSIT

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Bus fares	$ 73,177	$ 92,437
Other	143,197	6,473
Total operating revenues	216,374	98,910
OPERATING EXPENSES:		
General and administrative	346,697	293,155
Maintenance	878,595	911,540
Special projects	8,652	4,407
Depreciation	103,088	136,347
Total operating expenses	1,337,032	1,345,449
OPERATING INCOME (LOSS)	(1,120,658)	(1,246,539)
NONOPERATING REVENUES (EXPENSES):		
Investment income	181	4,434
Intergovernmental	652,098	701,032
Total nonoperating revenue (expense)	652,279	705,466
INCOME (LOSS) BEFORE TRANSFERS	(468,379)	(541,073)
Transfers in	289,500	413,970
Capital contributions	3,657	
CHANGE IN NET POSITION	(175,222)	(127,103)
NET POSITION - BEGINNING	1,256,421	1,383,524
NET POSITION - ENDING	$ 1,081,199	$ 1,256,421

CITY OF WILSON, NORTH CAROLINA

MASS TRANSIT FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - MASS TRANSIT

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 216,395	$ 99,023
Cash paid to suppliers	(645,305)	(648,593)
Cash paid to employees	(573,386)	(548,085)
Net cash provided by (used in) operating activities	(1,002,296)	(1,097,655)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer from other funds	289,500	413,970
Grant funds received	735,043	809,404
Net cash provided (used) by noncapital financing activities	1,024,543	1,223,374
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributed capital	3,657	
Net cash provided (used) by capital and related financing activities	3,657	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	57	4,760
Net cash provided (used) in investing activities	57	4,760
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	25,961	130,479
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	581,487	451,008
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	$ 607,448	$ 581,487
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ (1,120,658)	$ (1,246,539)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	103,088	136,347
Change in assets and liabilities		
(Increase) decrease in accounts receivable	651	(563)
Increase (decrease) in customer deposits	21	113
Increase (decrease) in accounts payable	(18,614)	13,355
Increase (decrease) in accrued wages and amounts withheld	25,028	9,664
(Increase) decrease in net pension asset		41,605
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(96,202)	439
Increase (decrease) in net pension liability	113,972	31,227
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(9,582)	(83,303)
Total adjustments	118,362	148,884
Net cash provided by (used in) operating activities	$ (1,002,296)	$ (1,097,655)
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (2,791)	$ 1,416

CITY OF WILSON, NORTH CAROLINA

MASS TRANSIT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - MASS TRANSIT
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Mass transit services:				
Bus fares	$ 84,200	$ 73,177	$ (11,023)	$ 92,437
Other	186,000	143,197	(42,803)	6,473
Total operating revenues	270,200	216,374	(53,826)	98,910
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	1,350	181	(1,169)	4,434
Grants	1,019,310	655,755	(363,555)	701,032
Total nonoperating revenues and other sources	1,020,660	655,936	(364,724)	705,466
TRANSFERS FROM OTHER FUNDS:				
Transfer from General Fund	12,000	12,000		136,470
Transfer from Electric Fund	166,500	166,500		166,500
Transfer from Gas Fund	111,000	111,000		111,000
Total transfers from other funds	289,500	289,500		413,970
TOTAL REVENUES AND OTHER SOURCES	1,580,360	1,161,810	(418,550)	1,218,346
FUND BALANCE APPROPRIATED	319,620		(319,620)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 1,899,980	$ 1,161,810	$ (738,170)	$ 1,218,346
OPERATING EXPENDITURES:				
General and administrative:				
Personnel Services	$ 257,320	$ 203,629	$ 53,691	$ 195,949
Operating Expenditures	191,500	113,674	77,826	101,850
Capital outlay	346,000		346,000	
Total	794,820	317,303	477,517	297,799
Maintenance:				
Personnel Services	459,050	373,579	85,471	356,412
Operating Expenditures	611,640	505,016	106,624	555,128
Total	1,070,690	878,595	192,095	911,540
Special projects:				
Operating Expenditures	34,470	8,652	25,818	4,407
Total	34,470	8,652	25,818	4,407
Total operating expenditures	1,899,980	1,204,550	695,430	1,213,746
TOTAL EXPENDITURES	$ 1,899,980	$ 1,204,550	$ 695,430	$ 1,213,746

CITY OF WILSON, NORTH CAROLINA

MASS TRANSIT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-
ENTERPRISE FUNDS - MASS TRANSIT
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS	$	1,161,810
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS		1,204,550
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES		(42,740)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(103,088)
(Increase) decrease in accrued vacation		(1,106)
Other post employment benefit payable		(20,100)
Increase (decrease) in deferred outflows of resources - LGERS pensions		96,202
(Increase) decrease in deferred inflows of resources - LGERS pensions		9,582
(Increase) decrease in net pension liability - LGERS pensions		(113,972)
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	(175,222)

CITY OF WILSON, NORTH CAROLINA

INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL STATEMENT OF NET POSITION - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 292,302	$ 295,645
Receivables (net of allowances for uncollectibles):		
Accrued interest	295	249
Other receivables	2,350	2,179
Total current assets	294,947	298,073
CAPITAL ASSETS:		
Land	314,867	314,867
Land improvements	540,527	540,527
Buildings	312,925	312,925
Rolling stock	74,682	67,044
Furniture, fixtures and equipment	20,000	20,000
Total capital assets	1,263,001	1,255,363
Less accumulated depreciation	(722,328)	(712,814)
Capital assets, net	540,673	542,549
TOTAL ASSETS	835,620	840,622
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable		1,152
Total liabilities		1,152
NET POSITION		
Net investment in capital assets	540,673	542,549
Unrestricted	294,947	296,921
TOTAL NET POSITION	$ 835,620	$ 839,470

CITY OF WILSON, NORTH CAROLINA

INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Airport rental income	$ 26,206	$ 25,889
Total operating revenues	26,206	25,889
OPERATING EXPENSES:		
General and administrative	109,476	122,766
Maintenance	31,291	32,845
Depreciation	9,514	9,652
Total operating expenses	150,281	165,263
OPERATING INCOME (LOSS)	(124,075)	(139,374)
NONOPERATING REVENUES (EXPENSES):		
Investment income	225	2,301
Other income	2,000	1,700
Total nonoperating revenue (expense)	2,225	4,001
INCOME (LOSS) BEFORE TRANSFERS	(121,850)	(135,373)
Transfers in	118,000	54,880
CHANGE IN NET POSITION	(3,850)	(80,493)
NET POSITION - BEGINNING	839,470	919,963
NET POSITION - ENDING	$ 835,620	$ 839,470

CITY OF WILSON, NORTH CAROLINA

INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 26,035	$ 24,965
Cash paid to suppliers	(103,159)	(119,599)
Cash paid to employees	(38,760)	(36,209)
Net cash provided by (used in) operating activities	(115,884)	(130,843)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer from other funds	118,000	54,880
Contributions	2,000	1,700
Net cash provided (used) by noncapital financing activities	120,000	56,580
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(7,638)	
Net cash provided (used) by capital and related financing activities	(7,638)	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	179	2,623
Net cash provided (used) in investing activities	179	2,623
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(3,343)	(71,640)
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	295,645	367,285
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	$ 292,302	$ 295,645
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ (124,075)	$ (139,374)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	9,514	9,652
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(171)	(924)
Increase (decrease) in accounts payable	(1,152)	(197)
Total adjustments	8,191	8,531
Net cash provided by (used in) operating activities	$ (115,884)	$ (130,843)
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (1,472)	$ 648

CITY OF WILSON, NORTH CAROLINA

INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Airport rental income	$ 23,000	$ 26,206	$ 3,206	$ 25,889
Total operating revenues	23,000	26,206	3,206	25,889
NONOPERATING REVENUES:				
Investment income		225	225	2,301
Miscellaneous income		2,000	2,000	1,700
Total nonoperating revenues		2,225	2,225	4,001
TRANSFER FROM OTHER FUNDS:				
Transfer from General Fund	118,000	118,000		54,880
TOTAL REVENUES AND OTHER SOURCES	141,000	146,431	5,431	84,770
FUND BALANCE APPROPRIATED	268,060		(268,060)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 409,060	$ 146,431	$ (262,629)	$ 84,770
OPERATING EXPENDITURES:				
Personnel Services	$ 37,120	$ 38,760	$ (1,640)	$ 36,209
Operating Expenditures	169,240	102,007	67,233	119,402
Capital outlay	202,700	7,638	195,062	
TOTAL EXPENDITURES (USES)	$ 409,060	$ 148,405	$ 260,655	$ 155,611

CITY OF WILSON, NORTH CAROLINA

INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER
FOR THE YEAR ENDED JUNE 30, 2017

REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:		
Operating Fund	$	146,431
TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS		
Operating fund		148,405
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES		(1,974)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(9,514)
Capital outlay		7,638
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	(3,850)

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - BROADBAND

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 1,918,097	$ 1,815,818
Receivables (net of allowances for uncollectibles):		
Customer accounts	1,614,773	1,644,375
Accrued interest	2,208	1,631
Other receivables	162,603	121,359
Due from other agencies and governments	70,939	
Inventories	1,836,148	1,657,970
Prepaid insurance cost on debt issuance	74,456	88,102
Total current assets	5,679,224	5,329,255
NONCURRENT ASSETS:		
Restricted cash - Deposits	143,499	120,202
Capital assets:		
Buildings	232,634	232,634
Distribution system	26,293,995	26,293,995
Rolling stock	459,203	459,203
Furniture, fixtures and equipment	14,995,713	14,296,416
Total capital assets	41,981,545	41,282,248
Less accumulated depreciation	(21,170,208)	(19,495,053)
Capital assets, net	20,811,337	21,787,195
Total noncurrent assets	20,954,836	21,907,397
TOTAL ASSETS	26,634,060	27,236,652
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources on refunding		
Pension deferrals - LGERS	185,900	
Contributions to pension plan in current fiscal year - LGERS	58,347	51,844
Total deferred outflows of resources	244,247	51,844
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	610,240	459,031
Accrued wages and amounts withheld	131,800	115,250
Accrued interest	158,956	174,604
Customer deposits	143,499	120,202
Certificates of participation - current	2,687,633	2,217,031
Compensated absences - current	136,183	129,189
Total current liabilities	3,868,311	3,215,307
NONCURRENT LIABILITIES:		
Certificates of participation payable	17,071,967	19,805,890
Compensated absences - noncurrent	63,529	76,000
Net pension liability - LGERS	290,399	62,454
Advances from other funds	2,780,000	2,980,000
Total noncurrent liabilities	20,205,895	22,924,344
Total liabilities	24,074,206	26,139,651
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	20,707	39,871
Total deferred inflows of resources	20,707	39,871
NET POSITION		
Net investment in capital assets	1,051,737	(235,726)
Unrestricted	1,731,657	1,344,700
TOTAL NET POSITION	$ 2,783,394	$ 1,108,974

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - BROADBAND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Broadband services	$ 13,961,364	$ 13,593,327
Other	1,544,878	518,226
Total operating revenues	15,506,242	14,111,553
OPERATING EXPENSES:		
Broadband inside plant	905,755	941,418
General and administrative	1,115,603	1,000,507
Broadband programming fees	6,478,479	6,219,744
Technical support services	(132,243)	(99,786)
Unified Communications Center	137,357	150,059
Broadband operations	2,849,991	1,567,495
Depreciation	1,675,155	1,633,593
Total operating expenses	13,030,097	11,413,030
OPERATING INCOME (LOSS)	2,476,145	2,698,523
NONOPERATING REVENUES (EXPENSES):		
Investment income	4,688	15,799
Other income	126	13,874
Intergovernmental	127,712	
Interest expense	(920,605)	(1,061,690)
Prepaid insurance cost on bond issuance	(13,646)	(13,646)
Total nonoperating revenue (expense)	(801,725)	(1,045,663)
INCOME (LOSS) BEFORE TRANSFERS	1,674,420	1,652,860
CHANGE IN NET POSITION	1,674,420	1,652,860
NET POSITION - BEGINNING	1,108,974	(543,886)
NET POSITION - ENDING	$ 2,783,394	$ 1,108,974

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - BROADBAND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 15,517,897	$ 14,236,578
Cash paid to suppliers	(8,899,056)	(7,633,348)
Cash paid to employees	(2,455,404)	(2,336,907)
Net cash provided by (used in) operating activities	4,163,437	4,266,323
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grant funds received	56,773	
Interfund payable to other funds	(200,000)	(100,000)
Net cash provided (used) by noncapital financing activities	(143,227)	(100,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(667,010)	(821,039)
Principal paid on capital debt	(2,217,031)	(2,129,173)
Interest paid on capital debt	(1,014,830)	(1,119,651)
Proceeds from sales of capital assets	126	13,874
Net cash provided (used) by capital and related financing activities	(3,898,745)	(4,055,989)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	4,111	17,467
Net cash provided (used) in investing activities	4,111	17,467
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	125,576	127,801
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	1,936,020	1,808,219
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 2,061,596	$ 1,936,020
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 2,476,145	$ 2,698,523
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	1,675,155	1,633,593
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(11,642)	90,945
(Increase) decrease in inventory	(178,178)	(241,981)
Increase (decrease) in customer deposits	23,297	34,080
Increase (decrease) in accounts payable	151,209	34,875
Increase (decrease) in accrued wages and amounts withheld	11,073	36,351
(Increase) decrease in net pension asset		83,210
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(192,403)	878
Increase (decrease) in net pension liability	227,945	62,454
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(19,164)	(166,605)
Total adjustments	1,687,292	1,567,800
Net cash provided by (used in) operating activities	$ 4,163,437	$ 4,266,323
Increase (decrease) in fair value of investments	$ (10,015)	$ 4,588

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - BROADBAND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONTINUED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Broadband services:				
Telephone service	$ 2,760,750	$ 2,646,428	$ (114,322)	$ 2,629,573
Internet service	4,130,000	4,111,232	(18,768)	3,783,351
Video service	5,100,000	4,908,591	(191,409)	4,781,310
Metronet service/infrastructure	2,397,360	2,295,113	(102,247)	2,399,093
Other	1,440,430	1,544,878	104,448	518,226
Total operating revenues	15,828,540	15,506,242	(322,298)	14,111,553
NONOPERATING REVENUES:				
Investment income	10,000	4,688	(5,312)	15,799
Grants		127,712	127,712	
Miscellaneous income		126	126	13,874
Total nonoperating revenues	10,000	132,526	122,526	29,673
TOTAL REVENUES AND OTHER SOURCES	15,838,540	15,638,768	(199,772)	14,141,226
FUND BALANCE APPROPRIATED	8,184		(8,184)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 15,846,724	$ 15,638,768	$ (207,956)	$ 14,141,226
OPERATING EXPENDITURES:				
General and administrative:				
Personnel Services	$ 336,090	$ 384,614	$ (48,524)	$ 358,675
Operating Expenditures	691,168	720,088	(28,920)	660,299
Total	1,027,258	1,104,702	(77,444)	1,018,974
Operations				
Personnel Services	851,100	869,811	(18,711)	807,769
Operating Expenditures	2,416,040	1,980,180	435,860	759,726
Capital outlay		653,861	(653,861)	821,039
Total	3,267,140	3,503,852	(236,712)	2,388,534
Inside Plant				
Personnel Services	450,460	419,176	31,284	443,595
Operating Expenditures	567,484	486,579	80,905	497,823
Total	1,017,944	905,755	112,189	941,418
Broadband Services				
Operating Expenditures	6,689,500	6,478,479	211,021	6,219,744
Total	6,689,500	6,478,479	211,021	6,219,744
Technical Support Services				
Personnel Services	780,080	717,222	62,858	623,490
Operating Expenditures	1,854,220	1,579,835	274,385	1,677,684
Recovered Costs	(2,436,090)	(2,429,300)	(6,790)	(2,400,960)
Capital outlay	51,730	13,149	38,581	
Total	249,940	(119,094)	369,034	(99,786)
Unified Communications Center				
Personnel Services	90,140	81,131	9,009	138,133
Operating Expenditures	141,692	191,001	(49,309)	119,249
Recovered Costs	(69,750)	(134,775)	65,025	(107,323)
Total	162,082	137,357	24,725	150,059
Total operating expenditures	12,413,864	12,011,051	402,813	10,618,943

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - BROADBAND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016) (CONCLUDED)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
INTEREST EXPENSE	1,013,830	998,182	15,648	1,105,980
OTHER EXPENDITURE AND USES:				
Debt service costs	$ 2,000	$ 1,000	$ 1,000	$ 2,000
Installment contract principal repayments				
Certificates of participation principal repayments	2,217,030	2,217,031	(1)	2,129,173
Advances from other funds repayment	200,000	200,000		100,000
Total other expenditures (uses)	2,419,030	2,418,031	999	2,231,173
TOTAL EXPENDITURES AND OTHER USES	$ 15,846,724	$ 15,427,264	$ 419,460	$ 13,956,096

CITY OF WILSON, NORTH CAROLINA

BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - BROADBAND
FOR THE YEAR ENDED JUNE 30, 2017

REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:		
Operating Fund	$	15,638,768
TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS		
Operating Fund		15,427,264
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES		211,504
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(1,675,155)
Capital outlay		699,297
Notes payable principal retirements		2,217,031
(Increase) decrease in accrued vacation		5,477
Increase (decrease) in deferred outflows of resources - LGERS pensions		192,403
(Increase) decrease in deferred inflows of resources - LGERS pensions		19,164
(Increase) decrease in net pension liability - LGERS pensions		(227,945)
Advances from other funds repayment		200,000
Amortization of prepaid insurance costs on bonds		(13,646)
Amortization of bond premium		46,290
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	1,674,420

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - STORMWATER MANAGEMENT

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 2,405,374	$ 2,207,405
Receivables (net of allowances for uncollectibles):		
Accrued interest	2,113	1,694
Other receivables	289,763	260,219
Total current assets	2,697,250	2,469,318
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land	381,715	321,715
Buildings	94,834	94,834
Distribution system	12,745,955	11,953,932
Rolling stock	1,047,141	1,047,141
Furniture, fixtures and equipment	59,100	59,100
Total capital assets	14,328,745	13,476,722
Less accumulated depreciation	(5,034,633)	(4,749,319)
Capital assets, net	9,294,112	8,727,403
TOTAL ASSETS	11,991,362	11,196,721
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	185,900	
Contributions to pension plan in current fiscal year - LGERS	58,347	51,844
Total deferred outflows of resources	244,247	51,844
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	370,513	12,733
Accrued wages and amounts withheld	19,638	18,147
Compensated absences - current	14,214	15,991
Total current liabilities	404,365	46,871
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	17,322	8,013
Net pension liability - LGERS	290,399	62,454
Total noncurrent liabilities	307,721	70,467
Total liabilities	712,086	117,338
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	20,707	39,871
Total deferred inflows of resources	20,707	39,871
NET POSITION		
Net investment in capital assets	9,294,112	8,727,403
Unrestricted	2,208,704	2,363,953
TOTAL NET POSITION	$ 11,502,816	$ 11,091,356

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - STORMWATER MANAGEMENT

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Stormwater management fee	$ 3,195,264	$ 2,736,197
Other	26,672	46,476
Total operating revenues	3,221,936	2,782,673
OPERATING EXPENSES:		
Stormwater management	2,503,341	2,413,455
Depreciation	285,314	287,705
Total operating expenses	2,788,655	2,701,160
OPERATING INCOME (LOSS)	433,281	81,513
NONOPERATING REVENUES (EXPENSES):		
Investment income	(3,121)	10,429
Contributions to other agencies		(200,000)
Total nonoperating revenue (expense)	(3,121)	(189,571)
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	430,160	(108,058)
Transfers out	(20,200)	
Capital contributions	1,500	27,545
CHANGE IN NET POSITION	411,460	(80,513)
NET POSITION - BEGINNING	11,091,356	11,171,869
NET POSITION - ENDING	$ 11,502,816	$ 11,091,356

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - STORMWATER MANAGEMENT

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 3,192,392	$ 2,764,879
Cash paid to suppliers	(1,531,451)	(2,004,700)
Cash paid to employees	(588,709)	(606,154)
Contribution to other agencies		(200,000)
Net cash provided by (used in) operating activities	1,072,232	(45,975)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds	(20,200)	
Net cash provided (used) by noncapital financing activities	(20,200)	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(850,523)	(300,313)
Net cash provided (used) by capital and related financing activities	(850,523)	(300,313)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	(3,540)	10,691
Net cash provided (used) in investing activities	(3,540)	10,691
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS	197,969	(335,597)
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	2,207,405	2,543,002
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	$ 2,405,374	$ 2,207,405
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 433,281	$ 81,513
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	285,314	287,705
Contribution to other agencies		(200,000)
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(29,544)	(17,794)
Increase (decrease) in accounts payable	357,780	(189,572)
Increase (decrease) in accrued wages and amounts withheld	9,023	12,236
(Increase) decrease in net pension asset		83,210
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(192,403)	878
Increase (decrease) in net pension liability	227,945	62,454
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(19,164)	(166,605)
Total adjustments	638,951	(127,488)
Net cash provided by (used in) operating activities	$ 1,072,232	$ (45,975)
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	$ 1,500	$ (28,603)
Increase (decrease) in fair value of investments	$ (10,159)	$ 5,874

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - STORMWATER MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Stormwater Management fee	$ 3,070,010	$ 3,195,264	$ 125,254	$ 2,736,197
Other	15,000	26,672	11,672	46,476
Total operating revenues	3,085,010	3,221,936	136,926	2,782,673
NONOPERATING REVENUES:				
Investment income		(3,121)	(3,121)	10,429
Total nonoperating revenues		(3,121)	(3,121)	10,429
TOTAL REVENUES	3,085,010	3,218,815	133,805	2,793,102
TRANSFER FROM OTHER FUNDS		28,281	28,281	
FUND BALANCE APPROPRIATED	50,402		(50,402)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	$ 3,135,412	$ 3,247,096	$ 111,684	$ 2,793,102
OPERATING EXPENDITURES:				
Personnel Services	$ 639,970	$ 590,200	$ 49,770	$ 611,270
Operating Expenditures	1,922,129	1,889,231	32,898	1,846,820
Recovered Costs				(31,692)
Capital outlay	350,213	166,770	183,443	126,487
Total operating expenditures	2,912,312	2,646,201	266,111	2,552,885
OTHER EXPENDITURE AND USES:				
Transfers to other funds	20,200	20,200		
Contributions to other agencies				200,000
Contingency	202,900		202,900	
Total other expenditures (uses)	223,100	20,200	202,900	200,000
TOTAL EXPENDITURES (USES)	$ 3,135,412	$ 2,666,401	$ 469,011	$ 2,752,885

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
MERRIMONT PARK DRAINAGE CAPITAL PROJECT FUND (Project SM0058)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 40,000	$	$ 26,177	$ 26,177	$ 13,823
Drainage improvements	912,500	211	657,576	657,787	254,713
Contingency	47,500				47,500
TOTAL EXPENDITURES	$ 1,000,000	$ 211	$ 683,753	$ 683,964	$ 316,036
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 1,000,000	$ 1,000,000	$	$ 1,000,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 1,000,000	$ 1,000,000	$	$ 1,000,000	$

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -
FOREST HILLS / PARKSIDE DRIVE STORMWATER IMPROVEMENTS CAPITAL PROJECT FUND (Project SM0059)
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	$ 32,075	$ 32,071	$	$ 32,071	$ 4
Drainage improvements	449,650	449,648		449,648	2
TOTAL EXPENDITURES	$ 481,725	$ 481,719	$	$ 481,719	$ 6
NONOPERATING EXPENDITURES AND OTHER USES:					
Transfer to other funds	$ 28,275	$	$ 28,281	$ 28,281	$ (6)
TOTAL EXPENDITURES AND OTHER USES	$ 510,000	$ 481,719	$ 28,281	$ 510,000	$
NONOPERATING REVENUES AND OTHER SOURCES:					
Transfer from other funds	$ 510,000	$ 510,000	$	$ 510,000	$
TOTAL REVENUES AND OTHER SOURCES	$ 510,000	$ 510,000	$	$ 510,000	$

CITY OF WILSON, NORTH CAROLINA

STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
ENTERPRISE FUNDS - STORMWATER MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2017

REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:		
Operating Fund	$	3,247,096
		3,247,096
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS		
Operating fund		2,666,401
Merrimont Park Drainage Capital Project		683,753
Forest Hills/Parkside Drive Stormwater Improvements Capital Project		28,281
		3,378,435
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES		(131,339)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(285,314)
Capital outlay		850,523
(Increase) decrease in accrued vacation		(7,532)
Increase (decrease) in deferred outflows of resources - LGERS pensions		192,403
(Increase) decrease in deferred inflows of resources - LGERS pensions		19,164
(Increase) decrease in net pension liability - LGERS pensions		(227,945)
Contributed Capital		1,500
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	411,460

INTERNAL SERVICE FUNDS

Risk Management – A separate fund to supplement the $15 million excess liability insurance policy for general liability, automotive and public official insurance coverage. The fund was established by a 1980 City Council ordinance and was accounted for as an Expendable Trust Fund until implementation of GASB No. 10 in 1995. With the City's move to self-insurance in 1997, the workers compensation fund was incorporated into the Risk Management Fund to account for all City self-insurance risk except health, dental and vision benefits.

Group Insurance Benefits – Accounts for the City's limited risk self-insurance for health, dental and vision benefits for City employees and their dependents, along with life insurance benefits for employees.

Operations Center – Accounts for costs of operating and maintaining the Operations Center, which is used by departments of several funds.

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICES FUNDS

SUPPLEMENTAL COMBINING STATEMENT OF FUND NET POSITION - INTERNAL SERVICE FUNDS

JUNE 30, 2017

	Risk Management	Group Insurance Benefits	Operations Center	Total
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents/investments	$ 6,265,464	$ 8,197,303	$ 2,078,709	$ 16,541,476
Accrued interest	6,354	8,245	2,245	16,844
Other receivables	11,471	16,079		27,550
Prepaid expenses	18,801			18,801
Total current assets	6,302,090	8,221,627	2,080,954	16,604,671
NONCURRENT ASSETS:				
Capital assets:				
Land			463,998	463,998
Land improvements			1,684,066	1,684,066
Buildings			9,953,691	9,953,691
Rolling stock	20,643			20,643
Furniture, fixtures and equipment	254,318		826,973	1,081,291
Total capital assets	274,961		12,928,728	13,203,689
Less accumulated depreciation	(170,861)		(5,632,057)	(5,802,918)
Capital assets, net	104,100		7,296,671	7,400,771
Total noncurrent assets	104,100		7,296,671	7,400,771
TOTAL ASSETS	6,406,190	8,221,627	9,377,625	24,005,442
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable			23,340	23,340
Accrued wages and amounts withheld	5,197			5,197
Accrued interest			13,986	13,986
Insurance claims payable	655,157	1,450,275		2,105,432
Certificates of participation - current			302,367	302,367
Compensated absences - current	8,306			8,306
Total current liabilities	668,660	1,450,275	339,693	2,458,628
NONCURRENT LIABILITIES:				
Certificates of participation payable			1,368,334	1,368,334
Compensated absences - noncurrent	6,573			6,573
Total noncurrent liabilities	6,573		1,368,334	1,374,907
Total liabilities	675,233	1,450,275	1,708,027	3,833,535
DEFERRED INFLOWS OF RESOURCES				
Retiree insurance premium prepayments		3,189		3,189
Total deferred inflows of resources		3,189		3,189
NET POSITION				
Net investment in capital assets	104,100		5,625,970	5,730,070
Unrestricted	5,626,857	6,768,163	2,043,628	14,438,648
TOTAL NET POSITION	$ 5,730,957	$ 6,768,163	$ 7,669,598	$ 20,168,718

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICES FUNDS

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017

	Risk Management	Group Insurance Benefits	Operations Center	Total
OPERATING REVENUES:				
Contributions from various funds	$ 3,129,330	$ 11,114,820	$ 1,003,755	$ 15,247,905
Contributions from employees		1,280,044		1,280,044
Contributions from retirees		201,675		201,675
Other	173,760			173,760
Total operating revenues	3,303,090	12,596,539	1,003,755	16,903,384
OPERATING EXPENSES:				
Maintenance			225,085	225,085
Administrative fees	760,340	522,541		1,282,881
Insurance claims	700,544	1,573,019	115,160	2,388,723
Benefits claim payments	1,034,486	9,486,484		10,520,970
Depreciation	12,817		307,441	320,258
Total operating expenses	2,508,187	11,582,044	647,686	14,737,917
OPERATING INCOME (LOSS)	794,903	1,014,495	356,069	2,165,467
NONOPERATING REVENUES (EXPENSES):				
Investment income	189	5,170	3,290	8,649
Other income		150		150
Interest expense			(89,885)	(89,885)
Total nonoperating revenue (expense)	189	5,320	(86,595)	(81,086)
CHANGE IN NET POSITION	795,092	1,019,815	269,474	2,084,381
NET POSITION - BEGINNING	4,935,865	5,748,348	7,400,124	18,084,337
NET POSITION - ENDING	$ 5,730,957	$ 6,768,163	$ 7,669,598	$ 20,168,718

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

YEAR ENDED JUNE 30, 2017

	Risk Management	Group Insurance Benefits	Operations Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from interfund services provided	$ 3,129,330	$ 12,594,451	$ 1,003,755	$ 16,727,536
Insurance claim reimbursements	162,289			162,289
Cash paid to suppliers	(2,266,704)	(11,728,217)	(508,594)	(14,503,515)
Cash paid to employees	(232,095)			(232,095)
Net cash provided by (used in) operating activities	792,820	866,234	495,161	2,154,215
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(81,810)		(464,274)	(546,084)
Principal paid on capital debt			(287,969)	(287,969)
Interest paid on capital debt			(94,320)	(94,320)
Net cash provided (used) by capital and related financing activities	(81,810)		(846,563)	(928,373)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	(1,214)	3,087	2,326	4,199
Net cash provided (used) in investing activities	(1,214)	3,087	2,326	4,199
Net increase (decrease) in cash and cash equivalents/investments	709,796	869,321	(349,076)	1,230,041
Cash and cash equivalents/investments, (Including restricted cash) - beginning of year as previously reported	4,954,142	7,327,982	2,427,785	14,709,909
Restatement	601,526			601,526
Cash and cash equivalents/investments, (Including restricted cash) - beginning of year as restated	5,555,668	7,327,982	2,427,785	15,311,435
Cash and cash equivalents/investments, (Including restricted cash) - end of year	$ 6,265,464	$ 8,197,303	$ 2,078,709	$ 16,541,476
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 794,903	$ 1,014,495	$ 356,069	$ 2,165,467
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	12,817		307,441	320,258
Insurance refunds		150		150
Change in assets and liabilities				
(Increase) decrease in accounts receivable	(11,471)	(5,010)		(16,481)
(Increase) decrease in prepaid items	(1,963)			(1,963)
Increase (decrease) in retiree insurance premium prepayments		2,922		2,922
Increase (decrease) in insurance claims payable	(84)	(146,323)		(146,407)
Increase (decrease) in accounts payable			(168,349)	(168,349)
Increase (decrease) in accrued wages and amounts withheld	(1,382)			(1,382)
Total adjustments	(2,083)	(148,261)	139,092	(11,252)
Net cash provided by (used in) operating activities	$ 792,820	$ 866,234	$ 495,161	$ 2,154,215
Noncash investing, capital, and financing activities:				
Capital assets acquired to be paid for in subsequent years	$	$	$ 157,302	$ 157,302
Increase (decrease) in fair value of investments	$ (29,929)	$ (37,703)	$ (8,547)	$ (76,179)

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF FUND NET POSITION - INTERNAL SERVICE FUNDS

RISK MANAGEMENT FUND

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 6,265,464	$ 5,555,668
Accrued interest	6,354	4,950
Other receivables	11,471	
Prepaid expenses	18,801	16,838
Total current assets	6,302,090	5,577,456
CAPITAL ASSETS:		
Rolling stock	20,643	20,643
Furniture, fixtures and equipment	254,318	172,508
Total capital assets	274,961	193,151
Less accumulated depreciation	(170,861)	(158,043)
Capital assets, net	104,100	35,108
TOTAL ASSETS	6,406,190	5,612,564
LIABILITIES:		
Accrued wages and amounts withheld	5,197	4,479
Insurance claims payable	655,157	655,241
Compensated absences - current	8,306	7,668
Total current liabilities	668,660	667,388
Compensated absences - noncurrent	6,573	9,311
Total noncurrent liabilities	6,573	9,311
Total liabilities	675,233	676,699
NET POSITION		
Net investment in capital assets	104,100	35,108
Unrestricted	5,626,857	4,900,757
TOTAL NET POSITION	$ 5,730,957	$ 4,935,865

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

RISK MANAGEMENT FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Contributions from various funds	$ 3,129,330	$ 2,724,750
Other	173,760	148,537
Total operating revenues	3,303,090	2,873,287
OPERATING EXPENSES:		
Administrative fees	760,340	781,353
Insurance claims	700,544	702,538
Benefits claim payments	1,034,486	968,120
Depreciation	12,817	11,454
Total operating expenses	2,508,187	2,463,465
OPERATING INCOME (LOSS)	794,903	409,822
NONOPERATING REVENUES (EXPENSES):		
Investment income	189	39,831
Total nonoperating revenue (expense)	189	39,831
CHANGE IN NET POSITION	795,092	449,653
NET POSITION - BEGINNING	4,935,865	4,486,212
NET POSITION - ENDING	$ 5,730,957	$ 4,935,865

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUND - RISK MANAGEMENT FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	$ 3,129,330	$ 2,724,750
Insurance claim reimbursements	162,289	148,537
Cash paid to suppliers	(2,266,704)	(2,212,556)
Cash paid to employees	(232,095)	(221,653)
Net cash provided by (used in) operating activities	792,820	439,078
CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES:		
Acquisition and construction of capital assets	(81,810)	
Net cash provided (used) by capital financing activities	(81,810)	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	(1,214)	44,153
Net cash provided (used) in investing activities	(1,214)	44,153
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	709,796	483,231
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	5,555,668	5,072,437
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	$ 6,265,464	$ 5,555,668
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 794,903	$ 409,822
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	12,817	11,454
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(11,471)	
(Increase) decrease in prepaid items	(1,963)	(1,961)
Increase (decrease) in insurance claims payable	(84)	16,936
Increase (decrease) in accrued wages and amounts withheld	(1,382)	2,827
Total adjustments	(2,083)	29,256
Net cash provided by (used in) operating activities	$ 792,820	$ 439,078
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (29,929)	$ 13,065

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - RISK MANAGEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Financial Plan	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Contributions from various funds	$ 3,129,330	$ 3,129,330	$	$ 2,724,750
Other		173,760	173,760	148,537
Total operating revenues	3,129,330	3,303,090	173,760	2,873,287
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		189	189	39,831
Total nonoperating revenues and other sources		189	189	39,831
TOTAL REVENUES	$ 3,129,330	$ 3,303,279	$ 173,949	$ 2,913,118
FUND BALANCE APPROPRIATED	3,131		(3,131)	
TOTAL REVENUES AND FUND BALANCE APPROPRIATIONS	$ 3,132,461	$ 3,303,279	$ 170,818	$ 2,913,118
OPERATING EXPENDITURES:				
Administrative fees	$ 722,151	$ 762,440	$ (40,289)	$ 779,761
Insurance	824,830	700,544	124,286	702,538
Benefit claim payments	1,310,480	1,034,486	275,994	968,120
Total operating expenditures	2,857,461	2,497,470	359,991	2,450,419
OTHER EXPENDITURES AND USES:				
Capital outlay	275,000	81,810	193,190	
TOTAL EXPENDITURES (USES)	$ 3,132,461	$ 2,579,280	$ 553,181	$ 2,450,419

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-
INTERNAL SERVICE FUNDS - RISK MANAGEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS	$	3,303,279
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS		2,579,280
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES		723,999
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(12,817)
(Increase) decrease in accrued vacation		2,100
Capital outlay		81,810
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	795,092

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS

GROUP INSURANCE BENEFITS FUND

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents/investments	$ 8,197,303	$ 7,327,982
Receivables (net of allowances for uncollectibles):		
Accrued interest	8,245	6,162
Other receivables	16,079	11,069
Total current assets	8,221,627	7,345,213
TOTAL ASSETS	8,221,627	7,345,213
LIABILITIES		
Insurance claims payable	1,450,275	1,596,598
Total liabilities	1,450,275	1,596,598
DEFERRED INFLOWS OF RESOURCES		
Retiree insurance premium prepayments	3,189	267
Total deferred inflows of resources	3,189	267
NET POSITION		
Unrestricted	6,768,163	5,748,348
TOTAL NET POSITION	$ 6,768,163	$ 5,748,348

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

GROUP INSURANCE BENEFITS FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Contributions from various funds	$ 11,114,820	$ 10,667,488
Contributions from employees	1,280,044	1,246,658
Contributions from retirees	201,675	205,680
Total operating revenues	12,596,539	12,119,826
OPERATING EXPENSES:		
Administrative fees	522,541	484,760
Insurance claims	1,573,019	1,586,226
Benefits claim payments	9,486,484	9,993,494
Total operating expenses	11,582,044	12,064,480
OPERATING INCOME (LOSS)	1,014,495	55,346
NONOPERATING REVENUES (EXPENSES):		
Investment income	5,170	52,718
Other income	150	146,267
Total nonoperating revenue (expense)	5,320	198,985
CHANGE IN NET POSITION	1,019,815	254,331
NET POSITION - BEGINNING	5,748,348	5,494,017
NET POSITION - ENDING	$ 6,768,163	$ 5,748,348

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUNDS - GROUP INSURANCE BENEFITS FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	$ 12,594,451	$ 12,117,467
Cash paid to suppliers	(11,728,217)	(11,999,879)
Net cash provided by (used in) operating activities	866,234	117,588
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Insurance refund		146,267
Net cash provided by (used in) noncapital financing activities		146,267
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	3,087	58,874
Net cash provided (used) in investing activities	3,087	58,874
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	869,321	322,729
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	7,327,982	7,005,253
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	$ 8,197,303	$ 7,327,982
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 1,014,495	$ 55,346
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Insurance refunds	150	
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(5,010)	(2,283)
Increase (decrease) in retiree insurance premium prepayments	2,922	(76)
Increase (decrease) in insurance claims payable	(146,323)	64,601
Total adjustments	(148,261)	62,242
Net cash provided by (used in) operating activities	$ 866,234	$ 117,588
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (37,703)	$ 17,439

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES

FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - GROUP INSURANCE BENEFITS FUND

FOR THE YEAR ENDED JUNE 30, 2017

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Financial Plan	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Contributions from various funds	$ 10,984,470	$ 11,114,820	$ 130,350	$ 10,667,488
Contributions from employees	1,196,000	1,280,044	84,044	1,246,658
Contributions from retirees	202,480	201,675	(805)	205,680
Total operating revenues	12,382,950	12,596,539	213,589	12,119,826
NONOPERATING REVENUES				
Investment income		5,170	5,170	52,718
Other income		150	150	146,267
Fund balance appropriated	574,350		(574,350)	
Total nonoperating revenues	574,350	5,320	(569,030)	198,985
TOTAL REVENUES	$ 12,957,300	$ 12,601,859	$ (355,441)	$ 12,318,811
OPERATING EXPENDITURES:				
Administrative fees	$ 595,500	$ 522,541	$ 72,959	$ 484,760
Insurance	2,350,600	1,573,019	777,581	1,586,226
Benefit claim payments	10,011,200	9,486,484	524,716	9,993,494
TOTAL EXPENDITURES	$ 12,957,300	$ 11,582,044	$ 1,375,256	$ 12,064,480

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - INTERNAL SERVICE FUNDS

OPERATIONS CENTER FUND

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 2,078,709	$ 2,427,785
Receivables (net of allowances for uncollectibles):		
Accrued interest	2,245	1,282
Total current assets	2,080,954	2,429,067
NONCURRENT ASSETS:		
Capital Assets:		
Land	463,998	463,998
Land improvements	1,684,066	1,684,066
Buildings	9,953,691	9,537,960
Furniture, fixtures and equipment	826,973	778,429
Total capital assets	12,928,728	12,464,453
Less accumulated depreciation	(5,632,057)	(5,324,616)
Capital assets, net	7,296,671	7,139,837
Total noncurrent assets	7,296,671	7,139,837
TOTAL ASSETS	9,377,625	9,568,904
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	23,340	191,689
Accrued interest	13,986	16,244
Certificates of participation - current	302,367	287,969
Total current liabilities	339,693	495,902
NONCURRENT LIABILITIES:		
Certificates of participation payable	1,368,334	1,672,878
Total noncurrent liabilities	1,368,334	1,672,878
Total liabilities	1,708,027	2,168,780
NET POSITION		
Net investment in capital assets	5,625,970	5,178,990
Unrestricted	2,043,628	2,221,134
TOTAL NET POSITION	$ 7,669,598	$ 7,400,124

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

OPERATIONS CENTER FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Contributions from various funds	$ 1,003,755	$ 2,044,483
Total operating revenues	1,003,755	2,044,483
OPERATING EXPENSES:		
Maintenance	225,085	258,538
Insurance claims	115,160	88,830
Depreciation	307,441	293,239
Total operating expenses	647,686	640,607
OPERATING INCOME (LOSS)	356,069	1,403,876
NONOPERATING REVENUES (EXPENSES):		
Investment income	3,290	13,044
Interest expense	(89,885)	(104,109)
Total nonoperating revenue (expense)	(86,595)	(91,065)
CHANGE IN NET POSITION	269,474	1,312,811
NET POSITION - BEGINNING	7,400,124	6,087,313
NET POSITION - ENDING	$ 7,669,598	$ 7,400,124

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	$ 1,003,755	$ 2,044,483
Cash paid to suppliers	(508,594)	(178,894)
Net cash provided by (used in) operating activities	495,161	1,865,589
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(464,274)	(803,475)
Principal paid on capital debt	(287,969)	(355,827)
Interest paid on capital debt	(94,320)	(108,050)
Net cash provided (used) by capital and related financing activities	(846,563)	(1,267,352)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	2,326	15,006
Net cash provided (used) in investing activities	2,326	15,006
NET INCREASE IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(349,076)	613,243
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	2,427,785	1,814,542
CASH AND CASH EQUIVALENTS/INVESTMENTS (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 2,078,709	$ 2,427,785
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$ 356,069	$ 1,403,876
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	307,441	293,239
Change in assets and liabilities		
Increase (decrease) in accounts payable	(168,349)	168,474
Total adjustments	139,092	461,713
Net cash provided by (used in) operating activities	$ 495,161	$ 1,865,589
Noncash investing, capital, and financing activities:		
Capital assets acquired to be paid for in subsequent years	$ 157,302	$ 157,302
Increase (decrease) in fair value of investments	$ (8,547)	$ 3,111

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Financial Plan	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Operations Center Use Charge	$ 1,157,450	$ 1,003,755	$ (153,695)	$ 2,044,483
Total operating revenues	1,157,450	1,003,755	(153,695)	2,044,483
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		3,290	3,290	13,044
Fund balance appropriated	335,340		(335,340)	
Total nonoperating revenues	335,340	3,290	(332,050)	13,044
TOTAL REVENUES	$ 1,492,790	$ 1,007,045	$ (485,745)	$ 2,057,527
OPERATING EXPENDITURES:				
Insurance	$ 115,160	$ 115,160	$	$ 88,830
Building Maintenance	320,150	225,085	95,065	258,538
Capital outlay	675,190	464,274	210,916	803,475
Total operating expenditures	1,110,500	804,519	305,981	1,150,843
INTEREST EXPENSE	94,320	92,062	2,258	106,286
OTHER EXPENDITURES AND USES:				
Lease purchase principal repayments	287,970	287,969	1	355,827
TOTAL EXPENDITURES AND USES	$ 1,492,790	$ 1,184,550	$ 308,240	$ 1,612,956

CITY OF WILSON, NORTH CAROLINA

INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-
INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS	
Operating Fund	$ 1,007,045
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS	
Operating Fund	1,184,550
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(177,505)
ADJUSTMENTS TO FULL ACCRUAL BASIS:	
Depreciation	(307,441)
Notes payable principal retirements	287,969
Amortization of bond premium	2,177
Capital outlay	464,274
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$ 269,474

CITY OF WILSON, NORTH CAROLINA

COMPONENT UNITS

Downtown Development Corporation – This discretely presented governmental fund type component unit accounts for economic development activities in a municipal service district created by an act of Council.

Wilson Cemetery Commission – This discretely presented enterprise fund type component unit accounts for operations and maintenance of municipal cemeteries.

CITY OF WILSON, NORTH CAROLINA

DOWNTOWN DEVELOPMENT CORPORATION

SUPPLEMENTAL BALANCE SHEETS - DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION

JUNE 30, 2017 AND 2016

ASSETS	2017	2016
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 105,484	$ 55,695
Receivables (net of allowance for uncollectibles):		
Property taxes	4,347	2,970
Accrued interest	101	46
Miscellaneous	350	350
Due from other agencies and governments	4,421	476
TOTAL ASSETS	$ 114,703	$ 59,537
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 7,370	$ 3,663
Accrued wages and amounts withheld	11,585	9,832
Total liabilities	18,955	13,495
DEFERRED INFLOWS OF RESOURCES		
Uncollected property taxes and miscellaneous receivables	4,696	3,319
Total deferred inflows of resources	4,696	3,319
FUND BALANCE:		
Restricted		
Stabilization by State Statute	14,522	18,819
Planning and development	55,950	23,904
Assigned		
Subsequent year's expenditures	20,580	
Total fund balance	91,052	42,723
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 114,703	$ 59,537

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

DOWNTOWN DEVELOPMENT CORPORATION

RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION
JUNE 30, 2017

Fund Balance - Downtown Development Corporation	$	91,052
Amounts reported for Downtown Development component unit in the statement of net position are different because:		
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.		1,383
Net pension liability - LGERS		(60,047)
Deferred outflows of resources related to pensions are not reported in the funds		50,073
Pension related deferrals		(9,265)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds		(27,064)
Deferred revenue in governmental funds is susceptible to full accrual on the government-wide statements.		4,696
Net position of Downtown Development Corporation	$	50,828

CITY OF WILSON, NORTH CAROLINA

DOWNTOWN DEVELOPMENT CORPORATION

SUPPLEMENTAL STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
REVENUES:		
Ad valorem property taxes	$ 63,740	$ 69,504
Motor vehicle property taxes	2,243	1,573
Intergovernmental revenues	15,750	15,750
Investment income	281	742
Miscellaneous income	51,739	46,999
Contribution from City of Wilson	255,000	255,193
Total revenues	388,753	389,761
EXPENDITURES:		
Administration	247,391	351,903
Program activities	93,033	134,454
Total expenditures	340,424	486,357
NET CHANGE IN FUND BALANCES	48,329	(96,596)
FUND BALANCE, BEGINNING OF YEAR	42,723	139,319
FUND BALANCE, END OF YEAR	$ 91,052	$ 42,723

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

DOWNTOWN DEVELOPMENT CORPORATION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION
FOR THE YEAR ENDED JUNE 30, 2017

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

Net change in fund balance - Downtown Development Corporation	$	48,329
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.		(704)
Pension expense		(2,784)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		1,377
Changes in net position of Downtown Development Corporation	$	46,218

CITY OF WILSON, NORTH CAROLINA

DOWNTOWN DEVELOPMENT CORPORATION

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DISCRETELY PRESENTED COMPONENT UNIT
DOWNTOWN DEVELOPMENT CORPORATION
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES:				
Ad valorem property taxes	$ 65,020	$ 63,740	$ (1,280)	$ 69,504
Motor vehicle property taxes		2,243	2,243	1,573
Intergovernmental revenues	15,750	15,750		15,750
Investment income		281	281	742
Miscellaneous income	52,290	51,739	(551)	46,999
Contribution from City of Wilson	255,000	255,000		255,193
Total revenues	388,060	388,753	693	389,761
Fund balance appropriated	25,296		(25,296)	
Total revenues and fund balance appropriations	413,356	388,753	(24,603)	389,761
EXPENDITURES:				
Administration	257,560	247,391	10,169	351,903
Program activities	155,796	93,033	62,763	134,454
Total expenditures	413,356	340,424	72,932	486,357
NET CHANGE IN FUND BALANCES	$	48,329	$ 48,329	(96,596)
FUND BALANCE, BEGINNING OF YEAR		42,723		139,319
FUND BALANCE, END OF YEAR		$ 91,052		$ 42,723

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

CEMETERY COMMISSION

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - DISCRETELY PRESENTED COMPONENT UNIT - CEMETERY COMMISSION

JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	$ 151,377	$ 190,022
Receivables (net of allowances for uncollectibles):		
Accrued interest	152	160
Prepaid expenses	1,564	1,717
Total current assets	153,093	191,899
CAPITAL ASSETS:		
Land	25,754	25,754
Land improvements	851,073	769,091
Buildings	76,609	76,609
Rolling stock	139,194	184,584
Furniture, fixtures and equipment	134,172	124,800
Total capital assets	1,226,802	1,180,838
Less accumulated depreciation	(735,705)	(746,389)
Capital assets, net	491,097	434,449
TOTAL ASSETS	644,190	626,348
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	56,794	8,091
Contributions to pension plan in current fiscal year - LGERS	14,389	16,199
Total deferred outflows of resources	71,183	24,290
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	4,505	11,893
Accrued wages and amounts withheld	5,427	3,948
Total current liabilities	9,932	15,841
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	3,794	11,423
Net pension liability - LGERS	80,012	19,837
Total noncurrent liabilities	83,806	31,260
Total liabilities	93,738	47,101
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	5,793	10,311
Total deferred inflows of resources	5,793	10,311
NET POSITION		
Net investment in capital assets	491,097	434,449
Unrestricted	124,745	158,777
Total net position	$ 615,842	$ 593,226

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

CEMETERY COMMISSION

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN FUND NET POSITION - DISCRETELY PRESENTED COMPONENT UNIT

CEMETERY COMMISSION

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Sales of lots	$ 173,631	$ 160,271
Grave receipts	296,130	278,635
Other	11,227	8,730
Total operating revenues	480,988	447,636
OPERATING EXPENSES:		
General and administrative	354,842	366,013
Maintenance	68,732	49,298
Depreciation	34,706	35,680
Total operating expenses	458,280	450,991
OPERATING INCOME (LOSS)	22,708	(3,355)
NONOPERATING REVENUES (EXPENSES):		
Investment income	(92)	1,306
Other income		9,017
Total nonoperating revenue (expense)	(92)	10,323
CHANGE IN NET POSITION	22,616	6,968
NET POSITION - BEGINNING	593,226	586,258
NET POSITION - ENDING	$ 615,842	$ 593,226

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

CEMETERY COMMISSION

SUPPLEMENTAL STATEMENTS OF CASH FLOWS - DISCRETELY PRESENTED COMPONENT UNIT

CEMETERY COMMISSION

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	$ 480,988	$ 447,636
Cash paid to suppliers	(142,431)	(89,451)
Cash paid to employees	(285,764)	(320,561)
Net cash provided by (used in) operating activities	52,793	37,624
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(91,354)	(78,507)
Proceeds from sales of capital assets		12,318
Net cash provided (used) by capital and related financing activities	(91,354)	(66,189)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	(84)	1,670
Net cash provided (used) in investing activities	(84)	1,670
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(38,645)	(26,895)
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	190,022	216,917
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	$ 151,377	$ 190,022
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	$ 22,708	$ (3,355)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	34,706	35,680
Change in assets and liabilities		
(Increase) decrease in prepaid expenses	153	(35)
Increase (decrease) in accounts payable	(7,388)	8,929
Increase (decrease) in accrued wages and amounts withheld	(6,150)	(558)
(Increase) decrease in net pension asset - LGERS		24,298
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(46,893)	(5,619)
Increase (decrease) in net pension liability - LGERS	60,175	19,837
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(4,518)	(41,553)
Total adjustments	30,085	40,979
Net cash provided by (used in) operating activities	$ 52,793	$ 37,624
Noncash investing, capital, and financing activities:		
Capital assets contributed	$	$ 14,418
Increase in fair value of investments	$ (895)	$ 405

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

CEMETERY COMMISSION

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) - DISCRETELY PRESENTED COMPONENT UNIT - CEMETERY COMMISSION
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			
	Budget	Actual	Variance Positive (Negative)	2016 Actual
OPERATING REVENUES:				
Sales of lots	$ 200,000	$ 173,631	$ (26,369)	$ 160,271
Grave receipts	291,000	296,130	5,130	278,635
Other	10,000	11,227	1,227	8,730
Total operating revenues	501,000	480,988	(20,012)	447,636
NONOPERATING REVENUES:				
Investment income		(92)	(92)	1,306
Other				9,017
Total nonoperating revenues		(92)	(92)	10,323
TOTAL REVENUES	501,000	480,896	(20,104)	457,959
FUND BALANCE APPROPRIATED	47,350		(47,350)	
TOTAL REVENUES AND FUND BALANCE APPROPRIATIONS	$ 548,350	$ 480,896	$ (67,454)	$ 457,959
OPERATING EXPENDITURES:				
Personnel Services	$ 338,250	$ 287,243	$ 51,007	$ 316,281
Operating Expenditures	130,100	135,196	(5,096)	98,345
Total operating expenditures	468,350	422,439	45,911	414,626
OTHER EXPENDITURES:				
Capital outlay	80,000	91,354	(11,354)	78,507
TOTAL EXPENDITURES	$ 548,350	$ 513,793	$ 34,557	$ 493,133

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

CEMETERY COMMISSION

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -
DISCRETELY PRESENTED COMPONENT UNIT - CEMETERY COMMISSION
FOR THE YEAR ENDED JUNE 30, 2017

TOTAL REVENUES - MODIFIED ACCRUAL BASIS	$	480,896
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS		513,793
EXCESS OF REVENUES OVER EXPENDITURES		(32,897)
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(34,706)
Capital outlay		91,354
(Increase) decrease in Vacation accrual		7,629
Increase (decrease) in deferred outflows of resources - LGERS pensions		46,893
(Increase) decrease in deferred inflows of resources - LGERS pensions		4,518
(Increase) decrease in net pension liability - LGERS pensions		(60,175)
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	$	22,616

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULES OF ANALYSIS OF CURRENT TAX LEVY
CITY-WIDE LEVY
YEAR ENDED JUNE 30, 2017

	City-Wide Property Valuation	Rate	Total Levy	Total Levy: Property Excluding Registered Motor Vehicles	Total Levy: Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	$ 4,043,888,657	$ 0.555	$ 22,442,558	$ 20,388,462	$ 2,054,096
Penalties	N/A		25,498	25,498	
Total	4,043,888,657		22,468,056	20,413,960	2,054,096
Discoveries:					
Current year taxes	41,626,983	0.555	232,677	232,677	
Prior year taxes	21,155,169	0.515	136,189	136,189	
Total	62,782,152		368,866	368,866	
Abatements					
Current year taxes	(37,446,866)	0.555	(209,059)	(209,059)	
Prior year taxes	(2,572,069)	0.515	(17,945)	(17,945)	
Total	(40,018,935)		(227,004)	(227,004)	
Total property valuation	$ 4,066,651,874				
Net levy			22,609,918	20,555,822	2,054,096
Uncollected taxes at June 30, 2017			331,154	328,288	2,866
Current year's taxes collected			$ 22,278,764	$ 20,227,534	$ 2,051,230
Current levy collection percentage			98.54%	98.40%	99.86%

(1) Gross levy includes taxes levied on discovered properties of prior periods at tax rates applicable to those periods.

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF TAXES RECEIVABLE
JUNE 30, 2017

Fiscal Year Ended June 30	Uncollected Balance June 30, 2016	Net Levy	Collections and Other Reductions	Uncollected Balance June 30, 2017
2013 & prior	$ 464,661	$	$ 85,180	$ 379,481
2014	136,171		34,104	102,067
2015	150,358		50,085	100,273
2016	339,826		195,021	144,805
2017		22,609,918	22,278,764	331,154
Total	$ 1,091,016	$ 22,609,918	$ 22,643,154	$ 1,057,780
Less allowance for uncollected taxes	467,954			478,821
Taxes receivable, net	$ 623,062			$ 578,959

(1) Reconciliation to property tax revenue:

Collections per above	$ 22,643,154
Penalties and interest	105,757
Tax refunds and prior year releases	(530,642)
	$ 22,218,269

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF ANNUAL REQUIREMENTS TO AMORTIZE LONG-TERM DEBT BY FUND

Fiscal Year Ended June 30	General Fund		Electric Fund		Gas Fund		Water Resources Fund		Broadband Fund		Operations Center Fund		Total	
	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest
General Obligation Bonded Debt														
2018	$	$	$	$	$	$	$ 1,205,000	$ 1,438,269	$	$	$	$	$ 1,205,000	$ 1,438,269
2019							1,205,000	1,378,019					1,205,000	1,378,019
2020							1,180,000	1,313,856					1,180,000	1,313,856
2021							1,160,000	1,252,556					1,160,000	1,252,556
2022							1,145,000	1,195,506					1,145,000	1,195,506
2023							225,000	234,000					225,000	234,000
2024														
Total general bligation bonds							6,120,000	6,812,206					6,120,000	6,812,206
Revenue Bonded Debt:														
2018					166,275	231,033	572,725	795,780					739,000	1,026,813
2019					169,650	231,791	584,350	798,392					754,000	1,030,183
2020					200,250	258,073	689,750	888,918					890,000	1,146,991
2021					205,875	257,626	709,125	887,379					915,000	1,145,005
2022					212,625	258,120	732,375	889,079					945,000	1,147,199
2023					218,250	257,303	751,750	886,266					970,000	1,143,569
2024					226,125	258,535	778,875	890,509					1,005,000	1,149,044
2025					231,750	257,315	798,250	886,306					1,030,000	1,143,621
2026					238,500	257,034	821,500	885,340					1,060,000	1,142,374
2027					246,375	257,660	848,625	887,497					1,095,000	1,145,157
2028					254,250	258,051	875,750	888,842					1,130,000	1,146,893
Total revenue bonds					2,369,925	2,782,541	8,163,075	9,584,308					10,533,000	12,366,849
Certificates of Participation Debt														
2018			760,000	1,785,658					2,687,633	3,595,955	302,367	382,289	3,750,000	5,763,902
2019			785,000	1,780,258					2,812,206	3,595,347	317,794	382,597	3,915,000	5,758,202
2020			805,000	1,767,877					2,934,864	3,604,317	330,135	382,227	4,069,999	5,754,421
2021			655,000	1,583,665					3,267,380	3,797,664	347,620	383,205	4,270,000	5,764,534
2022				900,008					4,105,925	4,480,591	364,076	382,279	4,470,001	5,762,878
2023			755,000	1,655,008					2,065,000	2,244,269			2,820,000	3,899,277
2024			795,000	1,657,258					865,000	944,894			1,660,000	2,602,152
2025			945,000	1,767,508					795,000	833,257			1,740,000	2,600,765
2026			1,825,000	2,600,465									1,825,000	2,600,465
2027			1,915,000	2,601,590									1,915,000	2,601,590
2028			2,010,000	2,603,328									2,010,000	2,603,328
2029			2,100,000	2,595,440									2,100,000	2,595,440
2030			2,210,000	2,600,440									2,210,000	2,600,440
2031			2,315,000	2,602,395									2,315,000	2,602,395
2032			2,420,000	2,599,415									2,420,000	2,599,415
2033			1,330,000	1,396,500									1,330,000	1,396,500
Total certificates of participation			21,625,000	32,496,813					19,533,008	23,096,294	1,661,992	1,912,597	42,820,000	57,505,704
Notes payable														
2018	313,063	343,872	261,756	310,050	190,656	214,224	1,673,575	1,945,863					2,439,050	2,814,009
2019	315,095	338,249	261,756	300,391	190,656	208,333	1,673,575	1,904,971					2,441,082	2,751,944
2020	317,158	332,625	261,756	290,732	190,656	202,442	1,673,575	1,864,079					2,443,145	2,689,878
2021	319,137	326,896	261,756	281,075	190,761	196,651	1,673,575	1,823,187					2,445,229	2,627,809
2022			261,757	271,416			1,018,974	1,127,694					1,280,731	1,399,110
2023							1,018,974	1,105,851					1,018,974	1,105,851
2024							1,018,974	1,084,008					1,018,974	1,084,008
2025							1,018,974	1,062,165					1,018,974	1,062,165
2026							996,505	1,017,854					996,505	1,017,854
2027							28,358	28,358					28,358	28,358
2028							28,358	28,358					28,358	28,358
2029							28,358	28,358					28,358	28,358
2030							28,358	28,358					28,358	28,358
Total notes payable	1,264,453	1,341,642	1,308,781	1,453,664	762,729	821,650	11,880,133	13,049,104					15,216,096	16,666,060
Total	$ 1,264,453	$ 1,341,642	$ 22,933,781	$ 33,950,477	$ 3,132,654	$ 3,604,191	$ 26,163,208	$ 29,445,618	$ 19,533,008	$ 23,096,294	$ 1,661,992	$ 1,912,597	$ 74,689,096	$ 93,350,819

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Enterprise Funds					
Electric:					
Land	$ 5,712,240	$	$	$	$ 5,712,240
Land Improvements	10,651				10,651
Buildings and other structures	295,513	103,294			398,807
Utility Distribution System:					
Substations	35,874,254	1,709,659			37,583,913
Lines, Transformers, and devices	80,889,220	1,769,752		21,345	82,680,317
Consumer meters	4,495,302	2,634,115			7,129,417
Rolling Stock and other vehicles	8,441,232	1,578,987		(97,921)	9,922,298
Furniture, fixtures, and equipment	16,858,377	1,868,877	(15,315)	(10,445)	18,701,494
Construction in Progress	21,345			(21,345)	
	152,598,134	9,664,684	(15,315)	(108,366)	162,139,137
Accumulated Depreciation	(79,570,973)	(4,686,356)	4,084	105,871	(84,147,374)
	$ 73,027,161	$ 4,978,328	$ (11,231)	$ (2,495)	$ 77,991,763
Gas:					
Land	$ 234,948	$	$	$	$ 234,948
Buildings	20,749				20,749
Utility Distribution System					
Mains	18,044,044	366,064			18,410,108
Gas Service	4,967,903	125,172			5,093,075
Consumer Meters	4,039,337	314,262			4,353,599
Rolling Stock and other vehicles	1,417,845	128,936	66,969	(131,367)	1,482,383
Furniture, fixtures, and equipment	351,750	518,235			869,985
	29,076,576	1,452,669	66,969	(131,367)	30,464,847
Accumulated Depreciation	(9,944,188)	(731,108)	(55,187)	131,367	(10,599,116)
	$ 19,132,388	$ 721,561	$ 11,782	$	$ 19,865,731

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Water and Sewer:					
Water:					
Land	$ 18,354,912	$	$	$	$ 18,354,912
Land Improvements	1,678,340				1,678,340
Building	4,801,346				4,801,346
Utility distribution system:					
Tanks, reservoirs, dams, and waterways	33,515,974				33,515,974
Pumping stations and underground mains	31,240,924	511,655			31,752,579
Services	2,496,518	11,177			2,507,695
Pumping equipment	2,409,218	57,500			2,466,718
Purification equipment	10,021,613	163,218			10,184,831
Consumer meters	2,964,734	732,530			3,697,264
Meter installations	498,862				498,862
Hydrants	1,859,909	33,790			1,893,699
Rolling Stock and other vehicles	1,453,438	150,175		(97,963)	1,505,650
Furniture, fixtures, and equipment	1,870,558	134,024		(9,363)	1,995,219
	$ 113,166,346	$ 1,794,069	$	$ (107,326)	$ 114,853,089

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Sewer:					
Land	$ 311,223	$ 2,924,827	$	$	$ 3,236,050
Land Improvements	3,690,045				3,690,045
Buildings	4,310,472				4,310,472
Utility distribution system:					
Pumping stations and underground mains	52,034,628	166,167			52,200,795
Purification equipment	43,369,756	383,383		(6,629)	43,746,510
Rolling Stock and other vehicles	2,660,594	393,170		(197,208)	2,856,556
Furniture, fixtures, and equipment	2,912,442	113,285		(26,687)	2,999,040
	109,289,160	3,980,832		(230,524)	113,039,468
Total water and sewer	222,455,506	5,774,901		(337,850)	227,892,557
Accumulated Depreciation	(85,123,060)	(4,084,522)		337,850	(88,869,732)
	$ 137,332,446	$ 1,690,379	$	$	$ 139,022,825

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Broadband:					
Buildings	$ 232,634	$	$	$	$ 232,634
Furniture, fixtures and equipment	14,296,416	699,297			14,995,713
Distribution System	26,293,995				26,293,995
Rolling Stock	459,203				459,203
	41,282,248	699,297			41,981,545
Accumulated Depreciation	(19,495,053)	(1,675,155)			(21,170,208)
	$ 21,787,195	$ (975,858)	$	$	$ 20,811,337
Stormwater:					
Land	$ 321,715	$ 60,000	$	$	$ 381,715
Buildings	94,834				94,834
Distribution System	11,953,932	792,023			12,745,955
Rolling Stock	1,047,141				1,047,141
Furniture, Fixtures, and equipment	59,100				59,100
	13,476,722	852,023			14,328,745
Accumulated Depreciation	(4,749,319)	(285,314)			(5,034,633)
	$ 8,727,403	$ 566,709	$	$	$ 9,294,112

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Mass Transit:					
Land	$ 77,981	$	$	$	$ 77,981
Buildings	1,116,290				1,116,290
Rolling stock and other vehicles	1,329,274				1,329,274
Furniture, fixtures, and equipment	14,299				14,299
	2,537,844				2,537,844
Accumulated Depreciation	(1,749,122)	(103,088)			(1,852,210)
	$ 788,722	$ (103,088)	$	$	$ 685,634
Industrial Air Center:					
Land	$ 314,867	$	$	$	$ 314,867
Land Improvements	540,527				540,527
Buildings	312,925				312,925
Rolling stock and other vehicles	67,044	7,638			74,682
Furniture, fixtures, and equipment	20,000				20,000
	1,255,363	7,638			1,263,001
Accumulated Depreciation	(712,814)	(9,514)			(722,328)
	$ 542,549	$ (1,876)	$	$	$ 540,673
Wilson Cemetery Commission:					
Land	$ 25,754	$	$	$	$ 25,754
Land Improvements	769,091	81,982			851,073
Buildings	76,609				76,609
Rolling Stock	184,584		(45,390)		139,194
Furniture, fixtures, and equipment	124,800	9,372			134,172
	1,180,838	91,354	(45,390)		1,226,802
Accumulated Depreciation	(746,389)	(34,706)	45,390		(735,705)
	$ 434,449	$ 56,648	$	$	$ 491,097

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2017 (CONTINUED)

	Balance June 30, 2016	Additions	Disposals	In (Out) Transfers	Balance June 30, 2017
Internal Service Funds					
Risk Management:					
Rolling stock and other vehicles	$ 20,643	$	$	$	$ 20,643
Furniture, fixtures, and equipment	172,508	81,810			254,318
	193,151	81,810			274,961
Accumulated Depreciation	(158,044)	(12,817)			(170,861)
	$ 35,107	$ 68,993	$	$	$ 104,100
Operations Center:					
Land	$ 463,998	$	$	$	$ 463,998
Land Improvements	1,684,066				1,684,066
Buildings	9,537,960	415,731			9,953,691
Furniture, fixtures and equipment	778,429	48,543			826,972
	12,464,453	464,274			12,928,727
Accumulated Depreciation	(5,324,615)	(307,441)			(5,632,056)
	$ 7,139,838	$ 156,833	$	$	$ 7,296,671

MARTIN ❖ STARNES
& ASSOCIATES, CPAs, P.A.
"A Professional Association of Certified Public Accountants and Management Consultants"

REPORT OF INDEPENDENT AUDITORS ON REVENUE BOND COVENANT COMPLIANCE

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the City of Wilson North Carolina, for the year ended June 30, 2017, and have issued our report thereon dated October 10, 2017. We have also audited the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as defined in the official statement for the Combined Enterprise System Revenue bonds, Refunding Series 2011 and Refunding Series 2013 (originally Bond Series 2002). These computations are the responsibility of the City's management. Our responsibility is to express an opinion on these computations based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the City's Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System is free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of this information. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as presented on the following statement is presented fairly, in all material respects, for the year ended June 30, 2017, as described in the Bond Refunding Series 2011 and Refunding Series 2013 referred to in the first paragraph.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 10, 2017

730 13th Avenue Drive SE ♦ Hickory, NC 28602 ♦ 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, NC 28681 ♦ 828-632-9025 ♦ Fax 828-632-9085
PO Box 5729 ♦ Statesville, NC 28687 ♦ 1710 Wilkesboro Hwy ♦ Statesville, NC 28625 ♦ 704-872-8923 ♦ Fax 704-872-4982
800-948-0585 ♦ **www.martinstarnes.com**

CITY OF WILSON, NORTH CAROLINA

REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE,
AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM**
FOR THE YEAR ENDED JUNE 30, 2017

	2017
Operating revenues - gas	$ 14,874,458
Operating revenues - water resources	25,063,489
Total operating revenues	39,937,947
Operating expenses - gas	14,258,981
Operating expenses - water resources	21,117,768
Total operating expenses	35,376,749
OPERATING INCOME (LOSS)	4,561,198
Nonoperating revenues (expenses) - gas	(68,036)
Nonoperating revenues (expenses) - water resources	(368,401)
Total nonoperating revenue (expense)	(436,437)
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	4,124,761
Transfers and contributions - gas	(1,343,020)
Transfers and contributions - water resources	2,900,792
Transfers and contributions	1,557,772
NET INCOME	5,682,533
REVENUE BOND ADJUSTMENTS TO INCOME:	
Capital contributions - water resources	(2,900,792)
Sale of old equipment - water resources	(81,769)
Sale of old equipment - gas	(48,823)
Transfers out - water resources	80,000
Transfers out - gas	1,343,020
Interest expense - water resources	774,333
Interest expense - gas	100,639
Depreciation expense - water resources	4,084,522
Depreciation expense - gas	731,108
Total revenue bond adjustments to income [1]	4,082,238
INCOME AVAILABLE FOR DEBT SERVICE	$ 9,764,771
PARITY INDEBTEDNESS COVERAGE RATIO:	
Series 2002 revenue bonds debt service (Refunded Series 2011 and Series 2013)	$ 1,043,792
Total parity indebtedness debt service	$ 1,043,792

CITY OF WILSON, NORTH CAROLINA

REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE,
AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM**
FOR THE YEAR ENDED JUNE 30, 2017

Parity indebtedness coverage ratio	935.51%
ALL DEBT COVERAGE RATIO:	
TOTAL PARITY INDEBTEDNESS DEBT SERVICE	
Parity indebtedness debt service	$ 1,043,792
Gas Notes Payable	220,656
Buckhorn general obligation bonds	1,498,368
Water & Sewer Notes Payable	1,979,635
Total all debt	$ 4,742,451
All debt coverage ratio	205.90%

(1) Includes depreciation expense, interest expense, transfers, investment income on revenue bonds, sale of old equipment and capital contributions.

CITY OF WILSON, NORTH CAROLINA

STATISTICAL SECTION

Financial Trends – These schedules contain trend information to help the reader understand how the city's financial performance has changed over time.

Table 1	Net Position By Component
Table 2	Changes In Net Position
Table 3	Fund Balance Governmental Funds
Table 4	Changes In Fund Balances, Governmental Funds.

Revenue Capacity – These schedules contain information to help the reader assess the city's most significant local revenue sources.

Table 5	Electric Consumption
Table 6	Electric Rates Per KWH Sold
Table 7	Electric Sales By Customer Type
Table 8	Assessed and Estimated Actual Value of Taxable Property
Table 9	Direct and Overlapping Property Tax Rates
Table 10	Principal Taxpayers
Table 11	Property Tax Levies and Collections

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.

Table 12	Ratios of Outstanding Debt by Type
Table 13	Ratios of General Obligation Outstanding Debt
Table 14	Computation of Legal Debt Margin
Table 15	Computation of Direct and Overlapping Debt
Table 16	Pledge Revenue Coverage
Table 22	Revenue Bond Historical Operating Results
Table 23	2002 Revenue Continuing Disclosure Obligation

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.

Table 17	Demographic Statistics
Table 18	Principal Employers
Table 19	Full-time Government Employees By Function

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.

Table 20	Operating Indicators By Function
Table 21	Capital Asset Statistics By Function

CITY OF WILSON, NORTH CAROLINA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 1

	For the Fiscal Year Ended June 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities										
Net investment in capital assets	$ 58,052,520	$ 56,372,034	$ 56,439,156	$ 56,742,487	$ 56,017,584	$ 57,163,884	$ 58,497,174	$ 59,343,916	$ 60,659,673	$ 58,290,387
Restricted	8,150,714	5,212,739	5,967,109	4,675,831	4,456,832	4,959,525	3,805,934	187,919	295,244	258,299
Unrestricted	20,287,141	29,116,195	23,080,138	22,794,161	20,975,023	18,996,561	21,141,091	20,059,101	22,275,170	27,559,976
Total governmental activities net position	$ 86,490,375	$ 90,700,968	$ 85,486,403	$ 84,212,479	$ 81,449,439	$ 81,119,970	$ 83,444,199	$ 79,590,936	$ 83,230,087	$ 86,108,662
Business type activities										
Net investment in capital assets	$ 201,123,545	$ 186,315,101	$ 179,868,610	$ 172,880,608	$ 166,086,131	$ 165,956,363	$ 167,158,276	$ 169,274,296	$ 173,064,056	$ 173,036,330
Restricted				163,214	1,091,579	670,815	443,842	655,415	430,081	408,215
Unrestricted	73,035,744	72,951,161	67,991,927	69,789,068	74,312,948	76,705,769	79,379,480	69,879,130	57,897,780	49,385,331
Total business-type activities net position	$ 274,159,289	$ 259,266,262	$ 247,860,537	$ 242,832,890	$ 241,490,658	$ 243,332,947	$ 246,981,598	$ 239,808,841	$ 231,391,917	$ 222,829,876
Primary government										
Net investment in capital assets	$ 259,176,065	$ 242,687,135	$ 236,307,766	$ 229,623,095	$ 222,103,715	$ 223,120,247	$ 225,655,450	$ 228,618,212	$ 233,723,729	$ 231,326,717
Restricted	8,150,714	5,212,739	5,967,109	4,839,045	5,548,411	5,630,340	4,249,776	843,334	725,325	666,514
Unrestricted	93,322,885	102,067,356	91,072,065	92,583,229	95,287,971	95,702,330	100,520,571	89,938,231	80,172,950	76,945,307
Total primary government net position	$ 360,649,664	$ 349,967,230	$ 333,346,940	$ 327,045,369	$ 322,940,097	$ 324,452,917	$ 330,425,797	$ 319,399,777	$ 314,622,004	$ 308,938,538

CITY OF WILSON, NORTH CAROLINA

CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 2 (continued)

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Expenses										
Governmental activities										
General government	$ 6,134,474	$ 5,197,499	$ 5,062,871	$ 5,061,641	$ 4,010,339	$ 6,243,878	$ 4,874,040	$ 5,146,560	$ 5,996,490	$ 5,512,103
Public safety	23,222,455	22,361,129	21,116,594	21,543,253	22,371,882	22,893,131	21,423,942	22,083,111	21,731,607	20,762,130
Public services	6,167,534	6,163,279	5,625,618	5,707,583	5,918,176	6,099,998	6,161,404	6,343,699	7,121,953	5,962,144
Environmental Services	5,654,752	5,227,689	5,293,584	5,219,609	5,022,533	5,144,635	5,086,973	5,086,921	5,175,182	4,908,519
Planning and Development	3,678,604	2,076,702	3,347,620	2,038,222	1,902,213	2,258,752	2,563,458	2,042,872	2,197,742	1,894,520
Human services	250,003	235,644	221,227	233,650	219,636	222,521	211,638	228,209	246,195	210,020
Culture and recreation	6,195,136	6,245,259	5,713,613	5,545,663	5,689,301	5,851,203	4,998,113	5,616,793	5,270,075	4,851,047
Interest on long-term debt	38,942	43,643	54,465	59,487	75,619	103,418	143,241	113,546	79,347	72,123
Total governmental activities expenses	51,341,900	47,550,844	46,435,592	45,409,108	45,209,699	48,817,536	45,462,809	46,661,711	47,818,591	44,172,606
Business type activities										
Electric	116,998,496	117,526,795	143,452,155	147,053,162	145,845,173	144,384,949	145,570,285	144,118,121	135,389,789	119,480,001
Gas	14,264,237	14,391,883	16,595,376	16,985,237	16,396,078	14,033,114	16,159,169	16,408,008	21,115,883	18,958,672
Water and sewer	21,585,549	20,385,571	19,830,523	20,507,551	19,604,806	20,808,964	19,404,769	20,635,099	20,960,040	19,776,655
Mass transit	1,304,691	1,295,941	1,303,030	1,325,989	1,313,438	1,327,276	1,309,988	1,315,752	1,420,050	1,288,612
Industrial Air Center	148,704	164,866	132,786	117,762	89,752	62,629	110,616	98,553	94,369	78,184
Broadband	13,901,264	12,431,507	12,082,196	13,152,799	12,587,763	12,138,268	11,216,019	10,036,624	5,280,738	2,770,861
Stormwater Management	2,754,466	2,893,274	2,705,592	2,712,411	2,363,862	2,278,832	2,234,012	2,294,841	2,307,245	2,149,855
Total business-type activities expenses	170,957,407	169,089,837	196,101,658	201,854,911	198,200,872	195,034,032	196,004,858	194,906,998	186,568,114	164,502,840
Total primary government expenses	222,299,307	216,640,681	242,537,250	247,264,019	243,410,571	243,851,568	241,467,667	241,568,709	234,386,705	208,675,446

CITY OF WILSON, NORTH CAROLINA

CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 2 (continued)

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Program Revenues										
Governmental activities										
Charges for services										
Public safety	$ 1,094,361	$ 897,012	$ 839,278	$ 903,117	$ 763,543	$ 764,557	$ 687,412	$ 738,053	$ 714,751	$ 1,047,014
Public services	138,669	106,162	112,233	78,066	71,509	67,954	70,505	76,380	84,689	86,418
Environmental Services	4,824,599	4,749,086	4,455,265	4,398,384	4,101,008	3,823,049	3,478,299	3,227,378	3,209,201	3,083,846
Planning and Development	87,019	56,890	51,190	45,075	54,922	55,640	56,049	59,018	71,487	96,681
Culture and recreation	1,217,289	1,175,016	1,065,641	977,013	856,167	885,946	972,771	1,004,043	1,116,886	1,139,317
Operating grants and contributions	1,719,861	2,715,218	2,728,396	2,665,004	2,189,726	2,850,048	2,909,539	2,040,927	3,457,973	2,653,867
Capital grants and contributions	777,396	807,973	827,554	1,091,940	477,077	1,528,566	786,972	459,387	458,500	1,355,565
Total governmental activities program revenues	9,859,194	10,507,357	10,079,557	10,158,599	8,513,952	9,975,760	8,961,547	7,605,186	9,113,487	9,462,708
Business-type activities										
Charges for services										
Electric	125,560,188	128,277,071	147,011,111	145,108,575	145,002,495	142,252,431	149,809,795	150,298,820	143,457,739	123,908,744
Gas	14,874,458	14,852,270	18,993,553	18,231,201	17,273,224	15,433,023	18,608,797	20,322,067	23,808,965	21,020,596
Water and sewer	25,063,489	23,938,874	23,303,431	25,294,052	21,028,689	21,283,755	21,678,819	19,852,945	19,756,083	19,738,700
Mass transit	79,438	98,910	79,096	116,739	102,755	134,505	139,326	145,317	143,594	142,046
Industrial air center	26,206	25,889	25,811	25,714	23,000	19,912	20,459	25,726	25,480	23,021
Broadband	15,506,242	14,111,553	13,378,975	12,723,223	13,245,179	10,668,692	10,114,304	8,650,848	3,921,833	121,593
Stormwater management	3,221,936	2,782,673	2,699,603	2,742,212	2,472,551	2,434,693	2,432,437	2,416,712	2,382,667	2,377,176
Operating grants and contributions	978,982	701,032	659,067	646,269	1,106,620	708,035	668,045	926,151	749,192	634,092
Capital grants and contributions	3,659,901	727,732	184,881	1,186,315	377,529	137,085	248,338	2,284,646	1,147,394	3,733,848
Total Business-type activities program revenues	188,970,840	185,516,004	206,335,528	206,074,300	200,632,042	193,072,131	203,720,320	204,923,232	195,392,947	171,699,816
Total primary government program revenues	198,830,034	196,023,361	216,415,085	216,232,899	209,145,994	203,047,891	212,681,867	212,528,418	204,506,434	181,162,524
Net (Expenditures)/Revenues										
Governmental activities	(41,482,706)	(37,043,487)	(36,356,035)	(35,250,509)	(36,695,747)	(38,841,776)	(36,501,262)	(39,056,525)	(38,705,104)	(34,709,898)
Business-type activities	18,013,433	16,426,167	10,233,870	4,219,389	2,431,170	(1,961,901)	7,715,462	10,016,234	8,824,833	7,196,976
Total primary government net expense	$ (23,469,273)	$ (20,617,320)	$ (26,122,165)	$ (31,031,120)	$ (34,264,577)	$ (40,803,677)	$ (28,785,800)	$ (29,040,291)	$ (29,880,271)	$ (27,512,922)

CITY OF WILSON, NORTH CAROLINA

CHANGES IN NET POSITION (CONCLUDED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 2 (concluded)

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	$ 22,949,347	$ 22,389,796	$ 22,055,959	$ 22,191,654	$ 20,988,086	$ 20,594,811	$ 20,565,644	$ 20,213,173	$ 19,907,074	$ 16,963,492
Sales taxes	8,260,412	7,139,870	7,163,927	6,656,683	6,790,146	6,377,375	5,776,019	5,824,550	5,979,185	6,367,127
Occupancy Tax	268,229									
Franchise taxes	5,087,010	5,246,131	5,166,152	4,258,193	4,291,647	4,371,499	4,399,425	4,377,927	4,350,635	3,881,837
Privilege license tax	3,183	2,909	616,706	677,838	613,177	461,933	459,820	495,919	531,647	529,521
Alcoholic beverage taxes	84,375	81,250	81,250	81,250	81,250	78,125	74,976	62,229	49,655	49,481
Unrestricted grants and contributions	770,014	222,745	240,190	247,809	428,408	1,042,377	464,507	85,930	255,140	263,098
Unrestricted investment earnings	28,886	279,245	173,518	179,423	15,650	349,554	279,881	543,970	1,116,778	1,648,671
Gain/(Loss) on sale of capital assets	8,531	35,426	101,496	8,438	26,487	4,337	8,140	105,233	62,644	102,389
Miscellaneous	175,698	161,457	315,780	361,841	426,355	24,116	306,131	437,913	670,151	336,878
Transfers	4,693,999	5,610,220	3,657,790	3,350,420	3,364,010	3,213,420	3,439,940	3,270,530	2,903,620	2,857,751
Total governmental activities	42,329,684	41,169,049	39,572,768	38,013,549	37,025,216	36,517,547	35,774,483	35,417,374	35,826,529	33,000,245
Business-type activities:										
Unrestricted grants and contributions	285,375			(12,995)	314,536	414,637	331,627			
Unrestricted investment earnings	14,332	517,623	307,659	420,133	78,903	1,039,146	885,133	1,541,142	2,515,406	3,442,138
Gain/(Loss) on sale of capital assets	134,950	70,455	106,719	43,425	43,475	72,887	21,796	128,594	42,810	129,597
Miscellaneous	138,936	1,700	190	22,700	16,529		46,709	1,484	82,612	494,777
Transfers	(4,693,999)	(5,610,220)	(3,657,790)	(3,350,420)	(3,364,010)	(3,213,420)	(3,439,940)	(3,270,530)	(2,903,620)	(2,857,751)
Total business-type activities	(4,120,406)	(5,020,442)	(3,243,222)	(2,877,157)	(2,910,567)	(1,686,750)	(2,154,675)	(1,599,310)	(262,792)	1,208,761
Total primary government	38,209,278	36,148,607	36,329,546	35,136,392	34,114,649	34,830,797	33,619,808	33,818,064	35,563,737	34,209,006
Changes in Net Position										
Governmental activities	846,978	4,125,562	3,216,733	2,763,040	329,469	(2,324,229)	(726,779)	(3,639,151)	(2,878,575)	(1,709,653)
Business-type activities	13,893,027	11,405,725	6,990,648	1,342,232	(479,397)	(3,648,651)	5,560,787	8,416,924	8,562,041	8,405,737
Total Primary government	$ 14,740,005	$ 15,531,287	$ 10,207,381	$ 4,105,272	$ (149,928)	$ (5,972,880)	$ 4,834,008	$ 4,777,773	$ 5,683,466	$ 6,696,084

CITY OF WILSON, NORTH CAROLINA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 3

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
General Fund										
Reserved	$	$	$	$	$	$	$	$ 4,794,760	$ 4,428,512	$ 5,513,371
Unreserved								10,681,475	10,792,615	10,609,148
Nonspendable	400,300	367,721	380,495	353,487	489,045	434,619	402,167			
Restricted	4,990,515	4,638,844	5,399,938	4,184,708	3,923,400	3,809,721	3,598,776			
Committed		223,752				27,997	385,728			
Assigned	4,404,100	3,968,730	3,456,910	2,669,460	1,537,900	1,691,940	2,033,660			
Unassigned	13,770,544	15,739,384	14,722,527	13,411,271	12,472,598	10,922,540	9,657,066			
Total General Fund	$ 23,565,459	$ 24,938,431	$ 23,959,870	$ 20,618,926	$ 18,422,943	$ 16,886,817	$ 16,077,397	$ 15,476,235	$ 15,221,127	$ 16,122,519
All Other Governmental Funds										
Reserved	$	$	$	$	$	$	$	$ 63,207	$ 447,610	$ 11,372
Unreserved. reported in:										
Special revenue funds								1,220,934	979,479	2,170,306
Capital projects funds								244,447	390,080	974,205
Nonspendable		95,656	100,425							
Restricted	3,160,199	478,239	466,746	491,681	500,195	1,149,804	207,158			
Committed	2,672,480	3,930,067	1,089,822	1,689,598	1,634,153	1,493,634	1,550,467			
Assigned	312,303	229,023	159,164	123,361	101,325	124,948	131,734			
Unassigned	(139,235)	(434,386)	(570,393)	(523,903)	(333,339)	(474,152)	(204,914)			
Total all other governmental funds	$ 6,005,747	$ 4,298,599	$ 1,245,764	$ 1,780,737	$ 1,902,334	$ 2,294,234	$ 1,684,445	$ 1,528,588	$ 1,817,169	$ 3,155,883

*Note: Data beginning FY2011, GASB Statement 54 was implemented for fund balance categories.

CITY OF WILSON, NORTH CAROLINA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 4 (continued)

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Revenues										
Taxes	$ 31,530,463	$ 29,543,692	$ 30,063,583	$ 29,803,155	$ 28,270,043	$ 27,364,554	$ 26,823,665	$ 26,601,715	$ 26,265,321	$ 23,816,246
Licenses and permits	658,149	418,982	417,044	406,997	437,072	383,633	391,841	386,044	418,606	717,527
Intergovernmental	8,149,322	8,409,799	8,240,401	7,185,743	7,333,476	8,485,180	7,942,962	6,542,154	7,241,211	6,684,566
Assessments	52,822	29,955	28,515	38,068	63,295	66,383	34,106	35,168	58,320	58,198
Charges for services	6,585,200	6,460,112	5,997,221	5,863,415	5,301,722	5,106,504	4,798,793	4,659,731	4,688,961	4,767,968
Investment income	23,527	186,700	117,435	121,482	10,494	236,645	191,724	355,770	716,870	1,093,202
Loan repayments and related interest	(10,973)	11,968	115,062	16,450	19,602	25,846	34,053	48,359	61,531	97,216
Contributions	(34,500)	302,952	367,345	474,598	(34,882)	1,335,370		10,000	860,000	50,565
Other	409,004	588,818	575,245	282,478	452,106	191,276	322,995	149,148	528,845	265,976
Total revenues	47,363,014	45,952,978	45,921,851	44,192,386	41,852,928	43,195,391	40,540,139	38,788,089	40,839,665	37,551,464
Expenditures										
General government	6,530,592	5,743,641	5,338,385	5,338,112	3,908,680	4,365,033	4,346,257	4,128,260	4,908,321	5,292,437
Public safety	23,706,842	22,404,798	21,350,746	21,860,724	21,694,109	22,166,287	20,395,491	21,370,134	20,860,975	19,961,453
Public services	5,060,868	5,489,026	4,974,730	4,656,398	4,657,052	4,677,970	5,104,900	6,422,483	5,509,441	4,364,861
Environmental Services	5,663,595	5,722,452	5,664,982	5,199,870	5,164,187	4,865,693	4,880,163	4,748,681	4,965,691	4,492,425
Planning and Development	3,674,803	2,082,384	3,346,499	2,038,937	2,011,890	2,221,455	2,476,431	1,953,945	2,089,841	1,829,316
Human Services	242,351	242,349	234,320	229,903	219,247	213,179	207,285	208,550	225,937	189,913
Culture and recreation	6,549,990	5,976,969	5,704,758	6,167,747	5,383,416	5,409,574	4,715,394	5,413,111	8,244,479	5,198,437
Debt service:										
Principal	361,095	359,076	307,346	939,514	982,497	965,248	956,907	719,505	477,201	567,024
Interest	38,402	46,046	53,400	56,820	78,121	105,622	144,725	117,156	106,078	39,108
Total expenditues	51,828,538	48,066,741	46,975,166	46,488,025	44,099,199	44,990,061	43,227,553	45,081,825	47,387,964	41,934,974
Excess of revenues over (under) expenditures	(4,465,524)	(2,113,763)	(1,053,315)	(2,295,639)	(2,246,271)	(1,794,670)	(2,687,414)	(6,293,736)	(6,548,299)	(4,383,510)

CITY OF WILSON, NORTH CAROLINA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONCLUDED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 4 (concluded)

	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Other Financing Sources (Uses)										
Sales of capital assets	$ 105,150	$ 48,520	$ 101,496	$ 101,605	$ 26,487	$ 459	$ 4,493	$ 188,333	$ 106,573	$ 139,327
Transfers in	9,447,301	6,667,912	4,195,665	3,998,990	3,939,681	3,969,150	4,264,388	4,417,189	5,651,096	4,237,671
Transfers out	(4,752,751)	(1,057,692)	(537,875)	(648,570)	(575,671)	(755,730)	(824,448)	(1,146,659)	(2,747,476)	(1,256,721)
Proceeds from Installment Contracts			100,000	918,000				2,801,400	1,298,000	1,350,000
Total other financing sources (uses)	4,799,700	5,658,740	3,859,286	4,370,025	3,390,497	3,213,879	3,444,433	6,260,263	4,308,193	4,470,277
Net change in fund balances	$ 334,176	$ 3,544,977	$ 2,805,971	$ 2,074,386	$ 1,144,226	$ 1,419,209	$ 757,019	$ (33,473)	$ (2,240,106)	$ 86,767
Debt service as a percentage of noncapital expenditures	0.85%	0.88%	0.80%	2.30%	2.45%	2.43%	2.60%	2.06%	1.23%	1.45%

CITY OF WILSON, NORTH CAROLINA

ELECTRIC CONSUMPTION PER KWH SOLD
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 5

	For the Fiscal Year Ended June 30									
Customer type	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Electric Customers - Inside City										
Residential	250,897,074	238,246,520	243,812,532	241,279,577	244,319,242	236,315,020	261,112,842	247,854,580	247,954,913	245,432,183
Commercial	269,966,685	250,248,039	241,653,963	236,905,874	234,997,187	234,890,956	244,467,017	244,587,410	236,556,373	256,388,831
Industrial	165,280,726	175,216,533	173,359,006	173,642,174	175,570,772	174,943,273	159,661,640	147,263,822	150,858,941	128,787,492
Total Electric Customers - Inside City	686,144,486	663,711,092	658,825,501	651,827,625	654,887,201	646,149,249	665,241,499	639,705,812	635,370,227	630,608,506
Electric Customers - Outside City										
Residential	147,528,079	140,591,819	146,166,012	144,672,133	144,142,265	137,830,206	153,252,218	147,364,370	149,132,060	147,381,413
Commercial	58,945,279	47,155,397	46,479,334	41,601,536	42,553,701	39,962,123	39,453,834	39,412,657	38,820,873	47,501,408
Industrial	350,003,732	382,348,384	372,751,277	362,690,124	364,821,066	367,160,841	363,162,852	353,423,343	346,156,083	357,755,200
Total Electric Customers - Outside City	556,477,090	570,095,600	565,396,623	548,963,793	551,517,032	544,953,170	555,868,904	540,200,370	534,109,016	552,638,021
Total Consumption General Customers	1,242,621,576	1,233,806,692	1,224,222,124	1,200,791,418	1,206,404,233	1,191,102,419	1,221,110,403	1,179,906,182	1,169,479,243	1,183,246,527
Other Utilities	19,644,062	19,802,188	20,336,647	19,969,212	19,936,814	19,437,836	20,716,595	20,082,329	19,636,469	21,213,748
Other Distributors	26,254,044	26,000,223	27,937,635	27,324,603	26,886,237	26,939,581	27,952,553	26,718,560	48,659,953	41,406,717
Total Electric Consumption	1,288,519,682	1,279,609,103	1,272,496,406	1,248,085,232	1,253,227,284	1,237,479,836	1,269,779,551	1,226,707,071	1,237,775,665	1,245,866,992

CITY OF WILSON, NORTH CAROLINA

ELECTRIC RATES PER KWH SOLD
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 6

Rate Type	For the Fiscal Year Ended June 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Electric Customers - Inside City										
Residential	$ 0.1168	$ 0.1241	$ 0.1413	$ 0.1414	$ 0.1412	$ 0.1441	$ 0.1448	$ 0.1524	$ 0.1455	$ 0.1245
Commercial	0.1076	0.1171	0.1339	0.1308	0.1304	0.1301	0.1313	0.1347	0.1318	0.1137
Industrial	0.0844	0.0840	0.0933	0.0919	0.0915	0.0930	0.0954	0.9610	0.0942	0.0749
Electric Customers - Outside City										
Residential	0.1140	0.1208	0.1391	0.1391	0.1391	0.1421	0.1430	0.1508	0.1438	0.1232
Commercial	0.1060	0.1347	0.1521	0.1488	0.1503	0.1521	0.1538	0.1592	0.1531	0.1253
Industrial	0.0668	0.0683	0.0751	0.0778	0.0775	0.0775	0.0796	0.0789	0.0739	0.0627
Other Utilities	0.1026	0.1026	0.1127	0.1118	0.1133	0.1124	0.1171	0.1214	0.1177	0.1011
Other Distributors	0.0825	0.0906	0.1087	0.1122	0.1101	0.1110	0.1103	0.1081	0.0506	0.0496

CITY OF WILSON, NORTH CAROLINA

ELECTRIC SALES BY CUSTOMER TYPE — TABLE 7
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

	2017		2008	
Consumer	**Sales Revenue**	**Percentage of Total Sales Revenue**	**Sales Revenue**	**Percentage of Total Sales Revenue**
Electric Customers - Inside City				
Residential	29,214,896	23.85%	30,606,603	25.45%
Commercial	28,950,206	23.63%	29,192,580	24.28%
Industrial	13,898,857	11.34%	9,657,532	8.03%
Total Electric Customers - Inside City	72,063,959	58.82%	69,456,715	57.76%
Electric Customers - Outside City				
Residential	16,758,253	13.68%	18,177,245	15.12%
Commercial	6,225,820	5.08%	5,959,608	4.96%
Industrial	23,298,042	19.02%	22,465,106	18.68%
Total Electric Customers - Outside City	46,282,115	37.78%	46,601,959	38.76%
Other Utilities	2,008,503	1.64%	2,133,908	1.77%
Other Distributors	2,158,826	1.76%	2,048,622	1.71%
Total Sales	$ 122,513,402	100.00%	$ 120,241,204	100.00%

Note: Prohibited by law to disclose sales by principal consumer.

CITY OF WILSON, NORTH CAROLINA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY **TABLE 8**
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Years Ended June 30	Real Property Value	Personal Property Assessed Value	Corporate Excess Assessed Value	Total Assessed Value	Rate Per $100	Total Tax Levy
2008	2,437,095,015	803,741,481	22,715,307	3,263,551,803	0.515	16,741,060
2009	2,975,705,714	794,317,287	34,102,823	3,804,125,824	0.515	19,675,158
2010	3,028,641,619	795,166,674	31,954,267	3,855,762,560	0.515	20,080,494
2011	3,072,620,714	794,937,669	30,337,610	3,897,895,993	0.515	20,334,173
2012	3,074,096,373	850,159,372	28,358,638	3,952,614,383	0.515	20,567,816
2013	3,088,045,401	899,143,234	29,039,973	4,016,228,608	0.515	20,698,772
2014	3,109,136,148	857,140,487	29,933,361	3,996,209,996	0.515	21,768,423
2015	3,229,799,675	881,447,869	29,221,389	4,140,468,933	0.515	21,353,227
2016	3,242,715,469	1,011,969,959	32,691,490	4,287,376,918	0.515	22,106,660
2017	2,970,562,177	1,057,598,291	38,491,406	4,066,651,874	0.555	22,609,918

NOTE: (a) The city's property tax is levied each July 1 on the assessed value of the listed property as of the prior January 1 for all taxable real and personal property within the City. Assessed valuations are determined by Wilson County at 100% of the estimated market value for real property and 100% of the actual value for personal property. The assessment ratio is 100% of the estimated value. Public service company (corporate excess) property is certified by the State of North Carolina at 100% of actual value with no distinction between real and personal property. The City implemented a staggered motor vehicle property tax billing system during 1993-1994 as required by the State. 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, 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.

(b) A revaluation of real property is required by North Carolina General Statutes at least every eight years. The last revaluation was completed in FY 2015 with assessed values becoming effective January 1, 2016 for fiscal year ending June 30, 2017.

CITY OF WILSON, NORTH CAROLINA

DIRECT AND OVERLAPPING PROPERTY TAX RATES **TABLE 9**
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Years Ended June 30	City Direct Rate		Overlapping Rates		Total Direct and Overlapping Rates
	Basic Rate	Total Direct	Wilson County	Downtown Development Rate	
2008	0.515	0.515	0.760	0.170	1.445
2009	0.515	0.515	0.730	0.170	1.415
2010	0.515	0.515	0.730	0.170	1.415
2011	0.515	0.515	0.730	0.170	1.415
2012	0.515	0.515	0.730	0.170	1.415
2013	0.515	0.515	0.730	0.170	1.415
2014	0.515	0.515	0.730	0.170	1.415
2015	0.515	0.515	0.730	0.170	1.415
2016	0.515	0.515	0.730	0.170	1.415
2017	0.555	0.555	0.730	0.180	1.465

NOTE: There are no limits on property taxes levied to meet debt service payments, fund unforseen revenue deficits, suppress civil disorders, or for property tax rate levies approved by a vote of the people. All other rate levies are limited to $1.50 per $100 valuation.

CITY OF WILSON, NORTH CAROLINA

PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

TABLE 10

		2017				2008			
Taxpayer	**Nature of Business**	**Tax Levy**	**Assessed Value**	**Rank**	**Percentage of Total Assessed Value**	**Tax Levy**	**Assessed Value**	**Rank**	**Percentage of Total Assessed Value**
Branch Banking & Trust	Banking	914,737	164,817,401	1	4.05%	498,542	96,804,202	1	2.97%
Becton Dickson & Co	Pharmaceutical	515,641	92,908,357	2	2.28%				0.00%
Sandoz Inc	Pharmaceutical	454,589	81,907,955	3	2.01%	173,104	33,612,552	3	1.03%
Alliance One	Tobacco Processor	384,488	69,277,120	4	1.70%	128,548	24,960,864	5	0.76%
Purdue Pharmaceuticals	Pharmaceutical	377,717	68,057,116	5	1.67%	268,880	52,170,900	2	1.60%
DLP Wilson Medical Center, Inc.	Health Care	348,777	62,842,655	6	1.55%				0.00%
Linamar Forgings Inc.	Manufacturing	239,844	43,215,059	7	1.06%				0.00%
Inland American Wilson	Retail Management	164,763	29,686,939	8	0.73%				0.00%
Sleepy Hollow Development Co	Development	134,643	24,260,057	9	0.60%				0.00%
CSX Transportation Inc.	Transportation	134,203	24,180,678	10	0.59%				0.00%
Carolina Forge Company, LLC	Manufacturing					138,313	26,858,732	4	0.82%
Hull-Storey- Wilson LLC	Shopping Center					111,411	21,633,310	7	0.66%
EON Pharma LLC	Pharmaceutical					112,416	21,828,350	6	0.67%
Standard Commercial Tobacco	Tobacco Processor					97,102	18,837,400	8	0.58%
Benson Rentals LLC	Real Estate					102,858	18,223,590	9	0.56%
Heritage Crossing	Shopping Center					90,429	17,559,220	10	0.54%
Total of principal taxpayers		3,669,402	661,153,337		16.26%	1,721,603	332,489,120		10.19%
Balance		18,940,516	3,405,498,537		83.74%	15,019,457	2,931,062,683		89.81%
Total		$ 22,609,918	$4,066,651,874		100.00%	$ 16,741,060	$3,263,551,803		100.00%

SOURCE: Wilson County Tax Office

CITY OF WILSON, NORTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 11

Fiscal Years Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	16,741,060	16,225,230	96.9%	461,806	16,687,036	99.7%
2009	19,657,158	18,990,456	96.6%	467,098	19,457,554	99.0%
2010	20,080,494	19,476,396	97.0%	462,357	19,938,753	99.3%
2011	20,334,173	19,678,806	96.8%	523,381	20,202,187	99.4%
2012	20,567,815	19,860,046	96.6%	569,262	20,429,308	99.3%
2013	20,698,772	19,993,633	96.6%	596,995	20,590,628	99.5%
2014	21,768,423	21,266,798	97.7%	396,071	21,662,869	99.5%
2015	21,353,227	20,970,965	98.2%	40,608	21,011,573	98.4%
2016	22,106,660	21,766,834	98.5%	(43,622)	21,723,212	98.3%
2017	22,609,918	22,278,764	98.5%	-	22,278,764	98.5%

CITY OF WILSON, NORTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 12

	General Bonded Debt				Business Type Activities							
Fiscal Years Ended June 30	**General Obligation Bonds**	**Percentage of Actual Property Values**	**Per Capita**	**Governmental Activities Notes Payable**	**Revenue Bonds**	**Certificates of Participation**	**Notes Payable**	**Total Primary Government**	**Percentage Actual Property Values**	**Per Capita**	**Population**	**Percentage Personal Income**
2008	17,100,000	0.5240%	342.31	2,215,441	15,880,000	35,610,000	26,946,961	97,752,402	2.9953%	1,957	48,562	4.0479%
2009	15,900,000	0.4180%	313.91	3,036,240	15,355,000	67,495,000	27,589,292	129,375,532	3.4009%	2,554	49,954	8.1835%
2010	14,995,000	0.3889%	292.45	5,118,135	14,815,000	64,840,000	32,513,176	132,281,311	3.4307%	2,580	51,274	7.8674%
2011	13,650,000	0.3502%	276.20	4,161,228	14,255,000	62,080,000	30,156,265	124,302,493	3.1890%	2,515	49,421	NA
2012	12,335,000	0.3121%	250.88	3,195,980	14,310,000	59,200,000	29,475,334	118,516,314	2.9984%	2,410	49,167	NA
2013	11,050,000	0.2751%	224.96	2,213,483	13,645,000	56,195,000	25,882,714	108,986,197	2.7137%	2,219	49,119	NA
2014	9,785,000	0.2449%	197.17	2,191,969	12,694,000	53,080,000	22,297,574	100,048,543	2.5036%	2,016	49,628	NA
2015	8,545,000	0.2064%	171.49	1,984,624	11,984,000	49,825,000	18,203,620	90,542,244	2.1868%	1,817	49,828	NA
2016	7,325,000	0.1709%	147.55	1,625,548	11,267,000	46,405,000	16,077,630	82,700,178	1.9289%	1,666	49,643	NA
2017	6,120,000	0.1505%	123.34	1,264,452	10,533,000	42,820,000	13,951,644	74,689,096	1.8366%	1,505	49,620	NA

CITY OF WILSON, NORTH CAROLINA

RATIOS OF GENERAL OBLIGATION OUTSTANDING DEBT **Table 13**
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Years Ended June 30	General Obligation Bonds	Assessed Value	Percentage of Actual Property Values	Population	Per Capita
2008	17,100,000	3,263,551,803	0.5240%	49,954	342.31
2009	15,900,000	3,804,125,824	0.4180%	50,651	313.91
2010	14,995,000	3,855,762,560	0.3889%	51,274	292.45
2011	13,650,000	3,897,895,993	0.3502%	49,421	276.20
2012	12,335,000	3,952,614,383	0.3121%	49,167	250.88
2013	11,050,000	4,016,228,608	0.2751%	49,119	224.96
2014	9,785,000	3,996,209,996	0.2449%	49,628	197.17
2015	8,545,000	4,140,468,933	0.2064%	49,828	171.49
2016	7,325,000	4,287,376,918	0.1709%	49,643	147.55
2017	6,120,000	4,066,651,874	0.1505%	49,620	123.34

CITY OF WILSON, NORTH CAROLINA

COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2017 (UNAUDITED)

Table 14

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Appraised Valuation	$ 4,066,651,874	$ 4,287,376,918	$ 4,140,468,933	$ 3,996,209,996	$ 4,016,228,608	$ 3,952,614,383	$ 3,897,895,993	$ 3,855,762,560	$ 3,804,125,824	$ 3,263,551,803
Debt Limit: (8% of Appraised Valuation)	$ 325,332,150	$ 342,990,153	$ 331,237,515	$ 319,696,800	$ 321,298,289	$ 316,209,151	$ 311,831,679	$ 308,461,005	$ 304,330,066	$ 261,084,144
Gross Debt:										
Outstanding general obligation bonded debt:										
Water fund	6,120,000	7,325,000	8,545,000	9,785,000	11,050,000	12,335,000	13,650,000	14,995,000	15,900,000	17,100,000
Certificates of Participation	42,820,000	46,405,000	49,825,000	53,080,000	56,195,000	59,200,000	62,080,000	64,840,000	67,495,000	35,610,000
Notes Payable	15,216,096	17,703,178	20,188,242	24,489,544	28,097,614	30,053,753	34,317,493	37,631,311	30,625,532	29,162,402
Total	64,156,096	71,433,178	78,558,242	87,354,544	95,342,614	101,588,753	110,047,493	117,466,311	114,020,532	81,872,402
Statutory Deductions:										
Outstanding general obligation bonded debt:										
Water fund	6,120,000	7,325,000	8,545,000	9,785,000	11,050,000	12,335,000	13,650,000	14,995,000	15,900,000	17,100,000
Total	6,120,000	7,325,000	8,545,000	9,785,000	11,050,000	12,335,000	13,650,000	14,995,000	15,900,000	17,100,000
Net Debt	58,036,096	64,108,178	70,013,242	77,569,544	84,292,614	89,253,753	96,397,493	102,471,311	98,120,532	64,772,402
Legal Debt Margin	$ 267,296,054	$ 278,881,975	$ 261,224,273	$ 242,127,256	$ 237,005,675	$ 226,955,398	$ 215,434,186	$ 205,989,694	$ 206,209,534	$ 196,311,742
Total net debt applicable to the limit as a percentage of debt limit	21.71%	22.99%	26.80%	32.04%	35.57%	39.33%	44.75%	49.75%	47.58%	32.99%

CITY OF WILSON, NORTH CAROLINA

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT **TABLE 15**
JUNE 30, 2017 (UNAUDITED)

Governmental Unit	Total General Obligation Bonded Debt Outstanding		Percentage Applicable to City of Wilson		City of Wilson's Share of Debt
Direct Debt - City of Wilson	$ 1,264,452		100.00%		$ 1,264,452
Overlapping Debt - Wilson County	8,475,000	(1)	60.78%	(2)	5,151,297
Total direct and overlapping debt	$ 9,739,452				$ 6,415,749

(1) Determined by ratio of assessed valuation of property subject to taxation in Wilson County ($6,690,524,005) to valuation of property subject to taxation in City of Wilson ($4,066,651,874).

(2) Amount in debt outstanding column multiplied by percentage applicable.

CITY OF WILSON, NORTH CAROLINA

PLEDGED REVENUE COVERAGE **Table 16**
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Years Ended June 30	Adjusted Gross Revenue	Adjusted Total Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
Gas Revenue Bonds						
2008	$ 21,437,626	$ 18,270,802	$ 3,166,824	$ 114,750	$ 160,059	11.52
2009	24,073,929	20,307,333	3,766,596	118,125	167,202	13.20
2010	20,541,662	15,654,067	4,887,595	121,500	149,633	18.03
2011	18,732,732	15,381,669	3,351,063	126,000	148,355	12.21
2012	15,578,576	13,037,349	2,541,227	129,375	144,040	9.29
2013	17,282,533	15,801,979	1,480,554	133,875	43,516	8.35
2014	18,283,158	16,292,621	1,990,537	156,375	69,236	8.82
2015	19,034,067	15,888,473	3,145,594	159,750	71,758	13.59
2016	14,902,760	13,946,832	955,928	161,325	73,916	4.06
2017	14,867,043	13,538,659	1,328,384	165,150	69,703	5.66
Water Revenue Bonds						
2008	$ 20,414,036	$ 13,620,672	$ 6,793,364	$ 395,250	$ 548,969	7.19
2009	20,217,614	14,884,996	5,332,618	406,875	539,757	5.63
2010	20,208,879	14,329,053	5,879,826	418,500	527,690	6.21
2011	21,882,337	13,991,965	7,890,372	434,000	514,235	8.32
2012	21,561,784	14,783,079	6,778,705	445,625	501,835	7.15
2013	21,192,349	15,057,791	6,134,558	461,125	149,887	10.04
2014	25,376,939	15,671,290	9,705,649	538,625	352,430	10.89
2015	23,371,293	15,106,339	8,264,954	550,250	242,903	10.42
2016	24,047,502	15,697,285	8,350,217	555,675	239,306	10.50
2017	25,077,662	17,048,616	8,029,046	568,850	240,089	9.93
Water Resources Federal Revolving Loan Notes Payable						
2008	21,403,869	15,776,225	5,627,644	1,716,822	686,734	2.34
2009	20,244,515	17,046,386	3,198,129	1,738,419	649,104	1.34
2010	20,058,160	16,720,158	3,338,002	1,738,439	612,798	1.42
2011	21,843,583	15,581,427	6,262,156	1,766,777	569,231	2.68
2012	21,481,216	16,855,140	4,626,076	1,766,777	525,664	2.02
2013	21,053,979	16,885,337	4,168,642	1,766,777	482,098	1.85
2014	25,383,839	16,846,343	8,537,496	1,766,777	438,531	3.87
2015	23,388,437	16,067,230	7,321,207	1,673,575	388,451	3.55
2016	24,053,919	16,581,417	7,472,502	1,673,575	354,071	3.69
2017	25,159,431	17,902,949	7,256,482	1,673,575	306,060	3.67

Note: Revenue Bond adjusted gross revenues does not include other income, investment income on revenue bond proceeds, intergovernmental revenues nor capital contributions. Revenue bond total expenses does not include depreciation expense, interest expense nor transfers out. Water resources federal revolving loan notes payable adjusted gross revenues does not include intergovernmental revenues nor capital contributions. Water resources federal revolving loan notes payable adusted total expenses does not include depreciation expense.

CITY OF WILSON, NORTH CAROLINA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 17

POPULATION (1) (City)

Year	Number
2017	49,620
2016	49,643
2015	49,828
2014	49,628
2013	49,119
2012	49,167
2011	49,421
2010	51,274
2009	50,651
2008	49,954

TAXABLE SALES (2)

Year	City	County
2017	N/A	995,644,509
2016	N/A	909,128,062
2015	N/A	829,972,195
2014	N/A	793,246,943
2013	N/A	797,301,828
2012	N/A	769,341,633
2011	N/A	737,674,146
2010	N/A	724,690,344
2009	594,095,422	709,357,554
2008	624,999,310	776,709,276

UNEMPLOYMENT RATE (3) (County)

Year	Rate
2017	7.91%
2016	8.98%
2015	8.93%
2014	11.20%
2013	13.00%
2012	13.15%
2011	12.32%
2010	12.32%
2009	10.83%
2008	6.43%

INCOME (4) (County)

Year	Personal Income (thousands of dollars)	Per Capita Personal Income
2017	N/A	N/A
2016	N/A	N/A
2015	3,073,841	37,617
2014	2,933,982	36,044
2013	2,937,718	35,972
2012	2,910,323	35,598
2011	2,757,412	33,854
2010	2,672,816	32,880
2009	2,658,562	32,958
2008	2,414,918	30,821

SOURCES:

(1) Population data provided by: a) NC Office of State Budget 2003-2011; b) NC Dept of Commerce 2015; c)US Census Bureau 2016 forward

(2) NC Department of Revenue, Sales and Use Tax Division, Tax Research Division: 2006-2011 is taxable sales only

(3) NC Employment Security Commission

(4) State Agency Data: Office of the Governor through 2008; U.S. Census Bureau 2009 ; U.S. Bureau of Economic Analysis 2010 forward (data not available past 2015)

CITY OF WILSON, NORTH CAROLINA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
JUNE 30, 2017 (UNAUDITED)

Table 18

		2017			2008		
Employer	**Nature of Business**	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
BRANCH BANK & TRUST	Banking	2,318	1	6.81%	2,000	2	9.26%
WILSON COUNTY SCHOOLS	Education	1,600	2	4.70%	1,600	3	7.41%
WILSON MEDICAL CENTER	Health Care	818	3	2.40%	1,457	4	6.74%
CITY OF WILSON	Public Administration	747	4	2.20%	690	7	3.19%
UTC AEROSPACE SYSTEMS-FORMELY KIDDE	Manufacturing	735	5	2.16%	681	8	3.15%
COUNTY OF WILSON	Public Administration	700	6	2.06%	700	6	3.24%
SMITHFIELD PACKING COMPANY	Manufacturing	600	7	1.76%			0.00%
SANDOZ	Manufacturing	462	8	1.36%			0.00%
SOUTHERN PIPING COMPANY	Mechanical Contracting	250	9	0.73%			0.00%
PURDUE PHARMACEUTICALS	Manufacturing	200	10	0.59%			0.00%
BRIDGESTONE AMERICAS-FORMELY FIRESTONE	Manufacturing				2,172	1	10.05%
S T WOOTEN CORPORATION	Construction				1,201	5	5.56%
WALMART	Retail				490	9	2.27%
Principal Employees Total Employment		8,430		24.78%	10,991		50.88%
Balance of employment		25,588		75.22%	10,612		49.12%
Total employment		34,018		100.00%	21,603		100.00%

Top Five Wilson County Employers

BRANCH BANK & TRUST	Banking	2,318
BRIDGESTONE AMERICAS-FORMELY FIRESTONE	Manufacturing	2,100
WILSON COUNTY SCHOOLS	Education	1,600
WILSON MEDICAL CENTER	Health Care	818
CITY OF WILSON	Public Administration	747

Source: Employers' Data, Wilson Economic Development, NC Dept of Commerce, Wilson Chamber of Commerce, Wilson Times

CITY OF WILSON, NORTH CAROLINA

Full-time City Government Employees by Function
LAST TEN FISCAL YEARS (UNAUDITED)

Table 19

Function	For the Fiscal Year Ended June 30									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
General Government	132	132	123	123	125	126	114	118	109	108
Public Safety	238	238	236	235	242	242	239	240	244	242
Public Services	47	47	46	46	39	39	39	39	39	39
Environmental Services	40	40	40	40	40	40	40	40	40	40
Planning and Development	12	11	10	11	10	15	15	14	14	13
Human Services	3	3	3	3	3	3	3	3	3	3
Culture and Recreation	34	34	34	34	34	34	34	34	34	34
Electric	80	82	80	81	81	79	82	82	82	82
Gas	21	21	21	21	21	21	22	22	22	22
Water and Sewer	99	98	100	100	100	100	104	105	105	105
Mass Transit	10	10	10	10	10	10	10	10	10	10
Stormwater Management	12	13	13	13	13	13	13	13	13	12
Broadband	19	18	18	18	18	16	20	19	18	14
	747	747	734	735	736	738	735	739	733	724

Source: City of Wilson Financial Services Department

CITY OF WILSON, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 20 (continued)

Function	For the Fiscal Year Ended June 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General government										
Fleet Management										
Rolling stock maintained	832	806	789	775	772	795	755	735	734	725
Work orders completed	6,379	6,984	6,987	6,638	6,730	6,285	5,348	5,332	5,318	4,792
Human Resources										
Employment applications processed	1,906	2,395	1,759	2,056	1,922	525	2,509	2,875	2,024	3,000
Turnover	79	61	65	68	65	16	57	44	74	74
Public Safety										
Police										
Violent Crimes Reported	262	259	257	228	240	251	265	269	254	220
Violent Crimes Cleared	148	153	174	134	163	152	168	160	173	137
Property Crimes Reported	1,875	1,967	2,006	2,104	2,232	2,463	2,300	2,535	2,181	2,319
Property Crimes Cleared	594	579	673	811	830	778	750	866	776	843
Traffic Accidents	2,665	2,612	2,461	2,198	2,253	2,265	2,328	2,324	2,027	2,203
Fire										
Fire responses	236	254	205	228	225	237	274	253	224	314
Medical responses	2,553	2,298	2,211	2,328	2,338	2,226	2,183	2,813	3,330	3,125
Inspections	4,649	6,975	7,530	6,699	5,016	5,087	4,830	5,175	4,898	3,376
Building Inspections										
Number of inspections	7,643	7,081	7,351	6,051	6,576	6,429	6,503	6,368	7,722	11,493
Public Works										
Street resurfacing (lane miles)	7.8	4.2	0	5.76	11.88	0	10.32	7.83	13.95	1.14
Preversation treatment (lane miles)	18.2	19.8	0	5.31	1	0	0	0	0	0
Potholes repaired	516	1,498	119	891	886	561	714	658	598	597

CITY OF WILSON, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION (CONCLUDED)
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 20 (concluded)

Function	For the Fiscal Year Ended June 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Environmental Services										
Refuse collected (tons per year)	22,730	22,613	22,246	22,825	22,793	22,634	22,546	23,523	23,572	22,316
Recyclables collected (tons per year)	1,680	1,586	1,509	1,440	1,485	1,546	1,468	1,344	1,311	1,351
Yard waste/leaf collection (tons per year)	8,612	8,426	8,102	7,110	7,740	7,408	6,954	6,826	7,582	9,228
Electric										
Average daily usage (KWH)	3,521,571	3,573,838	3,623,079	3,582,115	3,433,499	3,381,092	3,478,848	3,360,841	3,391,166	3,413,334
Number of customers	35,112	35,718	35,020	34,765	34,831	34,810	34,781	34,748	36,390	35,553
Gas										
Average daily usage (cubic feet)	3,360,723	3,420,070	3,274,000	4,234,000	4,079,761	3,380,403	4,020,980	3,919,871	3,794,860	3,537,886
Number of customers	13,763	13,753	13,762	13,704	13,671	13,651	13,765	13,732	13,730	14,373
Water and sewer										
Average daily water usage (million gallons)	8.68	8.69	8.61	8.79	8.53	9.04	9.11	8.82	8.64	9.22
Average daily sewer flow (million gallons)	9.03	9.46	9.86	9.61	8.54	7.81	6.48	8.22	8.08	7.13
Number of customers	22,387	22,339	22,337	22,179	22,185	22,086	22,072	21,969	21,936	22,403
Mass Transit										
Annual ridership	108,728	99,444	91,429	129,047	127,769	160,871	159,860	161,883	157,128	137,681
Average passengers per hour	8.69	5.32	5.81	10.30	10.20	10.00	10.00	10.00	12.30	10.77
Stormwater management										
Number of billable control structure inspections	96	87	85	84	72	85	116	119	78	74
Miles of drainage cleaned, open ditches maintained and line replaced	7.96	7.45	7.26	9.41	4	8	8	7	6	8

Source: Various City of Wilson Departments

CITY OF WILSON, NORTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 21

	For the Fiscal Year Ended June 30									
Function	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	5	5	5	5	7	8	6	6	6	7
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Public Services										
Miles of paved streets	232	232	232	231	229	229	229	228	226	224
Culture and recreation										
Parks (Number)	29	28	28	28	32	25	30	30	31	32
Parks (Acreage)	394	392	392	392	392	322	468	468	469	469
Golf course (Acreage)	187	187	187	187	185	185	185	185	185	185
Recreational reservoirs (number)	4	4	4	4	4	3	3	3	3	3
Recreational reservoirs (water recreage)	3,000	3,000	3,000	3,000	2,558	2,558	2,681	2,681	2,681	2,681
Electric										
Distribution lines overhead (miles)	947	947	946	943	944	944	961	958	956	951
Distribution lines underground (miles)	365	365	364	361	357	355	338	332	327	321
Gas										
Distribution lines (miles)	398	396	395	393	392	392	386	384	384	378
Water and sewer										
Water distribution lines (miles)	427	425	432	432	429	428	428	428	404	384
Sewer lines (miles)	365	357	354	354	358	353	352	352	343	322
Mass Transit										
Buses	7	7	7	7	7	7	6	7	7	7

CITY OF WILSON, NORTH CAROLINA

REVENUE BOND HISTORICAL OPERATING RESULTS (NON-GAAP) **TABLE 22**
LAST TEN FISCAL YEARS FOR FISCAL YEAR ENDED JUNE 30 (UNAUDITED)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Operating Revenues	$ 39,937,947	$ 38,791,144	$ 42,296,984	$43,525,253	$38,301,913	$36,716,778	$40,287,616	$40,175,012	$43,565,048	$40,759,296
Total Operating Expenses	(35,376,749)	(34,254,955)	(35,437,129)	(36,325,206)	(35,182,381)	(32,081,079)	(33,642,456)	(34,152,972)	(39,502,670)	(35,882,878)
Total Non-Operating Revenues (Expenses)	(436,437)	(834,867)	(973,154)	(1,192,463)	(697,511)	(2,159,243)	(1,525,533)	(2,429,699)	(1,451,678)	(256,621)
Net Income Before Transfers	4,124,761	3,701,322	5,886,701	6,007,584	2,422,021	2,476,456	5,119,627	3,592,341	2,610,700	4,619,797
Capital Contributions	2,900,792	7,375	123,405	195,479	150,578	98,148	38,754	2,127,035	519,302	845,544
Transfers In								93,250		
Transfers Out	(1,343,020)	(1,337,520)	(1,333,100)	(1,367,850)	(2,868,230)	(1,455,020)	(1,339,910)	(1,319,140)	(1,322,270)	(1,233,420)
Net Income	5,682,533	2,371,177	4,677,006	4,835,213	(295,631)	1,119,584	3,818,471	4,493,486	1,807,732	4,231,921
Adjustments to Net Income [1]	4,082,238	6,934,968	6,733,542	6,881,273	7,766,670	8,110,990	7,437,190	6,376,173	7,291,482	5,728,267
Income Available for Debt Service	$ 9,764,771	$ 9,306,145	$ 11,410,548	$11,716,486	$ 7,471,039	$ 9,230,574	$11,255,661	$10,869,659	$ 9,099,214	$ 9,960,188

(1) Includes among other things, depreciation and amortization and interest expense.

CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION - COMBINED ENTERPRISE SYSTEM **TABLE 23**
JUNE 30, 2017 (UNAUDITED) (CONTINUED)

WATER RATES (as of July 1, 2017)

Base Charge:

Meter Size	Inside City Limit Charge Per Month	Outside City Limit Charge Per Month	Special Customers Outside City Limit Charge Per Month
Inside City Limit:			
5/8, 3/4 or 1"	$ 9.00	$ 18.00	$ 20.25
1-1/2"	16.56	33.12	37.26
2"	25.64	51.28	57.69
3"	46.80	93.60	105.30
4"	77.04	154.08	173.34
6"	152.64	305.28	343.44
8"	243.36	486.72	547.56
10"	379.44	758.88	853.74

Volume Charges:

Volume Range	Inside City Limit Charge Per 100 Cu. Ft.	Outside City Limit Charge Per 100 Cu. Ft.	Special Customers Outside City Limit Charge Per 100 Cu. Ft.
0 - 5,000 cu. ft.	$ 3.83	$ 7.66	$ 8.62
5001- 999,999 cu. ft.	3.43	6.86	7.72
Over 999,999 cu. ft.	2.76	5.52	6.21

CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION - COMBINED ENTERPRISE SYSTEM — TABLE 23

JUNE 30, 2017 (UNAUDITED) — (CONTINUED)

WASTEWATER RATES (as of July 1, 2017)

Base Charge:

Meter Size	Inside City Limit Charge Per Month	Outside City Limit Charge Per Month
Inside City Limit:		
5/8 or 3/4"	$ 10.00	$ 20.00
1"	10.00	20.00
1-1/2"	18.45	36.90
2"	28.59	57.18
3"	52.25	104.50
4"	86.05	172.10
6"	170.55	341.10
8"	271.95	543.90
10"	424.05	848.10

Volume Charges:

Volume Range	Inside City Limit Charge Per 100 Cu. Ft.	Outside City Limit Charge Per 100 Cu. Ft.
90% of water volume	$ 5.29	$ 10.58

NUMBER OF WATER AND WASTEWATER ACCOUNTS - LAST FIVE FISCAL YEARS

	Water		Wastewater	
Fiscal Year Ended June 30	Number of Customers	Percent of Growth	Number of Customers	Percent of Growth
2013	22,185	0.4%	20,240	0.0%
2014	22,179	0.0%	20,241	0.0%
2015	22,337	0.7%	20,314	0.4%
2016	22,339	0.0%	20,378	0.3%
2017	22,387	0.2%	20,442	0.3%

CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION - TABLE 23
COMBINED ENTERPRISE SYSTEM
JUNE 30, 2017 (UNAUDITED) (CONTINUED)

TEN LARGEST WATER CUSTOMERS - FISCAL YEAR JUNE 30, 2017

Customer	Industry	Total Sales Revenue	% of Total Sales Revenue
Bridgestone	Tires	$ 559,550	4.91%
Ardagh Group	Glass Containers	391,908	3.44%
Johnson Co Pump Station	County	271,247	2.38%
Cott Beverage	Private Label Bottler	259,913	2.28%
Smithfield Packing - Farmland	Meat Packing	210,883	1.85%
Merck Sharp & Dohme Corp	Pharmaceuticals	202,191	1.78%
Wilson Housing Authority	Low Income Housing	186,291	1.64%
(Duke Life Point) Wilson Medical	Healthcare	128,528	1.13%
EON Labs	Pharmaceuticals	104,304	0.92%
Purdue Pharmaceutical	Pharmaceuticals	65,088	0.57%

TEN LARGEST WASTEWATER CUSTOMERS - FISCAL YEAR ENDED JUNE 30, 2017

Customer	Industry	Total Sales Revenue	% of Total Sales Revenue
Town of Black Creek	Municipality	$ 390,552	3.02%
Wilson Housing Authority	Low Income Housing	227,393	1.76%
Cott Beverage	Private Label Bottler	181,167	1.40%
(Duke Life Point) Wilson Medical	Healthcare	139,938	1.08%
Merck Sharp & Dohme Corp	Pharmaceuticals	99,764	0.77%
Longleaf Neuro-Medical Center	Nursing Home	84,359	0.65%
Wilson County Schools	School system	68,254	0.53%
Barton College	College	63,413	0.49%
Davita, Inc.	Healthcare	63,329	0.49%
Branch Banking & Trust	Banking	45,774	0.35%

CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION - TABLE 23
COMBINED ENTERPRISE SYSTEM
JUNE 30, 2017 (UNAUDITED) (CONCLUDED)

NUMBER OF GAS ACCOUNTS - LAST FIVE FISCAL YEARS

Fiscal Year Ended June 30	Residential	Commercial	Industrial	Interruptible	Total
2013	12,551	1,097	17	6	13,671
2014	12,601	1,080	17	6	13,704
2015	12,662	1,079	14	6	13,761
2016	12,679	1,054	14	6	13,753
2017	12,674	1,067	16	6	13,763

GAS CONSUMPTION - LAST FIVE FISCAL YEARS (Per CCF)

Fiscal Year Ended June 30	Residential	Commercial	Industrial	Interruptible	Total
2013	6,555,839	2,891,320	1,479,171	3,964,795	14,891,125
2014	7,061,506	3,114,983	1,306,802	3,536,374	15,019,665
2015	7,119,241	3,382,548	1,166,440	3,662,145	15,330,374
2016	5,238,023	2,671,019	886,111	3,688,103	12,483,256
2017	5,120,334	2,662,259	934,712	3,549,334	12,266,639

TEN LARGEST GAS CUSTOMERS -FISCAL YEAR ENDED JUNE 30, 2017

Customer	Industry	Total Sales Revenue	% of Total Sales Revenue
Merck Sharp & Dohme Corp	Pharmaceuticals	$ 929,658	6.31%
EON Labs	Pharmaceuticals	508,422	3.45%
Wilson Housing Authority	Low Income Housing	397,020	2.69%
(Duke Life Point) Wilson Medical	Healthcare	367,862	2.50%
Fresenius Kabi USA)	Medical Supplies	367,835	2.50%
Purdue Pharmaceuticals	Pharmaceuticals	339,905	2.31%
Longleaf Neuro-Medical Center	Nursing Home	254,216	1.73%
ST Wooten	Construction	204,775	1.39%
Barton College	School	162,923	1.11%
Southeastern Grain Co.	Agriculture Products	155,693	1.06%

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& ASSOCIATES, CPAs, P.A.
"A Professional Association of Certified Public Accountants and Management Consultants"

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*

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of and for the year ended June 30, 2017, and the related Notes to the Financial Statements, which collectively comprise the City of Wilson's basic financial statements, and have issued our report thereon dated October 10, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Wilson'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 Wilson's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

730 13th Avenue Drive SE ♦ Hickory, NC 28602 ♦ 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, NC 28681 ♦ 828-632-9025 ♦ Fax 828-632-9085
PO Box 5729 ♦ Statesville, NC 28687 ♦ 1710 Wilkesboro Hwy ♦ Statesville, NC 28625 ♦ 704-872-8923 ♦ Fax 704-872-4982
800-948-0585 ♦ **www.martinstarnes.com**

Compliance and Other Matters

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

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
October 10, 2017

MARTIN ❖ STARNES
& ASSOCIATES, CPAs, P.A.
"A Professional Association of Certified Public Accountants and Management Consultants"

Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Uniform Guidance And The State Single Audit Implementation Act

Independent Auditor's Report

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

Report On Compliance for Each Major Federal Program

We have audited the City of Wilson, North Carolina's compliance with the types of compliance requirements described in the OMB 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 Wilson's major federal programs for the year ended June 30, 2017. The City of Wilson's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wilson'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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 of Wilson'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 of Wilson's compliance.

730 13th Avenue Drive SE ♦ Hickory, NC 28602 ♦ 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, NC 28681 ♦ 828-632-9025 ♦ Fax 828-632-9085
PO Box 5729 ♦ Statesville, NC 28687 ♦ 1710 Wilkesboro Hwy ♦ Statesville, NC 28625 ♦ 704-872-8923 ♦ Fax 704-872-4982
800-948-0585 ♦ www.martinstarnes.com

Opinion on Each Major Federal Program

In our opinion, the City of Wilson complied, in all material respects, with the 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, 2017.

Report On Internal Control Over Compliance

Management of the City of Wilson 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 of Wilson's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our 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 the Uniform Guidance, 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 of Wilson'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, non-compliance 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 reasonable possibility that material non-compliance 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 a combination of deficiencies, in internal control over compliance with a type of 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 material weaknesses or significant deficiencies. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
October 10, 2017

Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; In Accordance With OMB Uniform Guidance And The State Single Audit Implementation Act

Independent Auditor's Report

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

Report On Compliance for Each Major State Program

We have audited the City of Wilson, North Carolina's 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 each of the City of Wilson's major State programs for the year ended June 30, 2017. The City of Wilson's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wilson's major State 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; applicable sections of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City of Wilson'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 of the City of Wilson's compliance.

Opinion on Each Major State Program

In our opinion, the City of Wilson complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2017.

Report On Internal Control Over Compliance

Management of the City of Wilson 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 of Wilson's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program in order to determine our 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 the Uniform Guidance, 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 of Wilson'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, non-compliance 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 a combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance 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 a 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 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 material weaknesses or significant deficiencies. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
October 10, 2017

CITY OF WILSON, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

1. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance to GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	None reported
• Non-compliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	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 2 CFR 200.516(a)?	No
Identification of major federal programs:	

Program Name	**CFDA#**
Disaster Grants – Public Assistance	97.036
Dollar threshold used to distinguish between Type A and Type B Programs	$750,000
Auditee qualified as low-risk auditee?	Yes

CITY OF WILSON, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

1. Summary of Auditor's Results (continued)

State Awards

Internal control over major State programs:

• Material weakness (es) identified?	No
• Significant deficiency(s) identified?	None reported
Type of auditor's report issued on compliance for major State programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	No

Identification of major State programs:

Program Name
Powell Bill

CITY OF WILSON, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

2. Financial Statements Findings

None reported.

3. Federal Awards Findings and Questioned Costs

None reported.

4. State Awards Findings and Questioned Costs

None reported.

CITY OF WILSON, NORTH CAROLINA

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017

None reported.

CITY OF WILSON, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2017

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to Subrecipients	Local Expenditures
Federal Grants:						
Cash Programs:						
U.S. Dept. of Housing and Urban Development						
Office of Community Planning & Development:						
Passed-through N.C. Housing Finance Agency:						
HOME Investment Partnerships Program						
Single Family Rehabilitation Loan Pool 2013	14.239	SFRLP1330	5,501			
Passed-through N.C. Department of Commerce:						
Community Development Block Grants/State's Program and Non Entitlement Grants in Hawaii	14.228	12-C-2474				
NCHFA - Flynn Christian Home				38,169		
TOTAL U.S. Dept. of Housing and Urban Development			5,501	38,169		
U.S. Dept. of Transportation						
Federal Transit Administration (FTA)						
Formula Grants for Rural Areas						
Passed-through the N.C. Department of Transportation:						
PTNA administrative assistance	20.509	36233.26.18.1	230,543	14,406		43,229
PTNA operating assistance	20.509	36233.26.18.2	195,732			547,419
PTNA capital assistance	20.509	36233.26.18.3	3,657	457		458
Federal Highway Administration (FHWA)						
Highway Planning & Construction						
Passed-through the N.C. Department of Transportation:						
Tarboro Street (SR1184) Sidewalk	20.205	STP-EB-1184	30,447	7,612		
U.S. Dept. of Transportation						
National Highway Traffic Safety Administration (NHTSA)						
Passed-through the N.C. Department of Transportation:						
N.C. Governor's Highway Safety Program:						
National Priority Safety Programs	20.616	M2HVE16-13-06/M5HVE-16-1	27,131			11,627
National Priority Safety Programs	20.616	M5HVE17-15-02/M2HVE-17-1	54,917			54,917
TOTAL U.S. Dept. of Transportation			542,427	22,475		657,650
U.S. Department of Justice						
Bureau of Justice Assistance (BVP)						
Bulletproof Vest Partnership Program	16.607		3,456			6,231
TOTAL U. S. Department of Justice			3,456			6,231
U.S. Environmental Protection Agency						
Office of Solid Waste & Emergency Response:						
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		1,030			
Brownfields Assessment and Cleanup Cooperative Agreements (Revolving Loan Fund)	66.818		225,368			
TOTAL U. S. Environmental Protection Agency			226,398			

CITY OF WILSON, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2017

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to Subrecipients	Local Expenditures
U.S. Dept. of Agriculture						
Forest Service Office						
Urban & Community Forestry Program (UCF)						
Passed-through N.C. Dept. of Agriculture & Consumer Services (NC Forest Service)						
Wilson Inventory Landscape Trees	10.675	UCF-17-05	15,000			17,140
TOTAL U.S. Dept. of Agriculture			15,000			17,140
US Dept. of Health & Human Services						
Administration for Community Living						
Passed-through Upper Coastal Plains Council of Governments						
Special Programs for the Aging						
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	ZGA370	7,566	7,433		
TOTAL U.S. Dept. of Health & Human Services			7,566	7,433		
U.S. Dept. of Homeland Security						
Federal Emergency Management Agency (FEMA):						
Assistance to Firefighters Grants (AFG)	97.044		6,102			752
Federal Emergency Management Agency (FEMA):						
Passed-through the N.C. Emergency Management (NCEM)						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Federal 75%/State 25% Project #7-D2114	750,097	250,033		
TOTAL U.S. Dept. of Homeland Security			756,199	250,033		752
Total Assistance - Federal Programs			1,556,547	318,110	0	681,773
State Grants:						
Cash Assistance:						
N.C. Department of Agriculture & Consumer Services:						
N.C. Tobacco Trust Fund Commission						
Whirligig Park Farmer's Market Shelter Grant	n/a	2015-007-02		156,472		
TOTAL N.C. Department of Agriculture & Consumer Services				156,472		
N.C. Department of Commerce:						
Rural Economic Development Division						
Downtown Revitalization Grant	n/a	2017-056-1257-1534		94,340		
TOTAL N.C. Department of Commerce:				94,340		
N.C. Housing Finance Agency:						
Urgent Repair Program 16	n/a	URP1636		4,495		
TOTAL N.C. Housing Finance Agency				4,495		
N.C. Arts Council Division Pass thru to						
The Arts Council Wilson, Inc. Grass Roots Grant				1,500		1,500
TOTAL N.C. Department of Natural & Cultural Resources				1,500		1,500

CITY OF WILSON, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2017

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Pass-through to Subrecipients	Local Expenditures
N.C. Department of Environmental Quality (DEQ)						
Division of Water Infrastructure:						
Asset Inventory & Assessment Project	n/a	H-AIA-D-16-0021		91,280		4,210
Wastewater Asset Inventory & Assessment	n/a	E-AIA-W-16-0014		60,917		5,410
Division of Environmental Assistance & Customer Service (DEACS):						
Community Waste Reduction & Recycling Grant	n/a	Grant Contract #6876		16,550		3,434
TOTAL N.C. Department of Environmental Quality (DEQ)				168,747		13,054
N.C. Department of Transportation:						
Powell Bill	n/a	2000005186		1,364,969		
State Maintenance Assistance Program	n/a	SMAP/Vendor #28491		185,961		
TOTAL N.C. Department of Transportation				1,550,930		
Total Assistance - State Programs				1,976,484		14,554
TOTAL ASSISTANCE - FEDERAL & STATE			**$ 1,556,547**	**$ 2,294,594**		**$ 696,327**

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the City of Wilson under the programs of the federal government and the State of North Carolina for the year ended June 30, 2017. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of the City of Wilson, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Wilson.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular, A-87, *Cost Principles for State, Local, and Indian Tribal Governments* or cost principles contained in Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The State Maintenance Assistance Program funds are granted to the City of Wilson to assist with the Transit System's operating costs. The total costs are stated under the US Department of Transportation- PTNA Section.

The City of Wilson has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.