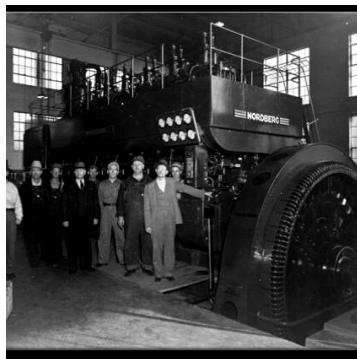
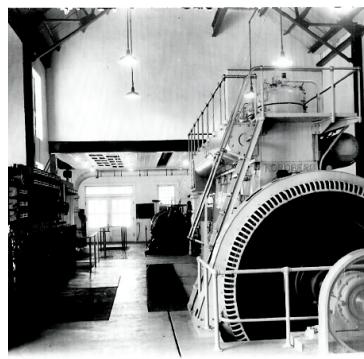
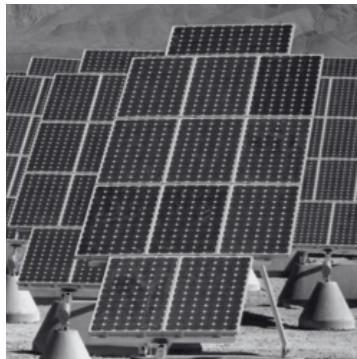


# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Years Ended September 30, 2024 and 2023



A component of the City of Greenville, Texas



American Public Power Association





# **Annual Comprehensive Financial Report**

## **Greenville Electric Utility System (GEUS)**

**(A component unit of the City of Greenville, Texas)**

**For Fiscal Years Ended  
September 30, 2024 and 2023**

**Prepared by  
Finance Department**



# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

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## **INTRODUCTORY SECTION**





April 17, 2025

Ms. Karen Bates, Chair and  
Members of GEUS Board of Trustees

Dear Board Members:

We are pleased to present the Annual Comprehensive Financial Report of the Greenville Electric Utility System (GEUS) for the fiscal year ended September 30, 2024. The Annual Report includes audited financial statements as required by Board Policy P112.01 as well as Texas state law. The financial statements are presented in conformity with accounting principles generally accepted in the United States of America and audited by a firm of licensed certified public accountants, Whitley Penn, LLP.

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

GEUS is required to have an annual audit of the financial statements related to the system and pledge revenues of the system. GEUS has complied with this requirement and the independent auditor's report by Whitley Penn, LLP is included in this report. The goal of the independent audit was to provide reasonable assurance that the financial statements of GEUS for the fiscal years ended September 30, 2024 and 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that GEUS financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The Management's Discussion and Analysis (MD&A) included in the financial section of this report is required by GAAP to provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

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David McCalla Building 2810 Wesley St.  
Greenville, TX 75401

Steam Plant/Tom Darte Energy  
  
4201 Power Lane  
Greenville, Texas 75401

## Profile of the Utility

The history of the Greenville Electric Utility System (GEUS) began in 1888 when the City of Greenville City Council awarded a water and electric system franchise to Greenville Water and Electric Light Company. After the award, the Greenville Water and Electric Light Company building was constructed on the Sabine River where the diesel plant was formerly located. The river was dammed to provide water for the pumps, but generators were never installed. On November 3, 1890, the City of Greenville City Council passed a resolution authorizing the Mayor, R.L. Porter, to let a contract with Wayne Electric Company to build a small power plant on Town Branch between Wesley and St John Street. It became the first municipally owned electric plant in Texas when it began producing power on March 4, 1891. The Power Plant began generating electricity for nighttime use with a steam engine and two dynamos. In 1908, the city power plant moved to the Sabine River. Two steam generators were added and began generating power 24 hours a day. From 1945-1960 the electrical load on the city increased more than eight-fold. Growth of more than 10% per year was the norm for the city. During the mid-1960's, the city built a new steam generation plant containing two steam turbines. In 1977, a third steam turbine was added to the plant. On May 7, 1988, voters approved the separation of the management of the electric utility from the City of Greenville (the City) administration. The public voted to amend the City Charter to include Article XI-A which created a separate, fully autonomous Electric Utility Board and define transfers of revenue from the electric utility to the City and on this day, the first Electric Utility Board was named. In 2010, GEUS added a new generation plant with three modern, quick start engine generators. During 2024, GEUS announced plans to expand their power portfolio again by adding a new power generation plant.

With limited high-speed internet available in rural areas, the GEUS Board of Trustees elected to bring fiber optic cable to the Greenville community. In June of 2000, GEUS Cable & Internet was formed. During 2024, GEUS began rolling out a streaming television service and updated their name to GEUS Fusion.

GEUS services an area of approximately 33 square miles inside the City, Texas with a total service area of 97 square miles within Hunt County. Customer growth has increased 26% since 2015 and is up 14% over the past 5 years. As of September 30, 2024, the system supported 17,283 customers. The increase in customers from the end of fiscal year 2023 to the end of fiscal year 2024 totals 605, or 3.6%. During fiscal year 2024, GEUS sold 545,392,812 kilowatt hours (kWh) of electricity, an increase of 3.1% over fiscal year 2023 kWh sales.

In 1975 the City, along with three other cities, formed Texas Municipal Power Agency (TMPA) to build a 462MW coal fired steam generation plant. The energy generated from the TMPA Gibbons Creek plant was split among the member cities based on their pro rata share. The City owns a 10% interest in TMPA assets, which currently remains with the utility. As part of the TMPA arrangement, the member cities are obligated for payment of operating cost and retirement of debt.

Since GEUS operates autonomously from the City, all account, financial, and statistical information relating to GEUS are included herein. GEUS, a component unit, is included in the City of Greenville's Annual Comprehensive Financial Report.

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## **Factors Affecting GEUS' Financial Condition**

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

### **Local Economy**

GEUS is in Greenville, Texas and serves the City of Greenville, the unincorporated town of Floyd, a portion of Jacobia and Dixon, as well as Greenville Club Lake and other outlying regions in Hunt County. The economy in the GEUS service territory is diversified with major industry segments that include aerospace industry, robotics, retail and services, tourism, hospitality, and manufacturing.

Principal employers in the GEUS service area include industry leaders such as L3Harris Greenville, a leader in next the generation of LSR solutions; Syensqo (Solvay) Composite Materials, a global provider of technologically advanced light weighting material solutions used in the aerospace and automotive industries; and Innovation First International, a leader in designing and supplying control systems to the largest educational robotics competitions worldwide. Located in Greenville, Hunt Regional Medical Center is a large regional hospital with an extensive list of outpatient and diagnostic services from surgery and cancer care, to open imaging. With an enrollment of more than 5,477 students, the Greenville Independent School District provides education for the youth of the community.

The City of Greenville is approximately 33 square miles in size and is the county seat for Hunt County. It is conveniently located just 45 miles northeast of Dallas and is intersected by three railroads, and numerous highways, including Interstate Highway 30, US highways 380, 69, and 67, and State Highways 224, 66, and 34. Hunt County is home to approximately 113,347 people with an estimated 32,717 living in the City of Greenville. Reported household income during 2024 for the City of Greenville was \$72,776. The unemployment rate, not adjusted, was 3.9% in September 2024 and is down compared to the 5.9% unemployment rate in September 2023.

### **Long-term Financial Planning**

In 2008, GEUS Board of Trustees authorized the issuance of \$16,615,000 in revenue bonds to begin construction on a new generation plant. Revenue bonds totaling \$52,410,000 were issued in 2010 and included \$29,415,500 in TMPA related costs. Both the 2008 and 2010 series bonds became callable in September 2018 and were refunded in 2019. In the refunding, GEUS issued two separate bond series. The 2019A refunding bonds were issued in the amount of \$41,610,000 and will be callable on February 15, 2024. The 2019B refunding bonds had a \$12,500,000 bullet maturity for February 15, 2024, and became callable July 1, 2019. In September 2019 and September 2020, GEUS Trustees called a total of \$6,700,000 of the Series 2019B refunding bonds. In September 2022, an additional \$3,200,000 in bonds were called, leaving a balance of \$2,600,000 in outstanding bonds for the Series 2019B refunding issue as of September 30, 2022.

In 2021, following Winter Storm Uri, GEUS issued Series 2021, a \$20,000,000 Short-term Note callable April 1, 2022. In March 2022, a portion of the note was repaid in the amount of \$5,000,000 from cash reserves, and the GEUS Board of Trustees authorized the issuance of Revenue Refunding Bonds, Series 2022 in the amount of \$15,120,000 to refinance the remainder of the debt.

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GEUS Board of Trustees approved a change in direction for capital funding in September 2020, opting to debt fund capital for fiscal year 2021 and fiscal year 2022 instead of following the pay-as-you-go approach. On September 7, 2021, GEUS Trustees authorized the issuance of Series 2021 Bonds in the amount of \$13,885,000 for long-term capital improvements. In September 2022, GEUS Trustees authorized the issuance of Series 2022 Bonds in the amount of \$13,085,000. Delivery of those funds did not occur until October 2022 during fiscal year 2023.

During September 2024, GEUS issued Series 2024 Bonds amounting to \$125,675,000. This bond issuance included \$28,135,000 of Series 2019A Refunding Bonds leaving a balance for Series 2019A of \$5,105,000.

As of September 30, 2024, total debt principal is \$169,990,000 for Series 2019A, Series 2021 (CIP Bonds), Series 2022 Refunding Bonds, Series 2022 Revenue (CIP) Bonds, and Series 2024 Revenue Refunding Bonds.

GEUS maintains and updates a 10-year Capital Improvement Plan that is reviewed by the GEUS Board annually. Under the current operating environment, capital construction and improvement of infrastructure, equipment, and existing generation plant detailed in the Capital Improvement Plan will be funded through a combination of cash and bond funding.

During April 2024, the GEUS Board approved the change in the Unrestricted Cash Reserve Policy increasing the minimum level from 200 days to 225 days. The target cash reserve on hand is a forward- looking calculation based on budgeted expenses that include capital less depreciation divided by 365 days then multiplied by 225 days. As of September 30, 2024, unrestricted targeted cash reserve was 295 days. Restricted cash includes cash to fund a portion of GEUS Employee Paid Time Off (PTO) liability as well as cash for debt-funded capital projects.

The GEUS Board authorized a cost of service and rate study in 2019 to review the current rate structures and the sufficiency of rates to fund reliable operations of the utility. On September 17, 2020, the GEUS Board approved revisions to lower the electric rate tariffs. The new rates were effective October 1, 2020. The new rates were designed to provide sufficient earnings necessary to meet cash reserve requirements, debt service coverage, maintain a capital program for reliability, and to preserve GEUS' sound financial condition. No base rate changes have been made since October 1, 2020.

## Awards

GEUS' established policies, practices and procedures were evaluated by the APPA's Reliable Public Power Provider (RP<sup>3</sup>) board in the areas of reliability, safety, workforce development and system improvement. The RP<sup>3</sup> board confirmed that GEUS met or exceeded industry-recognized best practices in all these areas. GEUS achieved APPA's three-year Reliable Public Power Provider (RP<sup>3</sup>) Platinum designation during 2022.

GEUS received two Government Finance Officer Awards during fiscal year 2024. The Certificate of Achievement was received for Excellence in Financial Reporting for fiscal year ending September 30, 2023 and reflects the highest form of recognition in governmental accounting and financial reporting. The Distinguished Budget Presentation Award was received for fiscal year ending September 30, 2024 and reflects the commitment of staff to meeting the highest principles of governmental budgeting.

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## Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of GEUS. We would like to express our appreciation to all staff members who assisted and contributed to its preparation. We would also like to thank the Chair and members of the Board of Trustees for their interest and support in planning and conducting the financial operations of GEUS in a responsible and progressive manner.

Respectively submitted,



Alicia Hooks  
General Manager



Michelle Baccheschi  
Business Services Director

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Presented to

**Greenville Electric Utility System  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2023

*Christopher P. Morrell*

Executive Director/CEO

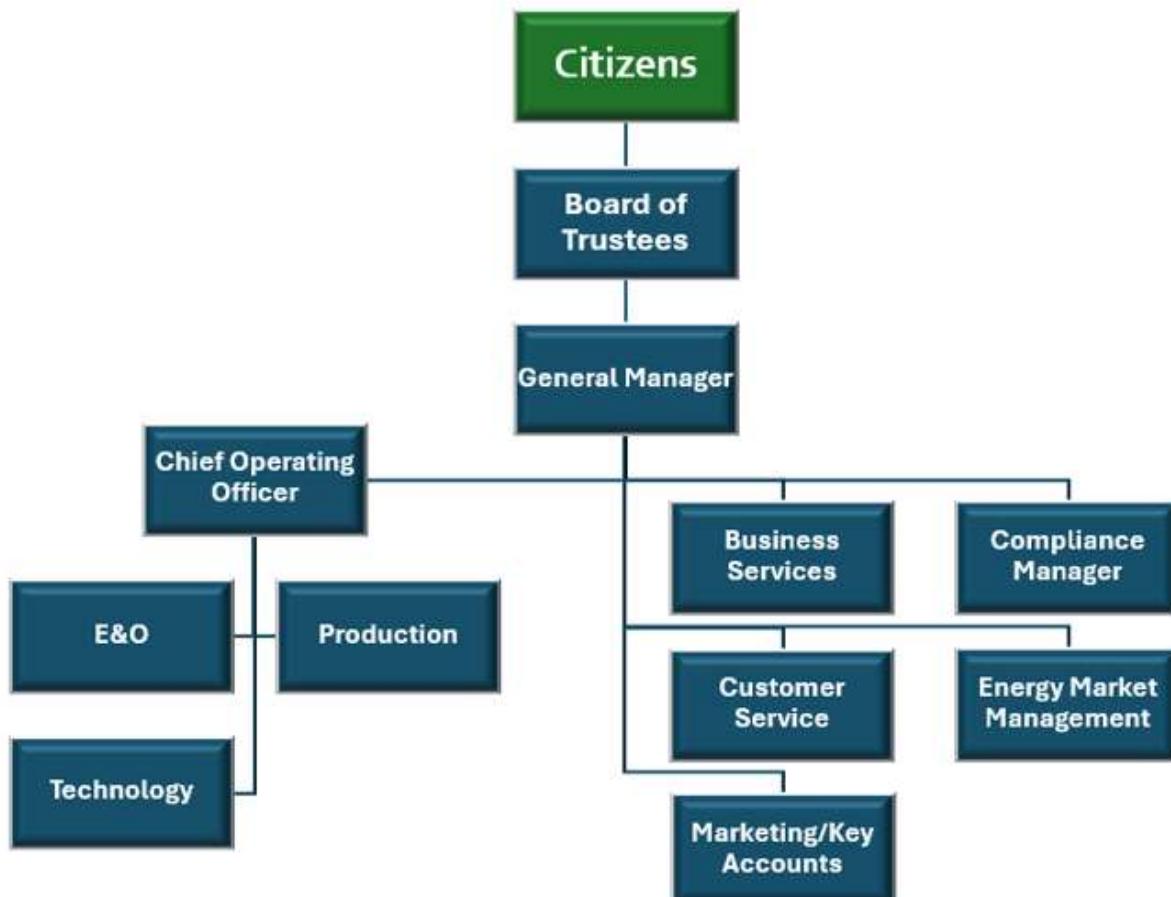
**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**ORGANIZATIONAL CHART**

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## GEUS Organizational Chart

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## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **PRINCIPAL OFFICIALS**

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#### **Board of Trustees**

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Karen Bates	Chair – Place 4
Victor Gore	Vice Chair – Place 3
Glover George	Secretary/Treasurer – Place 1
Greg Chesney	Board Member – Place 2
Sue Ann Harting	Board Member – Place 5
Jerry Ransom	City of Greenville Mayor – Ex Officio Member

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#### **Executive Staff and Department Heads**

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Alicia Hooks	General Manager
Ashley Cotton	Chief Operating Officer
Michelle Baccheschi	Business Services Director
Adrian Lall	Chief Technology Officer
Mark Stapp	Engineering and Operations Director
Jimmy Dickey	Marketing and Key Accounts Manager
Jesse Gatlin	Operations and Maintenance Manager
Micah Harris	Customer Service Manager
Brandon Kirby	Energy Market Manager

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
of Greenville Electric Utility System  
Greenville, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the Greenville Electric Utility System ("GEUS"), a component unit of the City of Greenville, Texas, as of and for the year ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise GEUS's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of GEUS, as of September 30, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GEUS, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

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

To the Board of Trustees  
of Greenville Electric Utility System

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, pension information and other-post employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Trustees  
of Greenville Electric Utility System

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Whitley Penn LLP*

Dallas, Texas  
April 17, 2025



## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**September 30, 2024 and 2023**

The management of GEUS encourages the readers to consider the following discussion and analysis in combination with the financial statements included in the Financial Section.

The objective of this discussion and analysis is to provide the reader information relevant to assess the financial condition and the results of operations of GEUS as determined by an evaluation of reported financial statement amounts.

Please refer to the accompanying basic financial statements and their related footnotes for more detailed information concerning the financial condition of GEUS. The basic financial statements are comprised of the statements of net position, statements of revenues, expenses and changes in net position, statements of cash flows and the related notes which are an integral part of the financial statements.

#### ***Overview of the Financial Statements***

This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of GEUS. The financial statements also include notes that explain in more detail some of the information in the financial statements.

#### ***Required Financial Statements***

GEUS' financial statements utilize accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about their activities. The statements of net position include all of GEUS' assets, deferred outflows, liabilities, and deferred inflows and provide information about the nature and amounts of investments in resources and the obligations to creditors. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of GEUS is improving or declining. It also provides the basis for evaluating the capital structure of GEUS and assessing the liquidity and financial flexibility of GEUS.

All of the current year's revenues and expenses are accounted for in the statements of revenues, expenses and changes in net position. These statements measure the success of GEUS' operations over the past year and can be used to determine whether GEUS has successfully recovered all of its costs through its rates and fees, profitability and creditworthiness.

The final required financial statements are the statements of cash flows. The statements report cash receipts, cash payments, and net changes in cash resulting from operating, investing and financing activities as well as provide answers to such questions as where did cash come from, what was capital and related cash used for, and what was the change in the cash balance during the reporting period.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**  
*September 30, 2024 and 2023*

**Financial Summary and Detailed Analysis**

	<b>September 30,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Assets</b>			
Current assets	\$ 189,546,498	\$ 80,565,298	\$ 56,129,043
Restricted assets	2,763,507	2,812,672	4,363,615
Electric plant, net	74,913,288	68,436,734	67,608,611
Cable and Internet equipment, net	6,431,875	6,369,564	6,011,352
Other noncurrent assets	13,600,781	14,115,637	14,630,493
<b>Total Assets</b>	<u>287,255,949</u>	<u>172,299,905</u>	<u>148,743,114</u>
 <b>Deferred Outflow of Resources</b>	 <u>3,108,406</u>	 <u>4,871,114</u>	 <u>1,075,627</u>
 <b>Liabilities</b>	 	 	 
Current liabilities	4,564,468	6,531,067	3,563,951
Current liabilities payable from restricted assets	7,637,937	7,163,580	7,166,707
Long-term liabilities, less current maturities	190,174,481	89,266,526	71,818,491
<b>Total Liabilities</b>	<u>202,376,886</u>	<u>102,961,173</u>	<u>82,549,149</u>
 <b>Deferred Inflows of Resources</b>	 <u>3,935,568</u>	 <u>884,057</u>	 <u>3,583,699</u>
 <b>Net Position</b>	 	 	 
Net investment in capital assets	4,848,915	3,929,729	739,516
Restricted for net pension asset	-	-	1,659,255
Unrestricted	79,202,986	69,396,060	61,287,122
<b>Total Net Position, as Restated</b>	<u>\$ 84,051,901</u>	<u>\$ 73,325,789</u>	<u>\$ 63,685,893</u>

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. Net position increased by \$10,726,112 ,or 14.6% of beginning net position, for the year ended September 30, 2024. Current assets increased due to the unspent bond proceeds and investment income as rates continued to rise. Noncurrent assets increased due to addition of electric plant capital assets, net. Deferred outflows decreased related to deferred pension costs from TMRS estimates.

Net position increased by \$9,639,896 ,or 15.1% of beginning net position, for the year ended September 30, 2023. Current assets increased with unspent proceeds from revenue bonds and investment income due to increasing rates. Capital assets increased as additions to assets exceeded depreciation expense in the current year. Deferred outflows increased related to pension outflows.

The largest portion of net position is the unrestricted amount which is \$79,202,986 and \$69,396,060 at September 30, 2024 and 2023 respectively. Unrestricted net position is available for general operations. GEUS' net investment in capital assets net of accumulated depreciations and less any related outstanding debt that was used to acquire those assets is \$4,848,915 and \$3,929,729 September 30, 2024 and 2023 respectively. Capital assets consist of production, transmission, distribution, general, cable and internet equipment and other items owned by GEUS. These assets are not available for future spending.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**  
**September 30, 2024 and 2023**

Current and other assets increased by \$108,932,035 from September 30, 2023 to September 30, 2024. The primary cause for the increase is related to unspent cash from the issued bonds which will be used for future capital projects. This is primarily due to the increase in investment income and the issuance of revenue bonds for which a significant amount of cash and cash equivalents remain on hand for projects.

Current and other assets increased by \$22,885,312 from September 30, 2022 to September 30, 2023. The primary cause for the increase is related to unspent cash from the issued bonds which will be used for future capital projects as well as an increase in investment income also related to the increased cash and cash equivalents on hand and better interest rates.

Current liabilities decreased by \$1,966,599 from September 30, 2023 to September 30, 2024 due to a decrease in accounts payable and accrued liabilities due to timing of receipt of invoices as well as the current portion of bonds payable as a result of the refunding bonds issued.

Current liabilities increased by \$2,967,116 from September 30, 2022 to September 30, 2023 due to an increase in accounts payable and salaries payable due to timing of invoices and year-end pay period.

GEUS' long-term liabilities and current liabilities payable from restricted assets (including current portion bonds payable, compensated absences and accrued interest) increased by \$101,382,312 for the year ended September 30, 2024. This is a result of an increase in bonds payable from the issuance of new debt with premiums in the amount of \$136,897,951 net of principal payments and amortization in the amount of \$32,921,529 offset by a decrease in the TMRS estimated net pension liability of \$2,712,860. Other changes included changes in the OPEB liability, accrued interest payable and compensated absences.

GEUS' long-term liabilities and current liabilities payable from restricted assets (including current portion bonds payable, compensated absences and accrued interest) increased by \$17,444,908 for the year ended September 30, 2023. This is a result of an increase in bonds payable from the issuance of new debt with premiums in the amount of \$13,296,191, net of principal payments and amortization in the amount of \$6,467,137. The TMRS estimated net pension liability increased by \$12,475,083. Other changes include a decrease in the total OPEB liability and changes to compensated absences and interest payable.

Additional information on GEUS' long-term debt can be found in Note 4 of this report.

***Property, Plant and Equipment***

Property, plant and equipment net of accumulated depreciation, which includes production, transmission, distribution, general, cable and Internet equipment and other items owned by GEUS, increased by \$6,538,865 from \$74,806,298 as of September 30, 2023, to \$81,345,163 as of September 30, 2024. Assets purchased and the progress of projects totaled \$11,936,161 and change in depreciation was \$5,138,696. Other deletions and adjustments amounted to \$258,600.

Property, plant and equipment net of accumulated depreciation, which includes production, transmission, distribution, general, cable and Internet equipment and other items owned by GEUS, increased by \$1,186,335 from \$73,619,963 as of September 30, 2022, to \$74,806,298 as of September 30, 2023. Assets purchased and the progress of projects totaled \$6,313,220 and change in depreciation was \$5,028,016. These increases were offset by deletions and adjustments of \$98,869.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**  
*September 30, 2024 and 2023*

Major capital asset events as of September 30, 2024 include:

- Digital metering projects in progress in the amount of \$2,738,799
- Industrial park project in progress in the amount of \$2,140,381
- Production and distribution projects completed in the amount of \$1,902,718 and \$3,598,194 respectively

Additional information on GEUS' capital assets can be found in Note 3 of this report.

**Regulatory Asset**

A winter storm during fiscal year ended September 30, 2021 resulted in a historic demand for energy. Due to factors beyond GEUS' control, extraordinary costs in procuring the necessary supply of energy were incurred. As a result, GEUS recorded a regulatory asset in fiscal year 2021 in the amount of \$15.1 million to defer the extraordinary costs incurred. The regulatory asset will be amortized over a period of 30 years.

**Revenues and Expenses**

	<b>For the Years Ended September 30,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Revenues</b>			
Operating revenues:			
Electric	\$ 85,483,914	\$ 106,790,250	\$ 96,011,334
Cable and internet	6,527,885	6,346,743	6,369,772
Nonoperating revenues - other	2,441,563	1,796,882	114,713
<b>Total Revenues</b>	<b>94,453,362</b>	<b>114,933,875</b>	<b>102,495,819</b>
<b>Expenses</b>			
Other operating expenses	73,809,902	96,325,822	86,663,174
Depreciation/amortization expense	5,653,552	5,542,872	5,165,433
Nonoperating expenses	4,263,796	3,425,285	(4,804,635)
<b>Total Expenses</b>	<b>83,727,250</b>	<b>105,293,979</b>	<b>87,023,972</b>
Change in Net Position	10,726,112	9,639,896	15,471,847
<b>Net Position, Beginning of Year, as Restated</b>	<b>73,325,789</b>	<b>63,685,893</b>	<b>48,214,046</b>
<b>Net Position, End of Year</b>	<b>\$ 84,051,901</b>	<b>\$ 73,325,789</b>	<b>\$ 63,685,893</b>

GEUS' operating revenues decreased \$21,125,194 for the year ended September 30, 2024, compared to September 30, 2023. The decrease in FY2024 is primarily due to a decrease in electric operations and a decrease in energy sold to ERCOT and other entities. Cable and internet revenues were consistent with prior year.

GEUS' operating revenues increased \$10,778,916 for the year ended September 30, 2023, compared to September 30, 2022. The increase in FY2023 is due an increase in energy sales. Cable and Internet (C/I) revenues were consistent with the prior year.

Operating expenses decreased by \$22,515,920 for the year ended September 30, 2024, compared to September 30, 2023. This decrease is due to the decrease in fuel and energy cost due to the decrease in requirements.

Operating expenses increased by \$9,662,648 for the year ended September 30, 2023, compared to September 30, 2022. This was due to the cost of covering an increase in energy sales and an increase in the estimated pension liability.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**  
**September 30, 2024 and 2023**

***Economic Factors and Next Year's Budget***

The preparation of the GEUS operating budget recognizes the need to continue improving system reliability. Reliability is maintained and improved through the GEUS capital improvement plan (CIP). The fiscal year 2024-25 budget includes \$172.2 million in capital projects. Significant projects in the capital plan to improve reliability are ongoing projects to replace substation equipment, the electric metering project, and the upgrade to the Transmission and Distribution Systems. Also included in the fiscal year 2024-25 CIP is a new generation project.

Budgeted operating revenue during fiscal year 2024-25 reflects an increase of 5.4 percent over the prior year, including a 2.1 percent increase in charges for services and a 14.1 percent increase in other sales and income. Budgeted operating expenses decreased 0.7 percent and are related to engineering, customer service, Fusion, and transmission cost of service.

***Requests for Information***

This financial report is designed to provide a general overview of GEUS' finances for all those with an interest in the utility's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to GEUS, Finance Department, 6000 Joe Ramsey Boulevard, Greenville, Texas 75402.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**STATEMENTS OF NET POSITION**

**September 30, 2024 and 2023**

**Page 1 of 2**

	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Equity in pooled cash and cash equivalents	\$ 162,166,802	\$ 51,747,746
Investments	2,558,074	5,159,294
Accounts receivable, net of allowance for uncollectible amounts	12,945,448	12,726,797
Prepaid expense	4,032,174	2,916,643
Due from other funds	15,100	15,100
Inventories	7,828,900	7,999,718
<b>Total Current Assets</b>	<u>189,546,498</u>	<u>80,565,298</u>
<b>Restricted Assets:</b>		
Cash and cash equivalents	2,763,507	2,812,672
<b>Total Restricted Assets</b>	<u>2,763,507</u>	<u>2,812,672</u>
<b>Property, Plant and Equipment:</b>		
Production	56,876,169	54,979,414
Transmission	16,466,463	16,088,244
Distribution	43,140,427	39,717,132
General	13,804,099	13,082,329
Construction in progress	8,344,818	4,180,173
Plant	145,388	145,388
Cable and internet	19,387,513	18,641,673
<b>Total Property, Plan and Equipment</b>	158,164,877	146,834,353
Less accumulated depreciation	76,819,714	72,028,055
<b>Property, Plant and Equipment, Net</b>	<u>81,345,163</u>	<u>74,806,298</u>
<b>Other Non-Current Assets:</b>		
Regulatory asset	15,145,349	15,145,349
Less accumulated amortization	1,544,568	1,029,712
<b>Other Non-Current Assets, Net</b>	<u>13,600,781</u>	<u>14,115,637</u>
<b>Total Assets</b>	<u>287,255,949</u>	<u>172,299,905</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows - pension	2,923,218	4,705,342
Deferred outflows - OPEB (SDBF)	72,494	87,735
Deferred outflows - OPEB (RHCP)	112,694	78,037
<b>Total Deferred Outflows of Resources</b>	<u>3,108,406</u>	<u>4,871,114</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u><u>\$ 290,364,355</u></u>	<u><u>\$ 177,171,019</u></u>

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**STATEMENTS OF NET POSITION**

**September 30, 2024 and 2023**

**Page 2 of 2**

	<b>2024</b>	<b>2023</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 1,684,993	\$ 3,495,585
Accrued liabilities	2,879,475	3,035,482
<b>Total Current Liabilities</b>	<u>4,564,468</u>	<u>6,531,067</u>
<b>Current Liabilities Payable from Restricted Assets:</b>		
Revenue bonds - current	3,845,000	3,670,000
Customer deposits	2,763,507	2,812,672
Accrued interest	526,303	397,171
Accrued compensated absences	503,127	283,737
<b>Total Current Liabilities Payable from Restricted Assets</b>	<u>7,637,937</u>	<u>7,163,580</u>
<b>Total Current Liabilities</b>	<u>12,202,405</u>	<u>13,694,647</u>
<b>Long-term Liabilities, Less Current Maturities:</b>		
Revenue bonds payable, net of bond premium (discount)	179,504,172	75,702,750
Accrued compensated absences	756,287	1,084,335
Net pension liability	8,102,968	10,815,828
Total OPEB liability	1,811,054	1,663,613
<b>Total Long-term Liabilities, Less Current Maturities</b>	<u>190,174,481</u>	<u>89,266,526</u>
<b>Total Liabilities</b>	<u>202,376,886</u>	<u>102,961,173</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows - pension	268,463	2,637
Deferred inflows - OPEB (SDBF)	132,682	190,764
Deferred inflows - OPEB (RHCP)	385,261	471,199
Deferred gain on refunding	3,149,162	219,457
<b>Total Deferred Inflows of Resources</b>	<u>3,935,568</u>	<u>884,057</u>
<b>Net Position</b>		
Net investment in capital assets	4,848,915	3,929,729
Unrestricted	79,202,986	69,396,060
<b>Total Net Position, as Restated</b>	<u>\$ 84,051,901</u>	<u>\$ 73,325,789</u>

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
*For the Years Ended September 30, 2024 and 2023*

	<b>2024</b>	<b>2023</b>
<b>Operating Revenues</b>		
Electric	\$ 85,483,914	\$ 106,790,250
Cable and internet	6,527,885	6,346,743
<b>Total Operating Revenues</b>	<b>92,011,799</b>	<b>113,136,993</b>
<b>Operating Expenses</b>		
Electric	63,482,089	84,881,893
Cable and internet operations	4,741,707	4,814,276
Administrative	81,500	983,136
Insurance	606,148	554,100
City services	594,268	545,519
Pilot	418,898	418,898
General fund	3,237,743	3,440,000
Board of development	647,549	688,000
<b>Total Operating Expenses</b>	<b>73,809,902</b>	<b>96,325,822</b>
<b>Operating Income Before Depreciation</b>	<b>18,201,897</b>	<b>16,811,171</b>
Less depreciation	5,138,696	5,028,016
Less amortization of regulatory asset	514,856	514,856
<b>Operating Income</b>	<b>12,548,345</b>	<b>11,268,299</b>
<b>Nonoperating Revenue (Expenses)</b>		
Investment earnings	2,441,563	1,796,882
Interest expense and bond issuance cost	(4,428,093)	(3,511,230)
Amortization of premium/discount	392,214	321,129
Other income (expense)	(227,917)	(235,184)
<b>Total Nonoperating Revenue (Expenses), Net</b>	<b>(1,822,233)</b>	<b>(1,628,403)</b>
Change in Net Position	<b>10,726,112</b>	<b>9,639,896</b>
<b>Net Position Beginning of the Year, Restated</b>	<b>73,325,789</b>	<b>63,685,893</b>
<b>Net Position, End of Year</b>	<b>\$ 84,051,901</b>	<b>\$ 73,325,789</b>

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

## STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2024 and 2023

	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Receipts from customers and users	\$ 91,743,983	\$ 110,974,602
Cash paid to or on behalf of employees	(15,631,116)	(8,121,849)
Cash paid to suppliers	(61,738,588)	(82,816,813)
<b>Net Cash Provided By Operating Activities</b>	<u>14,374,279</u>	<u>20,035,940</u>
<b>Investing Activities</b>		
Sale of investments	2,601,220	2,164,505
Interest on investments	2,441,563	1,796,882
<b>Net Cash Provided By Investing Activities</b>	<u>5,042,783</u>	<u>3,961,387</u>
<b>Capital and Related Financing Activities</b>		
Proceeds from issuance of revenue bonds, net of premiums	136,897,951	13,296,191
Purchase of capital assets	(11,936,161)	(6,313,220)
Other expenses related to capital assets	(275,000)	(235,184)
Principal payments	(29,435,000)	(6,190,000)
Interest and fiscal charges	(4,298,961)	(3,703,155)
<b>Net Cash Provided By In Capital and Related Financing Activities</b>	<u>90,952,829</u>	<u>(3,145,368)</u>
Change in Cash and Cash Equivalents	110,369,891	20,851,959
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>54,560,418</u>	<u>33,708,459</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 164,930,309</u></u>	<u><u>\$ 54,560,418</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
Operating income	\$ 12,548,345	\$ 11,268,299
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	5,138,696	5,028,016
Amortization of regulatory asset	514,856	514,856
Provision for bad debts	141,073	303,348
Change in:		
Receivables	(218,651)	(2,270,703)
Prepaid assets	(1,115,531)	(268,801)
Inventories	170,818	(3,317,609)
Due to primary government	-	(946,563)
Compensated absences	(108,658)	112,769
Deposits payable	(49,165)	108,312
Accounts payable and accrued liabilities	(2,303,210)	3,833,340
Accrued payroll	336,611	80,339
Net pension liability, net of changes in deferred resources	(664,910)	5,482,621
Total OPEB liability, net of changes in deferred resources	(15,995)	107,716
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 14,374,279</u>	<u>\$ 20,035,940</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>		
Equity in pooled cash and cash equivalents	\$ 162,166,802	\$ 51,747,746
Restricted cash	2,763,507	2,812,672
<b>Total Cash and Cash Equivalents</b>	<u><u>\$ 164,930,309</u></u>	<u><u>\$ 54,560,418</u></u>



## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2024 and 2023**

#### **Note 1 - Nature of Operations and Summary of Significant Accounting Policies**

The accounting and reporting policies of GEUS, as reflected in the accompanying financial statements, conform to generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Boards. The following represents the more significant accounting and reporting policies and practices used by the utility.

##### ***Reporting Entity***

GEUS provides electric, cable and internet services to customers in an approximately 96-square-mile area, which includes the City of Greenville (City). Until 1989, the electric system was owned and operated by the City. Pursuant to Article XI-A of the *Charter of the City* (adopted at an election held on May 8, 1988) and Article 1115a, *Vernon's Texas Civil Statutes*, the City transferred management control and operation of the electric system to the newly created five-member Board of Trustees (Board) of GEUS. Among the powers delegated to the Board is the power to establish rates and charges for services supplied by the electric system, the power of condemnation for electrical use, as well as the power to issue revenue obligations. The Board has the primary responsibility for the payment of all obligations which are payable from the revenues of the electric system. In fiscal year 1989, obligations of the City relating to its electric system were transferred to GEUS. Although the City Council appoints all GEUS Board members, the Board members may only be removed by a vote of the citizens of the City. The City Charter was amended in May 2010, to include the Mayor as nonvoting, ex-officio sixth member of the Board of Trustees. GEUS' operating and capital expenditures, including debt service, are financed entirely through electric rates. Financial transactions between GEUS and the City, reported in GEUS' financial statements, reflect contractual agreements between the parties for the provision of special services by the City to GEUS and by GEUS to the City. GEUS is included as a discretely presented component unit in the City's basic financial statements.

##### ***Use of Estimates***

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

##### ***Measurement Focus, Basis of Accounting and Basis of Presentation***

GEUS maintains an enterprise fund to account for its operations. An enterprise fund is a proprietary fund, which is accounted using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of management is to finance the costs of providing services to the public primarily through user charges.

##### ***Accounting and Financial Reporting***

GASB Statement No. 34 (GASB 34), *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, establishes financial reporting standards for state and local governments, including public utilities. GASB 34 establishes the basic financial statements and required supplementary information for general and special purpose governments. The management's discussion and analysis is included as GEUS' required supplementary information and precedes the basic financial statements.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)

##### ***Unbilled Revenues and Fuel Recovery***

Customers are billed monthly on a cycle basis, with revenues being recorded when billed. At the end of the accounting period, an accrual is made for unbilled revenues, which consists of electric utility services provided, but not billed. Unbilled revenues are included in accounts receivable.

GEUS is allowed to recover fuel and purchased energy costs through fuel charges. GEUS defers or accrues any over recognized or under recovered fuel and purchased power costs in excess of the fuel charges until such costs are reflected in billings to customers. This fuel recovery allows for the pass-through of fuel costs to the customers and has no impact on net position. This deferral is included in accounts receivable.

##### ***Property, Plant and Equipment***

Property, plant and equipment are stated at historical cost or acquisition value for assets contributed by developers. Expenditures for improvements and those that extend the lives of assets are capitalized. Maintenance and repairs are charged to expense. GEUS utilizes the straight-line depreciation method for all plant and equipment. The following is a summary of the useful lives assigned to the major classes of depreciable capital assets:

Buildings	30 - 50 years
Improvements other than buildings	5 - 50 years
Machinery and equipment	5 - 35 years
Motor vehicles	5 - 10 years

##### ***Services Provided by the City of Greenville***

GEUS contracts with the City of Greenville for certain administrative and operating services. GEUS' employees are on the payroll of the City and participate in City pension and employee benefit plans. Contributions were made by GEUS and its employees to the Texas Municipal Retirement System (TMRS), the deferred compensation plan, the medical self-insurance plan and the workers' compensation self-insurance plan of the City.

Specific expenses of GEUS are processed and paid by the City and charged to GEUS. In addition, GEUS made the following payments to the City:

	<b>2024</b>	<b>2023</b>
5% General fund transfer to City	\$ 3,237,743	\$ 3,440,000
1% Transfer to the City of BOD	647,549	688,000
Payment in lieu of property taxes	418,898	418,898
General and administrative	<u>594,268</u>	<u>545,519</u>
	<u><u>\$ 4,898,458</u></u>	<u><u>\$ 5,092,417</u></u>

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)**

##### ***Cash and Cash Equivalents***

GEUS considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents. The City maintains a cash and investment pool in which GEUS participates. GEUS' portion of this pool is displayed on the statement of net position as "Equity in pooled cash".

In accordance with GASB Statement No.31, GEUS general policy is to report short-term treasury securities, United State (U.S) government backed securities which have a remaining term of one year or less at time of purchase, and money market mutual funds at amortized costs.

##### ***Investments***

Investments consist of local government investment pools, U.S. treasury obligations, and U.S. agency securities with original maturities greater than three months from the date of acquisition. GEUS reports all investments at fair value, except for investment pools. GEUS' investment pools are valued and reported at amortized cost, which approximates fair value.

GEUS categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

##### ***Inventories***

Inventories, which are expensed as they are consumed, are stated at weighted-average cost.

##### ***Bond Discounts (Premium)***

Bond discounts (premium) are deferred and amortized over the term of the bonds using the effective interest method. Bond discounts (premium) are presented as a reduction of (addition to) the face amount of bonds payable.

##### ***Deferred Outflows of Resources***

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. GEUS reports deferred amounts related to its net pension liability and total OPEB liability.

##### ***Deferred Inflows of Resources***

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. GEUS reports deferred amounts related to deferred gain on refunding, net pension liability and total OPEB liability in the statement of net position.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)**

##### ***Pension***

For purposes of measuring the net pension liability, deferred outflow/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Statements No. 68 and No. 75.

##### ***Other Post-employment Benefits (OPEB)***

The City provides postemployment medical care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. Employees separating employment with the City who have had at least five years of service with the City and who are eligible for Texas Municipal Retirement System retirement benefits at the date of separation may purchase retiree health insurance through the City. An employee must participate in Health Compare Exchange Market Place to receive OPEB subsidies for health care. All medical care benefits are provided through a selected health care provider in Exchange Market Place. Retirees may remain covered until age 65 or eligibility for Medicare. Information regarding the City's total OPEB liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Statement No. 75.

##### ***Net Position Flow Assumption***

Sometimes GEUS will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is GEUS' policy to consider restricted net position to have been depleted before unrestricted net position is applied.

##### ***Implementation of New Accounting Standards***

The following GASB pronouncements were applicable and effective during fiscal year 2024.

**GASB issued Statement No. 99, *Omnibus* 2022**, in April 2022. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this statement had various effective dates and specific provisions were implemented prior to fiscal year 2024. The remaining requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The remaining requirements of this statement were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

**GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62***, in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this statement were implemented in fiscal year 2024 and are discussed further in Note 15.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)

##### Implementation of New Accounting Standards (continued)

**GASB issued Implementation Guide 2021-1, Implementation Guidance Update – 2021**, in May 2021. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. The requirements of this Implementation Guide had various effective dates and specific provisions were implemented prior to fiscal year 2024. The remaining requirement, an amendment to Question 7.9.8 in Implementation Guide 2015-1 effective for reporting periods beginning after June 15, 2023, requires governments to capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. The requirements of this statement were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

**GASB issued Implementation Guide 2023-1, Implementation Guidance Update – 2023**, in June 2023. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. This Implementation Guide amends Implementation Guide No. 2019-3, Leases, Question 4.16, and Implementation Guide No. 2021-1, Implementation Guidance Update—2021, Question 4.13. The requirements of this Implementation Guide are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this Implementation Guide were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

#### Note 2 - Deposits and Investments

Cash on hand, deposits and investments as of September 30, 2024 and 2023, consist of the following:

	<b>2024</b>	<b>2023</b>
Cash on hand	\$ 2,500	\$ 2,500
Demand deposits	1,133,727	14,525,997
Local Government Investment Pools	163,794,082	40,031,921
Investments	2,558,074	5,159,294
<b>Total Deposits and Investments</b>	<b><u>\$ 167,488,383</u></b>	<b><u>\$ 59,719,712</u></b>

The table below identifies the investment types that are authorized for GEUS by the *Texas Public Funds Investment Act* (Act) (Government Code Chapter 2256). The table also identifies certain provisions of GEUS' investment policy that address interest rate risk, credit risk and concentration of credit risk.

<b>Authorized Investment Type</b>	<b>Investment Policy</b>		
	<b>Maximum Maturity</b>	<b>Maximum Percentage of Portfolio</b>	<b>Maximum Investment in One Issuer</b>
U.S. Treasury Obligation	5 years	None	None
U.S. Agencies Securities	5 years	None	None
State of Texas Treasury Obligations	5 years	None	None
State of Texas Securities	5 years	None	None
Certificates of deposits	5 years	None	None
Money market	90 days	None	None
Repurchase agreements	90 days	30%	None
Mutual funds	2 years	None	None
Investment pools	90 days	None	None
Banker's acceptance	270 days	30%	None
Commercial paper	270 days	30%	None
Collateralized mortgage obligations	5 years	None	None

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 2 - Deposits and Investments (continued)**

GEUS' investment policy limits the maximum maturity of investments and the weighted average of the portfolio based on four major fund types which are general operating funds, debt service funds, reserve funds and capital improvement funds. The details relating to these limits may be obtained from the City of Greenville's Finance Department.

The Act also requires GEUS to have independent auditors perform test procedures related to investment practices as provided by the Act. GEUS is in substantial compliance with the requirements of the Act and with local policies.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, Fair Value Measurement and Application, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Investment Pools are measured at amortized cost and are exempt for fair value reporting.

U.S. Treasury and Agency obligations classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

#### ***Disclosures Relating to Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that GEUS manages its exposure to interest rate risk is by investing mainly in investment pools which purchase a combination of shorter-term investments with an average maturity of less than 60 days thus reducing the interest rate risk. GEUS monitors the interest rate risk inherent in its portfolio by measuring the weighted-average maturity of its portfolio. GEUS has no specific limitations with respect to this metric.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 2 - Deposits and Investments (continued)

##### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the *Public Funds Investment Act*, GEUS' investment policy, or debt agreements and the actual rating as of year-end for each investment type.

As of September 30, 2024, GEUS had the following investments:

Investments	Fair Value/Amortized Cost	Weighted Average Maturity (Days)	Percentage of Portfolio	Portfolio WAM	Credit Risk
<b>Investments</b>					
U.S Treasury obligations	\$ 908,309	61	1%	-	N/A
U.S Agency obligations					
FHLB	1,649,765	125	1%	1	Aaa
<b>Total Investments</b>	<b>2,558,074</b>				
<b>Local Government Investment Pools</b>					
Texas FIT	20,518,730	52	12%	6	AAAf
Texas Range	134,598,313	45	81%	36	AAAmmf
Texas CLASS	4,456,952	83	3%	2	AAAm
TEXPOOL	2,493,928	74	1%	1	AAAm
TexSTAR	844,865	69	1%	-	AAAm
LOGIC	881,294	46	1%	-	AAAm
<b>Total Local Government Investment Pools</b>	<b>163,794,082</b>				
<b>Total</b>	<b>\$ 166,352,156</b>			<b>46</b>	

As of September 30, 2023, GEUS had the following investments:

Investment Type	Fair Value/Amortized Cost	Weighted Average Maturity (Days)	Percentage of Portfolio	Portfolio WAM	Credit Risk
<b>Investments</b>					
U.S Treasury obligations	\$3,388,026	224	7%	17	N/A
U.S Agency obligations					
FHLB	1,771,268	6	4%	-	Aaa
<b>Total Investments</b>	<b>5,159,294</b>				
<b>Local Government Investment Pools</b>					
Texas Range	32,631,871	18	72%	13	AAAm
Texas CLASS	4,366,612	72	10%	7	AAAm
TEXPOOL	1,793,090	28	4%	1	AAA
TexSTAR	607,561	40	1%	1	AAAm
LOGIC	632,787	51	1%	1	AAA
<b>Total Local Government Investment Pools</b>	<b>40,031,921</b>				
<b>Total</b>	<b>\$ 45,191,215</b>			<b>40</b>	

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 2 - Deposits and Investments (continued)**

##### ***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Texas *Public Funds Investment Act* and GEUS' investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

As of September 30, 2024, GEUS' deposits with financial institutions in excess of federal depository insurance limits were fully collateralized.

GEUS is a voluntary participant in TexPool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool uses amortized cost rather than the market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the net asset value of TexPool shares.

In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. The investment carried at amortized cost have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium, or national or state emergency that affects the pools' liquidity.

GEUS invested in the Texas Local Government Investment Cooperative (LOGIC) Liquid Asset Portfolio. LOGIC is a public funds investment pool managed by Southwest Securities Group, Inc. LOGIC investments are not categorized in accordance with GASB Statement No. 3 disclosure requirements since the City has not issued securities, but rather it owns an individual beneficial interest in the assets of the related investment pools. LOGIC uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in LOGIC is the same as the net asset value of LOGIC shares.

GEUS is invested in Texas Daily and TexasTERM, two portfolios within the TexasTERM Local Government Investment Pool (Pool) which was created by Texas local governments to provide investment programs tailored to the needs of Texas cities, counties, school districts and other public investors. The Pool is directed by an Advisory Board of experienced local government finance directors and treasurers. The Advisory Board contracts for services with professional service providers who are industry leaders in their field. TexasTERM portfolios seek to provide investors with safety, flexibility and competitive yields.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 2 - Deposits and Investments (continued)**

##### ***Custodial Credit Risk (continued)***

The TX-FIT investments in each of the pools within the Trust are measured and reported at fair market value using the guidelines established by Generally Accepted Accounting Principles (GAAP). The Trust follows Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. ASC 820 defines fair value, establishes a single framework for measuring fair value, and requires disclosures about fair value measurement.

The "TexasTERM Local Government Investment Pool", d/b/the Texas Range Investment Program (Texas Range), was established by the Advisory Board as a governmental agency under Chapter 791, Texas Government Code, and as a public funds investment pool under the Public Funds Investment Act, Chapter 2256, Texas Government Code. It is governed by the terms of a Common Investment Contract among the City of Austin, the City of Gonzales, and Lake Dallas Independent School District.

Texas Range consists of various Portfolios and series approved by the Advisory Board. It offers a series of professionally managed Portfolios that are available to municipalities, counties, school districts, special districts and other governmental entities in the State of Texas. These currently include the TexasDAILY, TexasDAILY Select and TexasTERM Portfolios. Multiple series may exist within a Portfolio. Participation in the TexasTERM Portfolio requires an open TexasDAILY or TexasDAILY Select account. Texas Range also offers the CD Purchase Program, under which Investors, who have a TexasDAILY and/or a TexasDAILY Select account, can purchase appropriate CDs directly from their issuers or via certain brokers.

GEUS is invested in Texas CLASS. The Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS) was created as a local government investment pool (LGIP) pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code (PFIA). Per state code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds, and maximize yield. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and UMB Bank, N.A. as Custodian.

GEUS invests in TexSTAR. TexSTAR offers Texas cities, counties, school districts and other public entities with an investment option that provides security, liquidity and efficiency for this management of public funds. TexSTAR is a conservatively managed fund operated in full compliance with the PFIA, rated AAA by Standard & Poors run by administrators with a proven track record.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

## NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

### Note 3 - Capital Assets

A summary of GEUS' capital assets at September 30, 2024, are as follows:

	Balance September 30, 2023					Transfers/ Corrections		Balance September 30, 2024
<b>Capital Assets Not Being Depreciated</b>								
Production land	\$ 161,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,191
Transmission land	53,501	-	-	-	-	-	-	53,501
Distribution land	218,418	206,605	-	-	-	-	-	425,023
General land	110,503	499,393	-	-	-	-	-	609,896
Construction in progress	4,180,173	4,164,645	-	-	-	-	-	8,344,818
<b>Total Capital Assets Not Being Depreciated</b>	<b>4,723,786</b>	<b>4,870,643</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,594,429</b>
<b>Capital Assets Being Depreciated</b>								
Production	54,818,223	1,902,718	(5,963)	-	-	-	-	56,714,978
Transmission	16,034,743	378,219	-	-	-	-	-	16,412,962
Distribution	39,498,714	3,598,194	(381,504)	-	-	-	-	42,715,404
General	12,971,826	393,115	(170,738)	-	-	-	-	13,194,203
Cable and internet	18,641,673	793,272	(47,432)	-	-	-	-	19,387,513
Plant	145,388	-	-	-	-	-	-	145,388
<b>Total Capital Assets Being Depreciated</b>	<b>142,110,567</b>	<b>7,065,518</b>	<b>(605,637)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148,570,448</b>
<b>Accumulated Depreciation</b>								
Production	28,949,107	1,863,408	(43,871)	-	-	-	-	30,768,644
Transmission	7,171,968	434,734	(100,361)	-	-	-	-	7,506,341
Distribution	16,059,502	1,388,923	(130,920)	210,285	-	-	-	17,527,790
General	7,490,560	693,100	(236,246)	-	-	-	-	7,947,414
Cable and internet	12,272,109	729,453	(45,924)	-	-	-	-	12,955,638
Plant	84,809	29,078	-	-	-	-	-	113,887
<b>Total Accumulated Depreciation</b>	<b>72,028,055</b>	<b>5,138,696</b>	<b>(557,322)</b>	<b>210,285</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,819,714</b>
<b>Total Activities Capital Assets, Net</b>	<b>\$ 74,806,298</b>	<b>\$ 6,797,465</b>	<b>\$ (48,315)</b>	<b>\$ (210,285)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 81,345,163</b>

The calculation of Net Investments in Capital Assets is as follows:

	September 30, 2024
<b>Capital Assets, Net of depreciation/Amortization</b>	<b>\$ 81,345,163</b>
<b>Less:</b>	
Revenue and refunding bonds	(169,990,000)
Bond issuance premiums/discounts	(13,359,173)
Capital related payables	(723,324)
<b>Plus:</b>	
Deferred gain on refundings	(3,149,162)
Unspent bond funds	110,725,411
<b>Net Investment in Capital Asset</b>	<b>\$ 4,848,915</b>

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

## NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

### Note 3 - Capital Assets (continued)

Construction in progress and remaining commitments for construction projects at September 30, 2024, are as follows:

Project Description	Authorized Contract	Total in Progress	Remaining Commitment
Digital Metering (AMI19001)	\$ 3,438,091	\$ 2,738,799	\$ 699,292
OMS & IVR Systems (IT20004)	240,500	182,173	58,327
Backup Control Center (GP21001)	2,647,173	324,192	2,322,981
Sabert OH Recloser (DL20001)	26,177	9,144	17,033
Erosion Control Steam Plant Intakes	50,000	11,102	38,898
Rupture Disk Spare	24,930	24,930	-
Delano Phase 2 Transmission Relocation (TRANS22001)	50,000	11,947	38,053
SCR Brick Replacement	416,000	495,499	(79,499)
Confidential Project	51,629	51,629	-
Bleach System	60,000	9,711	50,289
Industrial Park (SS22001)	8,500,000	2,140,381	6,359,619
Lee Street (SS24002)	15,000,000	316,234	14,683,766
Weld/Machine Shop Upgrade	31,037	31,037	-
Chlorine System	15,929	17,695	(1,766)
69kV Breakers	45,000	9,000	36,000
Fortinet Firewall	62,500	30,876	31,624
Confidential Project 2	76,000,000	205,880	75,794,120
Confidential Project 3	500,000	69,987	430,013
GIS Audit (GIS24001)	740,000	864,661	(124,661)
Customer Service Remodel (B24001)	237,500	45,931	191,569
Transmission Lines Upgrade (TRANS23001)	1,503,470	754,010	749,460
	<u>\$ 109,639,936</u>	<u>\$ 8,344,818</u>	<u>\$ 101,295,118</u>

A summary of GEUS' capital assets at September 30, 2023, are as follows:

	Balance September 30,			Balance September 30, 2023
	2022	Increases	Decreases	
<b>Capital Assets Not Being Depreciated</b>				
Production land	\$ 161,191	\$ -	\$ -	\$ 161,191
Transmission land	53,501	-	-	53,501
Distribution land	218,418	-	-	218,418
General land	110,503	-	-	110,503
Construction in progress	2,882,601	1,314,605	-	(17,033)
<b>Total Capital Assets Not Being Depreciated</b>	<b>3,426,214</b>	<b>1,314,605</b>	<b>-</b>	<b>4,180,173</b>
<b>Total Capital Assets Not Being Depreciated</b>	<b>3,426,214</b>	<b>1,314,605</b>	<b>-</b>	<b>4,723,786</b>
<b>Capital Assets Being Depreciated</b>				
Production	54,705,335	46,260	-	66,628
Transmission	16,233,013	24,474	(224,028)	1,284
Distribution	37,156,715	2,610,435	(305,231)	36,795
General	11,661,859	1,288,232	-	21,735
Cable and internet	17,612,459	1,029,214	-	-
Plant	145,388	-	-	-
<b>Total Capital Assets Being Depreciated</b>	<b>137,514,769</b>	<b>4,998,615</b>	<b>(529,259)</b>	<b>126,442</b>
<b>Total Capital Assets Being Depreciated</b>	<b>137,514,769</b>	<b>4,998,615</b>	<b>(529,259)</b>	<b>142,110,567</b>
<b>Accumulated Depreciation</b>				
Production	26,876,032	2,032,556	-	40,519
Transmission	6,749,458	422,510	-	-
Distribution	15,057,200	1,307,533	(305,231)	-
General	6,981,491	563,900	(54,831)	-
Cable and internet	11,601,107	672,440	(1,438)	-
Plant	55,732	29,077	-	-
<b>Total Accumulated Depreciation</b>	<b>67,321,020</b>	<b>5,028,016</b>	<b>(361,500)</b>	<b>40,519</b>
<b>Total Activities Capital Assets, Net</b>	<b>\$ 73,619,963</b>	<b>\$ 1,285,204</b>	<b>\$ (167,759)</b>	<b>\$ 68,890</b>
<b>Total Activities Capital Assets, Net</b>	<b>\$ 73,619,963</b>	<b>\$ 1,285,204</b>	<b>\$ (167,759)</b>	<b>\$ 74,806,298</b>

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 3 - Capital Assets (continued)

The calculation of Net Investments in Capital Assets is as follows:

	<u>September 30, 2023</u>
<b>Capital Assets, Net of depreciation/Amortization</b>	\$ 74,806,298
<b>Less:</b>	
Revenue and refunding bonds	(73,750,000)
Bond issuance premiums/discounts	(5,622,750)
Capital related payables	(880,120)
<b>Plus:</b>	
Deferred gain on refundings	(219,457)
Unspent bond funds	9,595,758
<b>Net Investment in Capital Asset</b>	<u>\$ 3,929,729</u>

Construction in progress and remaining commitments for construction projects at September 30, 2023, are as follows:

<b>Project Description</b>	<b>Authorized</b>	<b>Total</b>	<b>Remaining</b>
	<b>Contract</b>	<b>in Progress</b>	<b>Commitment</b>
Digital Metering (AMI19001)	\$ 3,438,091	\$ 2,545,341	\$ 892,750
OMS & IVR Systems (IT20004)	240,500	182,173	58,327
Backup Control Center (GP21001)	2,647,173	140,800	2,506,373
Sabert OH Recloser (DL20001)	26,177	26,177	-
Erosion Control Steam Plant Intakes	50,000	5,650	44,350
Rupture Disk Spare	24,930	24,930	-
Delano Phase 2 Transmission Relocation (TRANS22001)	50,000	11,947	38,053
SCR Brick Replacement	375,000	130,208	244,792
Confidential Project	46,635	46,635	-
Bleach System	60,000	9,711	50,289
Industrial Park (SS22001)	8,500,000	227,813	8,272,187
Weld/Machine Shop Upgrade	31,037	31,037	-
Chlorine System	5,531	5,531	-
69kV Breakers	45,000	9,000	36,000
Fortinet Firewall	62,500	30,876	31,624
Confidential Project 2	50,882	50,882	-
Transmission Lines Upgrade (TRANS23001)	<u>1,503,470</u>	<u>701,462</u>	<u>802,008</u>
	<u>\$ 17,156,926</u>	<u>\$ 4,180,173</u>	<u>\$ 12,976,753</u>

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 4 - Long-term Liabilities

A summary of changes in general long-term liabilities for GEUS for the year ended September 30, 2024:

	Balance September 30,		Deletions	Balance September 30,		Due Within One Year
	2023	Additions		2024		
<b>Bonds Payable</b>						
Revenue refunding bonds	\$ 47,690,000	\$ 125,675,000	\$ (29,180,000)	\$ 144,185,000	\$ 3,575,000	
Revenue bonds	26,060,000	-	(255,000)	25,805,000	270,000	
<b>Less:</b>						
Issuance premiums	5,636,452	11,222,951	(3,500,231)	13,359,172	-	
Issuance discounts	(13,702)	-	13,702	-	-	
<b>Total Bonds Payable</b>	<u>79,372,750</u>	<u>136,897,951</u>	<u>(32,921,529)</u>	<u>183,349,172</u>	<u>3,845,000</u>	
Net pension liability	10,815,828	-	(2,712,860)	8,102,968	-	
Total OPEB liability	1,663,613	147,441	-	1,811,054	-	
Compensated absences	1,368,072	219,524	(328,182)	1,259,414	503,127	
<b>Total</b>	<u>\$ 93,220,263</u>	<u>\$ 137,264,916</u>	<u>\$ (35,962,571)</u>	<u>\$ 194,522,608</u>	<u>\$ 4,348,127</u>	

A summary of changes in general long-term liabilities for GEUS for the year ended September 30, 2023:

	Balance September 30,		Deletions	Balance September 30,		Due Within One Year
	2022 (as restated)	Additions		2023		
<b>Bonds Payable</b>						
Revenue refunding bonds	\$ 53,210,000	\$ -	\$ (5,520,000)	\$ 47,690,000	\$ 3,415,000	
Revenue bonds	13,645,000	13,085,000	(670,000)	26,060,000	255,000	
<b>Less:</b>						
Issuance premiums	5,729,802	211,191	(304,541)	5,636,452	-	
Issuance discounts	(41,106)	-	27,404	(13,702)	-	
<b>Total Bonds Payable</b>	<u>72,543,696</u>	<u>13,296,191</u>	<u>(6,467,137)</u>	<u>79,372,750</u>	<u>3,670,000</u>	
Net pension liability	(1,659,255)	-	12,475,083	10,815,828	-	
Total OPEB liability	2,097,224	-	(433,611)	1,663,613	-	
Compensated absences	1,255,303	363,830	(251,061)	1,368,072	283,737	
<b>Total</b>	<u>\$ 74,236,968</u>	<u>\$ 13,660,021</u>	<u>\$ 5,323,274</u>	<u>\$ 93,220,263</u>	<u>\$ 3,953,737</u>	

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 4 - Long-term Liabilities (continued)

A summary of GEUS' long-term debt is as follows:

	<b>2024</b>	<b>2023</b>
Electric system revenue refunding bonds, Series 2019A, \$41,610,000 originally issued with interest rate of 5% matures in February 2035	\$ 5,105,000	\$ 33,240,000
Electric System Revenue Bonds, Series 2021, \$13,885,000 originally issued with interest rate of 2.99%, matures in February 2051	12,720,000	12,975,000
Electric System Revenue Refunding Bonds, Series 2022, \$15,120,000 originally issued with interest rate of 2.85%, matures in February 2037	13,600,000	14,450,000
Electric System Revenue Bonds, Series 2022, \$13,085,000 originally issued with interest rate of 5.00% - 6.00%, matures in February 2052	12,890,000	13,085,000
Electric System Revenue Refunding Bonds, Series 2024, \$125,675,000 originally issued with interest rate of 5.00-5.25%, matures in February 2054	<u>125,675,000</u>	<u>-</u>
Current maturities	169,990,000	73,750,000
Unamortized premium	(3,845,000)	(3,670,000)
<b>Total Long-Term Debt</b>	<u><u>13,359,172</u></u>	<u><u>5,622,750</u></u>
	<u><u>\$ 179,504,172</u></u>	<u><u>\$ 75,702,750</u></u>

The City ordinances authorizing the electric revenue refunding bonds and subsequent ordinances assigning the bonds to GEUS stipulate that in addition to principal and interest requirements, GEUS will deposit the lesser of 10% of the outstanding principal or the average annual requirements for the payment of principal and interest or a surety bond with coverage sufficient to meet debt requirements.

On September 12, 2024, GEUS issued \$125,675,000 Revenue and Refunding bonds with interest rates ranging from 5.00% - 5.25%. GEUS received net proceeds of \$135,697,400 including premium of \$11,222,951 and bond issuance costs of \$1,004,763. Proceeds in the amount of \$109,767,790 were deposited into the capital projects funds to be used for improvements and extensions to the System, including generation, distribution and transmission lines and substations and cost of issuance. Proceeds in the amount of \$25,929,610 were used to refund \$25,765,000 of outstanding 2019 Series A revenue refunding bonds with an interest rate of 5.00%. These proceeds were deposited in an irrevocable trust with an escrow agent. The net carrying amount of the old debt exceeded the reacquisition price by \$3,087,059. This amount is reported as deferred inflow of resources and amortized over the remaining life of the refunded debt which had a shorter life than the refunding debt. The cash flow savings between the old debt and the new debt is \$2,593,902 for an economic gain of \$2,378,258.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 4 - Long-term Liabilities (continued)

The debt service requirements on the aforementioned debt as of September 30, 2024, are as follows:

Fiscal Year	Bonds	
	Principal	Interest
2025	\$ 3,845,000	\$ 7,501,623
2026	4,015,000	7,797,794
2027	3,150,000	7,637,241
2028	5,105,000	7,451,130
2029	6,525,000	7,181,235
2030 - 2034	36,070,000	30,954,385
2035 - 2039	23,100,000	24,022,564
2040 - 2044	23,635,000	18,785,966
2045 - 2049	30,095,000	12,317,762
2050 - 2054	34,450,000	4,210,688
	<u>\$ 169,990,000</u>	<u>\$ 127,860,388</u>

#### Note 5 - Commitments and Contingencies

##### *Agreement with TMPA*

In 1975, the City, along with the cities of Bryan, Denton and Garland, Texas (Cities), entered a Power Sales Contract with the TMPA. TMPA was created through concurrent ordinances of the Cities and is governed by a Board of Directors consisting of eight members, two appointed by the governing body of each city. Under the terms of the agreement, TMPA agreed to construct or acquire electric generating plants to supply energy and power to the Cities. GEUS was entitled to a portion of the energy produced by the Gibbons Creek Steam Electric Station (GCSES).

In the opinion of management, the possibility of a material payment under this guarantee is remote, in that TMPA's Transmission Revenues produce enough income to cover operating expenses and debt service obligations.

The Cities are obligated to cover operating costs and retirement of debt for TMPA assets. If TMPA revenues are insufficient to cover all costs and retire the outstanding debt, each of the Cities has guaranteed a portion of the unpaid debt, based generally upon its pro-rata share of interest in TMPA assets. Should TMPA be dissolved, the TMPA Board of Directors would be responsible for the disposal of assets.

Under the Power Sales Contract, as amended, each City had the right to terminate the Power Sales Contract beyond September 1, 2018, if notice was sent to TMPA by September 30, 2016. GEUS provided such notice to TMPA in September 2016 and, as a result, GEUS discontinued purchasing power from TMPA effective September 1, 2018.

On June 6, 2019, the TMPA Board of Directors voted to retire the GCSES. On October 30, 2019, GCSES transitioned into decommissioning status in the ERCOT system. Under GASB Statement No. 83 (GASB 83), TMPA was required to record a decommissioning liability and a corresponding discount receivable from the Cities, who are ultimately responsible for funding this TMPA liability. As of September 30, 2020, GEUS recognized its allocation of \$11,778,330, as a deferred outflow of resources that was amortized to zero during fiscal year 2021.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 5 - Commitments and Contingencies (continued)**

##### ***Agreement with TMPA (continued)***

On December 21, 2021, approximately 11,000 acres of TMPA mine property were sold. GEUS received a distribution of proceeds from the sale in December 2022 for \$7,081,242 which represented a 10% share of proceeds from that sale. TMPA entered into an Escrow Holdback Agreement which permitted TMPA to request the release of escrow funds when acreage is released from reclamation bonding by the Railroad Commission of Texas. On September 20, 2022, the Railroad Commission adopted an order approving bond release on 17.04 acres that were included in the sale, the result of which generated an additional payment due to GEUS in the amount of \$11,602 that was subsequently received in December 2022.

For the years ended September 30, 2024 and 2023, payments to TMPA totaled \$102,874 and \$413,457, respectively.

As of September 30, 2024 and 2023, total TMPA outstanding debt was approximately \$206,717,000 and \$209,448,000 respectively, and GEUS' guaranteed percentage is approximately 10%.

##### ***Board of Development Payment***

Under GEUS' charter, 6% of adjusted revenues are to be transferred annually to the City of which 1% of adjusted revenues is for the benefit of the Board of Development. GEUS reflected expenses totaling \$647,549 and \$688,000 related to the Board of Development portion during the years ended September 30, 2024 and 2023, respectively.

#### **Note 6 - Environmental Regulation**

Electric utilities are subject to numerous environmental statutes, regulations, and other rules administered at the federal, state, and local level. These environmental rules are subject to change and tend to increase and become more stringent over time. These changes may arise from continuing legislative, regulatory and judicial action regarding the promulgation and implementation of such standards and procedures. Consequently, there is no assurance that GEUS Steam Plant and Engine Plant electric generating units will remain subject to the regulations currently in effect, will always be compliant with present or future regulations, or will always be able to obtain all required operating permits. In addition, more stringent environmental requirements may require significant upgrades in environmental controls, reduced operating levels or where the necessary upgrades are not economical, the complete shutdown of individual electric generating units.

The *Clean Air Act* (CAA), originating in 1967 with the *Air Quality Act*, has imposed increasingly stringent controls on air emissions from industrial facilities, including electric power generation facilities like GEUS plants.

In February 2012, new standards were issued under the new name of Mercury and Air Toxics Standards (MATS), with a compliance deadline of April 16, 2015. TMPA requested and obtained the extension to April 15, 2016, to obtain sufficient time to adequately investigate and test mercury control technologies under different operating scenarios. Testing was successfully completed and TMPA is compliant with the MATS rule.

On September 7, 2016, the EPA finalized an update to the Cross-State Air Pollution Rule (CSAPR) for the 2008 ozone National Ambient Air Quality Standards (NAAQS) by issuing the final CSAPR Update. Starting in May 2017, this rule will reduce summertime (May - September) nitrogen oxides (NOx) emissions from power plants in 22 states in the eastern U.S. The rule will reduce air quality impacts of ozone pollution that crosses state lines and will help downwind areas meet and maintain the 2008 ozone air quality standard. GEUS is compliant with the new CSAPR cap and trade.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 7 - Electric Restructuring**

The Texas Legislature enacted *Senate Bill 7* in 1999, which was a comprehensive electric deregulation and restructuring bill. This bill applies to GEUS and other municipal utilities in the state. Financial control of GEUS remains with the governing body, GEUS Board of Trustees. Under the legislation, the Board will determine if, and when, the electric system will be open to retail competition.

If GEUS is open to competition, then provisions are included for GEUS to collect its stranded costs through non-by passable wire charges. GEUS Board will retain authority to set electric rates that are sufficient to meet the financial obligations of the utility as specified in the Electric Utility Bond Ordinance.

The wholesale market, which is under the control of an independent system operator, the Electric Reliability Council of Texas (ERCOT), transitioned from a Zonal Market to a Nodal Market in December 2010. GEUS qualifies to receive Pre-Assigned Congestion Revenue Rights (PCRRs) for GEUS local generation, which was operational in 1999 (and excludes the Engine Plant) which adequately mitigates GEUS congestion charge risk in the Nodal Market.

#### **Note 8 - Employee Retirement Systems and Pension Plans**

##### ***Texas Municipal Retirement System***

###### **Plan Description**

The City participates as one of 934 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report that can be obtained at [www.tmrs.com](http://www.tmrs.com).

All eligible employees of GEUS are required to participate in TMRS.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 8 - Employee Retirement Systems and Pension Plans (continued)**

##### **Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. A summary of plan provisions for the City are as follows:

Employee deposit rate:	7%
Matching ratio (City to employee):	2 to 1
Years required for vesting:	5
Service retirement eligibility:	20 years at any age, 5 years at age 60 and above
Updated service credit:	100% repeating transfers
Annuity increase to retirees:	0% of CPI repeating
Supplemental death benefit – active employees and retirees	Yes

At the December 31, 2023 valuation and measurement date (the most current available), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	359
Inactive employees entitled to but not receiving benefits	231
Active employees	<u>359</u>
	<u>949</u>

There are 112 retirees for GEUS.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 8 - Employee Retirement Systems and Pension Plans (continued)**

##### **Contributions**

Employees for GEUS were required to contribute 7% of their annual gross earnings during 2024 and 2023. Employer contributions are actuarially determined. For the fiscal years ended September 30, 2024 and 2023, GEUS contributed \$1,700,243 and \$1,455,718, respectively, which equaled its required contributions.

##### **Net Pension Liability**

The City's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. GEUS proportion is approximately 37% based on retirement contributions.

##### **Actuarial Assumptions**

The total pension liability (asset) of the City and Components Units in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation:	2.5% per year
Overall payroll growth	3.60% to 11.85% including inflation
Investment rate of return	6.75%, compounded annually, composed of an assumed 2.50% inflation rate and a 4.25% net real rate of return. This rate represents the assumed return, net of all investment and administrative expenses.

Overall Payroll Growth – 2.75% per year, which is used to calculate the contribution rates for the retirement plan of each participating city as a level percentage of payroll. This represents the expected increase in total payroll. This increase rate is solely due to the effect of wage inflation on salaries, with no allowance for future membership growth. However, for cities with a decrease in the number of contributing members from 2008 to 2022, the payroll growth is decreased by half the annual percentage decrease in the count capped at a 1.5% decrease per year and rounded down to the nearest 0.1%.

These actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS as of December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target %	Long-Term Expected Real Rate of Return
Global equity	35.00%	6.70%
Core fixed income	6.00%	4.70%
Non-core fixed income	20.00%	8.00%
Other public and private markets	12.00%	8.00%
Real estate	12.00%	7.60%
Hedge funds	5.00%	10.00%
Private equity	10.00%	11.60%
<b>Total</b>	<b>100.0%</b>	

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 8 - Employee Retirement Systems and Pension Plans (continued)

##### Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive 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.

##### Changes in the Net Pension Liability

	Increase (Decrease)			Net Pension	
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Liability		
			(A) - (B)		
<b>Changes for the Plan Year:</b>					
Service cost	\$ 1,693,148	\$ -	\$ 1,693,148		
Interest (on the Total Pension Liability)	4,271,860	-	4,271,860		
Difference between expected and actual experience	254,156	-	254,156		
Changes of assumptions	(451,559)	-	(451,559)		
Contributions - employer	-	1,713,782	(1,713,782)		
Contributions - employee	-	760,233	(760,233)		
Net investment income	-	6,045,275	(6,045,275)		
Benefit payments, including refunds of employee contributions	(3,785,456)	(3,785,456)	-		
Administrative expense	-	(38,556)	38,556		
Other changes	-	(269)	269		
<b>Net Changes</b>	<b>1,982,150</b>	<b>4,695,010</b>	<b>(2,712,860)</b>		
<b>Balance at December 31, 2022</b>	<b>59,710,320</b>	<b>48,894,492</b>	<b>10,815,828</b>		
<b>Balance at December 31, 2023</b>	<b>\$ 61,692,470</b>	<b>\$ 53,589,502</b>	<b>\$ 8,102,968</b>		

##### Sensitivity of GEUS' Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability (asset) of GEUS as of September 30, 2024, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	Current Single Discount Rate		
	1% Decrease (5.75%)	Assumption (6.75%)	1% Increase (7.75%)
GEUS' proportionate share of the net pension liability	\$ 15,394,877	\$ 8,102,968	\$ 2,038,285

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 8 - Employee Retirement Systems and Pension Plans (continued)

##### **Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued TMRS final report. That report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

##### **Pension Liabilities, Pension Expense and Deferred Outflows of Recourses Related to Pensions**

GEUS reported \$8,102,968 and \$10,815,828 at September 30, 2024 and 2023, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023 and 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. GEUS' proportion of the net pension liability was based on GEUS' actual contributions relative to the City's actual contributions for the respective fiscal years. At December 31, 2023 and 2022, GEUS' proportion was 37% and 39%, respectively.

For the years ended September 30, 2024 and 2023, GEUS recognized pension expense of \$1,226,420 and \$6,891,450 , respectively.

At September 30, 2024 and 2023, GEUS reported deferred outflow/inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 285,871	\$ 690	\$ 276,657	\$ 2,637
Changes of assumptions	-	267,773	-	-
Net differences between projected and actual investment earnings	1,308,492	-	3,263,444	-
Contributions subsequent to the measurement date through year-end	1,328,855	-	1,165,241	-
<b>Total</b>	<b>\$ 2,923,218</b>	<b>\$ 268,463</b>	<b>\$ 4,705,342</b>	<b>\$ 2,637</b>

Deferred outflows of resources at September 30, 2024, related to pensions resulting from contributions subsequent to the measurement date of \$1,328,855 will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year <u>September 30,</u>	Net Deferred Outflows (Inflows) of Resources	
2025	\$ 387,461	
2026	387,513	
2027	990,494	
2028	(439,568)	
<b>Total</b>	<b>\$ 1,325,900</b>	

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 9 - Postemployment Benefits Other Than Pensions (OPEB)

##### *TMRS Supplemental Death Benefits Fund*

The City and Component Units contribute to a single employer defined benefit group term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a separate trust administered by the TMRS Board of Trustees and is a voluntary program in which the City elected, by ordinance, to provide group term life insurance coverage to active and retired members. The City may terminate coverage and discontinue participation in the SDBF by adopting an ordinance before November 1, of any year to be effective the following January 1.

Contributions are made monthly based on the covered payroll of employee members of the City. The contractually required contribution rate is determined annually, and the rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the City. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect. The contributions to the SDBF are pooled for investment purposes with those of the pension trust fund described above. The TMRS Act requires the pension trust fund to allocate investment income to the SDBF on an annual basis.

The funding policy of the plan is to assure adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. As such, contributions are utilized to fund active member deaths on a pay-as-you go basis; any excess contributions and investment income over payments then become net position available for postemployment benefits other than pension benefits (OPEB). GEUS' contributions to SDBF for the fiscal years ended September 30, 2024 and 2023, were \$43,425 and \$37,171 respectively which equaled the required contributions each year.

Payments from this fund are similar to group term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary. The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. The obligations of this plan are payable only from the SDBF.

Membership for the City and Component Units in the plan as of the measurement date of December 31, 2023 was as follows:

Inactive employees currently receiving benefits	239
Inactive employees entitled to but not yet receiving benefits	48
Active employees	<u>359</u>
<b>Total Plan Members</b>	<u>646</u>

GEUS' total OPEB liability related to the SDBF of \$499,747 was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2023. GEUS' proportion was 37.42%. GEUS' OPEB liability for both the SDBF and the retiree healthcare plan was \$1,811,054 .

GEUS' total OPEB liability related to the SDBF of \$479,774 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2022. GEUS' proportion was 38.63%. GEUS' OPEB liability for both the SDBF and the retiree healthcare plan was \$1,663,613 .

##### **Discount Rate**

The TMRS SDBF program is treated as unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. Under GASB No. 75, the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 3.77% based on the 20 Year Bond GO Index published by bondbuyer.com is used as of the measurement date of December 31, 2023.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

##### ***TMRS Supplemental Death Benefits Fund (continued)***

###### **Plan Assets**

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

###### **Actuarial Assumptions**

The City's Total OPEB Liability was measured at December 31, 2023 and was determined by an actuarial valuation as of that date using the following actuarial assumptions:

*Valuation Date:* December 31, 2023

###### *Methods and Assumptions:*

Inflation: 2.50%

Salary Increases: 3.60% to 11.85%, including inflation

Discount rate: 3.77%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

Retirees' share of benefit related costs: \$0

Administrative expenses: All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates – service retirees: 2019 Municipal Retirees of Texas Mortality Tables. The rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with no immediate convergence).

Mortality rates – disabled retirees: 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

###### *Other Information:*

Notes: The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

The discount rate decreased from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

## NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

### Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)

#### *TMRS Supplemental Death Benefits Fund (continued)*

##### Changes in the Total OPEB Liability

Service cost	\$ 9,231
Interest on the total OPEB liability	10,729
Difference between expected and actual experience of the total OPEB liability	(3,064)
Changes of assumptions	13,394
Benefit payments	<u>(10,317)</u>
Net change in Total OPEB liability	19,973
<b>Total OPEB Liability - Beginning</b>	<u>479,774</u>
<b>Total OPEB Liability - Ending</b>	<u><u>\$ 499,747</u></u>
 <b>Covered Payroll</b>	 \$ 9,507,001
 <b>Total OPEB Liability as a Percentage of Covered Payroll</b>	 5.26%

##### Sensitivity Analysis

The following presents proportionate share of GEUS for the Total OPEB Liability of the employer, calculated using the discount rate of 3.77%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.77%) or 1 percentage point higher (4.77%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

Current Discount		
1% Decrease to <b>2.77%</b>	Rate <b>3.77%</b>	1% Increase to <b>4.77%</b>
\$ 589,508	\$ 499,747	\$ 428,484

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)

##### *TMRS Supplemental Death Benefits Fund (continued)*

##### **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Activity**

For the years ended September 30, 2024 and 2023, GEUS recognized OPEB expense of \$16,909 and \$18,293, respectively, relating to the SDBF plan and OPEB expense of \$93,535 and \$114,363, respectively, relating to the retiree healthcare plan for a total OPEB expense of \$110,444 and \$132,656, respectively.

As of September 30, 2024 and 2023, GEUS reported deferred outflows of resources related to OPEBs from the following sources:

	<b>2024</b>		<b>2023</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 9,686	\$ 48	\$ 16,127
Changes assumptions	38,953	122,996	56,673	174,637
Contributions subsequent to the measurement date	33,541	-	31,014	-
<b>Total</b>	<b>\$ 72,494</b>	<b>\$ 132,682</b>	<b>\$ 87,735</b>	<b>\$ 190,764</b>

Total deferred outflows for both OPEB plans as of September 30, 2024 and 2023 was \$185,188 and \$165,772 respectively. Total deferred inflows for both OPEB plans as of September 30, 2024 and 2023 was \$517,943 and \$661,963 respectively.

GEUS contributions made subsequent to the measurement date of the total OPEB liability (December 31, 2023) and prior to year-end (September 30, 2024) will be recognized in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Fiscal Year</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2025	\$ (28,864)
2026	(39,630)
2027	(27,281)
2028	2,046
<b>Total</b>	<b>\$ (93,729)</b>

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

##### ***Retiree Health Care Plan (RHCP)***

The City's and Component Units' defined benefit OPEB plan, Retiree Health Care Plan (RHCP), provides OPEB through an implicit healthcare premium for retirees for all permanent full-time employees of the City. RHCP is a single employer defined benefit OPEB plan administered by the City. At this time, no assets are accumulated in a trust to fund the future requirements of the RHCP.

##### **Benefits Provided**

RHCP provides access to post retirement employees by offering a "blended premium" structure, that is, the overall health care premiums for active employees and non-Medicare retirees, are stated in terms of a single "blended premium". The difference between the underlying retiree claims and the blended overall health care premium is referred to as an "implicit" subsidy. Because the underlying claims costs for a non-Medicare retiree are on average higher than the blended premium, there is a positive implicit subsidy for the non-Medicare retirees.

##### **Employees Covered by Benefit Terms.**

At December 31, 2023, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	11
Inactive, Nonretired Members	0
Active Members	<u>394</u>
<b>Total</b>	<u><b>405</b></u>

##### **Total OPEB Liability**

The proportionate share of GEUS for the total OPEB liability related to the RHCP of \$1,311,307 was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2023. GEUS proportion is 37% based on health insurance contribution. GEUS' OPEB liability for both the SDBF and the retiree healthcare plan was \$1,811,054 .

The proportionate share of GEUS for the total OPEB liability of \$1,183,839 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2022. GEUS proportion is 39% based on health insurance contribution. GEUS' OPEB liability for both the SDBF and the retiree healthcare plan was \$1,663,613 .

##### **Actuarial assumptions and methods**

The total OPEB liability at the December 31, 2023 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Valuation Date:* December 31, 2023

##### ***Methods and Assumptions:***

Actuarial Cost Method:	Individual Entry-Age
Discount Rate:	3.77% as of December 31, 2023
Inflation:	2.50%
Salary Increases:	3.60% to 11.85%, including inflation and 2.10% to 7.50% for Firefighters, Including inflation.

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

##### ***Retiree Health Care Plan (RHCP) (continued)***

###### **Actuarial assumptions and methods (continued)**

Demographic Assumptions:	TMRS: Based on the December 31, 2022 experience study conducted for the Texas Municipal Retirement System (TMRS).  Firefighters: The demographic assumptions are based on the assumptions used to value the Greenville Firemen's Relief and Retirement Fund.
Mortality:	TMRS: For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.  Firefighters: Employee and healthy annuitant rates from the PubS-2010 mortality tables (amount weighted), projected generationally using Scale MP2021, with separate rates for males and females.
Health Care Trend Rates:	Initial rate of 7.00% declining to an ultimate rate of 4.25% after 13 years. Increases to the City's retiree medical contributions are assumed to be in-line with general inflation.
Participation Rates:	It was assumed that 30% of retirees would receive a retiree healthcare subsidy from the City.

###### ***Other Information:***

Notes:	The discount rate changed from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.
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###### **Discount Rate**

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The discount rate was 4.05% as of the prior measurement date.

###### **Plan Assets**

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)

##### Retiree Health Care Plan (RHCP) (continued)

###### Changes in the Total OPEB Liability

Service cost	\$ 78,879
Interest on the total OPEB liability	37,088
Difference between expected and actual experience of the total OPEB liability	(660)
Changes of assumptions	37,167
Benefit payments	<u>(25,006)</u>
Net change in Total OPEB liability	127,468
<b>Total OPEB Liability - Beginning</b>	<u>1,183,839</u>
<b>Total OPEB Liability - Ending</b>	<u><u>\$ 1,311,307</u></u>
 Covered Payroll	\$ 10,526,131
 Total OPEB Liability as a Percentage of Covered Payroll	12.46%

The ending balance of the Total OPEB Liability was \$1,311,307 as of December 31, 2023. Changes of assumptions reflect a change in the discount rate from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.

###### Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the plan's total OPEB liability, calculated using a discount rate of 3.77%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

Current Discount Rate		
1% Decrease to 2.77%	Assumption 3.77%	1% Increase to 4.77%
\$ 1,452,336	\$ 1,311,307	\$ 1,184,369

###### Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

Current Healthcare Cost		
1% Decrease	Trend Rate Assumption	1% Increase
\$ 1,129,954	\$ 1,311,307	\$ 1,529,488

The City's retiree medical benefit is a set dollar amount that is not impacted by future medical trend.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NOTES TO FINANCIAL STATEMENTS (continued)

September 30, 2024 and 2023

#### Note 9 - Postemployment Benefits Other Than Pensions (OPEB) (continued)

##### Retiree Health Care Plan (RHCP) (continued)

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

For the years ended September 30, 2024 and 2023, GEUS recognized proportionate share in OPEB expense of \$93,535 and \$114,363 , respectively, relating to the retiree healthcare plan and OPEB expense of \$16,909 and \$18,293 ,respectively, relating to the SDBF plan, for a total OPEB expense of \$110,444 and \$132,656 , respectively. On September 30, 2024 and 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 40	\$ 237,173	\$ 49	\$ 292,930
Changes assumptions	82,725	148,088	52,362	178,269
Contributions subsequent to the measurement date	29,929	-	25,626	-
<b>Total</b>	<b>\$ 112,694</b>	<b>\$ 385,261</b>	<b>\$ 78,037</b>	<b>\$ 471,199</b>

Total deferred outflows for both OPEB plans as of September 30, 2024 and 2023 was \$185,188 and \$165,772 respectively. Total deferred inflows for both OPEB plans as of September 30, 2024 and 2023 was \$517,943 and \$661,963 respectively.

GEUS contributions made subsequent to the measurement date of the total OPEB liability (December 31, 2023) and prior to year-end (September 30, 2024) will be recognized in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows (Inflows) of Resources	
2025	\$ (56,098)	
2026		(56,842)
2027		(47,843)
2028		(39,304)
2029		(39,723)
2030		(62,686)
<b>Total</b>	<b>\$</b>	<b>(302,496)</b>

## **GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**September 30, 2024 and 2023**

#### **Note 10 - Net Investment in Capital Assets**

In 1975, GEUS, along with the cities of Bryan, Denton and Garland, Texas (Cities), entered into a Power Sales Contract with the TMPA. GEUS provided electric services for the City under this contract. Under the Power Sales Contract, as amended, each City had the right to terminate the Power Sales Contract beyond September 1, 2018, if notice was sent to TMPA by September 30, 2016. GEUS provided such notice to TMPA in September 2016 and, as a result, GEUS discontinued purchasing power from TMPA effective September 1, 2018. Due to the significant decline in the service utility of the prepaid electric cost asset, such assets were deemed impaired during 2017 and GEUS recognized a \$34,093,046 impairment loss in the accompanying statement of revenues, expenses and changes in net position. The impaired assets were debt funded through GEUS in fiscal year 2010 and fiscal year 2015. Because of the impairment loss, GEUS' does not include these in the net investment in capital assets calculation.

#### **Note 11 - Litigation and Contingencies**

Various claims and lawsuits are pending in which GEUS is involved. Included among the various actions are those for which the discovery process is currently underway, or which have yet to proceed to trial. In the opinion of GEUS legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of GEUS.

#### **Note 12 - Regulatory Asset for Winter Storm Uri Liability**

GASB Statement 62, Codification of Accounting and Financial Reporting Guidance governs the recording of regulatory assets. A regulatory asset is a specific cost of service recovery that a regulatory agency permits a public utility to defer to its balance sheet. Regulatory assets are created when certain expenses are recognized as deferrals instead of period expenses. Amounts allowed as regulatory assets must be amortized over an expected period. On September 16, 2021, GEUS Board approved a regulatory asset of \$15,145,349 for Winter Storm Uri costs that would otherwise have been expensed in that period. As of September 30, 2024, accumulated amortization expense amounted to \$1,544,568, leaving a balance of \$13,600,781 to be amortized over the remaining period of 27 years.

#### **Note 13 - Subsequent Event**

In preparing the accompanying financial statements, management has reviewed all known events that have occurred after September 30, 2024, and through April 17, 2025, the date on which the financial statements were available to be issued, for inclusion in the financial statements and footnotes.

#### **Note 14 – Prior Period Adjustment**

During fiscal year 2024, it was determined that the franchise fees charged to GEUS from the City were overstated in fiscal year 2023 due to an error in recording the transactions. Therefore, expenses and the amount due to the City and Board were overstated. The effect of correcting that error is shown below.

<b>Statement of Net Position</b>	
	<b>Business-Type Activity</b>
<b>Net Position at October 1, 2023, as Previously Reported</b>	\$ 71,818,549
Error correction to City and Board of Development fees	1,507,240
<b>Net Position at October 1, 2023, as Restated</b>	<b>\$ 73,325,789</b>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

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**TEXAS MUNICIPAL RETIREMENT SYSTEM**
**SCHEDULE OF GEUS' PROPORTIONATE SHARE OF THE CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**
**LAST TEN MEASUREMENT YEARS**
**(UNAUDITED)**

	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021	Measurement Year 2020	Measurement Year 2019
<b>Total Pension Liability:</b>					
Service cost	\$ 1,693,148	\$ 1,341,356	\$ 1,180,328	\$ 1,158,971	\$ 1,082,829
Interest (on the Total Pension Liability)	4,271,860	3,705,574	3,320,653	3,338,651	2,799,639
Changes of benefit terms	-	4,845,356	-	-	-
Difference between expected and actual experience	254,156	355,099	(6,553)	235,239	307,542
Change in assumptions	(451,559)	-	-	-	98,155
Benefit payments, including refunds of employee contributions	(3,785,456)	(3,229,884)	(2,929,485)	(2,638,069)	(2,501,376)
Net change in total pension liability	1,982,149	7,017,501	1,564,943	2,094,792	1,786,789
<b>Total Pension Liability - Beginning</b>	<b>59,710,321</b>	<b>52,692,820</b>	<b>51,127,877</b>	<b>49,033,085</b>	<b>47,246,296</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 61,692,470</b>	<b>\$ 59,710,321</b>	<b>\$ 52,692,820</b>	<b>\$ 51,127,877</b>	<b>\$ 49,033,085</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 1,713,782	\$ 998,217	\$ 920,201	\$ 891,316	\$ 819,519
Contributions - employee	760,233	606,556	569,029	567,672	531,170
Net investment income	6,045,275	(3,838,904)	6,314,683	3,596,310	6,330,378
Benefit payments, including refunds of employee contributions	(3,785,456)	(3,229,884)	(2,929,485)	(2,638,069)	(2,501,376)
Administrative expense	(38,556)	(33,275)	(29,250)	(23,293)	(35,798)
Other	(269)	39,708	200	(909)	(1,075)
Net change in plan fiduciary net position	4,695,009	(5,457,582)	4,845,378	2,393,027	5,142,818
<b>Plan Fiduciary Net Position - Beginning</b>	<b>48,894,493</b>	<b>54,352,075</b>	<b>49,506,697</b>	<b>47,113,670</b>	<b>41,970,852</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 53,589,502</b>	<b>\$ 48,894,493</b>	<b>\$ 54,352,075</b>	<b>\$ 49,506,697</b>	<b>\$ 47,113,670</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 8,102,968</b>	<b>\$ 10,815,828</b>	<b>\$ (1,659,255)</b>	<b>\$ 1,621,180</b>	<b>\$ 1,919,415</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	86.87%	81.89%	103.15%	96.83%	96.09%
<b>Covered Payroll</b>	\$ 9,507,001	\$ 8,682,849	\$ 7,922,890	\$ 8,082,087	\$ 7,588,140
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	85.23%	124.57%	-20.94%	20.06%	25.29%

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

Page 2 of 2

**TEXAS MUNICIPAL RETIREMENT SYSTEM**
**SCHEDULE OF GEUS' PROPORTIONATE SHARE OF THE CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**
**LAST TEN MEASUREMENT YEARS**
**(UNAUDITED)**

	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016	Measurement Year 2015	Measurement Year 2014
<b>Total Pension Liability:</b>					
Service cost	\$ 1,098,257	\$ 1,037,143	\$ 1,007,771	\$ 955,582	\$ 871,454
Interest (on the Total Pension Liability)	3,112,844	2,916,644	2,821,116	2,748,004	2,643,356
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	164,743	(182,255)	(287,976)	62,453	6,172
Change in assumptions	-	-	-	873,886	-
Benefit payments, including refunds of employee contributions	(2,454,460)	(2,275,181)	(2,005,553)	(2,252,263)	(1,883,874)
Net change in total pension liability	1,921,384	1,496,351	1,535,358	2,387,661	1,637,107
<b>Total Pension Liability - Beginning</b>	<b>45,324,912</b>	<b>43,828,561</b>	<b>42,293,202</b>	<b>39,905,541</b>	<b>38,268,434</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 47,246,296</b>	<b>\$ 45,324,912</b>	<b>\$ 43,828,561</b>	<b>\$ 42,293,202</b>	<b>\$ 39,905,541</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 866,123	\$ 782,680	\$ 711,450	\$ 719,233	\$ 766,358
Contributions - employee	533,116	500,345	483,509	475,414	487,314
Net investment income	(1,363,109)	5,529,771	2,579,004	57,852	2,156,762
Benefit payments, including refunds of employee contributions	(2,454,460)	(2,275,181)	(2,005,553)	(2,252,263)	(1,883,874)
Administrative expense	(26,357)	(28,666)	(29,135)	(35,239)	(22,520)
Other	(1,378)	(1,452)	(1,570)	(1,740)	(1,852)
Net change in plan fiduciary net position	(2,446,065)	4,507,497	1,737,705	(1,036,744)	1,502,188
<b>Plan Fiduciary Net Position - Beginning</b>	<b>44,416,917</b>	<b>39,909,420</b>	<b>38,171,715</b>	<b>39,208,459</b>	<b>37,706,271</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 41,970,852</b>	<b>\$ 44,416,917</b>	<b>\$ 39,909,420</b>	<b>\$ 38,171,715</b>	<b>\$ 39,208,459</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 5,275,444</b>	<b>\$ 907,995</b>	<b>\$ 3,919,141</b>	<b>\$ 4,121,488</b>	<b>\$ 697,082</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	88.83%	98.00%	91.06%	90.25%	98.25%
<b>Covered Payroll</b>	\$ 7,610,929	\$ 7,147,780	\$ 6,907,272	\$ 6,875,419	\$ 6,929,197
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	69.31%	12.70%	56.74%	59.95%	10.06%

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**TEXAS MUNICIPAL RETIREMENT SYSTEM**

**SCHEDULE OF GEUS' CONTRIBUTIONS**

**LAST TEN FISCAL YEARS**

**(UNAUDITED)**

	<b>Fiscal Year</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Actuarially determined contributions	\$ 1,700,243	\$ 1,455,718	\$ 981,162	\$ 958,670	\$ 878,341
Contribution in relation to the actuarially determined contribution	<u>1,700,243</u>	<u>1,455,718</u>	<u>981,162</u>	<u>958,670</u>	<u>878,341</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GEUS' covered payroll	\$ 11,811,421	\$ 9,563,525	\$ 8,348,190	\$ 7,844,143	\$ 8,893,885
Contributions as a percentage of covered payroll	14.39%	15.22%	11.75%	12.22%	9.88%
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contributions	\$ 995,591	\$ 848,263	\$ 775,827	\$ 761,630	\$ 739,684
Contribution in relation to the actuarially determined contribution	<u>995,591</u>	<u>848,263</u>	<u>775,827</u>	<u>761,630</u>	<u>739,684</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GEUS' covered payroll	\$ 8,893,885	\$ 7,376,983	\$ 6,935,676	\$ 7,187,526	\$ 7,187,526
Contributions as a percentage of covered payroll	11.19%	11.50%	11.19%	10.60%	10.29%

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**(UNAUDITED)**

**Valuation Date:**

Actuarial determined contribution rates are calculated as of December 31<sup>st</sup> each year and become effective in January 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).  Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

**Other Information:**

There were no benefit changes for the year.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

**GEUS PROPORTIONATE SHARE**

**TMRS SUPPLEMENTAL DEATH BENEFITS FUND**

*For the Last Seven Measurement Years*

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Total OPEB Liability</b>					
Service cost	\$ 9,231	\$ 28,805	\$ 8,284	\$ 23,379	\$ 5,323
Interest on the total OPEB liability	10,729	11,938	3,752	29,566	5,844
Difference between expected and actual experience of the total OPEB liability	(3,064)	(2,920)	(192)	(21,560)	(30,273)
Changes of assumptions	13,394	(210,489)	5,780	81,944	84,341
Benefit payments	(10,317)	(13,991)	(4,023)	(4,837)	(4,553)
Net change in total OPEB liability	19,973	(186,657)	13,601	108,492	60,682
<b>Total OPEB Liability - Beginning</b>	<b>479,774</b>	<b>666,431</b>	<b>652,830</b>	<b>544,338</b>	<b>483,656</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 499,747</b>	<b>\$ 479,774</b>	<b>\$ 666,431</b>	<b>\$ 652,830</b>	<b>\$ 544,338</b>
 <b>Covered-Employee Payroll</b>	 \$ 9,507,001	 \$ 8,682,849	 \$ 7,922,884	 \$ 7,588,149	 \$ 7,610,929
 <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	 5.26%	 5.53%	 8.41%	 8.60%	 7.15%
	<b>2018</b>	<b>2017</b>			
<b>Total OPEB Liability</b>					
Service cost	\$ 20,550	\$ 16,440			
Interest on the total OPEB liability	27,302	15,209			
Difference between expected and actual experience of the total OPEB liability	12,886	-			
Changes of assumptions	(31,883)	34,615			
Benefit payments	(3,806)	(3,574)			
Net change in total OPEB liability	25,049	62,690			
<b>Total OPEB Liability - Beginning</b>	<b>458,607</b>	<b>395,917</b>			
<b>Total OPEB Liability - Ending</b>	<b>\$ 483,656</b>	<b>\$ 458,607</b>			
 <b>Covered-Employee Payroll</b>	 \$ 7,147,780	 \$ 7,147,780			
 <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	 6.77%	 6.42%			

**Notes to the Required Supplementary Information**

Amounts presented are for each measurement year, which end the preceding December 31 of the City's fiscal year end.

Total OPEB liability is calculated using a new methodology and will be presented prospectively in accordance with GASB 75.

Ten years of data should be presented in this schedule but data was unavailable.

There are no assets accumulated in trust to pay related benefits for the OPEB Plan.

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

#### GEUS PROPORTIONATE SHARE

#### RETIREE HEALTH CARE PLAN

For the Last Seven Measurement Years

	2023	2022	2021	2020	2019
<b>Total OPEB Liability</b>					
Service cost	\$ 78,879	\$ 137,706	\$ 35,988	\$ 24,630	\$ 21,347
Interest on the total OPEB liability	37,088	25,595	9,267	(12,196)	2,328
Changes of benefit terms	-	-	1,035,446	-	-
Difference between expected and actual experience of the total OPEB liability	(660)	(216,422)	68	(30,246)	(2,280)
Changes of assumptions	37,167	(170,706)	24,996	20,091	19,781
Benefit payments	(25,006)	(23,127)	(18,918)	(13,487)	(11,677)
Net change in total OPEB liability	127,468	(246,954)	1,086,847	(11,208)	29,499
<b>Total OPEB Liability - Beginning</b>	<u>1,183,839</u>	<u>1,430,793</u>	<u>343,946</u>	<u>355,154</u>	<u>325,655</u>
<b>Total OPEB Liability - Ending</b>	<u><u>\$ 1,311,307</u></u>	<u><u>\$ 1,183,839</u></u>	<u><u>\$ 1,430,793</u></u>	<u><u>\$ 343,946</u></u>	<u><u>\$ 355,154</u></u>
 <b>Covered-Employee Payroll</b>	 \$ 10,526,131	 \$ 11,016,096	 \$ 9,930,859	 \$ 7,915,136	 \$ 6,253,917
 <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	 12.46%	 10.75%	 14.41%	 4.35%	 5.68%
 <b>Total OPEB Liability</b>	 <u>2018</u>	 <u>2017</u>			
Service cost	\$ 24,207	\$ 20,142			
Interest on the total OPEB liability	17,502	16,099			
Difference between expected and actual experience of the total OPEB liability	(122,241)	(4,294)			
Changes of assumptions	(29,484)	17,317			
Benefit payments	(16,942)	(20,929)			
Net change in total OPEB liability	(126,958)	28,335			
<b>Total OPEB Liability - Beginning</b>	<u>452,613</u>	<u>424,278</u>			
<b>Total OPEB Liability - Ending</b>	<u><u>\$ 325,655</u></u>	<u><u>\$ 452,613</u></u>			
 <b>Covered-Employee Payroll</b>	 \$ 6,075,613	 \$ 6,197,147			
 <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	 5.36%	 7.30%			

#### Notes to the Required Supplementary Information

Amounts presented are for each measurement year, which end the preceding December 31 of the City's fiscal year end.

Total OPEB liability is calculated using a new methodology and will be presented prospectively in accordance with GASB 75.

Ten years of data should be presented in this schedule but data was unavailable.

There are no assets accumulated in trust to pay related benefits for the OPEB Plan.



## Statistical Section (Unaudited)

This part of Greenville Electric Utility System's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the utility's overall financial health. The tables herein, are unaudited.

### Table of Contents

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<b>Financial Trends</b> These schedules contain trend information to help the reader understand how GEUS' financial performance and well-being have changed over time.	54
<b>Debt Capacity</b> These schedules contain trend information to help the reader assess the affordability of GEUS' current levels of outstanding debt and GEUS' ability to issue additional debt in the future.	58
<b>Revenue Capacity</b> This schedule contains information to help the reader assess GEUS' revenue sources, the sale of electricity and cable and internet.	63
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the utility's financial activities take place.	65
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the utility's financial report relates to the services the utility provides and the activities it performs.	72

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)****Page 1 of 2****SCHEDULE OF FUND NET POSITION BY COMPONENT****Last Ten Fiscal Years**

	<b>2024<sup>1</sup></b>	<b>2023<sup>1</sup></b>	<b>2022<sup>1</sup></b>	<b>2021</b>	<b>2020</b>
Net Investment in capital assets	\$ 4,848,915	\$ 3,929,729	\$ 739,516	\$ 35,640,903	\$ 41,715,450
Restricted	-	-	1,659,255	-	-
Unrestricted	79,202,986	69,396,060	61,287,122	12,573,143	7,590,281
<b>Total Fund Net Position</b>	<b>\$ 84,051,901</b>	<b>\$ 73,325,789</b>	<b>\$ 63,685,893</b>	<b>\$ 48,214,046</b>	<b>\$ 49,305,731</b>

Source: Greenville Electric Utility System, Audited Financial Statements.

<sup>1</sup> Amount of debt attributable to capital assets was re-evaluated and determined that a higher percentage of the debt was related to the calculation

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)****SCHEDULE OF FUND NET POSITION BY COMPONENT****Last Ten Fiscal Years****Page 2 of 2**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Net Investment in capital assets	\$ 36,111,453	\$ 28,436,832	\$ 26,814,332	\$ 28,004,217	\$ 29,311,545
Restricted	-	4,536,273	5,152,752	5,173,144	5,162,133
Unrestricted	882,888	(10,742,403)	(13,317,583)	23,693,043	24,711,704
<b>Total Fund Net Position</b>	<b>\$ 36,994,341</b>	<b>\$ 22,230,702</b>	<b>\$ 18,649,501</b>	<b>\$ 56,870,404</b>	<b>\$ 59,185,382</b>

Source: Greenville Electric Utility System, Audited Financial Statements.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**
**Page 1 of 2**
**SCHEDULE OF CHANGES IN NET POSITION**
**Last Ten Fiscal Years**

	2024	2023	2022	2021	2020
<b>Operating Revenues</b>					
Electric	\$ 85,483,914	\$ 106,790,250	\$ 96,011,334	\$ 124,730,252	\$ 62,514,994
Cable & Internet	6,527,885	6,346,743	6,369,772	6,105,300	6,015,096
<b>Total Operating Revenues</b>	<b>92,011,799</b>	<b>113,136,993</b>	<b>102,381,106</b>	<b>130,835,552</b>	<b>68,530,090</b>
<b>Operating Expenses</b>					
Electric	63,482,089	84,881,893	76,913,932	112,929,130	40,238,959
Cable & Internet	4,741,707	4,814,276	4,819,862	5,091,059	5,000,802
Administrative	81,500	983,136	148,804	522,513	628,632
Insurance	606,148	554,100	418,216	335,581	320,469
City Services	594,268	545,519	517,080	795,455	709,267
Pilot	418,898	418,898	380,787	384,105	377,269
General Fund	3,237,743	3,440,000	2,887,078	3,323,580	2,735,206
Board of Development	647,549	688,000	577,415	817,079	718,703
<b>Total Operating Expenses</b>	<b>73,809,902</b>	<b>96,325,822</b>	<b>86,663,174</b>	<b>124,198,502</b>	<b>50,729,307</b>
Net (Expense) Revenue	18,201,897	16,811,171	15,717,932	6,637,050	17,800,783
<b>Non-operating Revenues and Expenses</b>					
<b>Non-operating Revenues:</b>					
Investment earnings	2,441,563	1,796,882	114,713	15,087	412,290
Amortization	392,214	321,129	576,367	573,619	579,868
Insurance recoveries	-	-	-	-	-
Other income	-	-	6,926,143	-	3,263
<b>Non-operating Expenses:</b>					
Depreciation/amortization	5,653,552	5,542,872	5,165,433	4,561,561	4,220,794
Interest expense	4,428,093	3,511,230	2,697,875	2,466,349	2,264,020
Bond issuance costs	-	-	-	-	-
Other expense	227,917	235,184	-	95,395	-
<b>Income Before Impairment</b>	<b>10,726,112</b>	<b>9,639,896</b>	<b>15,471,847</b>	<b>102,451</b>	<b>12,311,390</b>
Impairment of Prepaid Electric Costs <sup>1</sup>	-	-	-	-	-
Change in Net Position	10,726,112	9,639,896	15,471,847	102,451	12,311,390
<b>Net Position, Beginning of Year</b>	<b>73,325,789</b>	<b>63,685,893</b>	<b>49,408,182</b>	<b>49,305,731</b>	<b>36,994,341</b>
Change in Accounting Principle <sup>2</sup>	-	-	(1,194,136)	-	-
<b>Net Position, End of Year</b>	<b>\$ 84,051,901</b>	<b>\$ 73,325,789</b>	<b>\$ 63,685,893</b>	<b>\$ 49,408,182</b>	<b>\$ 49,305,731</b>

<sup>1</sup> In 1975, GEUS, along with the cities of Bryan, Denton and Garland, Texas (Cities), entered into a Power Sales Contract with the TMPA. GEUS provides electric services for the City under this contract. Under the Power Sales Contract, as amended, each City had the right to terminate the Power Sales Contract beyond September 1, 2018, if notice was sent to TMPA by September 30, 2016. GEUS provided such notice to TMPA in September 2016 and, as a result, GEUS discontinued purchasing power from TMPA effective September 1, 2018. Due to the significant decline in the service utility of the prepaid electric cost asset, such assets were deemed impaired during 2017 and GEUS recognized a \$34,093,046 impairment loss in the accompanying statement of revenues, expenses and changes in net position.

<sup>2</sup> 2018 – GASB 75, 2015 – GASB 68

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**
**SCHEDULE OF CHANGES IN NET POSITION**
**Last Ten Fiscal Years**
**Page 2 of 2**

	2019	2018	2017	2016	2015
<b>Operating Revenues</b>					
Electric	\$ 67,767,885	\$ 60,348,437	\$ 56,332,151	\$ 52,993,461	\$ 58,167,459
Cable & Internet	5,785,728	6,110,792	6,039,392	6,050,648	6,021,775
<b>Total Operating Revenues</b>	<b>73,553,613</b>	<b>66,459,229</b>	<b>62,371,543</b>	<b>59,044,109</b>	<b>64,189,234</b>
<b>Operating Expenses</b>					
Electric	41,871,642	45,144,618	48,954,429	43,884,348	45,250,943
Cable & Internet	4,893,587	5,147,590	4,983,896	4,832,073	4,722,986
Administrative	613,523	493,963	1,174,141	1,155,099	234,909
Insurance	285,436	238,625	229,442	230,415	234,816
City Services	625,495	572,225	695,621	685,369	647,480
Pilot	368,274	360,593	356,100	355,678	350,000
General Fund	3,037,799	2,849,244	2,446,730	2,627,770	2,698,026
Board of Development	683,535	569,849	489,346	525,554	539,605
<b>Total Operating Expenses</b>	<b>52,379,291</b>	<b>55,376,707</b>	<b>59,329,705</b>	<b>54,296,306</b>	<b>54,678,765</b>
Net (Expense) Revenue	21,174,322	11,082,522	3,041,838	4,747,803	9,510,469
<b>Non-operating Revenues and Expenses</b>					
<b>Non-operating Revenues:</b>					
Investment earnings	462,231	139,611	29,683	74,877	78,011
Amortization	65,388	42,051	41,662	41,285	40,925
Insurance recoveries	-	-	-	-	506,550
Other income	18,520	27,991	-	33,255	20,876
<b>Non-operating Expenses:</b>					
Depreciation/amortization	3,826,990	3,634,614	3,977,782	3,863,263	3,911,061
Interest expense	3,129,832	3,271,906	3,263,258	3,348,935	3,310,403
Bond issuance costs	-	-	-	-	62,530
Other expense	-	-	-	-	-
<b>Income Before Impairment</b>	<b>14,763,639</b>	<b>4,385,655</b>	<b>(4,127,857)</b>	<b>(2,314,978)</b>	<b>2,872,837</b>
Impairment of Prepaid Electric Costs <sup>1</sup>	-	-	(34,093,046)	-	-
Change in Net Position	14,763,639	4,385,655	(38,220,903)	(2,314,978)	2,872,837
<b>Net Position, Beginning of Year</b>	<b>22,230,702</b>	<b>18,649,501</b>	<b>56,870,404</b>	<b>59,185,382</b>	<b>56,316,053</b>
Change in Accounting Principle <sup>2</sup>	-	(804,454)	-	-	(3,508)
<b>Net Position, End of Year</b>	<b>\$ 36,994,341</b>	<b>\$ 22,230,702</b>	<b>\$ 18,649,501</b>	<b>\$ 56,870,404</b>	<b>\$ 59,185,382</b>

<sup>1</sup> In 1975, GEUS, along with the cities of Bryan, Denton and Garland, Texas (Cities), entered into a Power Sales Contract with the TMPA. GEUS provides electric services for the City under this contract. Under the Power Sales Contract, as amended, each City had the right to terminate the Power Sales Contract beyond September 1, 2018, if notice was sent to TMPA by September 30, 2016. GEUS provided such notice to TMPA in September 2016 and, as a result, GEUS discontinued purchasing power from TMPA effective September 1, 2018. Due to the significant decline in the service utility of the prepaid electric cost asset, such assets were deemed impaired during 2017 and GEUS recognized a \$34,093,046 impairment loss in the accompanying statement of revenues, expenses and changes in net position.

<sup>2</sup> 2018 – GASB 75, 2015 – GASB 68

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

Page 1 of 2

## **HISTORICAL STATEMENTS OF REVENUES, EXPENSES, DEBT SERVICE, AND DEBT**

## ***SERVICE COVERAGE***

### ***Last Ten Fiscal Years***

	2024	2023	2022	2021	2020
<b>Operating Revenues</b>					
Charges for services	\$ 92,011,799	\$ 113,136,993	\$ 102,381,106	\$ 130,835,552	\$ 68,530,090
Interest Revenue	<u>2,441,563</u>	<u>1,796,882</u>	<u>114,713</u>	<u>15,087</u>	<u>412,290</u>
<b>Total Operating Revenues</b>	<b>94,453,362</b>	<b>114,933,875</b>	<b>102,495,819</b>	<b>130,850,639</b>	<b>68,942,380</b>
<b>Operating Expenses <sup>(1)</sup>:</b>					
Fuel and Purchased Power,					
Operations and maintenance <sup>(2)</sup>	68,223,796	89,696,169	81,733,794	118,020,189	45,218,233
Administrative expenses	687,648	1,537,236	567,020	858,094	970,629
Intergovernmental	<u>4,898,458</u>	<u>5,092,417</u>	<u>4,362,360</u>	<u>5,320,219</u>	<u>4,540,445</u>
<b>Total Operating Expenses</b>	<b>73,809,902</b>	<b>96,325,822</b>	<b>86,663,174</b>	<b>124,198,502</b>	<b>50,729,307</b>
Net Available for Debt Services	20,643,460	18,608,053	15,832,645	6,652,137	18,213,073
Debt Service Requirements	11,346,624	6,763,782	5,165,614	4,804,944	4,137,125
Coverage of Debt Service Requirements					
by Net Revenues Available for Debt Service	1.82	2.75	3.07	1.38	4.40
<b>Total Revenue Bond Debt Outstanding</b>	<b>169,990,000</b>	<b>73,750,000</b>	<b>66,855,000</b>	<b>57,315,000</b>	<b>45,475,000</b>
Unamortized Premium & Discount	<u>13,359,172</u>	<u>5,622,750</u>	<u>5,729,802</u>	<u>5,920,530</u>	<u>4,291,486</u>
<b>Total Outstanding Revenue Debt</b>	<b>\$ 183,349,172</b>	<b>\$ 79,372,750</b>	<b>\$ 72,584,802</b>	<b>\$ 63,235,530</b>	<b>\$ 49,766,486</b>
Debt Per Capita	5,903	2,555	2,454	2,109	1,761
Rate Covenant per Bond Ordinance	1.25	1.25	1.25	1.25	1.25

(1) Excludes Depreciation.

(2) Includes Amortization of Prepaid Electric Costs (PEC)

FY 2018 Amortized PEC - \$1,549,897      FY 2015 Amortized PEC - \$1,434,549

FY 2017 Amortized PEC - \$1,549,897

FY 2016 Amortized PEC - \$1,549,896

(3) GEUS made additional payments to TMPA in the approximate amount of \$3,043,000 from operating income during FY 2017 for debt associated with electric generation instead of making the payment in FY 2016. If the payment had been made by GEUS from unrestricted cash in FY 2016 as intended, the cost of Fuel and Purchased Power, Operations in FY 2017 would have been reduced by approximately \$3,043,000 and the Coverage of Debt Service Requirements by Net Revenues Available for Debt Service would have been approximately 1.61x instead of 0.81x in FY 2017.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**
**HISTORICAL STATEMENTS OF REVENUES, EXPENSES, DEBT SERVICE, AND DEBT  
SERVICE COVERAGE**  
**Last Ten Fiscal Years**
**Page 2 of 2**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Operating Revenues</b>					
Charges for services	\$ 73,553,613	\$ 66,459,229	\$ 62,371,543	\$ 59,044,109	\$ 64,189,234
Interest Revenue	462,231	139,611	29,683	74,877	78,011
<b>Total Operating Revenues</b>	<b>74,015,844</b>	<b>66,598,840</b>	<b>62,401,226</b>	<b>59,118,986</b>	<b>64,267,245</b>
<b>Operating Expenses <sup>(1)</sup>:</b>					
Fuel and Purchased Power,					
Operations and maintenance <sup>(2)</sup>	46,765,229	50,292,208	53,938,325	48,716,421	49,973,929
Administrative expenses	898,959	732,588	1,403,583	1,385,514	469,725
Intergovernmental	4,715,103	4,351,911	3,987,797	4,194,371	4,235,111
<b>Total Operating Expenses</b>	<b>52,379,291</b>	<b>55,376,707</b>	<b>59,329,705</b>	<b>54,296,306</b>	<b>54,678,765</b>
Net Available for Debt Services	21,636,553	11,222,133	3,071,521	4,822,680	9,588,480
Debt Service Requirements	8,256,251	5,450,334	3,807,879	3,812,179	3,803,935
Coverage of Debt Service Requirements					
by Net Revenues Available for Debt Service	2.62	2.06	0.81 <sup>(3)</sup>	1.27	2.52
<b>Total Revenue Bond Debt Outstanding</b>	<b>50,910,000</b>	<b>66,100,203</b>	<b>70,391,916</b>	<b>70,888,202</b>	<b>68,121,127</b>
Unamortized Premium & Discount	<b>4,814,800</b>	<b>510,203</b>	<b>593,916</b>	<b>635,202</b>	<b>676,127</b>
<b>Total Outstanding Revenue Debt</b>	<b>\$ 55,724,800</b>	<b>\$ 66,610,406</b>	<b>\$ 70,985,832</b>	<b>\$ 71,523,404</b>	<b>\$ 68,797,254</b>
Debt Per Capita	1,972	2,427	2,711	2,669	2,655
Rate Covenant per Bond Ordinance	1.25	1.25	1.25	1.25	1.25

(1) Excludes Depreciation.

(2) Includes Amortization of Prepaid Electric Costs (PEC)

FY 2018 Amortized PEC - \$1,549,897

FY 2015 Amortized PEC - \$1,434,549

FY 2017 Amortized PEC - \$1,549,897

FY 2016 Amortized PEC - \$1,549,896

(3) GEUS made additional payments to TMPA in the approximate amount of \$3,043,000 from operating income during FY 2017 for debt associated with electric generation instead of making the payment in FY 2016. If the payment had been made by GEUS from unrestricted cash in FY 2016 as intended, the cost of Fuel and Purchased Power, Operations in FY 2017 would have been reduced by approximately \$3,043,000 and the Coverage of Debt Service Requirements by Net Revenues Available for Debt Service would have been approximately 1.61x instead of 0.81x in FY 2017.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**Page 1 of 3**

**ELECTRIC SYSTEM REVENUE BONDS**

**For the Fiscal Year Ended September 30, 2024**

Year Ending 9/30	The Series 2019A Refunding Bonds			The Series 2021 Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 2,490,000	\$ 193,000	\$ 2,683,000	\$ 270,000	\$ 410,119	\$ 680,119
2026	2,615,000	65,375	2,680,375	280,000	396,369	676,369
2027	-	-	-	295,000	381,994	676,994
2028	-	-	-	310,000	366,869	676,869
2029	-	-	-	325,000	350,994	675,994
2030	-	-	-	345,000	334,244	679,244
2031	-	-	-	360,000	316,619	676,619
2032	-	-	-	380,000	300,019	680,019
2033	-	-	-	395,000	284,519	679,519
2034	-	-	-	410,000	268,419	678,419
2035	-	-	-	425,000	251,719	676,719
2036	-	-	-	445,000	234,319	679,319
2037	-	-	-	460,000	216,219	676,219
2038	-	-	-	480,000	199,819	679,819
2039	-	-	-	495,000	185,194	680,194
2040	-	-	-	510,000	170,119	680,119
2041	-	-	-	525,000	154,594	679,594
2042	-	-	-	540,000	140,306	680,306
2043	-	-	-	550,000	127,363	677,363
2044	-	-	-	565,000	114,122	679,122
2045	-	-	-	580,000	100,525	680,525
2046	-	-	-	590,000	86,631	676,631
2047	-	-	-	605,000	72,062	677,062
2048	-	-	-	620,000	56,750	676,750
2049	-	-	-	635,000	41,062	676,062
2050	-	-	-	655,000	24,938	679,938
2051	-	-	-	670,000	8,375	678,375
2052	-	-	-	-	-	-
	<b>\$ 5,105,000</b>	<b>\$ 258,375</b>	<b>\$ 5,363,375</b>	<b>\$ 12,720,000</b>	<b>\$ 5,594,282</b>	<b>\$ 18,314,282</b>

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

**Page 2 of 3**

**ELECTRIC SYSTEM REVENUE BONDS**

**For the Fiscal Year Ended September 30, 2024**

<b>Year Ending 9/30</b>	<b>The Series 2022 Refunding Bonds</b>			<b>The Series 2022 Revenue Bonds</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 875,000	\$ 375,131	\$ 1,250,131	\$ 210,000	\$ 655,926	\$ 865,926
2026	900,000	349,838	1,249,838	220,000	643,025	863,025
2027	930,000	323,760	1,253,760	235,000	630,550	865,550
2028	955,000	296,899	1,251,899	245,000	618,550	863,550
2029	985,000	269,254	1,254,254	260,000	605,925	865,925
2030	1,010,000	240,825	1,250,825	270,000	592,675	862,675
2031	1,040,000	211,612	1,251,612	285,000	578,800	863,800
2032	1,070,000	181,545	1,251,545	300,000	564,175	864,175
2033	1,100,000	150,622	1,250,622	315,000	548,800	863,800
2034	1,135,000	118,774	1,253,774	335,000	532,550	867,550
2035	1,165,000	85,999	1,250,999	350,000	515,425	865,425
2036	1,200,000	52,298	1,252,298	370,000	497,425	867,425
2037	1,235,000	17,599	1,252,599	390,000	477,450	867,450
2038	-	-	-	410,000	455,450	865,450
2039	-	-	-	435,000	432,213	867,213
2040	-	-	-	455,000	407,738	862,738
2041	-	-	-	485,000	381,888	866,888
2042	-	-	-	510,000	354,525	864,525
2043	-	-	-	540,000	327,000	867,000
2044	-	-	-	565,000	299,375	864,375
2045	-	-	-	595,000	270,375	865,375
2046	-	-	-	625,000	239,875	864,875
2047	-	-	-	655,000	207,875	862,875
2048	-	-	-	690,000	174,250	864,250
2049	-	-	-	725,000	138,875	863,875
2050	-	-	-	765,000	101,625	866,625
2051	-	-	-	805,000	62,375	867,375
2052	-	-	-	845,000	21,125	866,125
	<b>\$ 13,600,000</b>	<b>\$ 2,674,156</b>	<b>\$ 16,274,156</b>	<b>\$ 12,890,000</b>	<b>\$ 11,335,840</b>	<b>\$ 24,225,840</b>

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**

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**ELECTRIC SYSTEM REVENUE BONDS**

**For the Fiscal Year Ended September 30, 2024**

<b>Year Ending 9/30</b>	<b>The Series 2024 Revenue &amp; Refunding Bonds</b>			<b>Grand Total Requirements</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>		
2025	\$ -	\$ 5,867,448	\$ 5,867,448	\$ 11,346,624	
2026	-	6,343,188	6,343,188	11,812,795	
2027	1,690,000	6,300,938	7,990,938	10,787,242	
2028	3,595,000	6,168,812	9,763,812	12,556,130	
2029	4,955,000	5,955,062	10,910,062	13,706,235	
2030	5,215,000	5,700,812	10,915,812	13,708,556	
2031	5,475,000	5,433,562	10,908,562	13,700,593	
2032	5,760,000	5,152,688	10,912,688	13,708,427	
2033	6,050,000	4,857,438	10,907,438	13,701,379	
2034	4,820,000	4,585,688	9,405,688	12,205,431	
2035	3,500,000	4,377,688	7,877,688	10,670,831	
2036	2,715,000	4,222,312	6,937,312	9,736,354	
2037	2,860,000	4,082,938	6,942,938	9,739,206	
2038	3,005,000	3,936,312	6,941,312	8,486,581	
2039	3,160,000	3,782,188	6,942,188	8,489,595	
2040	3,320,000	3,620,188	6,940,188	8,483,045	
2041	3,490,000	3,449,938	6,939,938	8,486,420	
2042	3,670,000	3,270,938	6,940,938	8,485,769	
2043	3,855,000	3,082,812	6,937,812	8,482,175	
2044	4,055,000	2,885,062	6,940,062	8,483,559	
2045	4,265,000	2,671,731	6,936,731	8,482,631	
2046	4,500,000	2,441,650	6,941,650	8,483,156	
2047	4,745,000	2,198,969	6,943,969	8,483,906	
2048	4,995,000	1,943,294	6,938,294	8,479,294	
2049	5,270,000	1,673,838	6,943,838	8,483,775	
2050	5,540,000	1,397,000	6,937,000	8,483,563	
2051	5,830,000	1,112,750	6,942,750	8,488,500	
2052	6,130,000	813,750	6,943,750	7,809,875	
	<b><u>\$ 125,675,000</u></b>	<b><u>\$ 107,997,744</u></b>	<b><u>\$ 233,672,744</u></b>	<b><u>\$ 297,850,397</u></b>	

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### SCHEDULE OF REVENUE BY SOURCES

Last Ten Fiscal Years

Description	2024	2023	2022	2021	2020
Residential	\$ 27,879,989	\$ 28,292,062	\$ 22,928,929	\$ 17,724,449	\$ 19,295,474
Wholesale/Commercial	51,081,030	72,023,032	66,731,980	105,218,236	41,478,606
Cable & Internet	6,527,885	6,346,743	6,315,466	6,105,300	6,015,095
Interest revenue	2,441,563	1,796,882	114,713	15,087	412,290
Miscellaneous	6,522,895	6,475,156	6,404,731	1,787,567	1,740,915
<b>Total Revenue</b>	<b>\$ 94,453,362</b>	<b>\$ 114,933,875</b>	<b>\$ 102,495,819</b>	<b>\$ 130,850,639</b>	<b>\$ 68,942,380</b>

Description	2019	2018	2017	2016	2015
Residential	\$ 19,113,503	\$ 19,035,430	\$ 16,497,193	\$ 16,366,985	\$ 17,375,894
Wholesale/Commercial	46,561,579	38,376,785	38,063,135	34,605,233	38,547,960
Cable & Internet	6,315,466	6,110,792	6,039,392	6,050,648	6,021,775
Interest revenue	-	139,611	29,683	74,877	78,011
Miscellaneous	2,025,296	2,936,222	1,771,823	2,021,243	2,243,605
<b>Total Revenue</b>	<b>\$ 74,015,844</b>	<b>\$ 66,598,840</b>	<b>\$ 62,401,226</b>	<b>\$ 59,118,986</b>	<b>\$ 64,267,245</b>

Source: Greenville Electric Utility System, Audited Financial Statements.



## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### DEMOGRAPHIC AND ECONOMIC STATISTICS

*Last Ten Fiscal Years*

Fiscal Year	Estimated Population	Median Household Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2015	25,917	n/a	\$ 18,439	5,824	6.2%
2016	26,800	n/a	19,201	5,408	5.5%
2017	26,180	n/a	19,779	5,628	4.7%
2018	27,443	\$ 37,304	21,188	5,354	4.5%
2019	28,263	41,978	22,249	5,360	4.1%
2020	28,827	40,950	23,519	5,359	4.1%
2021	29,980	44,622	21,188	5,400	5.1%
2022	29,578	48,979	26,049	5,390	5.9%
2023	31,060	56,858	29,342	5,320	4.8%
2024	34,193	72,776	41,253	5,300	3.9%

Sources: Provided by The City of Greenville, Texas  
<https://worldpopulationreview.com/us-cities/greenville-tx-population>

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### PRINCIPAL CUSTOMERS

Current Year and Nine Years Ago

Customer	2024		2015	
	Rank	% of Revenue Base	Customer	% of Revenue Base
		Rank	Base	
L3 Harris Technologies	1	15.51%	L3 Harris Technologies	14.90%
Saber Cooperation	2	2.65%	FSTI Inc.	3.30%
CYTEC DBA SYENSCO	3	3.20%	Cytec DBA Synesco	2.89%
Hunt Regional Medical	4	2.19%	Weatherford ArtificialLift#224	2.56%
HASA Inc.	5	2.13%	Hunt Retional Medical	1.80%
FSTI Inc.	6	1.60%	FRTIZ Industries	1.90%
International Grains & Cereal LLC	7	1.49%	Rock Tenn Corp.	0.91%
Rock Tenn Corp.	8	1.01%	Mikron Industries	0.95%
Wal-Mart	9	1.09%	Wal-Mart	0.81%
Weatherford ArtificialLift#224	10	0.80%	Brookshire Food Store	0.77%
<b>Totals</b>		<b>31.67%</b>		<b>30.78%</b>

Source: Greenville Electric Utility System, Billing Register

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### NUMBER OF CUSTOMER ACCOUNTS AT YEAR-END

Last Ten Fiscal Years

	2024	2023	2022	2021	2020
<b>Electric</b>					
Number	17,283	16,678	16,277	15,666	15,218
% Change	3.63%	2.46%	3.90%	2.32%	2.32%
<b>Cable Only</b>					
Number	589	657	722	823	925
% Change	-10.35%	-9.00%	-12.27%	-19.91%	-19.91%
<b>Internet Only</b>					
Number	3,338	3,343	3,155	2,868	2,619
% Change	-0.15%	5.96%	10.01%	16.56%	16.56%
<b>Cable and Internet</b>					
Number	1,077	1,297	1,432	1,620	1,691
% Change	-16.96%	-9.43%	-11.60%	-6.16%	-6.16%
	2019	2018	2017	2016	2015
<b>Electric</b>					
Number	14,873	14,769	14,297	14,028	13,669
% Change	0.70%	1.92%	4.59%	2.63%	0.23%
<b>Cable Only</b>					
Number	1,155	3,270	3,604	3,765	3,887
% Change	-64.68%	-4.28%	-7.28%	-3.14%	-5.45%
<b>Internet Only</b>					
Number	2,247	2,160	1,967	1,801	1,657
% Change	4.03%	9.22%	18.71%	8.69%	10.25%
<b>Cable and Internet</b>					
Number	1,802	4,185	4,103	3,928	3,686
% Change	-56.94%	4.46%	11.31%	6.57%	2.11%

Source: Greenville Electric Utility System, Retail Sales Report and Cable and Internet Monthly Report

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

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## TEN YEAR RATE ANALYSIS

Last Ten Fiscal Years

Electric	2024	2023	2022	2021	2020
<b>Residential</b>					
Consumer Charge	\$ 11.25	\$ 11.25	\$ 11.25	\$ 11.25	\$ 10.79
Energy Charge: June - October billing months (Per kWh)	0.0653	0.0653	0.0653	0.0653	0.0745
Energy Charge: November - May billing months (First 1200 kWh)	0.0653	0.0653	0.0653	0.0653	0.0664
Energy Charge: November - May billing months (Over 1200 kWh)	0.0480	0.0480	0.0480	0.0480	0.0475
Energy Charge: November - May billing months (First 600 kWh)	N/A	N/A	N/A	N/A	N/A
Energy Charge: November - May billing months (Next 600 kWh)	N/A	N/A	N/A	N/A	N/A
Energy Charge: November - May billing months (Remainder kWh)	N/A	N/A	N/A	N/A	N/A
Fuel Adjustment Factor (Per kWh)*	0.0465	0.0475	0.0450	0.0290	0.0300
Regulatory Charge (Per kWh)*	0.0020	0.0020	0.0020	0.0020	0.0020
Greenville General Fund Transfer Fee	5%	5%	5%	5%	5%
Greenville Board of Development Transfer Fee	1%	1%	1%	1%	1%
<b>Cable &amp; Internet**</b>					
<b>Cable</b>					
Economy	\$ 44.95	\$ 44.95	\$ 39.95	\$ 39.95	\$ 36.95
Economy Plus	129.95	129.95	104.95	104.95	89.95
Digital	146.95	146.95	121.95	121.95	106.95
<b>Residential Internet</b>					
GEUS 10	N/A	N/A	29.95	29.95	\$ 29.95
GEUS 50	29.95	\$ 29.95	N/A	N/A	N/A
GEUS 250	N/A	52.95	52.95	\$ 52.95	N/A
GEUS 320	64.95	\$ 64.95	N/A	N/A	N/A
GEUS 450	N/A	N/A	89.95	89.95	\$ 89.95
GEUS 500	94.95	\$ 94.95	N/A	N/A	N/A
Copper-R 5 Mbps	N/A	N/A	N/A	N/A	N/A
Bronze-R 10 Mbps	N/A	N/A	N/A	N/A	N/A
Silver-R 20 Mbps	N/A	N/A	N/A	N/A	N/A
Residential - 30 Mbps	N/A	N/A	N/A	N/A	N/A
Gold -R 50 Mbps	N/A	N/A	N/A	N/A	N/A
Residential - 60 Mbps	N/A	N/A	N/A	N/A	N/A
Platinum-R 100 Mbps	N/A	N/A	N/A	N/A	N/A
<b>Commercial Internet</b>					
GEUS 250	N/A	N/A	69.95	69.95	\$ 59.95
GEUS 320	69.95	\$ 69.95	N/A	N/A	N/A
GEUS 450	N/A	N/A	114.95	114.95	\$ 109.95
GEUS 500	114.95	114.95	N/A	N/A	N/A
Swift-C 10 Mbps	N/A	N/A	N/A	N/A	N/A
Quick-C 20 Mbps	N/A	N/A	N/A	N/A	N/A
Rapid-C 30 Mbps	N/A	N/A	N/A	N/A	N/A
Express-C 60 Mbps	N/A	N/A	N/A	N/A	N/A
Top Fuel-C 100 Mbps	N/A	N/A	N/A	N/A	N/A
<b>Streaming Internet</b>					
Gold Streaming Package	N/A	N/A	N/A	N/A	N/A
Silver Streaming	N/A	N/A	N/A	N/A	N/A

\* Rate at end of fiscal year

\*\* Cable & Internet rates based on per month fee

# GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

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## TEN YEAR RATE ANALYSIS

Last Ten Fiscal Years

Electric	2019	2018	2017	2016	2015
<b>Residential</b>					
Consumer Charge	\$ 10.79	\$ 10.79	\$ 10.79	\$ 10.79	\$ 10.79
Energy Charge: June - October billing months (Per kWh)	0.0745	0.0745	0.0745	0.0745	0.0745
Energy Charge: November - May billing months (First 1200 kWh)	0.0664	0.0664	0.0664	0.0664	0.0664
Energy Charge: November - May billing months (Over 1200 kWh)	0.0475	0.0475	0.0475	0.0475	0.0475
Energy Charge: November - May billing months (First 600 kWh)	N/A	N/A	N/A	N/A	N/A
Energy Charge: November - May billing months (Next 600 kWh)	N/A	N/A	N/A	N/A	N/A
Energy Charge: November - May billing months (Remainder kWh)	N/A	N/A	N/A	N/A	N/A
Fuel Adjustment Factor (Per kWh)*	0.0327	0.0310	0.0270	0.0230	0.0300
Regulatory Charge (Per kWh)*	0.0020	0.0020	0.0010	0.0008	0.0006
Greenville General Fund Transfer Fee	5%	5%	5%	5%	5%
Greenville Board of Development Transfer Fee	1%	1%	1%	1%	1%
<b>Cable &amp; Internet**</b>					
<b>Cable</b>					
Economy	\$ 29.95	\$ 29.95	\$ 21.95	\$ 21.95	\$ 21.95
Economy Plus	72.95	72.95	67.95	57.95	57.95
Digital	87.95	87.95	75.95	67.95	67.95
<b>Residential Internet</b>					
GEUS 10	N/A	N/A	N/A	N/A	N/A
GEUS 50	N/A	N/A	N/A	N/A	N/A
GEUS 250	N/A	N/A	N/A	N/A	N/A
GEUS 320	N/A	N/A	N/A	N/A	N/A
GEUS 450	N/A	N/A	N/A	N/A	N/A
GEUS 500	N/A	N/A	N/A	N/A	N/A
Copper-R 5 Mbps	14.95	14.95	14.95	14.95	14.95
Bronze-R 10 Mbps	24.95	24.95	24.95	24.95	24.95
Silver-R 20 Mbps	41.95	41.95	41.95	41.95	41.95
Residential - 30 Mbps	N/A	N/A	N/A	N/A	N/A
Gold -R 50 Mbps	61.95	61.95	61.95	61.95	61.95
Residential - 60 Mbps	N/A	N/A	N/A	N/A	N/A
Platinum-R 100 Mbps	95.95	95.95	95.95	95.95	95.95
<b>Commercial Internet</b>					
GEUS 250	N/A	N/A	N/A	N/A	N/A
GEUS 320	N/A	N/A	N/A	N/A	N/A
GEUS 450	N/A	N/A	N/A	N/A	N/A
GEUS 500	N/A	N/A	N/A	N/A	N/A
Swift-C 10 Mbps	N/A	N/A	N/A	75.95	75.95
Quick-C 20 Mbps	N/A	N/A	N/A	129.95	129.95
Rapid-C 30 Mbps	69.95	69.95	69.95	171.95	171.95
Express-C 60 Mbps	89.95	89.95	89.95	225.95	225.95
Top Fuel-C 100 Mbps	149.95	149.95	149.95	325.95	325.95
<b>Streaming Internet</b>					
Gold Streaming Package	102.95	102.95	102.95	102.95	N/A
Silver Streaming	79.95	79.95	79.95	N/A	N/A

\* Rate at end of fiscal year

\*\* Cable & Internet rates based on per month fee

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### PRINCIPAL EMPLOYERS

For the Current Year and Nine Years Ago

Name of Employer	2024			2015			
	No. of Employees	Rank	Percentage of Total City Employment	No. of Employees	Rank	Percentage of Total City Employment	
L-3 Harris Technologies	5,000	1	19.54%	L-3 Technologies	6,500	1	54.10%
Hunt Regional Medical	950	2	3.71%	Hunt Regional Medical Center	1,100	2	9.16%
Greenville ISD	688	3	2.69%	Greenville ISD	709	3	5.90%
Change Healthcare	600	4	2.35%	Mckesson	470	4	3.91%
Freedom Ford Greenville By Ed Mo	500	5	1.95%	Hunt County	387	5	3.22%
Walmart Supercenter	450	6	1.76%	Cytec	350	6	2.91%
Premdor Doors	400	7	1.56%	Walmart Supercenter	300	7	2.50%
Masonite Corporation	375	8	1.47%	Masonite Corporation	300	8	2.50%
Weatherford International	275	9	1.07%	Weathered International	225	9	1.87%
Innovation First International	250	10	0.98%	Raytheon	200	10	1.66%
<b>Total</b>	<b>9,488</b>		<b>37.07%</b>	<b>Total</b>	<b>10,541</b>		<b>87.73%</b>
<b>Total Employment Within the City</b>	<b>25,585</b>					<b>12,015</b>	

**Source:** Greenville Economic Development Corporation  
Texas Education Agency

## GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)

### SCHEDULE OF FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

	2024	2023	2022	2021	2020
Administrative & General	53	51	48	44	47
Engineering & Operations	49	50	46	40	40
Production	18	20	20	19	19
Cable & Internet	10	9	8	13	15
<b>Total</b>	<b>130</b>	<b>130</b>	<b>122</b>	<b>116</b>	<b>121</b>

	2019	2018	2017	2016	2015
Administrative & General	43	40	40	36	36
Engineering & Operations	38	41	40	42	42
Production	28	28	28	28	28
Cable & Internet	17	17	17	17	17
<b>Total</b>	<b>126</b>	<b>126</b>	<b>125</b>	<b>123</b>	<b>123</b>

Source: Greenville Electric Utility System, Personnel Department Records.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION/PROGRAM**  
*Last Ten Fiscal Years*

**Page 1 of 2**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Energy Sales:</b>					
Residential					
kWh sales	189,679,813	181,057,613	179,958,692	168,479,498	166,972,901
Average kWh/customer	12,854	12,751	12,495	12,790	12,790
Average energy revenue per kWh	\$ 0.13988160	\$ 0.13770585	\$ 0.11805329	\$ 0.10520241	\$ 0.11556051
Average annual billing/customer	1,798.10	1,755.89	1,475.08	1,345.53	1,478.01
Customers, average	14,756	14,200	13,687	13,484	13,055
Customer increase (decrease) net	556	513	203	429	353
Commercial					
kWh sales	355,712,999	347,893,248	347,225,952	327,178,839	341,639,471
Average kWh/customer	157,954	156,850	149,994	157,947	157,947
Average energy revenue per kWh	\$ 0.10422090	\$ 0.11351244	\$ 0.11805329	\$ 0.08121006	\$ 0.08880693
Customers, average	2,252	2,218	2,199	2,182	2,163
Customer increase (decrease) net	34	19	17	19	(353)
<b>Totals</b>					
Retail Sales kWh	545,392,812	528,950,861	527,184,644	495,658,337	508,612,372
Average energy revenue per kWh	\$ 0.11561547	\$ 0.12226684	\$ 0.12258162	\$ 0.11111182	\$ 0.08708923
Customers, average	17,008	16,418	15,886	15,666	15,218
<b>Annual Load Factor</b>	<b>49.0%</b>	<b>48.7%</b>	<b>48.5%</b>	<b>51.0%</b>	<b>52.8%</b>
<b>Peak Demand (MW)</b>	127	124	124	111	110

Source: Greenville Electric Utility System, Audited Financial Statements.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)**  
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION/PROGRAM**  
*Last Ten Fiscal Years*

**Page 2 of 2**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Energy Sales:</b>					
Residential					
kWh sales	160,135,849	164,173,285	143,973,588	148,211,427	147,741,108
Average kWh/customer	12,607	13,048	11,737	12,376	12,558
Average energy revenue per kWh	\$ 0.12049441	\$ 0.11642274	\$ 0.13221474	\$ 0.11130851	\$ 0.11078152
Average annual billing/customer	1,519.09	1,519.11	1,551.76	1,377.52	1,391.16
Customers, average	12,702	12,582	12,267	11,976	11,765
Customer increase (decrease) net	120	315	291	211	171
Commercial					
kWh sales	354,495,931	359,476,351	361,656,032	368,205,022	359,904,781
Average kWh/customer	140,897	156,908	144,547	158,641	159,039
Average energy revenue per kWh	\$ 0.08558618	\$ 0.09066401	\$ 0.08761022	\$ 0.08317231	\$ 0.08290865
Customers, average	2,516	2,291	2,502	2,321	2,263
Customer increase (decrease) net	225	(211)	181	58	188
<b>Totals</b>					
Retail Sales kWh	514,631,780	523,649,636	505,629,620	516,416,449	507,645,889
Average energy revenue per kWh	\$ 0.09644843	\$ 0.09873982	\$ 0.10031096	\$ 0.09124739	\$ 0.09102054
Customers, average	15,218	14,873	14,769	14,297	14,028
<b>Annual Load Factor</b>	<b>52.5%</b>	<b>52.0%</b>	<b>52.5%</b>	<b>51.3%</b>	<b>50.8%</b>
<b>Peak Demand (MW)</b>	112	115	110	115	114

Source: Greenville Electric Utility System, Audited Financial Statements.

**GREENVILLE ELECTRIC UTILITY SYSTEM (GEUS)****CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM***Last Ten Fiscal Years*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Electric Distribution:</b>					
Number of Substations	9	9	9	9	9
Miles of Distribution Lines	785	755	755	743	726
System Capacity	300.5	300.5	300.5	303.2	303.2

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Electric Distribution:</b>					
Number of Substations	9	9	9	9	9
Miles of Distribution Lines	703	703	703	703	703
System Capacity	247.2	247.2	247.2	247.2	247.2

Source: Greenville Electric Utility System, Engineering Records.