COUNTY OF GREENE
Snow Hill, North Carolina

FINANCIAL STATEMENTS

For The Fiscal Year Ended June 30, 2009

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For The Fiscal Year Ended June 30, 2009

Prepared By
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Certified Public Accountants
Kinston, North Carolina

GREENE COUNTY, NORTH CAROLINA

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COUNTY OFFICIALS

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County Manager

SHAWNA T. WOOTEN
Finance Officer

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INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners
Greene County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina as of and for the year then ended June 30, 2009, which collectively comprise Greene County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Greene County, North Carolina's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Greene County ABC Board were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2009 on our consideration of Greene County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officer's Special Separation Allowance and the Other Postemployment Benefits Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Greene County, North Carolina. The combining and individual nonmajor fund financial statements and schedules and the statistical tables, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information and the statistical tables have not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, we express no opinion on them.

Barrow, Parris & Davenport, P.A

BARROW, PARRIS & DAVENPORT, P.A.

December 18, 2009

Management's Discussion and Analysis

As management of Greene County, we offer readers of Greene County's financial statements this narrative overview and analysis of the financial activities of Greene County for the fiscal year ended June 30, 2009. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets of Greene County exceeded its liabilities at the close of the fiscal year by $29,872,762.
- The government's total net assets increased by $3,043,270, primarily due to increased net assets in the Utility Fund. This compares to an increase of $3,388,358 in 2008.
- As of the close of the current fiscal year, Greene County's governmental funds (which include the general, special revenue and capital projects funds) reported combined ending fund balances of $16,499,208, an increase of $10,463,665 in comparison with the previous year. Approximately 16.69% of this total amount, or $2,754,516 is available for spending at the government's discretion (unreserved fund balance). In 2008, the unreserved fund balance was $1,479,745, or 7.47% of expenditures.
- At the end of the fiscal year, unreserved fund balance for the General Fund was $1,907,772, or 11.09% of total General Fund expenditures for the fiscal year. In 2008, unreserved fund balance in the General Fund was $1,645,708 or 9.78% of total General Fund expenditures.
- Greene County's total debt increased by $15,770,577 (187.46%) during the current fiscal year. New debt totaling $17,023,900 was issued during the current fiscal year. The key factors in new issuances include the 1) temporary financing acquired to begin constriction of a new jail facility; 2) Bond Anticipation Note proceeds to complete construction of the Greenville Utilities Commission Waterline Improvements; and 3) the County's withdrawal of $235,500 of available GTP funds for economic development loans to Vandiford's Country Kitchen and Greene County Arts & Historical Society.

Overview of the Financial Statements

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

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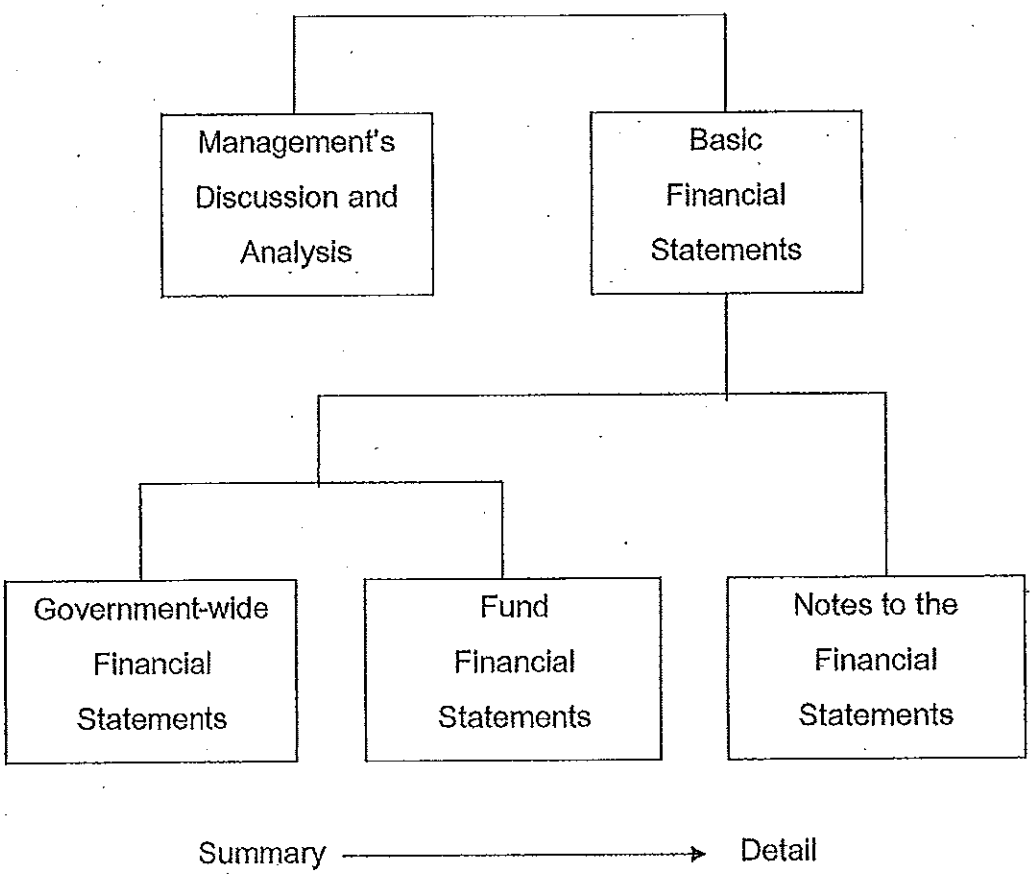
Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements.** They provide both short and long-term information and the County's financial status.

The next statements (Exhibits 3 through 10) are **Fund Financial Statements.** These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts of the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes.** The notes on the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplementary information. This section contains funding information about the County's pension plans.

Government-wide Financial Statements

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

The two government-wide statements report the County's net assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grants finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the Utility, Landfill, and Transportation services. The final category is the component units. Greene County Water & Sewer District I (the District) was established to provide sewer service for the school system and county residents within the District. The District was formed November 4, 2002 in accordance with North Carolina General Statute 162A-86. The District has been included with the County's Utility Fund. The Greene County Industrial Facility and Pollution Control Financing Authority exists to issue and service revenue bond debt of private businesses for economic development purposes. The authority is governed by a seven member board, all of whom are appointed by the county commissioners. The members of the ABC Board's governing body are also appointed by the county commissioners. The ABC Board is also required to distribute its profits to the County.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

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

Proprietary Funds - Greene County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Greene County uses enterprise funds to account for its utility (water and sewer) operations, landfill operations (that include scrap tire and white goods), and transportation. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Greene County has four agency funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 24 of this audited financial report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Greene County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 58.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Greene County exceeded the liabilities by $29,872,762 as of June 30, 2009. As of June 30, 2008, the net assets of Greene County stood at $26,829,492. The County's net assets increased by $3,043,270 for the fiscal year ended June 30, 2009, compared to an increase of $3,388,358 in 2008. One of the largest portions $20,394,111 (68.27%) reflects the County's investment in capital assets (e.g. land, buildings, water and sewer distribution lines, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Greene County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Greene County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Greene County's net assets $4,557,418 (15.26%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $4,921,233 (16.47%) is unrestricted. In 2008, the amount of net assets invested in capital assets net of related debt was $19,107,376, with restricted assets standing at $2,267,490. The remaining $5,454,626 was unrestricted net assets for that year.

Greene County's Net Assets
Figure 2

	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Current and other assets	$17,852,685	$7,538,274	$8,824,135	$5,050,961	$26,676,820	$12,589,235
Capital assets	7,517,871	7,392,409	23,496,804	18,890,597	31,014,675	26,283,006
Total assets	**$25,370,556**	**$14,930,683**	**$32,320,939**	**$23,941,558**	**$57,691,495**	**$38,872,241**
Long-term liabilities outstanding	$12,885,098	$2,696,810	$13,076,534	$7,207,264	$25,961,632	$9,904,074
Other liabilities	749,691	830,259	1,107,410	1,308,416	1,857,101	2,138,675
Total liabilities	**$13,634,789**	**$3,527,069**	**$14,183,944**	**$8,515,680**	**$27,818,733**	**$12,042,749**
Net assets:						
Invested in capital	$6,774,171	$6,362,105	$13,619,940	$12,745,271	$20,394,111	$19,107,376
Restricted	41,292	35,029	4,516,126	2,232,461	4,557,418	2,267,490
Unrestricted	4,920,304	5,006,480	929	448,146	4,921,233	5,454,626
Total net assets	**$11,735,767**	**$11,403,614**	**$18,136,995**	**$15,425,878**	**$29,872,762**	**$26,829,492**

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net assets:

- Continued diligence in the collection of property taxes. The property tax collection rate increased slightly to 95.61% from 94.83%.
- Continued attention by the County's department heads and employees to contain and reduce spending where possible.
- The County began the construction of a new jail facility and continued construction of the Greenville Utilities Commission Waterline Project.

Greene County Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	$1,533,869	$1,590,888	$2,873,817	$2,762,827	$4,407,686	$4,353,715
Operating grants and contributions	4,838,672	4,764,090	793,253	718,202	5,631,925	5,482,292
Capital grants and contributions	1,580,538	990,485	1,774,179	802,887	3,354,717	1,793,372
General revenues:						
Property taxes	8,229,291	7,661,968			8,229,291	7,661,968
Local Option Sales Tax	3,007,140	3,605,562			3,007,140	3,605,562
Other taxes	40,973	262,392			40,973	262,392
Grants and contributions not restricted to specific programs	84,345	85,274			84,345	85,274
Investment Earnings	60,561	162,255	123,394	170,801	183,955	333,056
Other	90,587	99,939		(8,026)	90,587	91,913
Total revenues	**$19,465,976**	**$19,222,853**	**$5,564,643**	**$4,446,691**	**$25,030,619**	**$23,669,544**
Expenses:						
General government	$2,484,064	$2,221,893			$2,484,064	$2,221,893
Public safety	4,424,541	3,954,759			4,424,541	3,954,759
Environmental Protection	52,494	50,244			52,494	50,244
Economic and physical development	1,038,094	792,053			1,038,094	792,053
Human services	6,569,528	6,859,085			6,569,528	6,859,085
Cultural and recreation	482,081	341,245			482,081	341,245
Education	3,936,614	3,039,250			3,936,614	3,039,250
Interest on long-term debt	91,949	124,233			91,949	124,233
Utility			$1,866,448	$1,922,275	1,866,448	1,922,275
Landfill			654,879	650,323	654,879	650,323
Nonmajor Enterprise Activities			386,657	386,326	386,657	386,326
Total expenses	**$19,079,365**	**$17,382,762**	**$2,907,984**	**$2,958,924**	**$21,987,349**	**$20,341,686**
Increase (Decrease) in net assets before transfers and special items	**$386,611**	**$1,840,091**	**$2,656,659**	**$1,487,767**	**$3,043,270**	**$3,327,858**
Transfers	(54,458)	(67,140)	54,458	67,140		
Special Item - Gain (Loss) on Disposal of Bldg		60,500				60,500
Increase in net assets	**$332,153**	**$1,833,451**	**$2,711,117**	**$1,554,907**	**$3,043,270**	**$3,388,358**
Net assets, July 1	11,403,614	9,570,163	15,425,878	13,870,971	26,829,492	23,441,134
Net assets, June 30	**$11,735,767**	**$11,403,614**	**$18,136,995**	**$15,425,878**	**$29,872,762**	**$26,829,492**

Governmental activities. Governmental activities increased the County's net assets by $332,153, thereby accounting for 10.91% of the total growth in the net assets of Greene County. This compares to an increase of $1,833,451 in 2008, which represented 54.11% of the growth in the County's net assets. The key elements of this increase are as follows:

- Due to continued cost-cutting measures, a number of County departments completed the fiscal year under budgeted amount.
- The County secured financing for the construction of a new jail facility.

Business-type activities. Business-type activities increased Greene County's net assets by $2,711,117 accounting for 89.09% of the total growth in the government's net assets. Net assets increased by $1,554,907 in 2008, representing 45.89% of the total growth in net assets for the year. The key elements of this increase are as follows:

- Cutter Creek Phase 1 project has been completed and the related assets capitalized.
- The County received a number of loans and grants for the continued construction of the Greenville Utilities Commission Waterline Project.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Greene County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Greene County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Greene County. At the end of the current fiscal year, unreserved fund balance of the General Fund was $1,907,772, while total fund balance reached $6,436,656. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 11.09% of total General Fund expenditures, while total fund balance represents 37.42% of that same amount.

At June 30, 2009, the governmental funds of Greene County reported a combined fund balance of $16,499,208, a 173.37% increase from last year.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increase revenues by $1,032,494 and are explained as follows:

- At the time of budget preparation, certain state grant amounts for Aging, Youth Programs, Transportation Programs, etc., were not available. Also, several grants were awarded to the County during the course of the year. These amendments amounted to approximately $57,464.
- During the year $100,000 was budgeted from restricted funds set aside for special projects including economic development.
- Federal and State Grant amounts were revised by the State during the fiscal year amounting to an increase of $346,637.
- The County's budget was amended to account for appropriations to fund additional County services and expenditures in the amount of approximately $528,393.

Capital Asset and Debt Administration

Capital Assets. Greene County's capital assets for its government and business-type activities as of June 30, 2009, totals $31,014,675 (net of accumulated depreciation). These assets include buildings, water and sewer distribution lines, land, equipment, and vehicles.

Major capital asset transactions during the year include:

- Purchased new vehicles for Emergency Management Services, Sheriff's Department and Animal Control and disposed of old vehicles in the Sheriff's Department.
- The County awarded construction bids and began construction of a new jail facility. Through construction and temporary financing, the County reimbursed itself for prior architectural expenditures. The jail construction project has an anticipated completion date of 2010.
- The beginning phases of the Greenville Utilities Commission Waterline Project with the Town of Farmville continued. Upon completion of all phases of this project, Greene County will be able to receive water transmission from Greenville Utilities Commission.

Greene County's Capital Assets
(Net of Depreciation)
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	$603,482	$1,022,171	$328,201	$328,201	$931,683	$1,350,372
Buildings and System	4,386,690	4,040,844	17,495,143	16,392,495	21,881,833	20,433,339
Machinery and Equipment	840,877	991,094	160,990	189,076	1,001,867	1,180,170
Vehicles and Motorized Equipment	299,424	275,584	185,724	219,840	485,148	495,424
Construction in Progress	1,387,398	1,062,716	5,326,746	1,760,987	6,714,144	2,823,703
	$7,517,871	**$7,392,409**	**$23,496,804**	**$18,890,599**	**$31,014,675**	**$26,283,008**

Additional information on the County's capital assets can be found in note III.A.4 on page 38 of this audited financial report.

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Long-term Debt. As of June 30, 2009, Greene County had $0 in bonded debt outstanding.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capitalized Lease	$195,342		$195,342	
Notes Payable	199,324		9,802	$189,522
Global Transpark Development Zone Loan	712,350	$235,500	229,446	718,404
Installment Purchase Contracts	1,160,223	10,586,400	470,104	11,276,519
Total Governmental Activities	$2,267,239	$10,821,900	$904,694	$12,184,445
Business-type Activities:				
Installment Purchase Contract	$3,561,841		$176,396	$3,385,445
Bond Anticpation Notes		$6,202,000		6,202,000
Clean Water Bond Loan	2,583,486		172,233	2,411,253
Total Business-type Activities	$6,145,327	$6,202,000	$348,629	$11,998,698

Greene County's total debt increased by $15,770,577 (187.46%) during the past fiscal year, primarily due to the $10,500,000 temporary financing acquired to complete the new County jail facility as well as the $6,202,000 Bond Anticipation Note, "(BAN)" proceeds issued to complete the next phase of the Greenville Utilities Commission Waterline system improvements. The temporary jail financing and the BAN proceeds are expected to be converted to USDA loans at the completion of the respective projects.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Greene County is $79,045,534. The County has $0 in bonds authorized but unissued at June 30, 2009.

Additional information regarding Greene County's long-term debt can be found in Note III.B.7 beginning on page 47 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicator reflects the current climate in Greene County.

- The County has experienced a significant increase in its employment rate. As of June 30, 2009, the County unemployment rate was 11.5% as compared with the State average of 11.0%.

- Construction continues on the joint project with the Town of Farmville that will allow both entities to purchase water from Greenville Utilities Commission as an alternative water supply to meet the requirements of the Central Coastal Plain Capacity Use rules. This pipeline will allow for the transfer of 5 million gallons per day to Farmville and Greene County. We anticipate being able to move water beginning May of 2010.

Budget Highlights for the Fiscal Year Ending June 30, 2010

Governmental Activities: The expenditures in the General Fund are budgeted to decrease approximately 8%.

- The Town's tax rate remains at $.756 per $100 of assessed value and the collection rate remains strong.

- The County repaid two long-term outstanding debts in 2009. Those being the wireless project and human services building accounting for a decrease in debt service expenditures.

- The 2009 - 2010 State budget included an anticipated drop in State shared revenues, which were offset by a reduction in expenditures and a delay in some capital expenditures. The projected State budget also included a decrease shared revenues of beer and wine revenues due to these revenues being recaptured by the State to balance their budget.

- The 2009 - 2010 budget includes the 3rd year of a 3-year phase out of the County's share of Medicaid benefits. This phase out will also include a change in some of the sales tax collections for the County. Most significantly Article 44, as this will be the final year of collections of this article in 2010. Another significant piece of this plan is the change in the distribution for Article 40. Previously, Article 40 was distributed to counties on a per capita basis. In 2009, that changed to a point of sale basis, meaning a significant decrease to small counties such as Greene.

- The County has secured a $31,000 Edward Byrne Memorial Justice Assistance Grant for 2009 - 2010. The Byrne JAG is a federal grant that provides States and units of local government with funds to provide additional personnel, equipment, supplies, contractual support, training, technical assistance and information systems for criminal justice.

- The County has begun talks to build or refurbish an intermediate school for Greene County. To date, the County has secured an architect to begin the design but the plans are on hold until funding is secured. The County is involved in discussions with the USDA to provide the necessary funding for this project.

Business-type Activities: No rate increases were budgeted except for the alternative water charges in the Utility Fund.

The Public Works Department plans to upgrade its software as well as replace two vehicles. An increase in water rates was not budgeted. However, and increase in alternative water rates was budgeted.

The bids have been awarded for the next phase of the Alternative Water Project. This project will allow the County to receive water transmission from Greenville Utilities Commission.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Greene County, 229 Kingold Blvd. Suite D, Snow Hill, NC 28580.

BASIC FINANCIAL STATEMENTS

EXHIBIT 1

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS
June 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
ASSETS				
Assets:				
Cash and Cash Equivalents	$3,946,371	$1,733,671	$5,680,042	$139,792
Cash with Fiscal Agent	10,502,301		10,502,301	
Receivables (Net)	1,223,229	368,973	1,592,202	
Due From Other Governments	1,210,406	333,213	1,543,619	
Internal Balances	249,682	(249,682)		
Inventories				109,890
Prepaid Items				2,972
Restricted Cash and Cash Equivalents		6,637,960	6,637,960	
Notes Receivable:				
Due within one year	211,827		211,827	
Due in more than one year	508,869		508,869	
Capital Assets:				
Land, Improvements, and Construction in Progress	1,990,881	5,654,946	7,645,827	12,055
Other Capital Assets, Net of Depreciation	5,526,990	17,841,858	23,368,848	20,151
Total Capital Assets	**$7,517,871**	**$23,496,804**	**$31,014,675**	**$32,206**
Total Assets	$25,370,556	$32,320,939	$57,691,495	$284,860
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts Payable and Accrued Expenses	$641,764	$909,986	$1,551,750	$44,373
Unearned Revenue	87,442		87,442	
Accrued Interest Payable	20,485	103,644	124,129	
Customer Deposits		93,780	93,780	
Long-term Liabilities:				
Due within one year	444,338	694,668	1,139,006	
Due in more than one year	12,440,760	12,381,866	24,822,626	
Total Liabilities	$13,634,789	$14,183,944	$27,818,733	$44,373
Net Assets:				
Invested in Capital Assets, Net of Related Debt	$6,774,171	$13,619,940	$20,394,111	$32,206
Restricted For:				
Register of Deeds	41,292		41,292	
Alternative Water Supply		2,942,729	2,942,729	
Capital Projects		1,573,397	1,573,397	
Unrestricted	4,920,304	929	4,921,233	208,281
Total Net Assets	$11,735,767	$18,136,995	$29,872,762	$240,487

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2009

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$2,484,064	$95,463	$12,567	
Public Safety	4,424,541	1,332,302	297,778	$199,275
Environmental Protection	52,494		47,799	
Economic and Physical Development	1,038,094		34,594	635,211
Human Services	6,569,528		4,445,934	
Cultural and Recreation	482,081	106,104		
Education	3,936,614			746,052
Interest on Long-Term Debt	91,949			
Total Governmental Activities	$19,079,365	$1,533,869	$4,838,672	$1,580,538
Business-type Activities:				
Utility Fund (Water and Sewer)	$1,866,448	$2,104,158	$793,253	$1,598,019
Landfill Fund	654,879	607,574		
Transportation Fund	386,657	162,085		176,160
Total Business-type Activities	$2,907,984	$2,873,817	$793,253	$1,774,179
	$21,987,349	$4,407,686	$5,631,925	$3,354,717
Component Unit:				
ABC Board	$621,086	$633,706		
Total Component Unit	$621,086	$633,706	$0	$0

General Revenues:
Taxes:
Property Taxes, Levied for General Purpose
Local Option Sales Taxes
Other Taxes and Licenses
Grants and Contributions Not Restricted to Specific Programs
Investment Earnings, Unrestricted
Miscellaneous, Unrestricted
Transfers
Total General Revenues, Special Items, and Transfers
Change in Net Assets
Net Assets, Beginning
NET ASSETS, ENDING

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Greene County ABC Board
($2,376,034)		($2,376,034)	
(2,595,186)		(2,595,186)	
(4,695)		(4,695)	
(368,289)		(368,289)	
(2,123,594)		(2,123,594)	
(375,977)		(375,977)	
(3,190,562)		(3,190,562)	
(91,949)		(91,949)	
($11,126,286)	$0	($11,126,286)	
	$2,628,982	$2,628,982	
	(47,305)	(47,305)	
	(48,412)	(48,412)	
$0	$2,533,265	$2,533,265	
($11,126,286)	**$2,533,265**	**($8,593,021)**	
			$12,620
$8,229,291		$8,229,291	
3,007,140		3,007,140	
40,973		40,973	
84,345		84,345	
60,561	$123,394	183,955	$3,227
90,587		90,587	14
(54,458)	54,458		
$11,458,439	**$177,852**	**$11,636,291**	**$3,241**
$332,153	$2,711,117	$3,043,270	$15,361
11,403,614	15,425,878	26,829,492	224,626
$11,735,767	$18,136,995	$29,872,762	$240,487

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

EXHIBIT 3

GREENE COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009

	Major		Non-Major	
	General	Jail Construction Capital Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	$2,703,793		$1,242,578	$3,946,371
Cash with Fiscal Agent		$10,502,301		10,502,301
Receivables, Net	680,888		417,181	1,098,069
Due From Other Governments	1,056,280		154,127	1,210,407
Due From Other Funds	2,213,148		3,701	2,216,849
Current Portion - Notes Receivable	211,827			211,827
Notes Receivable	508,869			508,869
TOTAL ASSETS	$7,374,805	$10,502,301	$1,817,587	$19,694,693
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	$341,700	$133,133	$121,069	$595,902
Due to Other Funds	9,899	1,175,692	781,576	1,967,167
Unearned Revenue	87,442			87,442
Deferred Revenue	499,108		45,866	544,974
Total Liabilities	$938,149	$1,308,825	$948,511	$3,195,485
Fund Balances:				
Reserved for:				
State Statute	$4,171,904		$22,332	$4,194,236
Register of Deeds	41,292			41,292
Health Department	190,421			190,421
Sheriff Department	23,714			23,714
Sweet Potato Festival	4,188			4,188
Capital Outlay	97,366	$9,193,476		9,290,841
Unreserved, Available for Appropriation:				
Undesignated	1,907,772			1,907,772
Unreserved, Reported In Nonmajor:				
Special Revenue Funds			859,692	859,692
Capital Project Funds			(12,948)	(12,948)
Total Fund Balances	$6,436,656	$9,193,476	$869,076	$16,499,208
TOTAL LIABILITIES AND FUND BALANCES	$7,374,805	$10,502,301	$1,817,587	

Amounts reported for governmental activites in the statement of net assets (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	7,517,871
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	125,160
Liabilities for earned but deferred revenues in fund statements.	499,111
Some liabilities, including notes payable, pension obligation and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds (Note 7).	(12,905,583)
Net Assets of Governmental Activities	$11,735,767

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

EXHIBIT 4

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2009

	Major		Non-major	
	General	Jail Construction Project Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:				
Ad Valorem Taxes	$7,700,002		$579,290	$8,279,292
Local Option Sales Taxes	3,007,140			3,007,140
Other Taxes and Licenses	40,973			40,973
Unrestricted Intergovernmental	84,345			84,345
Restricted Intergovernmental	4,831,906		1,647,432	6,479,338
Permits and Fees	216,697			216,697
Sales and Services	1,261,191			1,261,191
Investment Earnings	49,402	$2,301	8,858	60,561
Miscellaneous	99,832			99,832
Total Revenues	$17,291,488	$2,301	$2,235,580	$19,529,369
EXPENDITURES:				
Current:				
General Government	$2,274,489			$2,274,489
Public Safety	3,519,359	$286,893	$707,382	4,513,634
Environmental Protection	52,494			52,494
Economic and Physical Development	489,218		635,211	1,124,429
Human Services	6,501,947			6,501,947
Cultural and Recreational	431,941		13,828	445,769
Intergovernmental:				
Education	3,182,984			3,182,984
Debt Service:				
Principal	690,672		214,023	904,695
Interest	59,749		27,309	87,058
Capital Outlay			746,052	746,052
Total Expenditures	$17,202,853	$286,893	$2,343,805	$19,833,551
Excess (Deficiency) of Revenues Over Expenditures	$88,635	($284,592)	($108,225)	($304,182)
OTHER FINANCING SOURCES (USES):				
Transfers from Other Funds	$244,628		$40,000	$284,628
Transfers to Other Funds	(335,790)		(3,296)	(339,086)
Notes Payable Issued	235,500			235,500
Installment Obligations Issued		$10,500,000		10,500,000
Capital Lease Obligations Issued	86,400			86,400
Sale of Capital Assets	405			405
Total Other Financing Sources (Uses)	$231,143	$10,500,000	$36,704	$10,767,847
Net Change in Fund Balance	$319,778	$10,215,408	($71,521)	$10,463,665
Fund Balances, Beginning	6,116,878	(1,021,932)	940,597	6,035,543
FUND BALANCES, ENDING	$6,436,656	$9,193,476	$869,076	$16,499,208

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

GREENE COUNTY, NORTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Fiscal Year Ended June 30, 2009

Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balances - total governmental funds		$10,463,665
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay expenditures which are capitalized	$555,742	
Depreciation expense for governmental assets	(430,279)	125,463
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in deferred revenues for taxes and interest		(63,797)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
New long term debt issued	(10,821,900)	
Principal payments on long term debt	904,694	
Increase in accrued interest payable	(4,891)	(9,922,097)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(38,044)	
Net pension obligation	(12,652)	
Other postemployment benefits	(220,385)	(271,081)
Total Changes in Net Assets of Governmental Activities		$332,153

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

EXHIBIT 6

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues:				
Ad Valorem Taxes	$7,495,271	$7,552,271	$7,700,002	$147,731
Local Option Sales Taxes	3,521,540	3,533,516	3,007,140	(526,376)
Other Taxes and Licenses	72,299	72,299	40,973	(31,326)
Unrestricted Intergovernmental	80,000	80,000	84,345	4,345
Restricted Intergovernmental	4,614,406	5,175,765	4,831,906	(343,859)
Permits and Fees	241,100	241,100	216,697	(24,403)
Sales and Services	1,207,250	1,273,972	1,261,191	(12,781)
Investment Earnings	110,000	110,000	49,402	(60,598)
Miscellaneous	66,610	83,978	99,832	15,854
Total Revenues	$17,408,476	$18,122,901	$17,291,488	($831,413)
Expenditures:				
Current:				
General Government	$2,770,472	$2,350,785	$2,274,489	$76,296
Public Safety	3,445,892	3,572,172	3,519,359	52,813
Environmental Protection	57,401	57,401	52,494	4,907
Economic and Physical Development	443,349	522,431	489,218	33,213
Human Services	6,247,623	7,232,457	6,501,947	730,510
Cultural and Recreational	377,043	418,045	431,941	(13,896)
Intergovernmental:				
Education	3,217,792	3,217,792	3,182,984	34,808
Debt Service:				
Principal Retirement	600,725	849,517	690,672	158,845
Interest	71,532	74,374	59,749	14,625
Total Expenditures	$17,231,829	$18,294,974	$17,202,853	$1,092,121
Revenues Over (Under) Expenditures	$176,647	($172,073)	$88,635	$260,708
Other Financing Sources (Uses):				
Transfers From Other Funds			$244,628	$244,628
Transfers To Other Funds	($407,492)	($407,492)	(335,790)	71,702
Capital Lease Obligations Issued	124,500	124,500	86,400	(38,100)
Note Payable Issued		235,500	235,500	
Sale of Fixed Assets	15,000	15,000	405	(14,595)
Appropriated Fund Balance	91,345	204,565		(204,565)
Total Other Financing Sources (Uses)	($176,647)	$172,073	$231,143	$59,070
Revenues and Other Sources Over (Under) Expenditures and Other Uses	$0	$0	$319,778	$319,778
Fund Balances:				
Beginning of Year, July 1			6,116,878	
End of Year, June 30			$6,436,656	

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

EXHIBIT 7

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2009

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$1,692,098	$1,341	$40,232	$1,733,671
Receivables, Net	323,458	45,515		368,973
Due From Other Governments	260,511	11,792	60,910	333,213
Due From Other Funds	149,526	6,198		155,724
Total Current Assets	$2,425,593	$64,846	$101,142	$2,591,581
Noncurrent Assets:				
Restricted Cash and Cash Equivalents	$6,637,960			$6,637,960
Capital Assets:				
Land, Improvements, and Construction In Progress	5,496,513	$158,433		5,654,946
Other Capital Assets, Net of Depreciation	17,437,965	185,954	$217,939	17,841,858
Total Capital Assets	$22,934,478	$344,387	$217,939	$23,496,804
Total Noncurrent Assets	$29,572,438	$344,387	$217,939	$30,134,764
TOTAL ASSETS	$31,998,031	$409,233	$319,081	$32,726,345
LIABILITIES AND NET ASSETS				
Liabilities:				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	$895,056	$8,050	$6,880	$909,986
Due to Other Funds	255,880	90,767	58,759	405,406
Accrued Interest Payable	103,644			103,644
Customer Deposits	93,780			93,780
Installment Purchase Contract Payable	522,436			522,436
Clean Water Bond Loan Payable	172,232			172,232
Total Current Liabilities	$2,043,028	$98,817	$65,639	$2,207,484
Noncurrent Liabilities:				
Landfill Closure and Postclosure Care Costs		$996,343		$996,343
Compensated Absences	$26,361	14,953	$19,887	61,201
Other Postemployment Benefits	13,216	4,857	2,219	20,292
Installment Purchase Contract Payable	9,065,009			9,065,009
Clean Water Bond Loan Payable	2,239,021			2,239,021
Total Noncurrent Liabilities	$11,343,607	$1,016,153	$22,106	$12,381,866
TOTAL LIABILITIES	$13,386,635	$1,114,970	$87,745	$14,589,350
Net Assets:				
Invested In Capital Assets, Net of Related Debt	$13,057,614	$344,387	$217,939	$13,619,940
Restricted for Alternative Water Supply	2,942,729			2,942,729
Restricted for Capital Projects	1,573,397			1,573,397
Unrestricted	1,037,656	(1,050,124)	13,397	929
Total Net Assets	$18,611,396	($705,737)	$231,336	$18,136,995

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

EXHIBIT 8

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
OPERATING REVENUES:				
Water and Sewer Sales	$1,991,175			$1,991,175
Water and Sewer Tap Fees and Service Charges	70,762			70,762
Landfill Fees		$607,574		607,574
Other Operating Revenues	42,221		$162,085	204,306
Total Operating Revenues	$2,104,158	$607,574	$162,085	$2,873,817
OPERATING EXPENSES				
Salaries and Employee Benefits	$433,721	$168,171	$245,178	$847,070
Supplies and Fuel	123,394	32,637	55,624	211,655
Maintenance	128,841	24,118	16,965	169,924
Contracted Services	56,169	196,630		252,799
Professional Services	26,846	26,535		53,381
Water Purchased	1,510			1,510
Management Fee - County	25,000			25,000
Utilities	142,224	12,565	2,019	156,808
Sewer Charges - Town of Farmville	149,144			149,144
Office Expense	41,993		11,839	53,832
Insurance	8,000	8,000		16,000
Telephone and Postage		3,898	2,452	6,350
Miscellaneous	3,455	3,567	1,750	8,772
Disposal Fees		133,918		133,918
Depreciation	467,093	44,393	50,830	562,316
Total Operating Expense	$1,607,390	$654,432	$386,657	$2,648,479
Operating Income (Loss)	$496,768	($46,858)	($224,572)	$225,338
NONOPERATING REVENUES (EXPENSES)				
Interest and Investment Revenue	$123,160	$128	$106	$123,394
Alternative Water Supply Fees - County	482,152			482,152
Alternative Water Supply Fees - Towns & Districts	311,101			311,101
Interest on Long-Term Debt	(259,058)	(447)		(259,505)
Total Nonoperating Revenue (Expenses)	$657,355	($319)	$106	$657,142
Income (Loss) Before Contributions and Transfers	$1,154,123	($47,177)	($224,466)	$882,480
Transfers (To) From Other Funds	54,458			54,458
Capital Contributions	1,598,019		176,160	1,774,179
Change in Net Assets	$2,806,600	($47,177)	($48,306)	$2,711,117
Total Net Assets, Beginning	15,804,796	(658,560)	279,642	15,425,878
Total Net Assets, Ending	$18,611,396	($705,737)	$231,336	$18,136,995

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received From Customers	$2,058,531	$613,475	$201,370	$2,873,376
Cash Paid for Goods and Services	(729,273)	(457,761)	(92,638)	(1,279,672)
Cash Paid to Employees for Services	(424,011)	(166,881)	(244,766)	(835,658)
Customer Deposits Received	20,283			20,283
Customer Deposits Returned	(20,364)			(20,364)
Other Operating Revenues	42,221			42,221
Net Cash Provided (Used) by Operating Activities	$947,387	($11,167)	($136,034)	$800,186
CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES				
Increase in (Repayment of) Due to Other Funds	($146,647)	$32,419		($114,228)
Alternative Water Supply Fees	736,038			736,038
Transfers (To) From Other Funds	54,458			54,458
Net Cash Provided by Noncapital Financing Activities	$643,849	$32,419	$0	$676,268
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	($5,143,309)			($5,143,309)
Temporary Financing Issued	6,202,000			6,202,000
Interest Paid On Indebtedness	(264,471)	($447)		(264,918)
Principal Paid On Indebtedness	(328,836)	(19,792)		(348,628)
Capital Contributions-State and Federal Grants	1,420,880		$176,160	1,597,040
Net Cash Provided by (Used by) Capital and Related Financing Activities	$1,886,264	($20,239)	$176,160	$2,042,185
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	$123,160	$128	$106	$123,394
Net Increase (Decrease) in Cash and Cash Equivalents	**$3,600,660**	**$1,141**	**$40,232**	**$3,642,033**
Cash and Cash Equivalents, July 1	4,729,398	200		4,729,598
Cash and Cash Equivalents, June 30	$8,330,058	$1,341	$40,232	$8,371,631

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating Income (Loss)	$496,768	($46,858)	($224,572)	$225,338
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	$467,093	$44,393	$50,830	$562,316
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	(573)	6,903		6,330
Decrease (Increase) in Due From Other Governments	(57,215)	(1,002)	39,285	(18,932)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	31,695	(18,170)	(4,208)	9,317
Increase (Decrease) in Customer Deposits	(81)			(81)
Increase (Decrease) in Compensated Absences Payable	(3,516)	(1,290)	412	(4,394)
Increase (Decrease) in Other Postemployment Benefits	13,216	4,857	2,219	20,292
Total Adjustments	**$450,619**	**$35,691**	**$88,538**	**$574,848**
Net Cash Provided by (Used by) Operating Activities	**$947,387**	**($11,167)**	**($136,034)**	**$800,186**

EXHIBIT 10

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended June 30, 2009

	Agency Funds
Assets	
Cash and Cash Equivalents	$116,957
Due From Other Governments	121,153
	$238,110
Liabilities and Net Assets	
Liabilities:	
Intergovernmental Payable	$147,253
Total Liabilities	$147,253
Net Assets:	
Assets Held in Trust for Pension Benefits	$90,857

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

NOTE

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I. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of Greene County and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. REPORTING ENTITY

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Greene County Water & Sewer District I (*the District*) exists to provide and maintain sewer service for the school system and County residents within the district. The District has been combined with the Utility Fund in the County's financial statements. Effective the 2006 - 2007 fiscal year, the County changed the name of its Regional Water Fund to the Greene County Utility Fund and has begun offering both water and sewer services in the specific District area. The Greene County Industrial Facility and Pollution Control Financing Authority (*the Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Greene County ABC Board (*the Board*), which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Greene County Water & Sewer District I	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District.	None issued
Greene County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued
Greene County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Greene County ABC Board 217 Southeast 2nd St Snow Hill, NC 28580

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-wide Statements: The Statement of Net Assets and the Statement of Activities display information about the primary government *(the County)* and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

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

The County reports the following major governmental funds:

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

Jail Construction Capital Project Fund – This fund is used to account for the construction of a new County jail.

The County reports the following major enterprise funds:

Utility Fund – This fund is used to account for the operations of the water and sewer system within the County.

Landfill Fund – This fund is used to account for the operation of the County's solid waste landfill, Scrap Tire Disposal and White Goods Disposal.

The County reports the following fund types:

Agency Funds - Agency Funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains four Agency Funds: the Municipal Tax Fund, which accounts for motor vehicle property taxes that are billed and collected by the County for the various municipalities within the County; the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Greene County Board of Education and the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles, and the ASO Self-Funded Medical Insurance Fund which accounts for contributions and health claims expenditures for covered participants.

Measurement Focus, Basis of Accounting

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

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and

donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Greene County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For those motor vehicles registered under the staggered system and for vehicles newly registered under the annual system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2008 through February 2009 apply to the fiscal year ended June 30, 2009. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. BUDGETARY DATA

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Fire Districts Funds, Property Revaluation Fund, Emergency Telephone System Fund, Special Revenue Funds, the School Capital Finance Capital Project Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the 2006 CDBG Special Revenue Fund, the Jail Construction Project Fund, and the Enterprise Capital Projects Funds, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than $5,000. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. In the General Fund, revenues and expenditures were increased by $1,037,922 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased $460,815 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased $617,616. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. ASSETS, LIABILITIES, AND FUND EQUITY

1. Deposits and Investments

All deposits of the County and Greene County ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

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

The County and the ABC Board's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

2. 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 and disclosures. Accordingly, actual results could differ from those estimates.

3. Cash and Cash Equivalents

The County pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. Greene County ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

4. **Restricted Assets**

The unexpended General Assembly appropriations in the GUC Waterline project, are classified as restricted assets in the enterprise funds because their use is completely restricted to the purpose for which the funds were borrowed or received.

5. **Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2009. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

6. **Allowances for Doubtful Accounts**

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

7. **Inventories and Prepaid Items**

The inventory of the ABC Board is valued at cost (first-in, first-out), which approximates market. This inventory consists of items held for resale. The cost of the inventory in the ABC Board is recorded as an expense as it is sold.

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

8. **Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land, $1; Buildings, improvements, substations, lines and other plant and distribution systems, $5,000; infrastructure, $5,000; furniture and equipment, $5,000; and vehicles, $5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Greene County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Greene County Board of Education.

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

	Years
Buildings	50
Distribution Systems	50
Improvements	25
Furniture and Equipment	10
Vehicles and Motorized Equipment	5
Computer Equipment	5

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	Years
Buildings	30-40
Furniture and Equipment	10

9. Long-Term Obligations

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

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

10. Compensated Absences

The vacation policies of the County and the ABC Board provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. For the ABC Board, the amount is not deemed to be material.

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the ABC Board has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component unit.

11. Net Assets/Fund Balances

Net Assets

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represents tentative management plans that are subject to change.

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

Reserved:

Reserved by State statute – portion of fund balance, in addition to reserves for encumbrances and reserves for inventories, which is not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables that are not offset by deferred revenues.

Reserved for Register of Deeds – portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the register of deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the register of deeds office.

Reserved for Health Department – portion of fund balance available for appropriation but which is restricted to expenditures for certain health programs.

Reserved for Sheriff Department – portion of fund balance not available for appropriation that is restricted by federal statue for law enforcement expenditures.

Reserved for Sweet Potato Festival – portion of fund balance available for appropriation but which is restricted to expenditures for certain festival expenditures.

Reserved for Capital Outlay – portion of fund balance not available for appropriation that is restricted to capital expenditures in future periods.

Restricted for Alternative Water Supply (Proprietary/Business-Type Activities) – portion of Utility fund net assets restricted by an inter-local agreement between the County and all towns and water districts within the County for funds collected monthly on a per water meter basis to provide for future alternative water supply for the County.

Unreserved:

Designated for Subsequent Year's Expenditures – portion of total fund balance available for appropriation that has been designated for the adopted 2009 - 2010 budget ordinance.

Undesignated – portion of total fund balance available for appropriation that is uncommitted at year-end.

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E. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The net adjustment of ($4,763,441) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	$12,391,754
Less Accumulated Depreciation	4,873,883
Net Capital Assets	**$7,517,871**
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	125,160
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	
Taxes	499,111
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Loans, notes, and installment financing	(12,184,445)
Compensated absences	(378,416)
Net pension obligation for law enforcement officers' special separation allowance	(101,852)
Net other postemployment benefits	(220,385)
Accrued interest payable	(20,485)
Total Adjustment	**($4,763,441)**

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of ($10,131,512) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	$555,742
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements	(430,279)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets	(10,821,900)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements	904,694
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	(4,891)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(38,044)
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(12,652)
Net other postemployment benefits obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(220,385)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Reversal of deferred tax revenue recorded at 7/01/08	(568,257)
Reversal of deferred motor fuel tax revenue recorded at 07/01/08	(13,799)
Recording of tax receipts deferred in the fund statements as of 6/30/09	499,111
Decrease in accrued interest on taxes receivable for year ended 6/30/09	19,148
Total Adjustment	($10,131,512)

II. *STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY*

A. SIGNIFICANT VIOLATIONS OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

Noncompliance with North Carolina General Statutes

B. DEFICIT FUND BALANCE OR NET ASSETS OF INDIVIDUAL FUNDS

1. The Enterprise Fund net assets consist of the following individual fund net asset balances:

Utility Fund	$18,611,396
Landfill Fund	(705,737) *
Transportation Fund	231,336
	$18,136,995

* Effective July 1, 2009, the reduced the number of hours of service, thereby reducing the attendants' contracts. It was anticipated that this change should allow the Landfill Fund to at least begin to break even.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2009, the County's expenditures have exceeded amounts budgeted in the following funds and departments:

	Final Budget	Actual	Over Budget
General Fund			
Cultural & Recreational			
Sweet Potato Festival	$18,250	$32,249	($13,999)
Jail Construction Project Fund			
Administration & Legal	$35,000	$46,056	($11,056)
Yamco Expansion Project Fund			
Building & Retrofitting	$289,796	$326,364	($36,568)
Recreation Park Project Fund			
Bleachers, Picnic Shelter, Goals & Benches	$31,299	$32,199	($900)
Engineering CN1	$105,052	$111,964	($6,912)
American Prawn Cooperative Project Fund			
Engineer Drawings	$5,000	$16,000	($11,000)

These over-expenditures occurred because budget amendments were not adopted in a timely manner for certain expenditures. Management will more closely review the budget reports to ensure compliance in future years.

III. *DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS*

A. ASSETS

1. Deposits

All of the County's and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for -bearing deposits. Depositories using the Pooling Method report to the State Treasurer the interest adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the ABC Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for under-collaterization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the ABC Board rely on the State Treasurer to monitor these financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the ABC Board do not have formal policies regarding custodial credit risks for deposits.

At June 30, 2009, the County's deposits had a carrying amount of $15,543,059 and a bank balance of $15,727,201. Of the bank balance, $2,948,210 was covered by federal depository insurance and $12,778,991 was covered by collateral held under the Pooling Method.

At June 30, 2009, Greene County had $1,923 cash on hand.

At June 30, 2009, the carrying amount of deposits for Greene County ABC Board was $139,192 and the bank balance was $151,130. Of this balance, $151,130 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2009, the ABC Board had $600 cash on hand.

2. Investments

At June 30, 2009, the County's investment balances were as follows:

	Reported Value	Fair Value
NC Capital Management Trust	$7,470,084	$7,470,084
Total Investments	$7,470,084	$7,470,084

The NC Capital Management Trust's cash portfolio carries a credit rating of AAAm by Standard and Poor's. The County has no policy regarding credit risk. At June 30, 2009, the ABC Board had no investments in the North Carolina Capital Management Trust.

3. Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2005	$386,646	$126,627	$513,273
2006	405,610	96,332	501,942
2007	447,502	66,006	513,508
2008	458,759	26,379	485,138
Total	$1,698,517	$315,344	$2,013,861

4. Receivables

Receivables at the government-wide level at June 30, 2009, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Total
Governmental Activities:				
General	$428,083	$638,965	$1,056,280	$2,123,328
Other Governmental	372,332	44,849	154,127	571,308
Total Receivables	**$800,415**	**$683,814**	**$1,210,407**	**$2,694,636**
Allowance for Doubtful Accounts	(110,000)	(151,000)		(261,000)
Total Governmental Activities	$690,415	$532,814	$1,210,407	$2,433,636
Business-type Activities:				
Utility Fund	$375,666		$260,511	$636,177
Landfill Fund	88,307		11,792	100,099
Nonmajor Enterprise Activities			60,910	60,910
Total Receivables	**$463,973**	**$0**	**$333,213**	**$797,186**
Allowance for Doubtful Accounts	(95,000)			(95,000)
Total Business-type Activities	$368,973	$0	$333,213	$702,186

The due from other governments that is owed to the County consists of the following:

Local Option Sales Tax	$459,933
Sales Tax	140,822
Various Human Service Revenues	439,275
Law Enforcement Contract - Snow Hill	16,250
Recreation PARTF Grant	13,184
American Prawn Cooperative	97,086
CDBG Grant	43,857
Total General Fund	**$1,210,407**
Scrap Tire Tax	$5,743
Transportation Grants	60,910
Alternative Water Supply Fees	115,191
EDA Grant	116,744
Sales Tax	34,625
Total Enterprise Fund	**$333,213**
Total Due	**$1,543,620**

5. **Notes Receivable**

The County has eight loans from Global Transpark Development Zone Loan Funds. The purpose of the loans is to increase the County tax base and create jobs. The subsequent repayment of these loans will likewise be restricted.

The first loan was made on March 19, 2002 to Ham Produce, Inc. for $475,000. Ham Produce, Inc. is a large farming operation and has used the funds to acquire additional product storage space within the County. The terms of the loan call for quarterly payments of $14,713 for ten years, including interest at 4.5%.

The second loan was made on May 22, 2002 to Maury Properties, LLC for $175,000. Maury Properties, LLC is a construction company and has used the funds to expand its present location within the County. The terms of the loan call for quarterly payments of $5,403 for ten years, including interest at 4.5%.

The third loan was made on August 1, 2002 to Brittany Ridge for $110,000. Brittany Ridge operated a quail hatchery facility. Brittany Ridge has used the funds to construct a new quail hatchery to provide quail to area hunting preserves. The terms of the loan call for quarterly payments of $3,341 for ten years, including interest at 4.5%. Brittany Ridge filed for bankruptcy effective August 3, 2005. No payments have been received by the County since March of 2006. On November 2009, the County received an order to proceed with foreclosure on this loan. The County attorney fully expects the sales proceeds to be adequate to cover the related debt.

The fourth loan was made on September 29, 2004 to NWL Capacitators for $250,000. NWL operates an electronic capacitator manufacturing facility. NWL has used the funds to expand their building. The terms of the loan call for 60 payments of $5,373 for 15 years, including interest at 3.5%.

The fifth loan was made on December 7, 2005 to William & Myrna Strickland (Strickland-Dail Dining) for $100,000. Strickland-Dail operates a dining facility that relocated to Snow Hill after a fire destroyed the previous location. The terms of the loan call for 20 quarterly payments of $5,612 for 5 years, including interest at 4.5%.

The sixth loan was made on November 9, 2007 to Moore's Fiberglass for $140,000. Moore's Fiberglass is a trade contractor that intends to use the funds to create additional jobs. The terms of the loan call for 28 quarterly payments of $5,929 for 7 years, including interest at 4.75%.

The seventh loan was made on May 20, 2009 to Vandiford's Country Kitchen for $100,000. Vandiford's operates a dining facility that located to Snow Hill from Hookerton. The terms of the loan call for 1 interest-only payment and 19 quarterly payments of principal and interest of $5,875 for 4½ years, including interest at 4.50%.

The eighth loan was made on June 11, 2009 to the Greene County Arts & Historical Society (Museum) for $35,500. The museum operates a facility located in Snow Hill. The terms of the loan call for 8 quarterly payments of principal and interest of $4,665 for 2 years, including interest at 4.50%.

The following summarizes the expected collection on these notes:.

Principal Amounts Due For the Year Ended June 30,	Ham Produce, Inc.	Maury Properties, LLC	Brittany Ridge	NWL Capacitators	Strickland Dail Dining	Moore's Fiberglass	Vandiford's	Museum	Total
2010	$52,903	$19,435	$67,365	$14,867	$1,944	$18,401	$19,323	$17,589	$211,827
2011	55,333	20,324		15,471		19,291	20,208	17,911	148,538
2012	43,161	16,058		16,099		20,223	21,133		116,674
2013				16,753		21,201	22,100		60,054
2014				17,433		22,227	17,236		56,896
2015 - 2019				98,377		17,373			115,750
2020 - 2021				10,957					10,957
	$151,397	$55,817	$67,365	$189,957	$1,944	$118,716	$100,000	$35,500	$720,696

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6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2009, was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	$1,022,171	$4,567		($423,256)	$603,482
Construction In Progress	1,062,717	365,466	$40,784		1,387,399
Total Capital Assets Not Being Depreciated	$2,084,888	$370,033	$40,784	($423,256)	$1,990,881
Capital Assets Being Depreciated:					
Buildings & Land Improvements	$6,370,579	$64,312		$423,256	$6,858,147
Vehicles	1,169,567	121,816	$15,766		1,275,617
Equipment	2,226,745	40,364			2,267,109
Total Capital Assets Being Depreciated	$9,766,891	$226,492	$15,766	$423,256	$10,400,873
Less Accumulated Depreciation for:					
Buildings & Land Improvements	$2,329,736	$141,722			$2,471,458
Vehicles	893,983	97,976	$15,766		976,193
Equipment	1,235,651	190,581			1,426,232
Total Accumulated Depreciation	**$4,459,370**	$430,279	$15,766	$0	**$4,873,883**
Total Capital Assets Being Depreciated, Net	3,837,951				5,526,990
Governmental Activity Capital Assets, Net	$5,922,839				$7,517,871

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

General Government	$169,855
Public Safety	176,778
Economic and Physical Development	3,501
Human Services	11,155
Cultural and Recreational	67,555
Education	1,435
Total Depreciation Expense	$430,279

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Business Type Activities:	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Greene County Utility Fund:					
Capital Assets Not Being Depreciated:					
Land	$169,768				$169,768
Construction In Progress	1,760,987	$5,102,565	$1,536,806		5,326,746
Total Capital Assets Not Being Depreciated	$1,930,755	$5,102,565	$1,536,806	$0	$5,496,514
Capital Assets Being Depreciated:					
Transfer Distribution Systems	$20,455,304	$1,550,957			$22,006,261
Equipment	177,341	22,214			199,555
Vehicles	216,284	29,592			245,876
Total Capital Assets Being Depreciated	$20,848,929	$1,602,763	$0	$0	$22,451,692
Less Accumulated Depreciation for:					
Transfer Distribution Systems	$4,228,840	$438,792			$4,667,632
Equipment	127,765	18,772			146,537
Vehicles	190,030	9,529			199,559
Total Accumulated Depreciation	$4,546,635	$467,093	$0	$0	$5,013,728
Total Capital Assets Being Depreciated, Net	16,302,294				17,437,964
Greene County Utility Fund Capital Assets, Net	$18,233,049				$22,934,478
Greene County Landfill Fund:					
Capital Assets Not Being Depreciated:					
Land and Improvements	$158,434				$158,434
Total Capital Assets Not Being Depreciated	$158,434	$0	$0	$0	$158,434
Capital Assets Being Depreciated:					
Buildings	$108,102				$108,102
Vehicles	249,597				249,597
Equipment	492,490				492,490
Total Capital Assets Being Depreciated	$850,189	$0	$0	$0	$850,189
Less Accumulated Depreciation for:					
Buildings	$103,234	$1,022			$104,256
Vehicles	160,087	14,137			174,224
Equipment	356,522	29,234			385,756
Total Accumulated Depreciation	$619,843	$44,393	$0	$0	$664,236
Total Capital Assets Being Depreciated, Net	230,346				185,953
Greene County Landfill Capital Assets, Net	$388,780				$344,387
Greene County Transportation Fund:					
Capital Assets Being Depreciated:					
Buildings	$169,900				$169,900
Vehicles	287,988				287,988
Equipment	11,466				11,466
Total Capital Assets Being Depreciated	$469,354	$0	$0	$0	$469,354
Less Accumulated Depreciation for:					
Buildings	$8,738	$8,495			$17,233
Vehicles	183,912	40,042			223,954
Equipment	7,934	2,294			10,228
Total Accumulated Depreciation	$200,584	$50,831	$0	$0	$251,415
Total Capital Assets Being Depreciated, Net	268,770				217,939
Greene County Transportation Fund Capital Assets, Net	$268,770				$217,939
Business-type Activities Capital Assets, Net	$18,890,599				$23,496,804

Construction Commitments

The government has active construction projects as of June 30, 2009. The projects include the Jail Construction project and the Alternative Water Phase 1A and 1C projects. At June 30, 2009, the Government's commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
Jail Construction Project	$1,308,825	$10,749,520
Alternative Water Phase 1A	4,133,687	9,331,700
Alternative Water Phase 1C	7,524,316	7,623,000
Total	$12,966,828	$27,704,220

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2009 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets Not Being Depreciated	$12,055			$12,055
Total Assets Not Being Depreciated	$12,055	$0	$0	$12,055
Capital Assets Being Depreciated:				
Buildings	$49,942			$49,942
Equipment	48,917			48,917
Total Capital Assets Being Depreciated	$98,859	$0	$0	$98,859
Less Accumulated Depreciation for:				
Buildings	$49,942			$49,942
Equipment	25,202	$3,564		28,766
Total Accumulated Depreciation	$75,144	$3,564	$0	$78,708
Total Capital Assets Being Depreciated, Net	23,715			20,151
Total Capital Assets Being Depreciated, Net	$35,770			$32,206

B. LIABILITIES

1. Payables

Payables at the government-wide level at June 30, 2009, were as follows:

	Vendors	Accrued Interest	Other	Total
Governmental Activities:				
General	$341,700	$20,485		$362,185
Other Governmental	300,064			300,064
Total Governmental Activities	$641,764	$20,485	$0	$662,249
Business-type Activities:				
Utility Fund	$895,056	$103,644		$998,700
Landfill Fund	8,050			8,050
Nonmajor Enterprise Activities	6,880			6,880
Total Business-type Activities	$909,986	$103,644	$0	$1,013,630

2. Pension Plan Obligations and Other Postemployment Benefits

a. *Local Governmental Employee's Retirement System*

Plan Description. Greene County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six (6) percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 4.95% and 4.86%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 5.42% of annual covered payroll. The contribution requirements of members and of the County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2009, 2008, and 2007 were $274,965, $259,587, and $247,644, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2009, 2008, and 2007 were $920, $758, and $858, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

b. *Law Enforcement Officers' Special Separation Allowance*

1. *Plan Description*

Greene County administers a public employee retirement system (*the "Separation Allowance"*), a single employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2008, the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	0
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	28
Total	28

2. *Summary of Significant Accounting Policies*:

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

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

3. *Contributions*

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. For the current year, the County contributed $0, or 0% of annual covered payroll. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly.

The annual required contribution for the current year was determined as part of the December 31, 2008 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008 was 22 years.

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

Annual Required Contribution	$11,822
Interest on Net Pension Obligation	6,467
Adjustment to Annual Required Contribution	(5,637)
Annual Pension Cost	**$12,652**
Contributions Made	
Increase (Decrease) in Net Pension Obligation	**$12,652**
Net Pension Obligation - Beginning of Year	89,200
Net Pension Obligation - End of Year	$101,852

3 YEAR TREND INFORMATION

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/07	$11,270	0.00%	$77,431
6/30/08	$11,769	0.00%	$89,200
6/30/09	$12,652	0.00%	$101,852

4. *Funded Status and Funding Progress*

As of December 31, 2008, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was $77,583 and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $77,583. The covered payroll (annual payroll of active employees covered by the plan) was $721,823, and the ratio of the UAAL to the covered payroll was 10.75 percent.

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

c. ***Supplemental Retirement Income Plan for Law Enforcement Officers***

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2009 were $77,742, which consisted of $42,951 from the County and $34,791 from the law enforcement officers.

d. ***Registers of Deeds' Supplemental Pension Fund***

Plan Description. Greene County also contributes to the Registers of Deeds' Supplemental Pension Fund (*"Fund"*), a noncontributory, defined contribution pension plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Register of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2009, the County's required and actual contributions were $888.

e. ***Other Post-Employment Benefit***

1. *Healthcare Benefits*

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined Healthcare Benefits Plan (the HCB plan). As of November 5, 2001, this plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the Local Government Employees' Retirement System (System) and have at least five (5) years of creditable service with the County. Prior to November 5, 2001, employees were not qualified for benefits. The County pays the full cost of coverage for these benefits through private insurers. The County's retirees cannot purchase additional coverage for their dependents at the County's group rates. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2008, the date of the latest actuarial valuation:

Retirees and Dependents Receiving Benefits	5
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	196
Total	201

Funding Policy. The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the Board. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 4.80% of the annual covered payroll. For the current year, the County contributed $31,393 or .55% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 2.89% and 1.91% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to the HCB Plan is established and may be amended by the Board of Commissioners.

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

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

The following table shows the components of the County's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the postemployment healthcare benefits:

Annual Required Contribution	$272,070
Interest on OPEB Obligation	
Adjustment to Annual Required Contribution	
Annual OPEB Cost (expense)	**$272,070**
Contributions Made	(31,393)
Increase (Decrease) in Net OPEB Obligation	**$240,677**
Net OPEB Obligation - Beginning of Year	
Net OPEB Obligation - End of Year	$240,677

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/09	272,070	11.54%	240,677

Funded Status and Funding Progress. As of December 31, 2008, the most recent actuarial valuation date, the plan was 100 percent not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was $1,787,821. The covered payroll (annual payroll of active employees covered by the plan) was $5,667,378, and the ratio of the UAAL to the covered payroll was 31.5%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, (after the initial year of implementation) presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the December 31, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 10.5 to 5.0 percent annually. The investment rate included a 3.75% percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2008, was 30 years.

f. ***Other Employment Benefits***

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Government Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of $25,000 and will not exceed $50,000. All death benefit payments are made from the Death Benefit Plan. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

3. **Closure and Postclosure Care Costs - Landfill**

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $996,443 reported as landfill closure and postclosure care liability at June 30, 2009 represents the net cumulative amount reported to date, based on the use of 100% of the total estimated capacity of the landfill.

The County closed the landfill on December 31, 1997 to all forms of trash except construction and debris and has begun to incur actual closure costs. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that helps determine if a unit is financially able to meet closure and post closure care requirements.

4. **Deferred/Unearned Revenues**

The balance in deferred or unearned revenues on the fund statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

	Deferred Revenue	Unearned Revenue
Taxes Receivable (Net) - General	$499,108	
Taxes Receivable (Net) - Fire Districts	45,866	
Prepaid Regular Property Taxes Not Yet Earned		$24,943
Prepaid Vehicle Property Taxes Not Yet Earned		35,529
Agricultural Center Grant		26,970
Total Governmental Activities	$544,974	$87,442

5. **Risk Management**

The County is exposed to various risks of losses related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance with a private insurance agency. Through these this company, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of $14.6 million for any one occurrence, general, auto, professional, and employment practices liability coverage of $2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of $250,000 per occurrence, workers' compensation coverage up to the statutory limits.

The County maintains a self-insurance plan for the medical benefits provided to their employees. Effective June 1, 2009, the County established a partially self-funded group health care plan for eligible employees and covered dependents. Stop loss insurance has been purchased to supplement the plan, which will reimburse the County for individual claims exceeding $50,000 annually, or aggregate claims exceeding approximately $5,000,000 lifetime. The County became partially self-funded for the purpose of providing affordable health insurance to its employees while better managing the costs of health claims. At June 30, 2009, the fund had a balance of $90,857 to reflect employee and employer contributions applicable to the 2009 – 2010 fiscal year.

The County carries flood insurance through a private insurance agency. The County's insurance policy provides limited flood coverage in areas outside the 100-year flood zone and is subject to a per occurrence deductible of $25,000. Property located within the 100-year flood zone, as designated by FEMA, is excluded from coverage. The County has two properties located in areas designated as "B" areas (land not in the 100-year flood plan but in the 500-year plan). The County has elected not to pursue further insurance coverage for these two areas.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 159-29, the County's employees that have access to $100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Finance Officer and tax collector are each individually bonded for $50,000 each. The Sheriff and Register of Deeds are each individually bonded for $10,000. The remaining employees that have access to funds are under a blanket bond for $250,000.

Greene County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

6. Contingent Liabilities

At June 30, 2009, the County was not a defendant to any lawsuits. However, according to the County's legal counsel, threatened litigation exists. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. If litigation occurs, these claims will be turned over to the County's insurance carrier.

7. Long-Term Obligations

a. *Capital Leases*

The County entered into an agreement to lease certain wireless broadband computer equipment. The lease agreement qualified as a capital lease for accounting purposes and, therefore, was recorded at the present value of the future minimum lease payments as of the date of inception.

The agreement was executed on December 28, 2004 for the lease of computer equipment for the iTech Project to implement a broadband network in Greene County and required four annual payments of $228,409, which includes $821,000 principal and $92,636 in interest. At June 30, 2009, the County had only drawn funds in the amount of $799,439 and expects the remaining $21,561 to be repaid to the County by Apple, (facilitator of the iTech project). The County has an outstanding balance due of $0. Under the terms of the agreement, the County has the option to purchase all but not less than all of the System for $1 (plus all sales and other applicable taxes) at the end of the lease term but has yet to exercise that option. The County still retains possession of the related computer equipment.

At June 30, 2009, the County leased computer equipment valued at:

Classes of Property	Cost	Accumulated Depreciation	Net Book Value
Computer Equipment	$799,439	$270,063	$529,376
Total	$799,439	$270,063	$529,376

b. ***Note Payable***

Note payable to an individual for the purchase of the Standard Laconic Building. The obligation requires annual payments of $20,000 including interest at 5%.

The annual debt service requirements to maturity are as follows:

During the Year Ending June 30,	Principal	Interest	Total
2010	$10,304	$9,696	$20,000
2011	10,831	9,169	20,000
2012	11,385	8,615	20,000
2013	11,967	8,033	20,000
2014	12,580	7,420	20,000
2015 - 2019	73,237	26,763	100,000
2020 - 2022	59,218	6,440	65,658
	$189,522	$76,136	$265,658

c. ***Global Transpark Development Zone Loans Payable***

The County has borrowed funds from the Global Transpark Development Zone Loan funds generated by the temporary five-dollar ($5.00) motor vehicle registration tax. These tax proceeds were in turn loaned to County businesses for Economic Development.

The first loan was drawn down on January 31, 2002 in the amount of $475,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $14,125, beginning on March 1, 2002 and ending on December 1, 2011. The obligation carries interest at 3.5% and the June 30, 2009 balance was $131;038.

The second loan was drawn down on May 14, 2002 in the amount of $175,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $5,204, beginning on June 1, 2002 and ending on March 1, 2012. The obligation carries interest at 3.5% and the June 30, 2009 balance was $52,781.

The third loan was drawn down on August 1, 2002 in the amount of $110,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $2,364, beginning on September 1, 2002 and ending on September 1, 2012. The obligation carries interest at 3.5% and the June 30, 2009 balance was 64,937.

The fourth loan was drawn down on September 29, 2004 in the amount of $250,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $5,373, beginning on December 1, 2004 and ending on September 1, 2019. The obligation carries interest at 3.5% and the June 30, 2009 balance was $183,663.

The fifth loan was drawn down on February 28, 2006 in the amount of $100,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $5,507, beginning on June 1, 2006 and ending on March 1, 2011. The obligation carries interest at 3.75% and the June 30, 2009 balance was $37,153.

The sixth loan was drawn down on November 9, 2008 in the amount of $140,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $5,708, beginning on March 1, 2009 and ending on December 1, 2014. The obligation carries interest at 3.75% and the June 30, 2009 balance was $113,332.

The seventh loan was drawn down on May 4, 2009 in the amount of $100,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for one interest-only payment and quarterly payments of $5,472, beginning on September 1, 2009 and ending on March 1, 2014. The obligation carries interest at 3.50% and the June 30, 2009 balance was $100,000.

The eighth loan was drawn down on June 11, 2009 in the amount of $35,500. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of $4,614, beginning on September 1, 2009 and ending on June 1, 2011. The obligation carries interest at 3.50% and the June 30, 2009 balance was $35,500.

The ninth loan was drawn down on July 18, 2008 in the amount of $100,000. The County's obligation under this agreement was limited to the amount of its annual appropriation for the payment of principal and interest. The obligation called for quarterly payments of $4,042, beginning on September 1, 2009 and ending on June 1, 2015. The obligation carried interest at 3.50%. After the County received the funds the applicant declined the offer of the loan from the County. The County repaid all debt as of October, 2008 and therefore the June 30, 2009 balance was $0.

The annual debt service requirements to maturity for these loans are as follows:

During the Year Ending June 30,	Principal	Interest	Total
2010	$170,040	$23,232	$193,272
2011	170,819	17,127	187,946
2012	102,087	11,740	113,827
2013	101,026	7,875	108,901
2014	60,845	5,321	66,166
2015 - 2019	109,184	10,109	119,293
2020	4,403	37	4,440
	$718,404	$75,441	$793,845

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d. ***Installment Purchase Contracts***

On December 1, 1995, the County entered into an installment purchase contract with Branch Banking & Trust Leasing Corporation for the purpose of adding on to and making renovations to West Greene Elementary School. The terms of this agreement called for the bank to make advances to the County as construction progressed for the purpose of paying construction costs. The installment purchase was issued pursuant to a deed of trust that required that legal title to West Greene Elementary School be transferred to the County as long as the debt is outstanding. The County has entered into a lease with the Greene County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the existing fixed assets associated with the installment purchase obligation will remain on the books of the Board of Education. All relevant details can be found in the "Installment Financing Contract between Branch Banking & Trust Leasing Corporation and the County of Greene, North Carolina" dated December 13, 1995. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the payment of principal and interest. The construction price advanced by the bank totaled $2,164,498. Repayment is scheduled for semi annual appropriation of interest only in the amount of $48,918 for the first three years ending on December 1, 1998, with the remaining payments of $110,666, including principal and interest, due in semi annual installments through December 1, 2010.

During the Year Ending June 30,	Principal	Interest	Total
2010	$211,660	$9,672	$221,332
2011	108,704	1,962	110,666
	$320,364	$11,634	$331,998

On June 14, 2007, the County entered into an installment purchase contract with Branch Banking & Trust Company for the purpose of acquiring and/or constructing water & sewer utilities and a lift station for the Industrial Park site. Under the terms of this agreement the bank advanced funds to the County as construction progressed for the purpose of paying construction costs. This contract is secured by a promissory note and deed of trust on the property and any improvements thereon. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the payment of principal and interest. The purchase price advanced by the bank totaled $437,045.

Repayment, including principal and interest at 4.15%, is scheduled for semi-annual appropriations of $19,716 beginning on December 14, 2007, with the remaining payments of $19,716, including principal and interest, due in semi-annual installments through June 14, 2021. The unpaid installment purchase contract balance at June 30, 2009 was $369,755.

During the Year Ending June 30,	Principal	Interest	Total
2010	$24,337	$15,095	$39,432
2011	25,357	14,075	39,432
2012	26,420	13,012	39,432
2013	27,527	11,905	39,432
2014	28,683	10,749	39,432
2015 - 2019	162,494	34,665	197,159
2020 - 2021	74,937	3,927	78,864
	$369,755	$103,428	$473,183

On February 23, 2009, the County entered into an installment purchase contract with Southern Bank & Trust Company for the purpose of acquiring a 2008 Chevrolet Ambulance. This contract is secured by the related vehicle. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the payment of principal and interest. The total purchase price advanced by the bank totaled $86,400. Repayment is scheduled for six semi-annual payments including interest at 2.82% beginning August 23, 2009, through February 23, 2012.

During the Year Ending June 30,	Principal	Interest	Total
2010	$27,997	$2,239	$30,236
2011	28,792	1,444	30,236
2012	29,611	625	30,236
	$86,400	$4,308	$90,708

On June 11, 2009, the County secured interim financing through Suntrust Bank to complete the jail construction project. Upon completion, the County fully expects to refinance this interim financing with a loan from the USDA. The terms of this agreement call for 3 semi-annual payments of interest only beginning December 11, 2009 through December 11, 2010. Beginning June 11, 2011 the County will make 1 annual payment of principal and interest of $10,642,275. This agreement carries an interest rate of 2.71%. The balance at June 30, 2009 was $10,500,000.

During the Year Ending June 30,	Principal	Interest	Total
2010		$284,550	$284,550
2011	$10,500,000	1,444	10,501,444
	$10,500,000	$285,994	$10,785,994

(Reported In Enterprise Funds)

Utility Fund

On April 30, 2004 the County entered into an installment purchase contract with Branch Banking and Trust Company for the purpose installing sanitary sewer service to the new Maury Correctional Institution. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the repayment of principal and interest. The total advanced by the bank was $2,654,220. Repayment is scheduled for thirty semi-annual payments of $116,000 including interest at 3.69%, beginning October 30, 2004 through April 30, 2019.

During the Year Ending June 30,	Principal	Interest	Total
2010	$162,436	$69,564	$232,000
2011	168,485	63,515	232,000
2012	174,759	57,241	232,000
2013	181,267	50,733	232,000
2014	188,018	43,982	232,000
2015 - 2019	1,050,480	109,518	1,159,998
	$1,925,445	$394,553	$2,319,998

On May 29, 2008 the County entered into an installment purchase contract with First Citizens Bank and Trust Company for the purpose of installing water and sewer services to the new Cutter Creek Subdivision. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the repayment of principal and interest. The total advanced by the bank was $1,800,000. During the year ended June 30, 2009, a special grant allowed for principal repayment of $340,000 leaving a net loan of $1,460,000. Repayment is scheduled for 3 semi-annual interest payments beginning May 29, 2009 and ending May 29, 2009. Beginning with the payment on November 29, 2009, the County will make 8 semi-annual payments of $180,000 plus interest through May 29, 2013. There will be a final payment of $20,000 plus interest due November 29, 2013. The loan carries an interest rate of 3.73%.

During the Year Ending June 30,	Principal	Interest	Total
2010	$360,000	$51,101	$411,101
2011	360,000	37,673	397,673
2012	360,000	24,245	384,245
2013	360,000	12,617	372,617
2014	20,000	553	20,553
	$1,460,000	$126,189	$1,586,189

e. ***Clean Water Bond Loan Payable***

On January 6, 2003, Greene County entered into a loan agreement with the State of North Carolina to obtain financing under the Clean Water Bond Loan Program. The proceeds were used to construct supply and storage facilities to alleviate the current water shortage and for the extension of the County's distribution system. Principal is due annually on May 1. Interest is accrued at the rate of 5.75% and is payable semi-annually on May 1 and November 1. The total loan amount advanced to Greene County was $3,272,415. At June 30, 2009, the balance was $2,411,253.

During the Year Ending June 30,	Principal	Interest	Total
2010	$172,232	$134,617	$306,849
2011	172,232	126,203	298,435
2012	172,232	117,770	290,002
2013	172,232	109,376	281,608
2014	172,232	100,963	273,195
2015 - 2019	861,162	378,610	1,239,772
2020 - 2023	688,931	168,271	857,202
	$2,411,253	$1,135,810	$3,547,063

f. ***Bond Anticipation Notes***

On September 23, 2008, the County secured interim financing through the issuance of Bond Anticipation Note Proceeds to complete a construction project for Water System Improvements. Upon completion, the County fully expects to refinance this interim financing with a loan from the USDA.

$6,202,000 Water System Improvement Notes issued on September 23, 2008; interest at 3.28%. The notes will be repaid from a $11,279,500 bond issue expected to be sold in the next fiscal year.

Year Ending June 30,	Principal	Interest	Total
2010		$203,426	$203,426
2011	$6,202,000	101,713	6,303,713
	$6,202,000	$305,139	$6,507,139

g. ***Long-term Obligation Activity***

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2009:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities:					
Capitalized Lease	$195,342		$195,342		
Notes Payable	199,324		9,802	$189,522	$10,304
Global Transpark Development Zone Loan	712,350	$235,500	229,446	718,404	170,040
Installment Purchase Contracts	1,160,223	10,586,400	470,104	11,276,519	263,994
Net Pension Obligation	89,200	12,652		101,852	
OPEB Obligation		220,385		220,385	
Compensated Absences	340,372	280,789	242,745	378,416	
Total Governmental Activities	$2,696,811	$11,335,726	$1,147,439	$12,885,098	$444,338
Business-type Activities:					
Installment Purchase Contract	$3,561,841		$176,396	$3,385,445	$522,436
Bond Anticipation Notes		$6,202,000		6,202,000	
Clean Water Bond Loan	2,583,486		172,233	2,411,253	172,232
Accrued Landfill Closure and Postclosure Costs	996,343			996,343	
OPEB Obligation		20,292		20,292	
Compensated Absences	65,775	41,196	45,770	61,201	
Total Business-type Activities	$7,207,445	$6,263,488	$394,399	$13,076,534	$694,668

Compensated absences for governmental activities typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

g. ***Conduit Debt of Obligations***

Greene County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, or any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2009 there was one series of industrial revenue bonds outstanding, with a principal amount payable of $3,850,000.

C. INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances at June 30, 2009 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund		
	Utility Fund	$255,880
Landfill Fund		
	General Fund	(6,198)
		$249,682

Operating and equity transfers to and from funds for the year ended June 30, 2009 are as follows:

	TRANSFERS	
	FROM	TO
Operating Transfers From/To Other Funds		
General Fund		
Revaluation Fund		$40,000
Capital Projects Fund - School Capital Finance Fund		244,628
Utility Fund		54,458
Special Revenue Funds		
Revaluation Fund:		
General Fund	$40,000	
Capital Projects Fund		
School Capital Finance Fund:		
General Fund	244,628	
Enterprise Fund		
Utility Fund	54,458	
Total Operating Transfers - Other Funds	$339,086	$339,086

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IV. *RELATED ORGANIZATIONS*

The County's governing board is also responsible for appointing the members of the board of the Greene County Housing Authority, but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to provide housing assistance for low-income County residents from funding provided by federal and State resources. The County did not appropriate any funds to the Authority during the year ended June 30, 2009, and the Authority is not considered in determining the County's legal debt limit.

V. *JOINT VENTURES*

The County participates in a joint venture with Lenoir and Greene counties to operate the Neuse Regional Library. The County appoints three board members of the twelve-member board. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2009. During the year ended June 30, 2009, the County appropriated $131,000 to the Library. Complete financial statements for the Library can be obtained by contacting the Library's administrative offices at 510 North Queen Street, Kinston, North Carolina 28501.

The County, in conjunction with Wilson County, participates in a joint venture to operate Wilson-Greene Center for Mental Health, Mental Retardation, and Substance Abuse Services. The County appoints five board members of the eighteen-member board. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' funding in conjunction with the State and federal governments. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2009. The County appropriated $61,218 to the Center during the fiscal year ended June 30, 2009 which included $2,700 received from the ABC Board designated for alcohol education. Complete financial statements for the Center can be obtained by contacting the Center's administrative offices at PO Box 3756, Wilson, North Carolina 27893.

The County, in conjunction with the State of North Carolina and three other Local Governments, participates in a joint venture to operate Lenoir Community College. The County appoints two members of the sixteen member board of trustees of the community college. The College is included as a component unit of the State of North Carolina. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed $204,473 to the Community College during the fiscal year ended June 30, 2009. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the financial statements at June 30, 2009. Complete financial statements for the community college may be obtained from the community college's administrative offices at PO Box 188, Highway 70 and 58, Kinston, North Carolina 28502.

VI. *JOINTLY GOVERNED ORGANIZATION*

Neuse River Council Of Governments

The County, in conjunction with nine other counties and thirty-nine municipalities, established the Neuse River Council of Governments ("Council"). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of $6,905 during the fiscal year ended June 30, 2009.

Global TransPark Development Commission

The Global TransPark Development Commission is a corporate body created on November 29, 1993. Its purpose is to allow participating counties, including Greene County, which have the potential to derive direct economic benefits from the North Carolina Global TransPark, to create a special economic development district, known as the Global TransPark Development Zone. The Commissions' primary responsibility is to promote and encourage economic development within the territorial jurisdiction of the Zone by fostering development projects to provide land, buildings, facilities, programs, information and data systems, and infrastructure requirements for business and industry in the Global TransPark Development Zone.

The Commission is governed by nineteen voting members, consisting of one member from Greene County and each of the twelve other participating counties, and two members each appointed by the Senate, the Governor, and the House of Representatives. The Board of County Commissioners of the respective counties appoints the voting members from each of the counties.

The Commission is responsible for a nonexpendable trust fund consisting of an initial State appropriation of $7.5 million and 85% of the quarterly distributions of the $5 motor vehicle license fees collected by the North Carolina Department of Transportation. The motor vehicle tax was adopted by the legislature and the participating counties and was collected for a period of five years. The principal balance of the trust funds are nonexpendable and will revolve as loans are made and repaid to the Commission. At June 30, 2009, the portion of the trust available to be loaned exclusively to Greene County was $145,863, calculated as follows:

Total Allocations for Loans	$863,765
Loans Drawn Down	(1,485,000)
Principal Payments	767,098
Funds Available	$145,863

VII. *BENEFIT PAYMENTS ISSUED BY THE STATE*

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the general purpose financial statements because they are not revenues and expenditures of the County.

	Federal	State
Medicaid	$21,234,741	
Food Stamp Program	4,664,836	
Women, Infants and Children	413,325	
Temporary Assistance For Needy Families	293,895	
Other Programs	238,632	$313,907
Total	$26,845,429	$313,907

VIII. *SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES*

FEDERAL AND STATE ASSISTED PROGRAMS

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

IX. *MAJOR ENTERPRISE CUSTOMER*

The County's Utility Fund has one industrial customer who provides a substantial amount of the fund's sales. Billings to this customer comprised 46.15% of total billings.

X. *CUTTER CREEK*

On March 5, 2008, the County entered into an Infrastructure Financing Agreement with Mill Run Development Group, LLC. Mill Run Development Group, LLC is the entity that has been formed to own, develop and sell real property in the 400 plus acre development in Greene County known as the Cutter Creek Plantation Subdivision. The terms of the agreement state that the County will provide financing to construct the wastewater infrastructure required to convey wastewater from Cutter Creek to the City of Kinston's wastewater system. The County has undertaken this construction in anticipation that the County will collect sufficient additional ad valorem tax revenues from the development of Cutter Creek to amortize the project financing in full on or before December 31, 2013. Under the agreement, Mill Run Development Group, LLC placed $1,425,000 with a third party Escrow Agent representing the principal of the financed amount plus one year's interest associated with the debt. The County may draw up to the full amount of the Escrow Fund in the event the tax revenues generated from Cutter Creek do not fulfill the obligation of the debt instrument. As of report date, $569,725 of escrow funds had been released.

On March 5, 2007, the County entered into an agreement with Mill Run Development Group, LLC in which Mill Run would establish a second Escrow Fund to provide a performance guaranty for One Hundred Twenty Five Percent (125%) of the estimated costs of constructing infrastructure on Phase 1A of Cutter Creek Plantation Subdivision. $3,500,000 had previously been deposited by Mill Run with a third party Escrow Agent and Mill Run has begun construction of Phase 1A. On June 1, 2009, the Escrow fund agreement was converted to a performance bond.

On June 14, 2007, the County entered into an agreement with Mill Run Development Group, LLC in which Mill Run would establish a third Escrow Fund to provide a performance guaranty for One Hundred Twenty Five percent (125%) of the estimated costs of constructing infrastructure on Phase 2 of Cutter Creek Plantation Subdivision. $1,515,000 had previously been deposited by Mill Run with a third party Escrow Agent and Mill Run has begun construction of Phase 2. On June 1, 2009, the Escrow fund agreement was converted to a performance bond.

On April 17, 2008, the County entered into an agreement with Mill Run Development Group, LLC in which Mill Run would obtain a performance bond to provide a performance guaranty for One Hundred Twenty Five percent (125%) of the estimated costs of constructing infrastructure on Phase 3 of Cutter Creek Plantation Subdivision.

On August 22, 2008, the County entered into an agreement with Mill Run Development Group, LLC in which Mill Run would obtain a performance bond to provide a performance guaranty for One Hundred Twenty Five percent (125%) of the estimated costs of constructing infrastructure on Phase 4 of Cutter Creek Plantation Subdivision.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles.

- Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance.
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Funding Progress for the Other Postemployment Benefits.
- Schedule of Employer Contributions for the Other Postemployment Benefits.
- Notes to the Required Schedules for the Other Postemployment Benefits.

STATEMENT 1

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF FUNDING PROGRESS
June 30, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll for Year Ending On Val Date (c)	UAAL as a Percentage of Covered Payroll ((b -a) /c)
12/31/1997	$0	$63,324	$63,324	0.00%	$441,707	14.34%
12/31/1998	$0	$41,666	$41,666	0.00%	$507,459	8.21%
12/31/1999	$0	$35,126	$35,126	0.00%	$492,016	7.14%
12/31/2000	$0	$44,921	$44,921	0.00%	$511,850	8.78%
12/31/2001	$0	$44,712	$44,712	0.00%	$477,967	9.35%
12/31/2002	$0	$50,488	$50,488	0.00%	$559,480	9.02%
12/31/2003	$0	$56,684	$56,684	0.00%	$593,731	9.55%
12/31/2004	$0	$48,867	$48,867	0.00%	$577,806	8.46%
12/31/2005	$0	$50,632	$50,632	0.00%	$703,682	7.20%
12/31/2006	$0	$57,121	$57,121	0.00%	$719,796	7.94%
12/31/2007	$0	$66,629	$66,629	0.00%	$697,283	9.56%
12/31/2008	$0	$77,583	$77,583	0.00%	$721,823	10.75%

STATEMENT 2

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2009

Year Ending June 30	Annual Required Contribution	Percentage Contributed
1998	$9,706	0.00%
1999	$9,495	0.00%
2000	$7,858	0.00%
2001	$7,017	0.00%
2002	$8,552	0.00%
2003	$8,619	0.00%
2004	$9,918	0.00%
2005	$11,069	0.00%
2006	$9,948	0.00%
2007	$10,432	0.00%
2008	$10,913	0.00%
2009	$11,822	0.00%

Notes to the Required Schedules:

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

Valuation Date	12/31/08
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return*	7.25%
Projected Salary Increases*	4.5% to 12.3%
*Includes Inflation At	3.75%
Cost-of-Living Adjustments	N/A

GREENE COUNTY, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
June 30, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b -a) /c)
12/31/2008	$0	$1,787,821	$1,787,821	0.00%	$5,667,378	31.5%

STATEMENT 4

GREENE COUNTY, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2009

Year Ending June 30	Annual Required Contribution	Percentage Contributed
2009	$272,070	11.54%

Notes to the Required Schedules:

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

Valuation Date	12/31/08
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value OF Assets
Actuarial Assumptions:	
Investment Rate of Return*	4.00%
Projected Salary Increases*	10.50% to 5.00%
*Includes Inflation At	3.75%

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedules

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes:			
Taxes	$7,432,271	$7,537,217	$104,946
Penalties and Interest	120,000	162,785	42,785
Total Ad Valorem Taxes	$7,552,271	$7,700,002	$147,731
Local Option Sales Taxes:			
Article 39	$676,540	$566,726	($109,814)
Article 40	1,201,976	1,082,762	(119,214)
Article 42	1,200,000	1,080,023	(119,977)
Article 44	455,000	277,629	(177,371)
Total Local Option Sales Taxes	$3,533,516	$3,007,140	($526,376)
Other Taxes and Licenses:			
Real Estate Transfer Tax	$71,299	$39,498	($31,801)
Privilege Licenses	1,000	1,475	475
Total Other Taxes and Licenses	$72,299	$40,973	($31,326)
Unrestricted Intergovernmental Revenue:			
Beer & Wine Tax	$80,000	$84,345	$4,345
Restricted Intergovernmental Revenue:			
State and Federal Grants	$4,933,104	$4,739,653	($193,451)
GTP Loans & Loan Repayments	174,461	26,194	(148,267)
Controlled Substance Tax		17,051	17,051
Court Facility Fees	35,000	35,584	584
ABC - 5 cent Bottle Tax	2,200	2,677	477
Inmate Fees & Reimbursements		10,747	10,747
Board of Education SRO Reimbursements	31,000		(31,000)
Total Restricted Intergovernmental Revenue	$5,175,765	$4,831,906	($343,859)
Permits and Fees:			
Building Inspection Fees	$80,000	$75,460	($4,540)
Concealed Weapon Fees & Gun Permits	6,000	6,595	595
Register of Deeds	77,000	62,808	(14,192)
Cable TV Fees	5,000	10,803	5,803
Building/Other Permits and Fees	73,100	61,031	(12,069)
Total Licenses & Permits	$241,100	$216,697	($24,403)

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Sales and Services:			
Jail and Officer Fees	$257,000	$241,822	($15,178)
Ambulance and EMS Fees	891,000	901,063	10,063
Recreation Fees	106,192	96,454	(9,738)
Senior Center Meals	3,180	3,120	(60)
Municipal Tax Collection Fee	1,200	3,124	1,924
Copier and Vending Machines	5,000	4,598	(402)
Rents	10,400	11,010	610
Total Sales & Services	$1,273,972	$1,261,191	($12,781)
Total Investment Earnings	$110,000	$49,402	($60,598)
Other Revenues:			
Gasoline Tax Refund	$15,000	$6,950	($8,050)
United Way Receipts - Senior Center	11,160	9,650	(1,510)
Sweet Potato Festival	18,250	37,312	19,062
Miscellaneous	39,568	45,920	6,352
Total Other Revenues	$83,978	$99,832	$15,854
TOTAL REVENUES	$18,122,901	$17,291,488	($831,413)
EXPENDITURES:			
General Government:			
Governing Body:			
Salaries & Employee Benefits	$25,660	$25,660	
Operating Expenses	60,831	60,430	$401
Insurance Other Than Property	250,375	250,572	(197)
	$336,866	$336,662	$204
Adminstration:			
Salaries and Employee Benefits	$78,984	$78,461	$523
Operating Expenses	362,091	362,285	(194)
	$441,075	$440,746	$329
Elections:			
Salaries & Employee Benefits	$85,822	$80,544	$5,278
Operating Expenses	76,750	27,034	49,716
	$162,572	$107,578	$54,994
Finance:			
Salaries & Employee Benefits	$297,621	$296,005	$1,616
Operating Expenses	59,405	60,835	(1,430)
	$357,026	$356,840	$186

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Taxes:			
Salaries & Employee Benefits	$306,809	$305,536	$1,273
Operating Expenses	168,670	169,739	(1,069)
	$475,479	$475,275	$204
Register of Deeds:			
Salaries & Employee Benefits	$122,727	$117,744	$4,983
Operating Expenses	62,750	48,037	14,713
	$185,477	$165,781	$19,696
Public Buildings:			
Salaries & Employee Benefits	$117,676	$118,892	($1,216)
Operating Expenses	258,965	257,617	1,348
	$376,641	$376,509	$132
Court Facilities:			
Operating Expenses	$15,649	$15,098	$551
TOTAL GENERAL GOVERNMENT	$2,350,785	$2,274,489	$76,296
Public Safety:			
Sheriff Department:			
Salaries & Employee Benefits	$1,345,588	$1,327,180	$18,408
Operating Expenses	314,794	298,919	15,875
Capital Outlay	19,000	19,000	
	$1,679,382	$1,645,099	$34,283
County Jail:			
Salaries & Employee Benefits	$289,004	$289,338	($334)
Operating Expenses	197,103	195,369	1,734
	$486,107	$484,707	$1,400
Inspections:			
Salaries & Employee Benefits	$141,963	$141,837	$126
Operating Expenses	18,150	13,142	5,008
	$160,113	154,979	$5,134
Emergency Management:			
Salaries & Employee Benefits	$51,442	$51,403	$39
Operating Expenses	52,289	47,011	5,278
Aid to Fire Districts	58,000	58,000	
Greene County Firemen's Association	5,000	5,000	
	$166,731	$161,414	$5,317

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Emergency Medical Services:			
Salaries & Employee Benefits	$566,443	$561,456	$4,987
Operating Expenses	369,946	368,294	1,652
Aid to Rescue Districts	48,800	48,800	
Capital Outlay	90,450	90,410	40
	$1,075,639	$1,068,960	$6,679
Medical Examiner:			
Operating Expenses	$4,200	$4,200	
TOTAL PUBLIC SAFETY	$3,572,172	$3,519,359	$52,813
Environmental Protection:			
Forest Fire Prevention:			
County Matching to State	$57,401	$52,494	$4,907
TOTAL ENVIRONMENTAL PROTECTION	$57,401	$52,494	$4,907
Economic & Physical Development:			
Agricultural Extension:			
Salaries & Employee Benefits	$133,821	$121,538	$12,283
Operating Expenses	72,904	68,508	4,396
	$206,725	$190,046	$16,679
Soil Conservation Services:			
Salaries & Employee Benefits	$131,017	$130,766	$251
Operating Expenses	20,621	12,485	8,136
	$151,638	$143,251	$8,387
Economic Development:			
Salaries & Employee Benefits	$75,032	$75,121	($89)
Operating Expenses	39,036	30,800	8,236
Business Incentives	50,000	50,000	
	$164,068	$155,921	$8,147
TOTAL ECONOMIC & PHYSICAL DEVELOPMENT	$522,431	$489,218	$33,213
Human Services:			
Public Health:			
Administration:			
Salaries & Employee Benefits	$1,282,305	$1,235,124	$47,181
Operating Expenses	439,682	374,058	65,624
Clinic and Consulting Fees	53,007	53,901	(894)
Capital Outlay	33,873	32,872	1,001
	$1,808,867	$1,695,955	$112,912

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Mental Health:			
Wilson-Greene Mental Health Center	$61,218	$35,713	$25,505
ABC Funds - Addictions Program	2,700	2,700	
	$63,918	$38,413	$25,505
SOS Grant:			
Salaries & Employee Benefits	$103,502	$93,517	$9,985
Operating Expenses	19,474	13,984	5,490
	$122,976	$107,501	$15,475
Social Services:			
Administration:			
Salaries & Employee Benefits	$1,728,642	$1,713,477	$15,165
Operating Expenses	145,800	127,720	18,080
	$1,874,442	$1,841,197	$33,245
Adoption Assistance	$68,947	$35,775	$33,172
TANF Program:			
Work First Temporary Assistance	$2,223	$1,995	$228
Domestic Violence	9,134	6,288	2,846
Emergency Assistance	18,000	12,084	5,916
Foster Care	101,358	51,514	49,844
	$130,715	$71,881	$58,834
Blind Assistance	$3,885	$534	$3,351
Energy:			
Carolina Power and Light Crisis Fund	$1,960	$1,673	$287
Day Care:			
County Participation	$970,389	$910,970	$59,419
Smart Start	109,390	109,374	16
	$1,079,779	$1,020,344	$59,435
Adoption Incentive	$6,170	$160	$6,010
Chore Services	$2,266		$2,266
Crisis LIEAP	$146,609	$133,308	$13,301
Program Expenses	$25,000	$23,363	$1,637
Child Support Enforcement	$14,150	$12,333	$1,817

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Food and Nutrition	$25,829	$6,826	$19,003
Food Stamps	$8,500	$7,289	$1,211
General Assistance	$7,499	$3,224	$4,275
Independent Living	$1,525	$1,486	$39
Work First Job Program	$103,000	$71,765	$31,235
Medical Assistance	$972,836	$729,710	$243,126
Neuse River-In Home Care	$63,220	$56,673	$6,547
Special Assistance-Adults	$295,000	$294,239	$761
Title XX Legal Expense	$20,000	$17,161	$2,839
Foster Care	$12,250	$1,292	$10,958
Total Social Services	$4,863,582	$4,330,233	$533,349
Veterans Service Officer:			
Salaries & Employee Benefits	$22,380	$22,380	
Operating Expenses	5,003	4,307	$696
	$27,383	$26,687	$696
Youth Services:			
Operating Expenses	$109,021	$85,829	$23,192
	$109,021	$85,829	$23,192
Senior Services:			
Salaries & Employee Benefits	$92,310	$84,253	$8,057
Operating Expenses	144,400	133,076	11,324
	$236,710	$217,329	$19,381
TOTAL HUMAN SERVICES	$7,232,457	$6,501,947	$730,510
Culture and Recreation:			
Regional Library:			
County Matching Share	$131,000	$131,000	

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
Recreation:			
Salaries & Employee Benefits	$122,254	$120,549	$1,705
Operating Expenses	129,162	130,729	(1,567)
Capital Outlay	17,379	17,414	(35)
	$268,795	$268,692	$103
Sweet Potato Festival	$18,250	$32,249	($13,999)
TOTAL CULTURE AND RECREATION	$418,045	$431,941	($13,896)
Education:			
Public Schools:			
Current Expense - Local	$2,247,000	$2,247,000	
Capital Outlay - Local	766,319	731,511	$34,808
	$3,013,319	$2,978,511	$34,808
Community College:			
Local Appropriation	$204,473	$204,473	
	$204,473	$204,473	
TOTAL EDUCATION	$3,217,792	$3,182,984	$34,808
Debt Service:			
Principal Retirement	$849,517	$690,672	$158,845
Interest	74,374	59,749	14,625
TOTAL DEBT SERVICE	$923,891	$750,421	$173,470
TOTAL EXPENDITURES	$18,294,974	$17,202,853	$1,092,121
Excess Revenues Over (Under) Expenditures	($172,073)	$88,635	$260,708

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds		$244,628	$244,628
Transfers To Other Funds	($407,492)	(335,790)	71,702
Capital Lease Obligations Issued	124,500	86,400	(38,100)
Note Payable Issued	235,500	235,500	
Sale of Fixed Assets	15,000	405	(14,595)
Fund Balance Appropriated	204,565		(204,565)
Total Other Financing Sources (Uses)	$172,073	$231,143	$59,070
Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	$0	$319,778	$319,778
FUND BALANCES			
Beginning of Year, July 1		6,116,878	
FUND BALANCE, Ending		$6,436,656	

GREENE COUNTY, NORTH CAROLINA
JAIL CONSTRUCTION CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings			$2,301	$2,301	$2,301
Total Expenditures	$0	$0	$2,301	$2,301	$2,301
EXPENDITURES:					
Administration & Legal	$35,000	$16,552	$29,504	$46,056	($11,056)
Architectural & Engineering	1,228,819	907,907	148,260	1,056,167	172,652
Construction	9,652,750	97,473	109,129	206,602	9,446,148
Equipment	373,388				373,388
Miscellaneous	400,000				400,000
Contingency	368,388				368,388
Total Expenditures	$12,058,345	$1,021,932	$286,893	$1,308,825	$10,749,520
Revenues Over (Under) Expenditures	($12,058,345)	($1,021,932)	($284,592)	($1,306,524)	$10,751,821
OTHER FINANCING SOURCES (USES)					
Temporary Financing Issued for USDA Installment Purchase Obligations Issued	$12,058,345		$10,500,000	$10,500,000	($1,558,345)
Total Other Financing Sources	$12,058,345	$0	$10,500,000	$10,500,000	($1,558,345)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	$0	($1,021,932)	$10,215,408	$9,193,476	$9,193,476
FUND BALANCE, Beginning			(1,021,932)		
FUND BALANCE, Ending			$9,193,476		

COMBINING STATEMENTS FOR NON-MAJOR FUNDS

Special Revenue Funds

- *Fire District Funds* – These funds account for the County's collection of tax revenue and related expenditures for each of the eleven fire districts.

- *Property Revaluation Fund* – The County uses this fund to set aside money each year to pay for the revaluation for tax purposes of real property every eight years.

- *Emergency Telephone System Fund* – This fund accounts for the 911 revenues collected by the telephone industry to fund the 911 emergency system.

- *2006 Community Development Block Grant Project Fund* – This fund accounts for the revenues and expenses associated with various community revitalization projects.

- *Yamco Expansion Project Fund* – This fund accounts for the revenues and expenses associated with the rural center grant fund to be used locally for industrial rehabilitation.

Capital Projects Funds

- *School Capital Finance Fund* – The County uses this fund to account for the construction/improvement of the Schools.

- *Recreation Park Project Fund* - The County uses this fund to account for the construction of a new parks and recreation facility.

- *American Prawn Cooperative Project Fund* – The County uses this fund to account for the construction of a new building for economic innovation to harvest and process prawns.

GREENE COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue Funds				
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	2006 CDBG Project Fund	Yamco Expansion Project Fund
ASSETS					
Cash and Investments	$1,900	$177,126	$683,039	$4,796	
Accounts Receivable		32	22,300		
Due From Other Governments				43,857	
Due From Other Funds	3,701				
Taxes Receivable, Net	44,849				
TOTAL ASSETS	$50,450	$177,158	$705,339	$48,653	$0
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$4,584		$473	$48,653	
Deferred Revenue	45,866				
Due to Other Funds					
Total Liabilities	$50,450	$0	$473	$48,653	$0
Fund Balances:					
Reserved by State Statute		$32	$22,300		
Designated for Subsequent Year's Expenditure		177,126	682,566		
Total Fund Balances	$0	$177,158	$704,866	$0	$0
TOTAL LIABILITIES AND FUND BALANCES	$50,450	$177,158	$705,339	$48,653	$0

Total Non-major Special Revenue Funds	Capital Project Funds: School Capital Finance Fund	Capital Project Funds: Recreation Park Project Fund	Capital Project Funds: American Prawn Cooperative Project Fund	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
$866,861	$880	$374,837		$375,717	$1,242,578
22,332		350,000		350,000	372,332
43,857		13,184	$97,086	110,270	154,127
3,701					3,701
44,849					44,849
$981,600	$880	$738,021	$97,086	$835,987	$1,817,587
$53,710			$67,359	$67,359	$121,069
45,866					45,866
		$751,849	29,727	781,576	781,576
$99,576	$0	$751,849	$97,086	$848,935	$948,511
$22,332					$22,332
859,692	$880	($13,828)		(12,948)	846,744
$882,024	$880	($13,828)	$0	($12,948)	$869,076
$981,600	$880	$738,021	$97,086	$835,987	$1,817,587

GREENE COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2009

	Special Revenue Funds				
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	2006 CDBG Project Fund	Yamco Expansion Project Fund
REVENUES:					
Ad Valorem Taxes	$579,290				
Restricted Intergovernmental			$266,169	$287,160	$252,728
Investment Earnings		$1,593	6,385		
Total Revenues	$579,290	$1,593	$272,554	$287,160	$252,728
EXPENDITURES:					
Public Safety	$579,290		$128,092		
Economic Development				$287,160	$252,728
Cultural and Recreation					
Capital Outlay					
Total Expenditures	$579,290	$0	$128,092	$287,160	$252,728
Revenues Over (Under) Expenditures	**$0**	**$1,593**	**$144,462**	**$0**	**$0**
OTHER FINANCING SOURCES (USES):					
Operating Transfer In (Out)		$40,000			
Principal Retirement					
Interest on Long-Term Debt					
Total Other Financing Sources	$0	$40,000	$0	$0	$0
Revenues and Other Financing Sources Over (Under) Expenditures	$0	$41,593	$144,462	$0	$0
FUND BALANCES:					
Beginning of Year, July 1		$135,565	$560,404		
End of Year, June 30	$0	$177,158	$704,866	$0	$0

Total Nonmajor Special Revenue Funds	Capital Project Funds: School Capital Finance Fund	Capital Project Funds: Recreation Park Project Fund	Capital Project Funds: American Prawn Cooperative Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
$579,290					$579,290
806,057	$746,052		$95,323	$841,375	1,647,432
7,978	880			880	8,858
$1,393,325	$746,932	$0	$95,323	$842,255	$2,235,580
$707,382					$707,382
539,888			$95,323	$95,323	635,211
		$13,828		13,828	13,828
	$746,052			746,052	746,052
$1,247,270	$746,052	$13,828	$95,323	$855,203	$2,102,473
$146,055	**$880**	**($13,828)**	**$0**	**($12,948)**	**$133,107**
$40,000	($3,296)			($3,296)	$36,704
	(214,023)			(214,023)	(214,023)
	(27,309)			(27,309)	(27,309)
$40,000	($244,628)	$0	$0	($244,628)	($204,628)
$186,055	($243,748)	($13,828)	$0	($257,576)	($71,521)
$695,969	$244,628	$0	$0	$244,628	$940,597
$882,024	$880	($13,828)	$0	($12,948)	$869,076

STATEMENT 9

GREENE COUNTY, NORTH CAROLINA
FIRE DISTRICT FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Annual Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes - Current Year	$663,897	$553,843	($110,054)
Ad Valorem Taxes - Prior Years		25,447	25,447
Total Revenues	$663,897	$579,290	($84,607)
EXPENDITURES:			
Public Safety:			
Bull Head Fire District	$43,300	$35,414	$7,886
Rainbow Fire District	65,000	59,662	5,338
Maury Fire District	65,000	67,517	(2,517)
Shine Fire District	63,807	55,334	8,473
Arba Fire District	56,000	47,702	8,298
Little Creek Fire District	38,556	33,675	4,881
Contentnea Fire District	85,726	73,123	12,603
Fort Run Fire District	49,943	41,232	8,711
Jason Fire District	53,235	45,316	7,919
Castoria Fire District	76,450	63,547	12,903
Speight's Bridge Fire District	66,880	56,768	10,112
Total Expenditures	$663,897	$579,290	$84,607
Revenues Over Expenditures	$0	$0	$0
FUND BALANCE, Beginning			
FUND BALANCE, Ending		$0	

STATEMENT 10

GREENE COUNTY, NORTH CAROLINA
PROPERTY REVALUATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Annual Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings	$5,000	$1,593	($3,407)
Total Revenues	$5,000	$1,593	($3,407)
EXPENDITURES:			
Current:			
General Government:			
Tax Revaluation	$45,000		$45,000
Total Expenditures	$45,000	$0	$45,000
Revenues Over (Under) Expenditures	($40,000)	$1,593	$41,593
OTHER FINANCING SOURCES			
Operating Transfers In	$40,000	$40,000	
Total Other Financing Sources	$40,000	$40,000	$0
Revenues Over (Under) Expenditures and Other Financing Sources	$0	$41,593	$41,593
FUND BALANCE, Beginning		135,565	
FUND BALANCE, Ending		$177,158	

STATEMENT 11

GREENE COUNTY, NORTH CAROLINA
EMERGENCY TELEPHONE SYSTEM FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Annual Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Restricted Intergovernmental:			
PSAP Collections	$139,825	$266,169	$126,344
Investment Earnings		6,385	6,385
Total Revenues	$139,825	$272,554	$132,729
EXPENDITURES:			
Public Safety:			
Operating Expenses	$139,825	$128,092	$11,733
Total Expenditures	$139,825	$128,092	$11,733
Revenues Over (Under) Expenditures	$0	$144,462	$144,462
Fund Balance, Beginning		560,404	
Fund Balance, Ending		$704,866	

STATEMENT 12

GREENE COUNTY, NORTH CAROLINA
2006 COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
From Inception and For The Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
REVENUES:					
Restricted Intergovernmental:					
Community Development Block Grant	$400,000	$67,767	$287,160	$354,927	($45,073)
Total Revenues	$400,000	$67,767	$287,160	$354,927	($45,073)
EXPENDITURES:					
Economic Development:					
Rehabilitation	$220,000	$67,767	$150,252	$218,019	$1,981
Relocation	140,000		98,285	98,285	41,715
Administration	33,000		32,175	32,175	825
Clearance	7,000		6,448	6,448	552
Total Expenditures	$400,000	$67,767	$287,160	$354,927	$45,073
Revenues Over (Under) Expenditures	$0	$0	$0	$0	$0
FUND BALANCE, Beginning					
FUND BALANCE, Ending			$0		

STATEMENT 13

GREENE COUNTY, NORTH CAROLINA
YAMCO EXPANSION PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
REVENUES:					
Restricted Intergovernmental:					
Rural Center Grant	$282,728	$200,000	$82,728	$282,728	
NC Commerce - One NC	110,000		82,500	82,500	($27,500)
NC Eastern Region	50,000		37,500	37,500	(12,500)
Other:					
Progress Energy	5,000				(5,000)
County Match - Rural Center	7,068				(7,068)
County Match - NC Commerce	50,000		50,000	50,000	
County Match - Progress Energy	5,000				(5,000)
Total Revenues	$509,796	$200,000	$252,728	$452,728	($57,068)
EXPENDITURES:					
Economic Development:					
Building & Retrofitting	$289,796	$200,000	$126,364	$326,364	($36,568)
Machinery & Equipment	220,000		126,364	126,364	93,636
Total Expenditures	$509,796	$200,000	$252,728	$452,728	$57,068
Revenues Over (Under) Expenditures	$0	$0	$0	$0	$0
FUND BALANCE, Beginning					
FUND BALANCE, Ending			$0		

STATEMENT 14

GREENE COUNTY, NORTH CAROLINA
SCHOOL CAPITAL FINANCE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Annual Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Reserved for Debt Service:			
Public School Building			
Capital Fund - Lottery	$746,052	$746,052	
Investment Earnings		880	$880
Total Revenues	$746,052	$746,932	$880
EXPENDITURES:			
Capital Outlay	$65,702		$65,702
School Capital Projects - Lottery	746,052	$746,052	
Total Expenditures	$811,754	$746,052	$65,702
Revenues Over Expenditures	($65,702)	$880	$66,582
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	$307,034	$241,332	($65,702)
Interest on Long-Term Debt	(27,309)	(27,309)	
Principal Payments	(214,023)	(214,023)	
Transfer to General Fund	(244,628)	(244,628)	
Fund Balance Appropriated	244,628		(244,628)
Total Other Financing Sources	$65,702	($244,628)	($310,330)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	$0	($243,748)	($243,748)
FUND BALANCE, Beginning		244,628	
FUND BALANCE, Ending		$880	

STATEMENT 15

GREENE COUNTY, NORTH CAROLINA
RECREATION PARK PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
From Inception and For the Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
PART F - Phase 1 Grant	$340,837	$340,837		$340,837	
PART F - Phase 2 Grant	350,000	350,000		350,000	
LWCF Grant	91,426	91,426		91,426	
Recreation Trails Grant	41,900	41,900		41,900	
PART F - Phase 1 Match	32,237				($32,237)
Land Construction - Phase 2 Match	308,600				(308,600)
Additional Local Contribution	150,000	154,500		154,500	4,500
Early College Match	31,305				(31,305)
Interest Income		168		168	168
Total Revenues	$1,346,305	$978,831	$0	$978,831	($367,474)
EXPENDITURES:					
Site Improvements	$1,124,337	$1,122,777		$1,122,777	$1,560
Concession Stand	95,852	95,852		95,852	
Bleachers, Picnic Shelter, Goals & Benches	31,299	32,199		32,199	(900)
Playground Equipment	25,214	25,214		25,214	
Irrigation System	17,000	15,168		15,168	1,832
Cross County Trails	8,000	157		157	7,843
Engineering CN1	105,052	111,964		111,964	(6,912)
Inspection	70,000	43,309		43,309	26,691
Survey/Land & Easement Acquisition	8,794	7,194		7,194	1,600
Archaeologist	4,128				4,128
Land Purchases	308,600				308,600
Appraisals	3,500				3,500
Grant Applications	13,750				13,750
Early College	31,306	26,839		26,839	4,467
Contingency	22,329		$13,828	13,828	8,501
Total Expenditures	$1,869,161	$1,480,673	$13,828	$1,494,501	$374,660
Revenues Over (Under) Expenditures	($522,856)	($501,842)	($13,828)	($515,670)	$7,186
OTHER FINANCING SOURCES (USES):					
Transfer From General Fund:					
PART F - Phase 2 Match	$245,000	$235,628		$235,628	($9,372)
Local Contribution - Phase 1 Match	105,000	105,000		105,000	
LWCF Match	91,426	91,426		91,426	
Recreation Trails Match	10,498	10,498		10,498	
Other Local Contributions	70,932	59,290		59,290	(11,642)
Total Transfers:	$522,856	$501,842	$0	$501,842	($21,014)
Total Other Financing Sources (Uses)	$522,856	$501,842	$0	$501,842	($21,014)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$0	$0	($13,828)	($13,828)	($13,828)
FUND BALANCE, Beginning					
FUND BALANCE, Ending			($13,828)		

STATEMENT 16

GREENE COUNTY, NORTH CAROLINA
AMERICAN PRAWN COOPERATIVE PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
From Inception and For the Fiscal Year Ended June 30, 2009

	Annual Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Restricted Intergovernmental:			
Rural Center Grant	$300,000	$95,323	($204,677)
Total Revenues	$300,000	$95,323	($204,677)
EXPENDITURES:			
Engineer Drawings	$5,000	$16,000	($11,000)
Supplies	2,966	977	1,989
Equipment	175,882	16,750	159,132
Capital Outlay	93,952	61,596	32,356
Site Improvements	5,800		5,800
Landfill Tipping Fees	1,350		1,350
Permits	650		650
Contingency	14,400		14,400
Total Expenditures	$300,000	$95,323	$204,677
Revenues Over Expenditures	$0	**$0**	$0
FUND BALANCE, Beginning			
FUND BALANCE, Ending		$0	

ENTERPRISE FUNDS

The following comprise the County's Enterprise Funds:

Utility Fund – The Utility Fund is used to account for the operation of water and sewer services provided throughout Greene County.

Landfill Fund – The Landfill Fund is used to account for the operations of the County's solid waste landfill, Scrap Tire and White Goods disposal.

Transportation System Fund – The Transportation System Fund is used to account for the operation of the transportation system which provides services to certain qualifying residents.

GREENE COUNTY, NORTH CAROLINA
UTILITY FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for Services:			
Water and Sewer Sales	$1,848,100	$1,991,175	$143,075
Tap-on Fees and Service Charges	52,000	70,762	18,762
Miscellaneous	7,065	42,221	35,156
Total Operating Revenues	$1,907,165	$2,104,158	$196,993
Nonoperating Revenues:			
Interest Earned on Investments	$10,000	$13,334	$3,334
Alternative Water Supply Fees	425,000	482,152	57,152
Rural Center Mapping Grant	40,000	40,000	
Total Nonoperating Revenues	$475,000	$535,486	$60,486
Total Revenues	$2,382,165	$2,639,644	$257,479
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$410,749	$424,021	($13,272)
Supplies	160,000	123,394	36,606
Water Purchases	1,000	1,510	(510)
Maintenance	155,000	128,841	26,159
Contracted Services	155,000	56,169	98,831
Utilities	141,400	142,224	(824)
Sewer Charges - Town of Farmville	150,000	149,144	856
Office Expense	54,000	41,993	12,007
Professional Services	46,000	26,846	19,154
Management Fee - County	25,000	25,000	
Capital Outlay	39,100	51,807	(12,707)
Insurance	8,000	8,000	
Miscellaneous	1,000	205	795
Total Operating Expenditures	$1,346,249	$1,179,154	$167,095
DEBT SERVICE:			
Interest on Long-Term Debt	$265,014	$264,471	$543
Principal Payments	328,837	328,836	1
Total Debt Service	$593,851	$593,307	$544
Total Expenditures	$1,940,100	$1,772,461	$167,639
Revenues Over Expenditures	$442,065	$867,183	$425,118

GREENE COUNTY, NORTH CAROLINA
UTILITY FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In:			
General Fund		$54,458	$54,458
Operating Transfers Out:			
Alternative Water Supply Fund	(425,000)	(482,152)	(57,152)
Capital Reserve	(50,000)	(50,000)	
Fund Balance Appropriated	32,935		(32,935)
Total Other Financing Sources (Uses)	($442,065)	($477,694)	($35,629)
Revenues and Other Financing Sources Over (Under) Expenditures Financing Uses, and Appropriated Fund Balance	$0	$389,489	$389,489
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Depreciation		($425,648)	
Principal Payments		328,836	
Capital Outlay		51,807	
Decrease in Compensated Absences		3,516	
Increase in Other Postemployment Benefits		(13,216)	
Decrease in Accrued Interest		5,413	
Net Income Capital Reserve Fund Excluding Transfers		4,902	
Net Income Alternative Water Supply Capital Reserve Fund Excluding Transfers		339,955	
Depreciation Water & Sewer District 1		(41,445)	
Administrative Expenses Water & Sewer Disctrict 1		(3,000)	
Transfer to Alternative Water Supply Fund		482,152	
Transfer to Capital Reserve		50,000	
Investment Earnings on Alternative Water Phase 1A Project Fund		70,854	
Contributed Capital Alternative Water Phase 1A Project Fund		1,558,019	
Miscellaneous Income Alternative Water Phase 1A Project Fund		(250)	
Investment Earnings on Alternative Water Phase 1C Project Fund		279	
Investment Earnings on Cutter Creek Project Fund		4,937	
Total Reconciling Items		$2,417,111	
Net Income, Full Accrual Basis		$2,806,600	

STATEMENT 18

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
(NON –GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		$4,902	$4,902
Total Revenues	$0	$4,902	$4,902
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	$50,000	$50,000	
Reserve	(50,000)		$50,000
Total Other Financing Sources	$0	$50,000	$50,000
Revenues Over (Under) Other Financing Sources	$0	$54,902	$54,902
FUND BALANCE, Beginning		426,515	
FUND BALANCE, Ending		$481,417	

STATEMENT 19

GREENE COUNTY, NORTH CAROLINA
UTILITY ALTERNATIVE WATER SUPPLY CAPITAL RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
(NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings	$60,000	$28,854	($31,146)
Per Meter AWS Fees		311,101	311,101
Total Revenues	$60,000	$339,955	$279,955
EXPENDITURES:			
Alternative Water Supply Study			
Total Expenditures	$0	$0	$0
Revenues Over (Under) Other Expenditures	$60,000	$339,955	$279,955
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	$325,000	$482,152	$157,152
Reserve	(385,000)		385,000
Total Other Financing Sources	($60,000)	$482,152	$542,152
Revenues Over (Under) Other Financing Sources	$0	$822,107	$822,107
FUND BALANCE, Beginning		2,232,461	
FUND BALANCE, Ending		$3,054,568	

STATEMENT 20

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
CUTTER CREEK SEWER CONSTRUCTION PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings		$25,507	$4,937	$30,444	$30,444
Total Revenues	$0	$25,507	$4,937	$30,444	$30,444
EXPENDITURES:					
Construction	$1,540,200	$1,354,685	$14,151	$1,368,836	$171,364
Engineering	114,437	96,388		96,388	18,049
Inspection	88,407	78,321		78,321	10,086
Legal/Administrative	5,000				5,000
Surveying	5,500	5,362		5,362	138
Permit Fees	1,300	1,300		1,300	
Other	6,651	750		750	5,901
Contingency	38,505				38,505
Total Expenditures	$1,800,000	$1,536,806	$14,151	$1,550,957	$249,043
Revenues Over (Under) Expenditures	($1,800,000)	($1,511,299)	($9,214)	($1,520,513)	$279,487
OTHER FINANCING SOURCES (USES):					
Installment Purchase Obligation Issued	$1,800,000	$1,800,000		$1,800,000	
Total Other Financing Sources (Uses)	$1,800,000	$1,800,000	$0	$1,800,000	$0
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$0	$288,701	($9,214)	$279,487	$279,487
FUND BALANCE, Beginning			288,701		
FUND BALANCE, Ending			$279,487		

STATEMENT 21

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
ALTERNATIVE WATER PHASE 1A PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings	$128,000		$53,996	$53,996	($74,004)
Interest Earned on Non-Ban Proceeds		$10,134	16,858	26,992	26,992
USDA - RD Loan Income - (BAN Proceeds)	6,202,000		6,202,000	6,202,000	
USDA - RD Grant Income	1,000,000				(1,000,000)
EDA Grant Income	500,000		265,467	265,467	(234,533)
Rural Center Grant Income	400,000		400,000	400,000	
NC Direct Appropriations	1,000,000	107,448	892,552	1,000,000	
Sales Tax Refund - From Farmville	96,575				(96,575)
Miscellaneous Income	5,125	5,125	(250)	4,875	(250)
Total Revenues	$9,331,700	$122,707	$7,830,623	$7,953,330	($1,378,370)
EXPENDITURES:					
Construction	$7,482,343	$562	$4,167,132	$4,167,694	$3,314,649
Engineering	483,399		385,354	385,354	98,045
Contingency	323,539				323,539
Inspection	230,107		196,727	196,727	33,380
Temporary Financing Interest Expense	420,000		156,734	156,734	263,266
Land/Easements	153,500	85,751	59,557	145,308	8,192
Funding Assistance	46,575		46,575	46,575	
Administrative	47,047	3,261	23,701	26,962	20,085
Project Adminstrative	25,000		10,000	10,000	15,000
Grant Assistance	25,000		10,000	10,000	15,000
Reimbursables	26,640		21,160	21,160	5,480
Legal	42,500	10,574	8,000	18,574	23,926
Geotechnical	5,625	5,625		5,625	
Environmental	5,000		5,000	5,000	
Appraisals	2,300	1,675	625	2,300	
Timber Sale - Site 247	250				250
Accounting	8,000				8,000
Contingency	4,875				4,875
Total Expenditures	$9,331,700	$107,448	$5,090,565	$5,198,013	$4,133,687
Revenues Over (Under) Expenditures	$0	$15,259	$2,740,058	$2,755,317	$2,755,317
OTHER FINANCING SOURCES:					
Residual Fund Balance from DOC Water/Sewer Project		$192,575		$192,575	$192,575
Total Other Financing Sources	$0	$192,575	$0	$192,575	$192,575
Revenues and Other Financing Over Expenditures and Other Financing Sources	$0	$207,834	$2,740,058	$2,947,892	$2,947,892
FUND BALANCE, Beginning			207,834		
FUND BALANCE, Ending			$2,947,892		

GREENE COUNTY, NORTH CAROLINA
ALTERNATIVE WATER PHASE 1C PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
USDA - RD Loan Income - (BAN Proceeds)	$3,800,000				($3,800,000)
USDA - RD Grant Income	1,600,000				(1,600,000)
Rural Center Grant Income	2,000,000				(2,000,000)
Interim Financing Loan	113,000				(113,000)
Sales Tax Refund - Restricted	110,000				(110,000)
Investment Earnings		$351	$279	$630	630
Total Revenues	$7,623,000	$351	$279	$630	($7,622,370)
EXPENDITURES:					
Construction	$6,072,250				$6,072,250
Engineering	365,307				365,307
Contingency	233,393				233,393
Temporary Financing Interest Expense	225,000				225,000
Inspection	262,300				262,300
Land/Easements	199,250	$81,080	$8,100	$89,180	110,070
Administrative	12,500	1,731	3,900	5,631	6,869
Grant Assistance	25,000				25,000
Funding Assistance	25,000	3,500		3,500	21,500
Legal	20,000	373		373	19,627
Appraisals	10,000				10,000
Repayment of Interim Financing Loan	113,000				113,000
Project Administration	25,000				25,000
Water Board Coordination	35,000				35,000
Total Expenditures	$7,623,000	$86,684	$12,000	$98,684	$7,524,316
Revenues Over (Under) Expenditures	$0	($86,333)	($11,721)	($98,054)	($98,054)
FUND BALANCE, Beginning			($86,333)		
FUND BALANCE, Ending			($98,054)		

STATEMENT 23

GREENE COUNTY, NORTH CAROLINA
WATER & SEWER DISTRICT 1 FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year End June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Total Revenues	$3,000	$0	($3,000)
EXPENDITURES:			
Administrative	$3,000	$3,000	
Total Expenditures	$3,000	$3,000	$0
Revenues Over (Under) Expenditures	$0	($3,000)	($3,000)
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Depreciation		($41,445)	
Total Reconciling Items		($41,445)	
Net Income (Loss), Full Accrual Basis		($44,445)	

GREENE COUNTY, NORTH CAROLINA
LANDFILL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Operating:			
Landfill Fees	$668,190	$607,574	($60,616)
Total Operating Revenues	$668,190	$607,574	($60,616)
Nonoperating:			
Interest Earned on Investments	$2,000	$128	($1,872)
Total Nonoperating Revenues	$2,000	$128	($1,872)
Total Revenues	$670,190	$607,702	($62,488)
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$159,949	$164,603	($4,654)
Employee Training	1,500	1,078	422
Supplies	42,055	32,637	9,418
Maintenance	33,000	24,118	8,882
Contracted Services	200,400	196,630	3,770
Utilities	16,000	12,565	3,435
Professional Services	31,000	26,535	4,465
Insurance	8,000	8,000	
Site Improvements	2,500	1,498	1,002
Telephone and Postage	5,100	3,898	1,202
Miscellaneous	1,345	991	354
Disposal Fees	149,000	133,918	15,082
Total Operating	$649,849	$606,471	$43,378
DEBT SERVICE:			
Interest	$549	$447	$102
Principal	19,792	19,792	
Total Debt Service	$20,341	$20,239	$102
Total Expenditures	$670,190	$626,710	$43,480
Revenues Over (Under) Expenditures	$0	($19,008)	($19,008)

GREENE COUNTY, NORTH CAROLINA
LANDFILL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
Revenues Over (Under) Expenditures	$0	($19,008)	($19,008)
RECONCILING ITEMS:			
Debt Principal		$19,792	
Decrease in Compensated Absences		1,289	
Increase in Other Postemployment Benefits		(4,857)	
Depreciation		(44,393)	
Total Reconciling Items		($28,169)	
Net Income (Loss), Full Accrual Basis		($47,177)	

GREENE COUNTY, NORTH CAROLINA
TRANSPORTATION SYSTEM FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

	Budget	2009 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Operating:			
Transportation Fares	$189,157	$162,085	($27,072)
Total Operating Revenues	$189,157	$162,085	($27,072)
Nonoperating:			
Interest Earned on Investments	$2,800	$106	($2,694)
ROAP Funds	72,000	83,716	11,716
DOT Transportation Coordination Grant	96,475	92,444	(4,031)
Total Nonoperating Revenues	$171,275	$176,266	$4,991
Total Revenues	$360,432	$338,351	($22,081)
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$245,374	$242,547	$2,827
Supplies and Fuel	64,804	55,624	9,180
Maintenance	26,589	16,965	9,624
Utilities	2,000	2,019	(19)
Office Expense	12,900	11,839	1,061
Telephone and Postage	2,700	2,452	248
Travel	2,000	1,177	823
Miscellaneous Operating Expense	4,065	165	3,900
Rent		408	(408)
Total	$360,432	$333,196	$27,236
Revenues Over (Under) Expenditures	$0	$5,155	$5,155
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Increase in Compensated Absences		($412)	
Increase in Other Post Employment Benefits		(2,219)	
Depreciation		(50,830)	
Total Reconciling Items		($53,461)	
Net Income, Full Accrual Basis		($48,306)	

AGENCY FUNDS

The following comprise the County's Agency Funds:

Municipal Tax Fund - The Municipal Tax Fund is used to account for property tax collections for the municipalities located within the County as well as collection and remittance of the three percent interest levied on the first month of delinquent motor vehicle property taxes.

Social Services Fund - The Social Services Fund is used to account for funds received by the County by court order on behalf of citizens who are unable to manage their own financial affairs.

Fines and Forfeitures Fund - The Fines and Forfeitures Fund is used to account for fines and forfeitures collected by the County that are required to be remitted to the Greene County Board of Education.

ASO Self-Funded Medical Insurance Fund - The ASO Self-Funded Medical Insurance Fund is used to account for moneys collected from employer and employees and to account for medical insurance claims paid for said employees, their spouses and dependents.

STATEMENT 26

GREENE COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For The Fiscal Year Ended June 30, 2009

	Balances at June 30, 2008	Additions	Deletions	Balances at June 30, 2009
Municipal Tax Fund:				
Assets:				
Cash	$806	$112,531	$109,427	$3,910
Due from Other Governments	2,481		297	2,184
	$3,287	$112,531	$109,724	$6,094
Liabilities:				
3% DMV Interest		$11,412	$11,412	
Accounts Payable	$3,287	106,438	103,631	$6,094
	$3,287	$117,850	$115,043	$6,094
Social Services Fund:				
Assets, Cash	$151,673	$172,721	$211,347	$113,047
Liabilities, Accounts Payable	$151,673	$172,721	$211,347	$113,047
Fines and Fortfeitures Fund:				
Assets, Due From Other Governments	$7,398	$166,811	$146,097	$28,112
Liabilities, Accounts Payable	$7,398	$166,811	$146,097	$28,112
ASO-Self Funded Medical Insurance Fund:				
Assets:				
Cash		$13,052		$13,052
Due from Other Governments		77,805		77,805
	$0	$90,857	$0	$90,857
Reserve	$0	$90,857	$0	$90,857
TOTALS - ALL AGENCY FUNDS:				
Assets, Cash and Due From Other Governments	$162,358	$542,920	$467,168	$238,110
Liabilities:				
Accounts Payable	$162,358	$457,382	$472,487	$147,253
Total Liabilities	$162,358	$457,382	$472,487	$147,253
Reserve for Medical Insurance	$0	$90,857	$0	$90,857

STATISTICAL SECTION

This section includes additional information required on property taxes and transfers.

- Statement of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Ten Largest Taxpayers

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF AD VALOREM TAXES RECEIVABLE
June 30, 2009

Fiscal Year Ended June 30,	Uncollected Balance June 30, 2008	Additions	Collections and Credits	Uncollected Balance June 30, 2009
2008-09		$7,502,748	$7,173,127	$329,621
2007-08	$363,914		274,405	89,509
2006-07	108,791		57,632	51,159
2005-06	66,453		27,784	38,669
2004-05	39,315		11,598	27,717
2003-04	32,555		8,860	23,695
2002-03	49,140		4,924	44,216
2001-02	15,597		2,866	12,731
2000-01	15,380		2,011	13,369
1999-00	9,896		1,617	8,279
1998-99	13,818		13,818	
	$714,859	$7,502,748	$7,578,642	$638,965

Less Allowance for Uncollectible Ad Valorem Taxes Receivable:	139,857
Ad Valorem Taxes Receivable, Net	$499,108

Reconciliation with Revenues:

Ad Valorem Taxes - General Fund	$7,537,217
Interest and Penalties Collected on Ad Valorem Taxes - General Fund	162,785
	$7,700,002

Reconciling Items:	
Interest and Penalties Collected	($162,785)
Refunds	112,416
Taxes Written Off	(69,275)
Dog Tax	(1,716)
Total Reconciling Items	($121,360)
Total Collections and Credits	$7,578,642

GREENE COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For The Fiscal Year Ended June 30, 2009

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property Taxed at Current Year's Rate	$931,719,312	0.756	$7,043,798	$6,474,669	$569,129
Motor Vehicles Taxed at Prior Year's Rate	46,799,464	0.746	349,124		349,124
Total	$978,518,776		$7,392,922	$6,474,669	$918,253
Discoveries:					
Current Years Taxes	$15,470,635	0.756	$116,958	$116,958	
Penalties			37,625	37,625	
Total Discoveries	$15,470,635		$154,583	$154,583	$0
Abatements					
Releases	($5,920,238)	0.756	($44,757)	($23,587)	($21,170)
Total Abatements	($5,920,238)		($44,757)	($23,587)	($21,170)
Total Property Valuation	$988,069,173				
Net Levy			$7,502,748	$6,605,665	$897,083
Uncollected Taxes at June 30, 2009			329,621	183,286	146,335
Current Year's Taxes Collected			$7,173,127	$6,422,379	$750,748
Current Levy Collection Percentage			95.61%	97.23%	83.69%

GREENE COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
For The Fiscal Year Ended June 30, 2009

Taxpayer	Type of Business	2009 Assessed Valuation	Percentage of Total Assessed Valuation
Pitt-Greene EMC	Utility	$15,465,109	1.57%
Mill Run Development Group, LLC	Construction	11,208,340	1.13%
Ham Farms, Inc.	Agricultural	9,458,569	0.96%
Carolina Telephone	Telephone	6,486,214	0.66%
Progress Energy Carolinas	Utility	6,246,133	0.63%
Vanrack, Inc.	Construction	5,411,546	0.55%
L.L. Murphrey Company	Swine Producer	5,213,555	0.53%
HillCo. Ltd.	Rental	3,173,910	0.32%
Yamco, LLC	Agricultural	3,063,556	0.31%
Kenaftec, Inc.	Agricultural	3,000,378	0.30%
		$68,727,310	6.96%

COMPLIANCE SECTION

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

To the Board of County Commissioners
Greene County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregated remaining fund information of Greene County, North Carolina as of and for the year ended June 30, 2009, which collectively comprises Greene County's basic financial statements, and have issued our report thereon dated December 18, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Greene County ABC Board were not audited in accordance with *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Greene County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Greene County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of significant deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses as Finding 09-1, Finding 09-2, Finding 09-3, Finding 09-4, Finding 09-5 and Finding 09-6 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider 09-1, Finding 09-2, Finding 09-3, Finding 09-4, Finding 09-5 and Finding 09-6 to be material weaknesses.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether Greene County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as Finding 09-4.

The County's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the County's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information of the audit committee, management, others within the organization, members of the county commissioners, and federal and State awarding agencies and pass-through entities and is not intended and should not be used by anyone other than these specified parties.

Barrow Parris & Davenport P.A

BARROW, PARRIS & DAVENPORT, P.A.

December 18, 2009

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

To the Board of County Commissioners
Greene County, North Carolina

Compliance

We have audited the compliance of Greene County, North Carolina, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major federal programs for the year ended June 30, 2009. Greene County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Greene County's management. Our responsibility is to express an opinion on Greene County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Greene County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Greene County's compliance with those requirements.

In our opinion, Greene County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133, and the State Single Audit Implementation Act, and which is described in the accompanying schedule of findings and questioned costs as Finding 09-7.

Internal Control Over Compliance

The management of Greene County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Greene County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as we discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 09-7 to be a significant deficiency.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The County of Greene's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the organization, members of the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Barrow, Parris & Davenport, P.A

BARROW, PARRIS & DAVENPORT, P.A.

December 18, 2009

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

To the Board of County Commissioners
Greene County, North Carolina

Compliance

We have audited the compliance of Greene County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina,* issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2009. Greene County's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Greene County's management. Our responsibility is to express an opinion on Greene County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina,* and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Greene County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Greene County's compliance with those requirements.

In our opinion, Greene County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Greene County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Greene County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined below.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type pf compliance requirement of a State program will not be prevented or detected by the County's internal control.

This report is intended solely for the information and use of the audit committee, management, others within the organization, members of the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Barrow, Parris & Davenport, P.A

BARROW, PARRIS & DAVENPORT, P.A.

December 18, 2009

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

I. *SUMMARY OF AUDITORS' RESULTS*

	YES	NO
Financial Statements		
Type of auditors' report issued: Unqualified		
Internal control over financial reporting:		
• Material weakness(es) identified	X	
• Significant deficiency(s) identified that are not considered to be material weaknesses		X
Noncompliance material to financial statements noted		X
Federal Awards		
Internal control over major federal programs:		
• Material weakness(es) identified		X
• Significant deficiency(s) identified that are not considered to be material weaknesses	X	
Type of auditors' report issued on compliance for major federal programs: Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	X	

Identification of major federal programs:

CFDA Numbers	Name of Federal Programs or Cluster
	Food Stamp Cluster:
10.551	Food Stamp Program - Noncash
10.561	Food Stamp Program - State Administration
10.760	BAN Proceeds for anticipated U.S.D.A Rural Development Loan
	Childcare Cluster:
93.558	Temporary Assistance for Needy Families
93.575	CCDF Discretionary Subsidy
93.596	CCDF Mandatory
93.667	SSBG Daycare
93.778	Title XIX - Medicaid

Dollar threshold used to distinguish between Type A and Type B Programs	$1,033,132	
Auditee qualified as low-risk auditee		X

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

	YES	NO	
State Awards			
Internal control over major State programs:			
• Material weakness(es) identified		X	
• Significant deficiency(s) identified that are not considered to be material weaknesses		X	None reported
Type of auditors' report issued on compliance for major State programs: Unqualified			
Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act		X	

Identification of major State programs:

Program Name

Title XIX - Medicaid – State Match
GUC Waterline Extension Farmville – Greene County
Public School Building Capital Fund – Lottery
Rural Center Waterline Extension

II. *FINANCIAL STATEMENT FINDINGS*

FINDING 09-1 – REPORTING

MATERIAL WEAKNESS

Criteria: The County should have personnel in place that have expertise in financial accounting and reporting sufficient to prepare or review the audited financial statements to ensure they are in accordance with generally accepted accounting principles.

Condition: Although the County has competent financial personnel to perform the daily functions of the finance department, the staff does not have the technical training and background to prevent, detect, and correct potential misstatements in the financial statements and notes prepared in accordance with generally accepted accounting principles.

Effect: The financial statements could include material misstatements or inadequate disclosures not in accordance with generally accepted accounting principles.

Cause: Management has historically relied on its auditors to prepare the audited financial statements. However, the auditor services cannot serve as an internal control for the County. Personnel have not acquired the technical training or expertise to be efficient in this area.

Recommendation: The County may consider providing the necessary training to current personnel or outsourcing the financial statement preparation function. However, an analysis of the costs versus benefits should be considered. This is a repeat finding.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

Views of Responsible Officials and Planned Corrective Action: Due to the related costs in eliminating this control deficiency, management has determined that we are willing to accept the risks associated with the control deficiency. We will continue to monitor the internal controls over financial reporting, and will make attempts to improve the related internal control process when feasible.

FINDING 09-2 – REPORTING

MATERIAL WEAKNESS

Criteria: County personnel should adjust account balances to reflect appropriate year-end balances.

Condition: Some accounts had not been adjusted to reflect appropriate year-end balances. Some of the unrecorded adjustments were, in our judgment, material to the financial statements.

Effect: The financial statements could include material misstatements.

Cause: The County has procedures in place which require and expect that accounts will be adjusted to reflect appropriate year-end balances. These procedures were not followed and all accounts were not adjusted to appropriate year-end balances.

Recommendation: County personnel should continue to try to make all required year-end adjustments in the future.

Views of Responsible Officials and Planned Corrective Action: The County has made significant progress in this area and management plans to try to make all required year-end adjustments for the 2009-2010 fiscal year-end.

FINDING 09-3 – SEGREGATION OF DUTIES

MATERIAL WEAKNESS

Criteria: Duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition: With a limited number of personnel for certain functions, there are inherent limitations of the effectiveness of certain controls due to the lack of segregation of duties among County personnel in the following departments:

Utility: An employee who collects payments also maintains the subsidiary billing register.

Register of Deeds: Certain employees receive cash, prepare customer receipts, and make the daily bank deposits.

Landfill: An employee who receives on-site tipping fees also prepares the customer receipts and bank deposits.

Effect: Transactions could be mishandled.

Cause: There are a limited number of personnel for certain functions.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

Recommendation: The duties should be separated as much as possible and alternative controls should be used to compensate for lack of segregation. This is a repeat finding.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with this finding and where feasible, duties will be separated as much as possible.

FINDING 09-4 – BUDGET OVER EXPENDITURE

MATERIAL WEAKNESS
IMMATERIAL NONCOMPLIANCE

Criteria: In accordance with North Carolina General Statutes 159-8, all monies received or expended by a local government or public authority should be in accordance with an approved budget ordinance.

Condition: Expenditures made in one line item in the general fund and five line items of various project funds exceeded the appropriations made by the governing board.

Effect: Moneys were spent that had not been appropriated by the Board.

Cause: The County did not amend the budget line items for changes occurring through the year not anticipated in the initial adoption of the budget ordinances. Required budget amendments needed to account for these transactions were not submitted to the board for amendment before year-end.

Recommendation: The budget should be monitored closely to ensure that appropriations are available before expenditures are incurred. This is a repeat finding.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with this finding and will more closely monitor budget reports in the future.

FINDING 09-5 – RECONCILIATION OF CASH BALANCES

MATERIAL WEAKNESS

Criteria: Cash balances should be reconciled monthly in a timely manner to ensure that all transactions are properly posted during the period.

Condition: Cash reconciliations were not performed in a timely manner.

Effect: The main County bank account was not reconciled in a timely manner. Interim financial information was not completely reconciled therefore, management and the governing body could possibly make decisions based on inaccurate or incomplete data.

Cause: Responsible personnel have made numerous attempts to reconcile cash since the closeout of the 2007 – 2008 fiscal year. Due possibly to an issue in the financial software, a true reconciliation has not been obtained since June of 2008.

Recommendation: Procedures should be implemented to ensure that cash balances and bank statements are reconciled shortly after month-end either manually or with properly functioning software.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

Views of Responsible Officials and Planned Corrective Action: The County agrees with this finding. Management plans to consult with the software company and other NC counties who are users of the same financial software to determine if there are common problems reconciling accounts between the fiscal year-end and the actual final closeout. The County will also consider the purchase of the utility software which aides in the reconciliation process. Management will also review the general ledger activity and bank statements to ensure they are reconciled in a timely manner.

FINDING 09-6 – SIGNATURE PLATE

MATERIAL WEAKNESS

Criteria: The County requires dual signatures on all checks. The County maintains two signature plates to affix signatures on all checks issued by the County. For internal control purposes, two keys were issued to two separate employees in order to ensure adequate segregation of duties and proper disbursement controls.

Condition: During the year, one employee had possession of both plates for a period of six months and stamped both signatures.

Effect: The purpose of the dual signature requirement was not met as only one employee was involved in the check-signing process.

Cause: Internal control procedures were not properly followed to ensure disbursements were safeguarded according to policy.

Recommendation: Procedures should be implemented to ensure that no individual employee has access to both signature plates.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with this finding. We have addressed and resolved the custody issue of the signature plates.

III. *FEDERAL AWARD FINDINGS AND QUESTIONED COSTS*

FINDING 09-7

SIGNIFICANT DEFICIENCY
IMMATERIAL NONCOMPLIANCE

US DEPARTMENT OF HEALTH AND HUMAN SERVICES
Passed Through the N.C. Department of Health and Human Services:
Program Name: Subsidized Child Care Cluster (Temporary Assistance for Needy Families, Child Care and Development Fund-Mandatory, Child Care and Development Fund-Match)

CFDA #'s: 93.558, 93.667, 93.575, 93.596

Special Tests and Provisions

Criteria: Parent fees and the portion paid by the County should be determined and recorded accurately at initial application and annual and quarterly redetermination.

Condition: In our test of 40 participant files, we noted 1 instance where parent fees were incorrectly calculated and 2 instances where the parent fee was correctly calculated but was not recorded in the system at the time of redetermination.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2009

Effect: Parent fees, in 2 cases, were calculated to be higher than they should have been, and, in one case, was calculated to be lower than it should have been. Overall, this made the County's portion of the fee lower than it should have been, resulting in underpayments by the County.

Cause: Parent fees were determined with incorrect income in 1 case and were tardily recorded in 2 cases.

Questioned Costs: $0. The errors were corrected before year-end.

Recommendation: Personnel responsible for fee determination should accurately calculate and record fees at initial determination and quarterly and annual redetermination. Supervisory personnel should implement periodic review procedures to ensure accurate fee calculation and accurate recording of fees.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with this finding. Procedures will be implemented to ensure that fees are determined accurately and that periodic review procedures are performed by supervisory personnel.

IV. *STATE AWARD FINDINGS AND QUESTIONED COSTS*

None.

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2009

FINANCIAL STATEMENT FINDINGS

FINDING: 09-1

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	Management is willing to accept the risks associated with this control deficiency but will also explore the option of outsourcing financial statement preparation.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

FINDING: 09-2

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	Finance Officer plans to continue to try and have all year-end adjustments made in the future.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

FINDING: 09-3

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	Where feasible, the duties will be separated as much as possible, and alternative controls will be used to compensate for lack of segregation.
C.	Proposed Completion Date:	The County has been and will continue implementing the above procedures as alternatives become available.

FINDING: 09-4

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	The budget will be more closely monitored and amended.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

FINDING: 09-5

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	The problem will be investigated and the cash accounts will be reconciled on a timely basis going forward.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2009

FINDING: 09-6

A.	Name of Contact Person:	Shawna Wooten, Finance Officer
B.	Corrective Action:	The signature plates will be maintained by two separate individuals in a secure location.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

FINDING: 09-7

A.	Name of Contact Person:	Christy Nash, DSS Director
B.	Corrective Action:	Procedures will be implemented to ensure that fees are determined accurately and that periodic review procedures are performed by supervisory personnel.
C.	Proposed Completion Date:	The County plans to begin this process immediately.

GREENE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2009

FINDING: **08-1 Financial Reporting**

STATUS: Not corrected. See current year finding 09-1.

FINDING: **08-2 Reporting**

STATUS: Partly Corrected. Books were in balance and current year audit work indicated that management had made more of the required year-end adjustments than were made in the prior year. See current year finding 09-2.

FINDING: **08-3 Segregation of Duties**

STATUS: Not corrected. Duties are being separated as much as possible and alternative controls are being implemented for lack of separation. See current year finding 09-3.

FINDING: **08-4 Budget Over-expenditures**

STATUS: Not corrected. Instances of budgetary over-expenditures noted during the current year. See current year finding 09-4.

FINDING: **08-5 Parent Fees**

STATUS: Not corrected. Instances of noncompliance noted during the current year. See current year finding 09-7.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
U.S. DEPARTMENT OF AGRICULTURE:					
Passed Through NC Department of Health and Human Services:					
Administered by County Finance Department:					
USDA Supplement Title III C-1	10.570	NC-15	$8,582		
USDA Supplement Title III C-2	10.570	NC-15	4,827		
			$13,409	$0	$0
Passed Through NC Department of Health and Human Services:					
Division of Public Health:					
Administered by County Health Department:					
Special Supplemental Food Program for Women, Infants and Children:					
Administration	10.557	15405405	$189,084		
Direct Benefit Payments:					
Special Supplemental Food Program for WIC	10.557		413,325		
Total Division of Public Health			$602,409	$0	$0
Passed Through NC Department of Health and Human Services:					
Division of Social Services:					
Administered by County Department of Social Services:					
Food Stamp Cluster:					
State Administrative Matching Grants for the Food Stamp Program:					
Food Stamp Program - Noncash	10.551		$4,664,836		
Administration	10.561		135,444		$135,444
Total Food Stamp Cluster			$4,800,280	$0	$135,444
Total NC Department of Health and Human Services			$5,416,098	$0	$135,444
Passed Through Rural Development:					
Administered by County Finance Department:					
$6,202,000 Bond Anticipation Notes Expected to be Refinanced with USDA Loan - Expenditures to Date	10.760		$3,532,546		
Administered by County Finance Department:					
$10,500,000 Interim Financing Expected to be Refinanced with USDA Loan - Expenditures to Date	10.766		286,893		
Administered by County Finance Department:					
Community Facilities Loans & Grants	10.766		268,893		
Total Rural Development			$4,088,332	$0	$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Passed Through Natural Resource Conservation Service:					
Administered by County Soil Conservation:					
Neuse River Tech Assistance	A-4532-392		$38,100		
Total Natural Resource Conservation Service			**$38,100**	**$0**	**$0**
Total U.S. Department of Agriculture			$9,542,530	$0	$135,444
U.S. DEPARTMENT OF COMMERCE:					
National Telecommunications & Information Administration:					
Administered by County Finance Department:					
Technology Opportunities Program Grant	11.552		$199,275		
Economic Development Administration:					
Administered by County Finance Department:					
Economic Development Administration (EDA) Grant	11.300		265,467		
Total U.S. Department of Commerce			$464,742	$0	$0
U.S. DEPARTMENT OF HOMELAND SECURITY:					
Passed Through NC Department of Crime Control and Public Safety:					
Division of Emergency Management:					
Administered by County Emergency Management:					
EM Performance Grant	97.042		$28,355		
Total U.S. Department of Homeland Security			$28,355	$0	$0
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:					
Passed Through NC Department of Commerce:					
Division of Community Assistance:					
Administered by County Finance Department:					
Community Development Block Grant	14.228		$287,160		
Total U.S. Department of Housing and Urban Development			$287,160	$0	$0
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Administration on Aging:					
Passed Through NC Department of Health and Human Services:					
Aging Cluster:					
Administered by County Finance Department:					
Access 90% State Funds	N/A	NC-15		$9,021	$1,002
Access Title III-B	93.044	NC-15	$20,749	1,220	2,441
Title III C-1 90% State Funds	N/A	NC-15		8,307	923
Title III C-1 Congregate Meals	93.045	NC-15	41,696	2,455	4,905
Title III C-2 90% State Funds	N/A	NC-15		734	1,467
Title III C-2 Home-Delivered Meals	93.045	NC-15	31,185	1,239	2,438

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Administered by County Department of Social Services and County Council on Aging:					
In Home Services:					
In-Home State	N/A	NC-15		$41,442	$4,605
In-Home Title III-B	93.044	NC-15	$38,373	2,453	3,837
Social Services Block Grant	93.667	NC-15	5,934	170	678
Operation Fan	N/A	N/A		511	
Title III - F 90%	93.043	NC-15	2,086	123	245
Total Aging Cluster			$140,023	$67,675	$22,541
Division of Public Health:					
Passed Through NC Department of Health and Human Services:					
Administered by County Health Department:					
Tuberculosis	93.116		$4,820		
Immunization Program	93.268		7,560		
Bioterrorism	93.283		48,703		
Breast/Cervical Cancer	93.919		5,749	$900	
Healthy Start Baby Love Plus Initiative	93.926		53,872		
Risk Reduction/Health Promotion	93.991		23,852	8,290	
Women's Preventative Health	93.994		18,744	14,060	
Maternal Health	93.994		23,915	17,939	
Child Care Coordination	93.994		6,759	5,070	
Child Health	93.994		17,117	12,840	
Child Health Training	93.994			100,000	
Women's Preventative Health - TANF	93.558		2,818		
Family Planning	93.217		36,815	6,615	
Total Division of Public Health			$250,724	$165,714	$0
Passed Through NC Department of Health and Human Services:					
Division of Social Services:					
Administered by County Department of Social Services:					
Workfirst Administration	93.558		$59,387		$40,047
Workfirst Services	93.558		254,779		215,106
TANF Domestic Violence	93.558		6,288		
Family Preservation	93.556		173		
Direct Benefit Payments:					
Benefit Payments	93.558		293,895		
			$614,522	$0	$255,153

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Title IV-D Administration	93.563		$169,823		
Low-Income Home Energy Assistance:					
Administration	93.568		$17,203		
Crisis Intervention Payments	93.568		133,935		
Direct Benefit Payments:					
Energy Assistance Payments	93.568		130,094		
			$281,232	$0	$0
Permanency Planning - Reg	93.645		$8,295	$2,765	
Permanency Planning - Spec	93.645		1,069		$356
			$9,364	$2,765	$356
Foster Care and Adoption Cluster					
Title IV-E CPS	93.658		$20,331	$8,508	$12,075
Title IV-E Optional	93.658		788		
Direct Benefit Payments:					
Title IV-E Foster Care	93.658		108,538	19,840	27,723
Total Foster Care and Adoption Cluster			$129,657	$28,348	$39,798
Social Services Block Grant:					
Other Services and Training	93.667		$86,230	$10,651	$35,586
In Home Services Fund	93.667		6,421		917
Total Social Services Block Grant			$92,651	$10,651	$36,503
Total Division of Social Services			$1,297,249	$41,764	$331,810
Division of Child Development:					
Administered by County Department of Social Services:					
Subsidized Child Care Cluster:					
Child Care Development Fund-Administration	93.596		$56,466		
CCDF Discretionary Subsidy	93.575		132,879		
TANF to CCDF Discretionary	93.575		247,483		
CCDF Mandatory	93.596		188,909		
CCDF Match	93.596		41,761	$9,230	
Total Child Care Fund Cluster			$667,498	$9,230	$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Temporary Assistance for Needy Families	93.558		$188,744		
SSBG Day Care	93.667		3,550		
TANF Contingency	93.575		55,030		
Smart Start TANF MOE	N/A			$81,193	
Smart Start	N/A			24,223	
Smart Start State Match	N/A			2,582	
State Funding	N/A			25,316	
Total Subsidized Child Care Cluster			$247,324	$133,314	$0
Total Division of Child Development			$914,822	$142,544	$0
Passed Through NC Department of Juvenile Justice and Delinquency Prevention:					
Administered by County Cooperative Extension:					
Support Our Students (SOS)	93.558			$73,007	
Health Care Financing Administration:					
Passed Through NC Department of Health and Human Services:					
Division of Medical Assistance:					
Administered by County Department of Social Services:					
Medical Assistance Administration	93.778		$227,030		$227,030
Medical Assistance Expansion	93.778		10,953	$10,953	
Adult Care Home Special/Case Management	93.778		5,003	3,689	1,314
Medical Transportation Administration	93.778		16,802		16,802
Health Choice	93.767		17,606	442	5,384
Direct Benefit Payments:					
Medical Assistance	93.778		21,234,741	8,489,936	613,434
			$21,512,135	$8,505,020	$863,964
Total U.S. Department of Health and Human Services			$24,114,953	$8,995,724	$1,218,315
TOTAL FEDERAL ASSISTANCE			$34,437,740	$8,995,724	$1,353,759

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
STATE PROGRAMS					
NC DEPARTMENT OF THE ADMINISTRATION:					
Division of Veteran Affairs:					
Administered by County Veterans Office:					
Veteran Affairs	N/A		$0	$2,000	$0
NC DEPARTMENT OF JUVENILE JUSTICE & DELINQUENCY PREVENTION:					
Administered by County Finance Department:					
Juvenile Crime Prevention:					
Juvenile Crime Prevention Administration	N/A			$7,886	
Psychological Services	N/A			2,700	
Family Preservation	N/A			13,312	
SEED Program	N/A			9,679	
Juvenile Restitution	N/A			44,890	
Governor's One on One	N/A			3,000	
Total NC Department of Juvenile Justice & Delinquency Prevention			$0	$81,467	$0
NC DEPARTMENT OF HEALTH & HUMAN SERVICES:					
Division of Social Services:					
Administered by County Department of Social Services:					
State Aid to Counties	N/A				
SC/SA Administration	N/A				$15,903
DCD Smart Start	N/A			20,888	
CP&L Energy	N/A			1,189	
Direct Benefit Payment:					
SC/SA Domiciliary Care Payments	N/A			267,049	267,049
State Foster Care Home	N/A			8,112	8,112
CWS Adopt Subsidy	N/A			18,906	922
			$0	$316,144	$291,986
Division of Public Health:					
Administered by County Health Department:					
Women's Preventative Health	N/A			$6,615	
Tuberculosis	N/A			3,578	
Communicable Disease	N/A			10,623	
TB Medical	N/A			1,242	
Aids - State	N/A			417	
			$0	$22,475	$0
Total NC Department of Health and Human Services			$0	$338,619	$291,986
NC GENERAL ASSEMBLY:					
GUC Waterline Extension - Farmville/Greene County	N/A		$0	$892,552	$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
STATE PROGRAMS					
NC DEPARTMENT OF TRANSPORTATION:					
Administered by County Finance Department:					
ROAP Funds	N/A			$83,716	
Transportation Admin. Grant	N/A			92,444	
Total NC Department of Transportation			$0	$176,160	$0
NC DEPARTMENT OF CORRECTIONS:					
Division of Community Corrections:					
Administered by County Sheriff's Department:					
Criminal Justice Partnership	N/A	G0799-I-A	$0	$43,158	$0
NC DEPARTMENT OF PUBLIC INSTRUCTION:					
Administered by County Finance Department:					
Public School Building Capital Fund - Lottery	N/A		$0	$746,052	$0
North Carolina Rural Center:					
Administered by County Finance Department:					
Economic Innovation	N/A			$95,323	
Building Re-Use Grant	N/A	108-60501-01		82,728	
Waterline Extension	N/A			400,000	
Total North Carolina Rural Center			$0	$578,051	$0
North Carolina One NC Fund:					
Administered by County Finance Department:					
Governor's Discreationary Fund	N/A	0-2006-0387	$0	$82,500	$0
NORTH CAROLINA'S EASTERN REGION:					
Administered by County Finance Department:	N/A			$37,500	
Building Re-Use Grant			$0	$37,500	$0
TOTAL STATE ASSISTANCE			$0	$2,978,059	$291,986
TOTAL FEDERAL AND STATE ASSISTANCE			$34,437,740	$11,973,783	$1,645,745

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2009

1. ***BASIS OF PRESENTATION***

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Greene County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

2. ***LOANS OUTSTANDING***

Greene County had the following loan balances outstanding at June 30, 2009. The expended portion of these loan proceeds are included in the federal expenditures presented in the schedule.

Program Title	CFDA Number	Amount of Interim Financing
Community Facilities Loans & Grants		
Interim financing expected to be Refinanced with USDA loans		
$10,500,000 loan, $286,893 Expenditures to date	10.766	$10,500,000
Water and Waste Water Disposal Systems for Rural Communities		
BAN Proceeds expected to be Refinanced with USDA loans		
$6,202,000 BAN Proceeds, $3,532,546 Expenditures to date	10.760	6,202,000

3. The following are clustered by NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Foster Care and Adoption, and Subsidized Child Care.