COUNTY OF GREENE
Snow Hill, North Carolina

FINANCIAL STATEMENTS

For The Fiscal Year Ended June 30, 2008

Prepared By
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Kinston, North Carolina

GREENE COUNTY, NORTH CAROLINA

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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 ended June 30, 2008, 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, 2008, 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 January 28, 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. 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 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 this 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.

January 28, 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, 2008. 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 $26,829,492.

The government's total net assets increased by $3,388,358, primarily due to increased net assets in the Utility Fund. This compares to an increase of $1,628,358 in 2007.

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 $6,035,543, a decrease of $201,783 in comparison with the previous year. Approximately 24.52% of this total amount, or $1,479,745 is available for spending at the government's discretion (unreserved fund balance). In 2007, the unreserved fund balance was $2,452,291, or 39.32% of expenditures.

At the end of the fiscal year, unreserved fund balance for the General Fund was $1,645,708, or 9.78% of total General Fund expenditures for the fiscal year. In 2007, unreserved fund balance in the General Fund was $1,976,980 or 11.63% of total General Fund expenditures.

Greene County's total debt decreased by $1,328,829 (13.64%) during the current fiscal year. New debt totaling $186,134 was issued during the current fiscal year. The key factors in new issuances include the capital lease proceeds of $46,134 for the County's construction of the area broadband access network, and the County's withdrawal of $140,000 of available GTP funds for an economic development loan to Moore's Fiberglass.

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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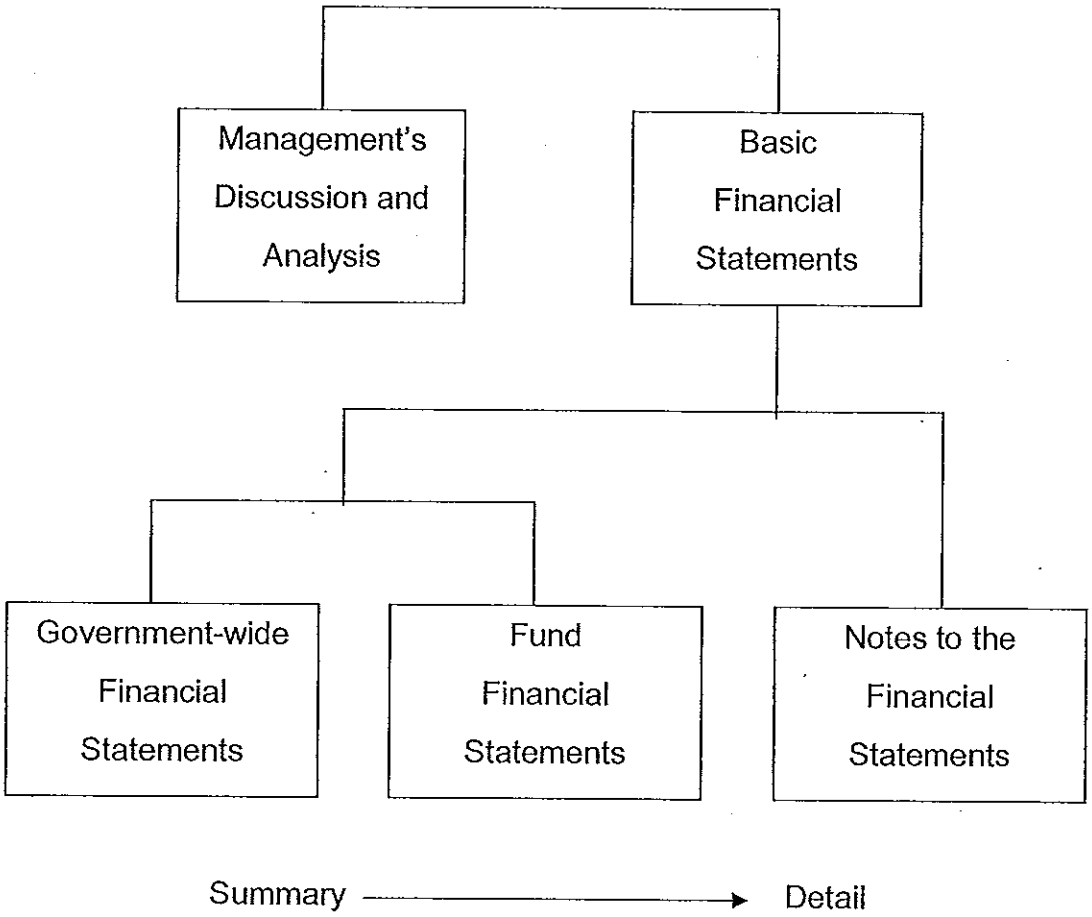
Required Components of Annual Financial Report
Figure 1



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 plan.

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 funds. *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 three 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 start on page 23 of this 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 the Separation Allowance for law enforcement officers. Required supplementary information can be found beginning on page 54.

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 $26,829,492 as of June 30, 2008. As of June 30, 2007, the net assets of Greene County stood at $23,441,134. The County's net assets increased by $3,388,358 for the fiscal year ended June 30, 2008, compared to an increase of $1,628,358 in 2007. One of the largest portions (71.22%) 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 (8.45%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $5,454,626 is unrestricted. In 2007, the amount of net assets invested in capital assets net of related debt was $16,219,380, with restricted assets standing at $2,493,070. The remaining $4,728,684 was unrestricted net assets for that year.

Greene County's Net Assets
Figure 2

	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Current and other assets	$7,538,274	$7,464,592	$5,050,961	$5,782,128	$12,589,235	$13,246,720
Capital assets	7,392,409	5,943,117	18,890,597	18,607,745	26,283,006	24,550,862
Total assets	**$14,930,683**	**$13,407,709**	**$23,941,558**	**$24,389,873**	**$38,872,241**	**$37,797,582**
Long-term liabilities outstanding	$2,696,810	$3,316,072	$7,207,264	$7,885,010	$9,904,074	$11,201,082
Other liabilities	830,259	521,474	1,308,416	2,633,892	2,138,675	3,155,366
Total liabilities	**$3,527,069**	**$3,837,546**	**$8,515,680**	**$10,518,902**	**$12,042,749**	**$14,356,448**
Net assets:						
Invested in capital	$6,362,105	$4,439,434	$12,745,271	$11,779,946	$19,107,376	$16,219,380
Restricted	35,029	26,003	2,232,461	2,467,067	2,267,490	2,493,070
Unrestricted	5,006,480	5,104,726	448,146	(376,042)	5,454,626	4,728,684
Total net assets	**$11,403,614**	**$9,570,163**	**$15,425,878**	**$13,870,971**	**$26,829,492**	**$23,441,134**

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 94.83% from 94.70%.
- Continued attention by the County's department heads and employees to contain and reduce spending where possible.

Greene County Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	$1,590,888	$1,338,305	$2,762,827	$2,682,861	$4,353,715	$4,021,166
Operating grants and contributions	4,764,090	4,572,292	718,202	678,844	5,482,292	5,251,136
Capital grants and contributions	990,485	167,549	802,887	251,970	1,793,372	419,519
General revenues:						
Property taxes	7,661,968	7,425,824			7,661,968	7,425,824
Local Option Sales Tax	3,605,562	3,521,869			3,605,562	3,521,869
Other taxes	262,392	218,605			262,392	218,605
Grants and contributions not restricted to specific programs	85,274	80,738			85,274	80,738
Investment Earnings	162,255	220,922	170,801	157,095	333,056	378,017
Other	99,939	93,854	(8,026)	16,643	91,913	110,497
Total revenues	**$19,222,853**	**$17,639,958**	**$4,446,691**	**$3,787,413**	**$23,669,544**	**$21,427,371**
Expenses:						
General government	$2,221,893	$2,127,206			$2,221,893	$2,127,206
Public safety	3,954,759	3,855,848			3,954,759	3,855,848
Environmental Protection	50,244	45,676			50,244	45,676
Economic and physical development	792,053	428,731			792,053	428,731
Human services	6,859,085	6,854,059			6,859,085	6,854,059
Cultural and recreation	341,245	259,051			341,245	259,051
Education	3,039,250	3,095,658			3,039,250	3,095,658
Interest on long-term debt	124,233	141,972			124,233	141,972
Utility			$1,922,275	$1,626,048	1,922,275	1,626,048
Landfill			650,323	708,036	650,323	708,036
Nonmajor Enterprise Activities			386,326	400,108	386,326	400,108
Total expenses	**$17,382,762**	**$16,808,201**	**$2,958,924**	**$2,734,192**	**$20,341,686**	**$19,542,393**
Increase (Decrease) in net assets before transfers and special items	**$1,840,091**	**$831,757**	**$1,487,767**	**$1,053,221**	**$3,327,858**	**$1,884,978**
Transfers	(67,140)		67,140			
Special Item - Gain (Loss) on Disposal of Bld	60,500	(256,620)			60,500	(256,620)
Increase in net assets	**$1,833,451**	**$575,137**	**$1,554,907**	**$1,053,221**	**$3,388,358**	**$1,628,358**
Net assets, July 1	9,570,163	8,995,026	13,870,971	12,817,750	23,441,134	21,812,776
Net assets, June 30	**$11,403,614**	**$9,570,163**	**$15,425,878**	**$13,870,971**	**$26,829,492**	**$23,441,134**

Governmental activities. Governmental activities increased the County's net assets by $1,833,451, thereby accounting for 54.11% of the total growth in the net assets of Greene County. This compares to an increase of $575,137 in 2007, which represented 35.32% of the growth in the County's net assets. The key element of this increase is as follows:

- A large number of County departments finished up the fiscal year well under the budgeted amount for each department.

Business-type activities. Business-type activities increased Greene County's net assets by $1,554,907 accounting for 45.89% of the total growth in the government's net assets. Net assets increased by $1,053,221 in 2007, representing 64.68% of the total growth in net assets for the year. The key element of this increase is as follows:

- Landfill solid waste fee increases that helped cover the cost of providing this service.
- Increased fee revenue in the Transportation department due to increased usage of this service.

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 $1,645,708, while total fund balance reached $6,035,543. 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 9.78% of total General Fund expenditures, while total fund balance represents 35.87% of that same amount.

At June 30, 2008, the governmental funds of Greene County reported a combined fund balance of $6,035,543, a 3.24% decrease 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 $980,746 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 $147,630.
- Local Option Sales Tax revenue was increased $150,000.
- Federal and State Grant amounts were revised by the State during the fiscal year amounting to an increase of $296,066.
- The County's budget was amended to account for appropriations to fund additional County services and expenditures in the amount of approximately $387,050.

Capital Asset and Debt Administration

Capital Assets. Greene County's capital assets for its government and business-type activities as of June 30, 2008, totals $26,283,008 (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 Sheriff's Department and Transportation.
- Purchased equipment for Emergency Medical Services and Landfill.
- Completion of the Recreation Park.

Greene County's Capital Assets
(Net of Depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	$1,022,171	$1,208,018	$328,201	$328,201	$1,350,372	$1,536,219
Buildings and System	4,040,844	2,667,878	16,392,495	15,997,139	20,433,339	18,665,017
Machinery and Equipment	991,094	853,614	189,076	223,255	1,180,170	1,076,869
Vehicles and Motorized Equipmer	275,584	316,459	219,840	303,750	495,424	620,209
Construction in Progress	1,062,716	897,148	1,760,987	1,755,400	2,823,703	2,652,548
	$7,392,409	$5,943,117	$18,890,599	$18,607,745	$26,283,008	$24,550,862

Additional information on the County's capital assets can be found in note 6 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2008, Greene County had no bonded debt outstanding.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capitalized Lease	$355,184	$46,134	$205,976	$195,342
Notes Payable	208,649		9,325	199,324
Global Transpark Development Zone Loan	688,295	140,000	115,945	712,350
Installment Purchase Contracts	1,661,478		501,255	1,160,223
Total Governmental Activities	$2,913,606	$186,134	$832,501	$2,267,239
Business-type Activities:				
Installment Purchase Contract	$4,072,081		$510,240	$3,561,841
Clean Water Bond Loan	2,755,718		172,232	2,583,486
Total Business-type Activities	$6,827,799	$0	$682,472	$6,145,327

Economic Factors and Next Year's Budgets and Rates

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

- The County's unemployment rate as of June 2008 is 7.1% as compared with the State average of 5.9%.

Budget Highlights for the Fiscal Year Ending June 30, 2009

Governmental Activities: The expenditures in the General Fund are budgeted to decrease approximately 2.5%.

- The County was able to decrease the cost for workers compensation insurance and property and liability insurance.
- The County plans to lease purchase a new EMS Ambulance.
- Land has been purchased to expand the septic system at the Animal Shelter.
- Jail meals are now being provided by the Department of Corrections.
- The Health department will purchase a new pick-up for Animal Control.
- The 2008-09 budget includes the 2nd year of a 3 year phase out of the County's share of Medicaid benefits. This phase out will also include a decrease in some of the sales tax collections for the County.

Business-type Activities: Transportation rate increases were budgeted.

The purchase of 2 new vehicles was budgeted for the Utility fund although no utility rate increases were budgeted. However, an increase in Alternative Water rates were budgeted.

The bids have been awarded for the Alternative Water Project to receive water from Greenville Utilities.

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS
June 30, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
ASSETS				
Assets:				
Cash and Cash Equivalents	$3,482,223	$4,729,598	$8,211,821	$132,908
Receivables (Net)	1,801,626	375,303	2,176,929	
Due From Other Governments	1,293,543	198,985	1,492,528	
Internal Balances	252,925	(252,925)		
Inventories				102,993
Prepaid Items				2,645
Notes Receivable:				
Due within one year	131,731		131,731	
Due in more than one year	576,226		576,226	
Capital Assets:				
Land, Improvements, and Construction in Progress	2,084,887	2,089,186	4,174,073	12,055
Other Capital Assets, Net of Depreciation	5,307,522	16,801,411	22,108,933	23,715
Total Capital Assets	$7,392,409	$18,890,597	$26,283,006	$35,770
Total Assets	$14,930,683	$23,941,558	$38,872,241	$274,316
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts Payable and Accrued Expenses	$692,301	$279,833	$972,134	$41,288
Unearned Revenue	122,364	892,552	1,014,916	
Accrued Interest Payable	15,594	42,170	57,764	
Customer Deposits		93,861	93,861	
Long-term Liabilities:				
Due within one year	804,694	708,628	1,513,322	8,402
Due in more than one year	1,892,116	6,498,636	8,390,752	
Total Liabilities	$3,527,069	$8,515,680	$12,042,749	$49,690
Net Assets:				
Invested in Capital Assets, Net of Related Debt	$6,362,105	$12,745,271	$19,107,376	$27,368
Restricted For:				
Register of Deeds	35,029		35,029	
Alternative Water Supply		2,232,461	2,232,461	
Unrestricted	5,006,480	448,146	5,454,626	197,258
Total Net Assets	$11,403,614	$15,425,878	$26,829,492	$224,626

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government:				
Governmental Activities:				
General Government	$2,221,893	$121,267	$14,914	
Public Safety	3,954,759	1,234,251	116,045	$78,700
Environmental Protection	50,244		65,239	
Economic and Physical Development	792,053	136,846	200,000	
Human Services	6,859,085		4,367,892	
Cultural and Recreation	341,245	98,524		911,785
Education	3,039,250			
Interest on Long-Term Debt	124,233			
Total Governmental Activities	**$17,382,762**	**$1,590,888**	**$4,764,090**	**$990,485**
Business-type Activities:				
Utility Fund (Water and Sewer)	$1,922,275	$1,984,189	$718,202	$645,713
Landfill Fund	650,323	622,071		
Transportation Fund	386,326	156,567		157,174
Total Business-type Activities	**$2,958,924**	**$2,762,827**	**$718,202**	**$802,887**
	$20,341,686	**$4,353,715**	**$5,482,292**	**$1,793,372**
Component Unit:				
ABC Board	$593,900	$601,734		
Total Component Unit	**$593,900**	**$601,734**	**$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
Special Item - Gain on Disposal of Land (Note IV)
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
($2,085,712)		($2,085,712)	
(2,525,763)		(2,525,763)	
14,995		14,995	
(455,207)		(455,207)	
(2,491,193)		(2,491,193)	
669,064		669,064	
(3,039,250)		(3,039,250)	
(124,233)		(124,233)	
($10,037,299)	$0	($10,037,299)	
	$1,425,829	$1,425,829	
	(28,252)	(28,252)	
	(72,585)	(72,585)	
$0	$1,324,992	$1,324,992	
($10,037,299)	$1,324,992	($8,712,307)	
			$7,834
$7,661,968		$7,661,968	
3,605,562		3,605,562	
262,392		262,392	
85,274		85,274	
162,255	$170,801	333,056	
99,939	(8,026)	91,913	$4,331
60,500		60,500	8
(67,140)	67,140		
$11,870,750	$229,915	$12,100,665	$4,339
$1,833,451	$1,554,907	$3,388,358	$12,173
9,570,163	13,870,971	23,441,134	212,453
$11,403,614	$15,425,878	$26,829,492	$224,626

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

GREENE COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008

	General	Other Governmental Funds	Total Governmental Funds
ASSETS:			
Cash and Cash Equivalents	$2,607,244	$874,979	$3,482,223
Receivables, Net	751,007	944,607	1,695,614
Due From Other Governments	1,234,339	59,204	1,293,543
Due From Other Funds	1,950,211	1,638	1,951,849
Current Portion-Notes Receivable	131,731		131,731
Notes Receivable	576,226		576,226
TOTAL ASSETS	$7,250,758	$1,880,428	$9,131,186
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable and Accrued Liabilities	$438,666	$212,507	$651,173
Due to Other Funds	4,593	1,694,331	1,698,924
Unearned Revenue	122,364		122,364
Deferred Revenue	568,257	54,925	623,182
Total Liabilities	$1,133,880	$1,961,763	$3,095,643
Fund Balances:			
Reserved for:			
State Statute	$4,061,460	$84,628	$4,146,088
Register of Deeds	35,029		35,029
Health Department	222,898		222,898
Sheriff Department	6,662		6,662
Capital Outlay	145,121		145,121
Unreserved, Available for Appropriation:			
Designated for Subsequent Years' Expenditures	91,345		91,345
Undesignated	1,554,363		1,554,363
Unreserved, Reported In Nonmajor:			
Special Revenue Funds		611,341	611,341
Capital Project Funds		(777,304)	(777,304)
Total Fund Balances	$6,116,878	($81,335)	$6,035,543
TOTAL LIABILITIES AND FUND BALANCES	$7,250,758	$1,880,428	

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.	7,392,409
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	106,012
Liabilities for earned but deferred revenues in fund statements.	582,054
Some liabilities, including notes payable, are not due and payable in the current period and therefore are not reported in the funds (Note 7).	(2,712,404)
Net Assets of Governmental Activities	$11,403,614

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2008

	General	Other Governmental Funds	Total Governmental Funds
REVENUES:			
Ad Valorem Taxes	$7,170,218	$531,820	$7,702,038
Local Option Sales Taxes	3,605,562		3,605,562
Other Taxes and Licenses	75,210	187,182	262,392
Unrestricted Intergovernmental	85,274		85,274
Restricted Intergovernmental	4,658,390	1,145,686	5,804,076
Permits and Fees	261,563		261,563
Sales and Services	1,141,308		1,141,308
Investment Earnings	129,096	33,159	162,255
Miscellaneous	106,317	103,000	209,317
Total Revenues	$17,232,938	$2,000,847	$19,233,785
EXPENDITURES:			
Current:			
General Government	$2,189,375		$2,189,375
Public Safety	3,162,903	$1,013,877	4,176,780
Environmental Protection	50,244		50,244
Economic and Physical Development	519,278	267,767	787,045
Human Services	6,868,698		6,868,698
Cultural and Recreational	291,596	1,467,662	1,759,258
Intergovernmental:			
Education	3,037,815		3,037,815
Debt Service:			
Principal	626,134	206,368	832,502
Interest	82,222	34,964	117,186
Total Expenditures	$16,828,265	$2,990,638	$19,818,903
Excess (Deficiency) of Revenues Over Expenditures	**$404,673**	**($989,791)**	**($585,118)**
OTHER FINANCING SOURCES (USES):			
Transfers from Other Funds	$349,815	$403,359	$753,174
Transfers to Other Funds	(820,314)		(820,314)
Capital Lease Obligations Issued	46,134		46,134
Note Payable Issued	140,000		140,000
Sale of Capital Assets	264,341		264,341
Total Other Financing Sources (Uses)	($20,024)	$403,359	$383,335
Net Change in Fund Balance	**$384,649**	**($586,432)**	**($201,783)**
Fund Balances, Beginning	5,732,229	505,097	6,237,326
FUND BALANCES, ENDING	$6,116,878	($81,335)	$6,035,543

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, 2008

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

Net changes in fund balances - total governmental funds		($201,783)
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	$2,011,312	
Depreciation expense for governmental assets	(373,520)	1,637,792
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Gain on Disposal of Assets		85,741
Sale of Assets recorded in Fund Statements		(274,241)
Change in deferred revenues for taxes and interest		(21,167)
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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		646,368
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.		(39,259)
Total Changes in Net Assets of Governmental Activities		**$1,833,451**

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

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, 2008

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues:				
Ad Valorem Taxes	$7,090,334	$7,110,334	$7,170,218	$59,884
Local Option Sales Taxes	3,574,370	3,736,270	3,605,562	(130,708)
Other Taxes and Licenses	54,000	68,000	75,210	7,210
Unrestricted Intergovernmental	80,000	80,000	85,274	5,274
Restricted Intergovernmental	4,564,365	5,145,615	4,658,390	(487,225)
Permits and Fees	255,570	253,100	261,563	8,463
Sales and Services	1,029,900	1,085,370	1,141,308	55,938
Investment Earnings	130,000	130,000	129,096	(904)
Miscellaneous	61,606	72,202	106,317	34,115
Total Revenues	**$16,840,145**	**$17,680,891**	**$17,232,938**	**($447,953)**
Expenditures:				
Current:				
General Government	$1,804,454	$2,291,130	$2,189,375	$101,755
Public Safety	3,443,222	3,293,166	3,162,903	130,263
Environmental Protection	50,244	50,244	50,244	
Economic and Physical Development	665,023	657,421	519,278	138,143
Human Services	6,640,392	7,189,439	6,868,698	320,741
Cultural and Recreational	287,622	291,979	291,596	383
Intergovernmental:				
Education	2,886,969	3,042,469	3,037,815	4,654
Debt Service:				
Principal Retirement	625,664	625,664	626,134	(470)
Interest	82,701	82,701	82,222	479
Total Expenditures	**$16,486,291**	**$17,524,213**	**$16,828,265**	**$695,948**
Revenues Over (Under) Expenditures	**$353,854**	**$156,678**	**$404,673**	**$247,995**
Other Financing Sources (Uses):				
Transfers From Other Funds		$34,157	$349,815	$315,658
Transfers To Other Funds	($388,854)	(820,314)	(820,314)	
Capital Lease Obligations Issued		50,000	46,134	(3,866)
Note Payable Issued		140,000	140,000	
Sale of Fixed Assets	15,000	15,000	264,341	249,341
Appropriated Fund Balance	20,000	424,479		(424,479)
Total Other Financing Sources (Uses)	**($353,854)**	**($156,678)**	**($20,024)**	**$136,654**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**$0**	**$0**	**$384,649**	**$384,649**
Fund Balances:				
Beginning of Year, July 1			5,732,229	
End of Year, June 30			**$6,116,878**	

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2008

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$4,729,398	$200		$4,729,598
Receivables, Net	322,885	52,418		375,303
Due From Other Governments	88,000	10,790	$100,195	198,985
Due From Other Funds	113,864	2,955		116,819
Total Current Assets	$5,254,147	$66,363	$100,195	$5,420,705
Noncurrent Assets:				
Capital Assets:				
Land, Improvements, and Construction in Progress	$1,930,753	$158,433		$2,089,186
Other Capital Assets, Net of Depreciation	16,302,295	230,347	$268,769	16,801,411
Total Capital Assets	$18,233,048	$388,780	$268,769	$18,890,597
Total Noncurrent Assets	$18,233,048	$388,780	$268,769	$18,890,597
TOTAL ASSETS	$23,487,195	$455,143	$368,964	$24,311,302
LIABILITIES AND NET ASSETS				
Liabilities:				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	$242,525	$26,220	$11,088	$279,833
Due to Other Funds	255,880	55,105	58,759	369,744
Accrued Interest Payable	42,170			42,170
Unearned Revenue	892,552			892,552
Customer Deposits	93,861			93,861
Installment Purchase Contract Payable	516,604	19,792		536,396
Clean Water Bond Loan Payable	172,232			172,232
Total Current Liabilities	$2,215,824	$101,117	$69,847	$2,386,788
Noncurrent Liabilities:				
Landfill Closure and Postclosure Care Costs		$996,343		$996,343
Compensated Absences	$29,877	16,243	$19,475	65,595
Installment Purchase Contract Payable	3,025,444			3,025,444
Clean Water Bond Loan Payable	2,411,254			2,411,254
Total Noncurrent Liabilities	$5,466,575	$1,012,586	$19,475	$6,498,636
TOTAL LIABILITIES	$7,682,399	$1,113,703	$89,322	$8,885,424
Net Assets:				
Invested in Capital Assets, Net of Related Debt	$12,107,514	$368,988	$268,769	$12,745,271
Restricted for Alternative Water Supply	2,232,461			2,232,461
Unrestricted	1,464,821	(1,027,548)	10,873	448,146
Total Net Assets	$15,804,796	($658,560)	$279,642	$15,425,878

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2008

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
OPERATING REVENUES:				
Water and Sewer Sales	$1,859,772			$1,859,772
Water and Sewer Tap Fees and Service Charges	74,255			74,255
Landfill Fees		$619,381		619,381
Other Operating Revenues	50,162	2,690	$156,567	209,419
Total Operating Revenues	$1,984,189	$622,071	$156,567	$2,762,827
OPERATING EXPENSES				
Salaries and Employee Benefits	$403,293	$157,279	$248,102	$808,674
Supplies and Fuel	142,008	34,549	46,742	223,299
Maintenance	122,150	26,434	17,066	165,650
Contracted Services	137,946	193,541		331,487
Professional Services	21,958	36,988		58,946
Water Purchased	1,346			1,346
Management Fee - County	25,000			25,000
Utilities	114,974	13,563	1,889	130,426
Sewer Charges - Town of Farmville	97,653			97,653
Office Expense	48,030		8,438	56,468
Insurance	8,000	11,500		19,500
Telephone and Postage		3,832	2,534	6,366
Miscellaneous	4,212	4,430	1,475	10,117
Disposal Fees		122,093		122,093
Waterline Relocation	77,227			77,227
Depreciation	442,777	45,032	60,080	547,889
Total Operating Expense	$1,646,574	$649,241	$386,326	$2,682,141
Operating Income (Loss)	$337,615	($27,170)	($229,759)	$80,686
NONOPERATING REVENUES (EXPENSES)				
Interest and Investment Revenue	$170,086	$465	$250	$170,801
Sale of Assets			(8,026)	(8,026)
Alternative Water Supply Fees - County	409,296			409,296
Alternative Water Supply Fees - Towns & Districts	258,857			258,857
Past Project Reimbursements	50,049			50,049
Interest on Long-Term Debt	(275,701)	(1,082)		(276,783)
Total Nonoperating Revenue (Expenses)	$612,587	($617)	($7,776)	$604,194
Income (Loss) Before Contributions and Transfers	$950,202	($27,787)	($237,535)	$684,880
Transfers (To) From Other Funds	67,140			67,140
Capital Contributions	645,713		157,174	802,887
Change in Net Assets	$1,663,055	($27,787)	($80,361)	$1,554,907
Total Net Assets, Beginning	14,141,741	(630,773)	360,003	13,870,971
Total Net Assets, Ending	$15,804,796	($658,560)	$279,642	$15,425,878

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, 2008

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received From Customers	$2,011,387	$653,249	$174,938	$2,839,574
Cash Paid for Goods and Services	(768,178)	(467,942)	(241,705)	(1,477,825)
Cash Paid to Employees for Services	(396,884)	(155,755)	(77,107)	(629,746)
Customer Deposits Received	19,910			19,910
Customer Deposits Returned	(12,034)			(12,034)
Other Operating Revenues	50,162	2,690		52,852
Net Cash Provided (Used) by Operating Activities	$904,363	$32,242	($143,874)	$792,731
CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES				
Increase in (Repayment of) Due to Other Funds	$6,171	$4,424	($13,550)	($2,955)
Alternative Water Supply Fees	653,032			653,032
Transfers (To) From Other Funds	67,140			67,140
Net Cash Provided by Noncapital Financing Activities	$726,343	$4,424	($13,550)	$717,217
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	($2,160,859)	($16,790)		($2,177,649)
Interest Paid On Indebtedness	(284,849)	(1,082)		(285,931)
Principal Paid On Indebtedness	(663,213)	(19,259)		(682,472)
Capital Contributions-State and Federal Grants	643,417		$157,174	800,591
Past Project Reimbursements	50,049			50,049
Net Cash Provided by (Used by) Capital and Related Financing Activities	($2,415,455)	($37,131)	$157,174	($2,295,412)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	$170,086	$465	$250	$170,801
Net Increase (Decrease) in Cash and Cash Equivalents	**($614,663)**	**$0**	**$0**	**($614,663)**
Cash and Cash Equivalents, July 1	5,344,061	200		5,344,261
Cash and Cash Equivalents, June 30	$4,729,398	$200	$0	$4,729,598

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, 2008

	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)	$337,615	($27,170)	($229,759)	$80,686
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	$442,777	$45,032	$60,080	$547,889
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	85,150	11,336		96,486
Decrease (Increase) in Due From Other Governments	(16,794)	22,532	18,371	24,109
Increase (Decrease) in Accounts Payable and Accrued Liabilities	45,573	(21,012)	6,397	30,958
Increase (Decrease) in Customer Deposits	7,876		1,037	8,913
Increase (Decrease) in Compensated Absences Payable	2,166	1,524		3,690
Total Adjustments	$566,748	$59,412	$85,885	$712,045
Net Cash Provided by (Used by) Operating Activities	$904,363	$32,242	($143,874)	$792,731

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended June 30, 2008

	Agency Funds
Assets	
Cash and Cash Equivalents	$152,479
Due From Other Governments	9,879
	$162,358
Liabilities and Net Assets	
Liabilities:	
Intergovernmental Payable	$162,358
Total Liabilities	$162,358
Net Assets:	
Assets Held in Trust for Pension Benefits	$0

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. Beginning with the 2006-2007 fiscal year, the County has 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 fund:

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.

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 three 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.

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 2007 through February 2008 apply to the fiscal year ended June 30, 2008. 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. **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, 2007. 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.

5. **Allowances for Doubtful Accounts**

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

6. **Inventories and Prepaid Items**

The 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.

7. **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

8. 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.

9. 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 have been made by the County or its component unit.

10. 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 Senior Services – portion of fund balance available for appropriation but which is restricted to expenditures for certain senior service 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 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 2008-2009 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 $5,368,071 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)	$11,851,779
Less Accumulated Depreciation	4,459,370
Net Capital Assets	**$7,392,409**
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	106,012
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	
Taxes	568,257
Motor Fuels Tax Refund	13,798
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	(2,267,239)
Compensated absences	(340,372)
Net pension obligation for law enforcement officers' special separation allowance	(89,200)
Accrued interest payable	(15,594)
Total Adjustment	**$5,368,071**

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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 $2,035,234 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	$2,011,312
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	(373,520)
Sale of assets recorded in the fund statements but not in the statement of activities	(274,242)
Gain on disposal of assets that is recorded in the statement of activities but not in the fund statements	85,741
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	(186,134)
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	832,502
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)	(7,047)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(15,337)
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(11,769)
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 7/01/07	(603,222)
Recording of tax receipts deferred in the fund statements as of 6/30/08	568,257
Recording of motor fuel tax deferred in the fund statements as of 6/30/08	13,798
Decrease in accrued interest on taxes receivable for year ended 6/30/08	(5,105)
Total Adjustment	**$2,035,234**

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

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

Utility Fund	$15,804,796
Landfill Fund	(658,560) *
Transportation Fund	279,642
	$15,425,878

* Effective July 1, 2003, the County increased the solid waste user fee from $16 to $32 per residential unit per year. It was anticipated that this increase should allow the Landfill Fund to at least begin to break even. In addition, effective July 1, 2006, the County closed convenient sites one additional day per week and reduced site attendants' contracts accordingly. It is also the County's intention to begin discussions with appropriate representatives of DENR to look at anticipated closure costs given the fact that the County plans to handle closure with County personnel.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2008, the County's expenditures have exceeded amounts budgeted in the following funds and departments:

	Final Budget	Actual	Over Budget
Recreation Park Project Fund			
Bleachers, Picnic Shelter, Goals & Benches	$31,299	$32,199	$900
Engineering CN1	$105,052	$111,964	$6,912
Utility Fund			
Operating Expenditures	$1,202,118	$1,225,028	$22,910
Clean Water Project Fund			
Construction	$6,233,158	$6,260,088	$26,930
Surveying & Permits	$26,956	$27,612	$656
Alternative Water Phase 1A Project Fund			
Appraisals	$0	$1,675	$1,675
Alternative Water Phase 1C Project Fund			
Land/Easements	$60,000	$81,080	$21,080

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, 2008, the County's deposits had a carrying amount of $3,901,959 and a bank balance of $4,223,116. Of the bank balance, $2,529,788 was covered by federal depository insurance, $4,071,768 in interest bearing accounts, and $151,348 in non-interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2008, Greene County had $1,923 cash on hand.

At June 30, 2008, the carrying amount of deposits for Greene County ABC Board was $132,308 and the bank balance was $144,879. Of this balance, $100,000 was covered by federal depository insurance and the remaining $44,879 was maintained in financial institutions utilizing the Pooling Method of collateralization.

2. Investments

At June 30, 2008, the County's investment balances were as follows:

	Reported Value	Fair Value
NC Capital Management Trust	$4,460,419	$4,460,419
Total Investments	$4,460,419	$4,460,419

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, 2008, 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
2004	$453,638	$148,567	$602,205
2005	395,083	93,832	488,915
2006	413,363	60,971	474,334
2007	456,343	26,240	482,583
Total	$1,718,427	$329,610	$2,048,037

4. Receivables

Receivables at the government-wide level at June 30, 2008, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Total
Governmental Activities:				
General	$447,498	$725,463	$1,234,339	$2,407,300
Other Governmental	893,315	51,193	59,204	1,003,712
Total Receivables	**$1,340,813**	**$776,656**	**$1,293,543**	**$3,411,012**
Allowance for Doubtful Accounts	(158,000)	(157,843)		(315,843)
Total Governmental Activities	$1,182,813	$618,813	$1,293,543	$3,095,169
Business-type Activities:				
Utility Fund	$369,695		$88,000	$457,695
Landfill Fund	97,608		10,790	108,398
Nonmajor Enterprise Activities			100,195	100,195
Total Receivables	**$467,303**	**$0**	**$198,985**	**$666,288**
Allowance for Doubtful Accounts	(92,000)			(92,000)
Total Business-type Activities	$375,303	$0	$198,985	$574,288

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

Local Option Sales Tax	$606,815
Sales Tax	79,126
Various Human Service Revenues	492,823
ABC Bottle Tax	30,852
Motor Fuel Tax Refund	13,797
Top Grant	24,110
CDBG Grant	46,020
Total General Fund	**$1,293,543**
Scrap Tire Tax	$6,190
Transportation Grants	100,195
Alternative Water Supply Fees	63,577
Sales Tax	29,023
Total Enterprise Fund	**$198,985**
Total Due	**$1,492,528**

5. **Notes Receivable**

The County has five 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 were received by the County from March of 2006 through October 2008. As of October 2008, the County had plans to foreclose on this loan.

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%. (As of report date, NWL had not made their October payment or their July 1, 2008 payment. However, as of the date of issue, NWL was current on all payments.)

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 following summarizes the expected collection on these notes:

Due For the Year Ended June 30,	Ham Produce, Inc.	Maury Properties, LLC	Brittany Ridge	NWL Capacitators	Strickland Dail Dining	Moore's Fiberglass	Total
2009	$50,629	$18,584	$10,267	$14,287	$20,412	$17,552	$131,731
2010	52,946	19,434	10,738	14,867	3,497	18,401	119,883
2011	55,369	20,324	11,232	15,472		19,291	121,688
2012	43,032	15,852	11,747	16,099		20,224	106,954
2013			12,287	16,753		21,201	50,241
2014 - 2018			11,094	94,538		39,599	145,231
2019 - 2021				32,228			32,228
	$201,976	$74,194	$67,365	$204,244	$23,909	$136,268	$707,956

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2008, was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	$1,208,018	$2,653	$188,500		$1,022,171
Construction in Progress	897,148	1,815,626	1,650,058		1,062,716
Total Capital Assets Not Being Depreciated	$2,105,166	$1,818,279	$1,838,558	$0	$2,084,887
Capital Assets Being Depreciated:					
Buildings	$4,913,977	$1,456,603			$6,370,580
Vehicles	1,067,508	75,283	$58,777	$85,553	1,169,567
Equipment	1,915,540	311,205			2,226,745
Total Capital Assets Being Depreciated	$7,897,025	$1,843,091	$58,777	$85,553	$9,766,892
Less Accumulated Depreciation for:					
Buildings	$2,246,099	$83,637			$2,329,736
Vehicles	751,049	116,158	$58,777	$85,553	893,983
Equipment	1,061,926	173,725			1,235,651
Total Accumulated Depreciation	**$4,059,074**	$373,520	$58,777	$85,553	**$4,459,370**
Total Capital Assets Being Depreciated, Net	3,837,951				5,307,522
Governmental Activity Capital Assets, Net	$5,943,117				$7,392,409

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

General Government	$177,046
Public Safety	175,073
Economic and Physical Development	3,501
Human Services	7,165
Cultural and Recreational	9,300
Education	1,435
Total Depreciation Expense	$373,520

Business Type Activities:	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Greene County Utility Fund:					
Capital Assets Not Being Depreciated:					
Land	$169,767				$169,767
Construction In Progress	1,755,400	$680,121	$674,534		1,760,987
Total Capital Assets Not Being Depreciated	$1,925,167	$680,121	$674,534	$0	$1,930,754
Capital Assets Being Depreciated:					
Transfer Distribution Systems	$19,638,914	$816,391			$20,455,305
Equipment	177,341				177,341
Vehicles	216,284				216,284
Total Capital Assets Being Depreciated	$20,032,539	$816,391	$0	$0	$20,848,930
Less Accumulated Depreciation for:					
Transfer Distribution Systems	$3,817,322	$411,518			$4,228,840
Equipment	108,962	18,803			127,765
Vehicles	177,574	12,456			190,030
Total Accumulated Depreciation	**$4,103,858**	$442,777	$0	$0	**$4,546,635**
Total Capital Assets Being Depreciated, Net	15,928,681				16,302,295
Greene County Utility Fund Capital Assets, Net	$17,853,848				$18,233,049
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	475,700	$16,790			492,490
Total Capital Assets Being Depreciated	$833,399	$16,790	$0	$0	$850,189
Less Accumulated Depreciation for:					
Buildings	$102,212	$1,022			$103,234
Vehicles	145,950	14,137			160,087
Equipment	326,649	29,873			356,522
Total Accumulated Depreciation	**$574,811**	$45,032	$0	$0	**$619,843**
Total Capital Assets Being Depreciated, Net	258,588				230,346
Greene County Landfill Capital Assets, Net	$417,022				$388,780
Greene County Transportation Fund:					
Capital Assets Being Depreciated:					
Buildings	$169,900				$169,900
Vehicles	403,740		$30,199	($85,553)	287,988
Equipment	11,466				11,466
Total Capital Assets Being Depreciated	$585,106	$0	$30,199	($85,553)	$469,354
Less Accumulated Depreciation for:					
Buildings	$243	$8,495			$8,738
Vehicles	242,347	49,292	$22,174	($85,553)	183,912
Equipment	5,641	2,293			7,934
Total Accumulated Depreciation	**$248,231**	$60,080	$22,174	($85,553)	**$200,584**
Total Capital Assets Being Depreciated, Net	336,875				268,770
Greene County Transportation Fund Capital Assets, Net	$336,875				$268,770
Business-type Activities Capital Assets, Net	$18,607,745				$18,890,599

Construction Commitments

The government has active construction projects as of June 30, 2008. The projects include the Cutter Creek Sewer Construction project and the Alternative Water Phase 1A project. At June 30, 2008, the Government's commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
Cutter Creek Sewer Construction Project	$1,537,000	$100,000
Alternative Water Phase 1A	107,000	6,400,000
Total	$1,644,000	$6,500,000

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2008 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	38,795	$24,620	$14,498	48,917
Total Capital Assets Being Depreciated	$88,737	$24,620	$14,498	$98,859
Less Accumulated Depreciation for:				
Buildings	$49,942			$49,942
Equipment	38,463	$1,237	$14,498	25,202
Total Accumulated Depreciation	$88,405	$1,237	$14,498	$75,144
Total Capital Assets Being Depreciated, Net	332			23,715
Total Capital Assets Being Depreciated, Net	$12,387			$35,770

B. LIABILITIES

1. Payables

Payables at the government-wide level at June 30, 2008, were as follows:

	Vendors	Accrued Interest	Other	Total
Governmental Activities:				
General	$465,997	$15,594		$481,591
Other Governmental	226,304			226,304
Total Governmental Activities	$692,301	$15,594	$0	$707,895
Business-type Activities:				
Utility Fund	$242,525	$42,170		$284,695
Landfill Fund	26,220			26,220
Nonmajor Enterprise Activities	11,088			11,088
Total Business-type Activities	$279,833	$42,170	$0	$322,003

2. Pension Plan Obligations

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 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, 2008, 2007, and 2006 were $259,587, $247,644, and $230,237, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2008, 2007, and 2006 were $758, $858, and $1,004, 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, 2007, 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, 2007 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, 2007 was 23 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	$10,913
Interest on Net Pension Obligation	5,614
Adjustment to Annual Required Contribution	(4,758)
Annual Pension Cost	**$11,769**
Contributions Made	
Increase (Decrease) in Net Pension Obligation	**$11,769**
Net Pension Obligation - Beginning of Year	77,431
Net Pension Obligation - End of Year	**$89,200**

3 YEAR TREND INFORMATION

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/06	10,782	0.00%	66,161
6/30/07	11,270	0.00%	77,431
6/30/08	11,769	0.00%	89,200

4. *Funded Status and Funding Progress*

As of December 31, 2007, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was $66,629 and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $66,629. The covered payroll (annual payroll of active employees covered by the plan) was $697,283, and the ratio of the UAAL to the covered payroll was 9.56 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, 2008 were $75,894, which consisted of 41,960 from the County and $33,934 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, 2008, the County's required and actual contributions were $1,249.

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

According to a County resolution, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least 5 years of creditable service with the County. The County pays the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the County's group rates. Currently 6 retirees are eligible for postretirement health benefits. For the fiscal year ended June 30, 2008, the County made payments for postretirement health benefit premiums of $27,562. The County obtains health care coverage through private insurers. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 100% and 0% of covered payroll, respectively.

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 $996,343 reported as landfill closure and postclosure care liability at June 30, 2008 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 demolition 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	$568,257	
Taxes Receivable (Net)-Fire Districts	54,925	
Prepaid Regular Property Taxes Not Yet Earned		$44,332
Prepaid Vehicle Property Taxes Not Yet Earned		37,265
Agricultural Center Grant		26,970
Motor Fuel Tax Refund		13,797
Total Governmental Activities	$623,182	$122,364
N.C. DENR - General Assembly Capital Expansion Funds		$107,448
Total Business Type Activities		107,448
GRAND TOTAL	$623,182	$229,812

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, and health and dental insurance for County employees.

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 in 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, 2008, the County was not a defendant to any lawsuits.

7. Long-Term Obligations

a. *Capital Leases*

The County has entered into an agreement to lease certain wireless broadband computer equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been 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 requires four annual payments of $228,409, which includes $821,000 principal and $92,636 in interest. At June 30, 2008, the County had only drawn funds in the amount of $799,439. The County has also made the first three payments on the lease of which $604,097 was applied to principal, leaving an outstanding balance due of $195,342. 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.

At June 30, 2008, the County leased computer equipment valued at:

Classes of Property	Cost	Accumulated Depreciation	Net Book Value
Computer Equipment	$799,439	$190,119	$609,320
Total	$799,439	$190,119	$609,320

For Greene County, the minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2008 were as follows:

Year Ending June 30	
2009	$206,848
Total Minimum Lease Payments	$206,848
Less: Amount Representing Interest	11,506
Present Value of the Minimum Lease Payments	$195,342

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
2009	$9,802	$10,198	$20,000
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 - 2018	69,673	30,327	100,000
2019 - 2022	75,362	10,296	85,658
	$199,324	$86,334	$285,658

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, 2008 balance was $181,837.

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, 2008 balance was $71,343.

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, 2008 balance was $71,967.

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, 2008 balance was $198,404.

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, 2008 balance was $57,312.

The sixth loan was drawn down on November 9, 2007 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, 2008 and ending on December 1, 2014. The obligation carries interest at 3.75% and the June 30, 2008 balance was $131,487.

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

During the Year Ending June 30,	Principal	Interest	Total
2009	$129,447	$23,682	$153,129
2010	133,936	18,992	152,928
2011	133,499	14,135	147,634
2012	82,111	9,827	91,938
2013	80,341	6,671	87,012
2014 - 2018	127,725	14,401	142,126
2019 - 2020	25,291	643	25,934
	$712,350	$88,351	$800,701

d. ***Installment Purchase Contracts***

On June 17, 1994, the County entered into an installment purchase contract with First Citizens Bank and Trust Company for the purpose of constructing a Human Services Complex. 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 Human Services Complex property. 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 $2,700,000.

Repayment, including principal and interest at 3.69%, is scheduled for semi annual appropriations of $125,639 beginning on December 1, 2003, with the remaining payments of $125,639, including principal and interest, due in bi-annual installments through June 1, 2009. The unpaid installment purchase contract balance at June 30, 2008 was $478,239.

During the Year Ending June 30,	Principal	Interest	Total
2009	$242,525	$6,787	$249,312
	$242,525	$6,787	$249,312

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 $110,665, including principal and interest, due in semi annual installments through December 1, 2010.

During the Year Ending June 30,	Principal	Interest	Total
2009	$204,221	$17,110	$221,331
2010	211,660	9,671	221,331
2011	108,704	1,962	110,666
	$524,585	$28,743	$553,328

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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, 2008 was $415,530.

During the Year Ending June 30,	Principal	Interest	Total
2009	$23,357	$16,075	$39,432
2010	24,337	15,095	39,432
2011	25,357	14,075	39,432
2012	26,420	13,012	39,432
2013	27,528	11,904	39,432
2014 - 2018	155,953	41,207	197,160
2019 - 2021	110,161	8,138	118,299
	$393,113	$119,506	$512,619

(Reported In Enterprise Funds)

Utility

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
2009	$156,604	$75,396	$232,000
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 - 2018	1,012,766	147,234	1,160,000
2019	225,733	6,267	232,000
	$2,082,050	$469,950	$2,552,000

On May 29, 2007 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, 2008, 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, 2008 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
2009		$54,458	$54,458
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	$180,647	$1,640,647

Landfill

On April 30, 2004, the County entered into an installment purchase contract with Wachovia Bank for the purchase of a Mack roll-off truck. 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 advances by the bank totaled $93,761. Repayment is scheduled for five annual payments including interest at 2.77% beginning May 1, 2005, through May 1, 2009.

During the Year Ending June 30,	Principal	Interest	Total
2009	$19,792	$548	$20,340
	$19,792	$548	$20,340

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, 2008, the balance was $2,755,718.

The annual debt service requirements to maturity for this loan are as follows:

During the Year Ending June 30,	Principal	Interest	Total
2009	$172,232	$134,617	$306,849
2010	172,232	126,203	298,435
2011	172,232	117,790	290,022
2012	172,232	109,376	281,608
2013	172,232	100,962	273,194
2014 - 2018	861,163	368,610	1,229,773
2019 - 2023	861,163	168,270	1,029,433
	$2,583,486	$1,125,828	$3,709,314

f. *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, 2008:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities:					
Capitalized Lease	$355,184	$46,134	$205,976	$195,342	$195,342
Notes Payable	208,649		9,325	199,324	9,802
Global Transpark Development Zone Loan	688,295	140,000	115,945	712,350	129,447
Installment Purchase Contracts	1,661,478		501,255	1,160,223	470,103
Net Pension Obligation	77,431	11,769		89,200	
Compensated Absences	325,035	252,791	237,454	340,372	
Total Governmental Activities	$3,316,072	$450,694	$1,069,955	$2,696,811	$804,694
Business-type Activities:					
Installment Purchase Contract	$4,072,081		$510,240	$3,561,841	$176,396
Clean Water Bond Loan	2,755,718		172,232	2,583,486	172,232
Accrued Landfill Closure and Postclosure Costs	996,343			996,343	
Compensated Absences	60,868	$40,070	35,163	65,775	
Total Business-type Activities	$7,885,010	$40,070	$717,635	$7,207,445	$348,628

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, 2008 there was one series of industrial revenue bonds outstanding, with a principal amount payable of $3,850,000.

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C. INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances at June 30, 2008 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund		
	Capital Projects:	
	Jail Construction Project	$942,482
	Recreation Park Project	751,849
	Utility Fund	255,880
Fire District Funds		
	General Fund	1,638
Utility Fund		
	Landfill Fund	55,105
	Transportation Fund	58,759
Landfill Fund		
	General Fund	2,955
		$2,068,668

Operating and equity transfers to and from funds for the year ended June 30, 2008 are as follows:

	TRANSFERS	
	FROM	TO
Operating Transfers From/To Other Funds		
General Fund		
Revaluation Fund		$10,000
Capital Projects Fund - Recreation Park Fund		501,841
Capital Projects Fund - School Capital Finance Fund		241,333
Utiltiy Fund		67,140
Special Revenue Funds		
Revaluation Fund:		
General Fund	$10,000	
Capital Projects Fund		
Recreation Park Fund:		
General Fund	501,841	
School Capital Finance Fund:		
General Fund	241,333	
Enterprise Fund		
Utility Fund	67,140	
Total Operating Transfers - Other Funds	$820,314	$820,314

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, 2008, 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, 2008. During the year ended June 30, 2008, the County appropriated $123,000 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, 2008. The County appropriated $61,218 to the Center during the fiscal year ended June 30, 2008 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 $174,973 to the Community College during the fiscal year ended June 30, 2007. 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, 2007. 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 $6,589 during the fiscal year ended June 30, 2008.

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, 2008, the portion of the trust available to be loaned exclusively to Greene County was $151,416, calculated as follows:

Total Allocations for Loans	$863,765
Loans Drawn Down	(1,250,000)
Principal Payments	537,651
Funds Available	**$151,416**

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	$17,464,724	$8,980,397
Food Stamp Program	3,647,139	
Women, Infants and Children	405,908	
Temporary Assistance For Needy Families	256,570	
Other Programs	116,041	310,945
Total	**$21,890,382**	**$9,291,342**

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. *SPECIAL ITEM – GAIN ON DISPOSAL OF LAND*

North Carolina General Statute 158-7.1 authorizes certain transactions for the purpose of Economic Development. In July of 2007, the County approved the conveyance of approximately 3 acres of land (formally donated by Paxar) to an individual for use as commercial outparcels on each side of the entrance to the new recreation facility. At the time of donation in 2005, the property was valued $181,500. The July 17, 2007 selling price of $242,000 resulted in a gain of $60,500.

X. *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 39.61% of total billings.

XI. *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, $392,000 of escrow funds have been released due to the receipt of a $340,000 grant and a $52,000 payment of the first year's interest.

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. As of report date, $3,500,000 has been deposited by Mill Run with a third party Escrow Agent and Mill Run has begun construction of Phase 1A.

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. As of report date, $1,515,000 has been deposited by Mill Run with a third party Escrow Agent and Mill Run has begun construction of Phase 2.

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.

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF FUNDING PROGRESS
June 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Fund Ratio (a / b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b -a) /c)
12/31/97	$0	$63,324	$63,324	0.00%	$441,707	14.34%
12/31/98	$0	$41,666	$41,666	0.00%	$507,459	8.21%
12/31/99	$0	$35,126	$35,126	0.00%	$492,016	7.14%
12/31/00	$0	$44,921	$44,921	0.00%	$511,850	8.78%
12/31/01	$0	$44,712	$44,712	0.00%	$477,967	9.35%
12/31/02	$0	$50,488	$50,488	0.00%	$559,480	9.02%
12/31/03	$0	$56,684	$56,684	0.00%	$593,731	9.55%
12/31/04	$0	$48,867	$48,867	0.00%	$577,806	8.46%
12/31/05	$0	$50,632	$50,632	0.00%	$703,682	7.20%
12/31/06	$0	$57,121	$57,121	0.00%	$719,796	7.94%
12/31/07	$0	$66,629	$66,629	0.00%	$697,283	9.56%

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2008

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	100.00%

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	12/31/06
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	23 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	None

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes:			
Taxes	$6,996,334	$7,038,434	$42,100
Penalties and Interest	114,000	131,784	17,784
Total Ad Valorem Taxes	$7,110,334	$7,170,218	$59,884
Local Option Sales Taxes:			
Articles 39, 40, 42 and 44	$3,736,270	$3,605,562	($130,708)
Other Taxes and Licenses:			
Real Estate Transfer Tax	$67,000	$74,480	$7,480
Privilege Licenses	1,000	730	(270)
Total Other Taxes and Licenses	$68,000	$75,210	$7,210
Unrestricted Intergovernmental Revenue:			
Beer & Wine Tax	$80,000	$85,274	$5,274
Restricted Intergovernmental Revenue:			
State and Federal Grants	$4,881,805	$4,569,309	($312,496)
GTP Loans & Loan Repayments	145,610	39,079	(106,531)
Controlled Substance Tax	20,000	8,077	(11,923)
Court Facility Fees	65,000	32,964	(32,036)
ABC - 5 cent Bottle Tax	2,200	2,473	273
Inmate Fees & Reimbursements		6,488	6,488
Board of Education SRO Reimbursements	31,000		(31,000)
Total Restricted Intergovernmental Revenue	$5,145,615	$4,658,390	($487,225)
Permits and Fees:			
Building Inspection Fees	$75,000	$95,393 PS	$20,393
Concealed Weapon Fees & Gun Permits	6,000	3,965 PS	(2,035)
Register of Deeds	79,000	83,346 GG	4,346
Cable TV Fees	12,000	15,387 GG	3,387
Building/Other Permits and Fees	81,100	63,472 PS	(17,628)
Total Licenses & Permits	$253,100	$261,563	$8,463
Sales and Services:			
Jail and Officer Fees	$268,000	$229,356 PS	($38,644)
Ambulance and EMS Fees	706,813	802,613	95,800
Recreation Fees	88,457	86,805	(1,652)
Senior Center Meals	6,000	3,130	(2,870)
Municipal Tax Collection Fee	1,200	858	(342)
Copier and Vending Machines	5,000	6,581	1,581
Rents	9,900	11,965	2,065
Total Sales & Services	$1,085,370	$1,141,308	$55,938

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
Total Investment Earnings	$130,000	$129,096	($904)
Other Revenues:			
Gasoline Tax Refund	$15,000	$11,016	($3,984)
Progress Energy Donation		10,000	10,000
Cutter Creek Required Payment		52,220	52,220
United Way Receipts - Senior Center	13,267	11,719	(1,548)
Miscellaneous	43,935	21,362	(22,573)
Total Other Revenues	$72,202	$106,317	$34,115
TOTAL REVENUES	$17,680,891	$17,232,938	($447,953)
EXPENDITURES:			
General Government:			
Governing Body:			
Salaries & Employee Benefits	$25,663	$25,660	$3
Operating Expenses	50,173	49,901	272
Insurance Other Than Property	275,203	273,565	1,638
	$351,039	$349,126	$1,913
Adminstration:			
Salaries and Employee Benefits	$54,809	$55,751	($942)
Operating Expenses	289,000	283,347	5,653
Capital Outlay	50,000	48,787	1,213
	$393,809	$387,885	$5,924
Elections:			
Salaries & Employee Benefits	$87,682	$79,338	$8,344
Operating Expenses	94,225	54,533	39,692
	$181,907	$133,871	$48,036
Finance:			
Salaries & Employee Benefits	$283,854	$283,724	$130
Operating Expenses	60,499	60,036	463
	$344,353	$343,760	$593
Taxes:			
Salaries & Employee Benefits	$293,066	$291,429	$1,637
Operating Expenses	138,132	118,158	19,974
	$431,198	$409,587	$21,611
Register of Deeds:			
Salaries & Employee Benefits	$120,557	$118,869	$1,688
Operating Expenses	76,815	66,793	10,022
	$197,372	$185,662	$11,710

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
Public Buildings:			
Salaries & Employee Benefits	$108,194	$107,962	$232
Operating Expenses	258,339	247,578	10,761
Capital Outlay	6,900	6,900	
	$373,433	$362,440	$10,993
Court Facilities:			
Operating Expenses	$18,019	$17,044	$975
TOTAL GENERAL GOVERNMENT	$2,291,130	$2,189,375	$101,755
Public Safety:			
Sheriff Department:			
Salaries & Employee Benefits	$1,263,868	$1,242,207	$21,661
Operating Expenses	353,053	329,276	23,777
Capital Outlay	55,288	55,375	(87)
	$1,672,209	$1,626,858	$45,351
County Jail:			
Salaries & Employee Benefits	$259,732	$258,480	$1,252
Operating Expenses	171,750	147,493	24,257
	$431,482	$405,973	$25,509
Inspections:			
Salaries & Employee Benefits	$129,363	$130,208	($845)
Operating Expenses	20,270	19,397	873
	$149,633	149,605	$28
Emergency Management:			
Salaries & Employee Benefits	$49,718	$50,143	($425)
Operating Expenses	56,600	42,292	14,308
Aid to Fire Districts	58,000	58,000	
Greene County Firemen's Association	5,000	5,000	
Capital Outlay	15,792	11,645	4,147
	$185,110	$167,080	$18,030
Emergency Medical Services:			
Salaries & Employee Benefits	$431,550	$417,405	$14,145
Operating Expenses	367,642	342,582	25,060
Aid to Rescue Districts	48,800	48,800	
	$847,992	$808,787	$39,205
Medical Examiner:			
Operating Expenses	$6,740	$4,600	$2,140
TOTAL PUBLIC SAFETY	$3,293,166	$3,162,903	$130,263

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
Environmental Protection:			
Forest Fire Prevention:			
County Matching to State	$50,244	$50,244	
TOTAL ENVIRONMENTAL PROTECTION	$50,244	$50,244	$0
Economic & Physical Development:			
Agricultural Extension:			
Salaries & Employee Benefits	$149,552	$152,420	($2,868)
Operating Expenses	24,970	21,946	3,024
Capital Outlay	19,908	19,908	
	$194,430	$194,274	$156
Soil Conservation Services:			
Salaries & Employee Benefits	$154,525	$155,873	($1,348)
Operating Expenses	22,871	15,065	7,806
	$177,396	$170,938	$6,458
Economic Development:			
Salaries & Employee Benefits	$72,302	$72,302	
Operating Expenses	27,509	20,980	6,529
Business Incentives	145,000	20,000	125,000
Capital Outlay	40,784	40,784	
	$285,595	$154,066	$131,529
TOTAL ECONOMIC & PHYSICAL DEVELOPMENT	$657,421	$519,278	$138,143
Human Services:			
Public Health:			
Administration:			
Salaries & Employee Benefits	$1,166,475	$1,141,526	$24,949
Operating Expenses	441,477	412,452	29,025
Clinic and Consulting Fees	55,032	53,139	1,893
	$1,662,984	$1,607,117	$55,867
Mental Health:			
Wilson-Greene Mental Health Center	$61,218	$61,218	
ABC Funds - Addictions Program	2,700	2,700	
	$63,918	$63,918	$0

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
SOS Grant:			
Salaries & Employee Benefits	$91,384	$92,189	($805)
Operating Expenses	22,162	21,582	580
	$113,546	$113,771	($225)
Social Services:			
Administration:			
Salaries & Employee Benefits	$1,651,698	$1,633,647	$18,051
Operating Expenses	144,050	137,389	6,661
	$1,795,748	$1,771,036	$24,712
Adoption Assistance	$26,579	$26,729	($150)
TANF Program:			
Work First Temporary Assistance	$5,693	$4,598	$1,095
Parental Nurturing	151	34	117
Domestic Violence	5,539	1,866	3,673
Emergency Assistance	13,000	12,837	163
Foster Care	48,179	29,998	18,181
	$72,562	$49,333	$23,229
Blind Assistance	$1,250	$558	$692
Energy:			
Carolina Power and Light Crisis Fund	$1,901	$1,047	$854
Day Care:			
County Participation	$976,811	$944,250	$32,561
Smart Start	143,780	109,380	34,400
	$1,120,591	$1,053,630	$66,961
Adoption Incentive	$127	$127	$0
Chore Services	$17,531		$17,531
Crisis LIEAP	$75,380	$75,237	$143
Program Expenses	$13,500	$11,383	$2,117
Child Support Enforcement	$12,900	$11,441	$1,459
Food Stamps	$9,784	$7,440	$2,344

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
General Assistance	$4,500	$3,022	$1,478
Independent Living	$2,175	$1,369	$806
Work First Job Program	$93,500	$89,157	$4,343
Medical Assistance	$1,360,000	$1,307,040	$52,960
Neuse River-In Home Care	$63,220	$59,362	$3,858
Special Assistance-Adults	$269,262	$267,047	$2,215
Title XX Legal Expense	$25,500	$25,868	($368)
Foster Care	$5,083	$1,780	$3,303
Total Social Services	$4,971,093	$4,762,606	$208,487
Veterans Service Officer:			
Salaries & Employee Benefits	$21,639	$21,745	($106)
Operating Expenses	5,003	3,743	1,260
	$26,642	$25,488	$1,154
Youth Services:			
Operating Expenses	$105,008	$84,479	$20,529
	$105,008	$84,479	$20,529
Senior Services:			
Salaries & Employee Benefits	$87,601	$80,295	$7,306
Operating Expenses	158,647	131,024	27,623
	$246,248	$211,319	$34,929
TOTAL HUMAN SERVICES	$7,189,439	$6,868,698	$320,741
Culture and Recreation:			
Regional Library:			
County Matching Share	$123,000	$123,000	$0
Recreation:			
Salaries & Employee Benefits	$91,385	$90,884	$501
Operating Expenses	71,094	69,793	1,301
Capital Outlay	6,500	7,919	(1,419)
	$168,979	$168,596	$383
TOTAL CULTURE AND RECREATION	$291,979	$291,596	$383

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
Education:			
Public Schools:			
Current Expense - Local	$2,047,000	$2,047,000	
Capital Outlay - Local	820,496	815,842	$4,654
	$2,867,496	$2,862,842	$4,654
Community College:			
Salaries & Employee Benefits	$169,473	$169,473	
Capital Outlay	5,500	5,500	
	$174,973	$174,973	$0
TOTAL EDUCATION	$3,042,469	$3,037,815	$4,654
Debt Service:			
Principal Retirement	$625,664	$626,134	($470)
Interest	82,701	82,222	479
TOTAL DEBT SERVICE	$708,365	$708,356	$9
TOTAL EXPENDITURES	$17,524,213	$16,828,265	$695,948
Excess Revenues Over (Under) Expenditures	$156,678	$404,673	$247,995
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	$34,157	$349,815	$315,658
Transfers To Other Funds	(820,314)	(820,314)	
Capital Lease Obligations Issued	50,000	46,134	(3,866)
Note Payable Issued	140,000	140,000	
Sale of Fixed Assets	15,000	264,341	249,341
Fund Balance Appropriated	424,479		(424,479)
Total Other Financing Sources (Uses)	($156,678)	($20,024)	$136,654
Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	$0	$384,649	$384,649
FUND BALANCES			
Beginning of Year, July 1		5,732,229	
FUND BALANCE, Ending		$6,116,878	

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.

- *Hurricane Floyd Recovery Fund* – This fund accounted for the receipt of federal and State funds used for repairing homes and providing relocation assistance. At present it is holding unspent funds that will be refunded to the State.

- *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.

- *Jail Construction Project Fund* – The County uses this fund to account for the construction of a new jail facility.

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

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GREENE COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

	Special Revenue Funds				
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	Hurricane Floyd Recovery Fund	2006 CDBG Project Fund
ASSETS					
Cash and Investments	$14,151	$135,417	$479,283	$1,500	
Accounts Receivable		148	84,480		
Due From Other Governments					$46,020
Due From Other Fund	1,638				
Taxes Receivable, Net	51,194				
TOTAL ASSETS	$66,983	$135,565	$563,763	$1,500	$46,020
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$12,058		$3,359	$1,500	$46,020
Deferred Revenue	54,925				
Due to Other Fund					
Total Liabilities	$66,983	$0	$3,359	$1,500	$46,020
Fund Balances:					
Reserved by State Statute		$148	$84,480		
Unreserved					
Designated for Subsequent Year's Expenditure		135,417	475,924		
Total Fund Balances	$0	$135,565	$560,404	$0	$0
TOTAL LIABILITIES AND FUND BALANCES	$66,983	$135,565	$563,763	$1,500	$46,020

Yamco Expansion Project Fund	Total Non-major Special Revenue Funds	Capital Project Funds: School Capital Finance Fund	Capital Project Funds: Jail Construction Project Fund	Capital Project Funds: Recreation Park Project Fund	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
	$630,351	$244,628			$244,628	$874,979
	84,628			$808,785	808,785	893,413
	46,020			13,184	13,184	59,204
	1,638					1,638
	51,194					51,194
$0	$813,831	$244,628	$0	$821,969	$1,066,597	$1,880,428
	$62,937		$79,450	$70,120	$149,570	$212,507
	54,925					54,925
			942,482	751,849	1,694,331	1,694,331
$0	$117,862	$0	$1,021,932	$821,969	$1,843,901	$1,961,763
	$84,628					$84,628
			($1,021,932)		($1,021,932)	(1,021,932)
	611,341	$244,628			244,628	855,969
$0	$695,969	$244,628	($1,021,932)	$0	($777,304)	($81,335)
$0	$813,831	$244,628	$0	$821,969	$1,066,597	$1,880,428

GREENE COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2008

	Special Revenue Funds				
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	Hurricane Floyd Recovery Fund	2006 CDBG Project Fund
REVENUES:					
Ad Valorem Taxes	$531,820				
Other Taxes and Licenses			$187,182		
Restricted Intergovernmental			69,134		$67,767
Miscellaneous					
Investment Earnings		$4,337	26,579		
Total Revenues	$531,820	$4,337	$282,895	$0	$67,767
EXPENDITURES:					
Public Safety	$531,820		$221,011		
Economic Development					$67,767
Cultural and Recreation					
Total Expenditures	$531,820	$0	$221,011	$0	$67,767
Revenues Over (Under) Expenditures	$0	$4,337	$61,884	$0	$0
OTHER FINANCING SOURCES (USES):					
Operating Transfer In (Out)		$10,000	($349,815)		
Principal Retirement					
Interest on Long-Term Debt					
Total Other Financing Sources	$0	$10,000	($349,815)	$0	$0
Revenues and Other Financing Sources Over (Under) Expenditures	$0	$14,337	($287,931)	$0	$0
FUND BALANCES:					
Beginning of Year, July 1		$121,228	$848,335		
End of Year, June 30	$0	$135,565	$560,404	$0	$0

Yamco Expansion Project Fund	Total Nonmajor Special Revenue Funds	Capital Project Funds: School Capital Finance Fund	Capital Project Funds: Jail Construction Fund	Capital Project Funds: Recreation Park Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	$531,820					$531,820
	187,182					187,182
$200,000	336,901			$808,785	$808,785	1,145,686
				103,000	103,000	103,000
	30,916	$2,075		168	2,243	33,159
$200,000	$1,086,819	$2,075	$0	$911,953	$914,028	$2,000,847
	$752,831		$261,046		$261,046	$1,013,877
$200,000	267,767					267,767
				$1,467,662	1,467,662	1,467,662
$200,000	$1,020,598	$0	$261,046	$1,467,662	$1,728,708	$2,749,306
$0	$66,221	$2,075	($261,046)	($555,709)	($814,680)	($748,459)
	($339,815)	$241,332		$501,842	$743,174	$403,359
		(206,368)			(206,368)	(206,368)
		(34,964)			(34,964)	(34,964)
$0	($339,815)	$0	$0	$501,842	$501,842	$162,027
$0	($273,594)	$2,075	($261,046)	($53,867)	($312,838)	($586,432)
	$969,563	$242,553	($760,886)	$53,867	($464,466)	$505,097
$0	$695,969	$244,628	($1,021,932)	$0	($777,304)	($81,335)

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, 2008

	Annual Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes - Current Year	$595,501	$504,028	($91,473)
Ad Valorem Taxes - Prior Years		27,792	27,792
Total Revenues	$595,501	$531,820	($63,681)
EXPENDITURES:			
Public Safety:			
Bull Head Fire District	$40,509	$37,610	$2,899
Rainbow Fire District	52,053	46,641	5,412
Maury Fire District	71,269	64,164	7,105
Shine Fire District	55,556	48,621	6,935
Arba Fire District	51,094	45,011	6,083
Little Creek Fire District	40,801	35,199	5,602
Contentnea Fire District	79,805	72,012	7,793
Fort Run Fire District	40,530	36,813	3,717
Jason Fire District	47,162	43,001	4,161
Castoria Fire District	62,045	54,317	7,728
Speight's Bridge Fire District	54,677	48,431	6,246
Total Expenditures	$595,501	$531,820	$63,681
Revenues Over Expenditures	$0	$0	$0
FUND BALANCE, Beginning			
FUND BALANCE, Ending		$0	

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, 2008

	Annual Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		$4,337	$4,337
Total Revenues	$0	$4,337	$4,337
EXPENDITURES:			
Current:			
General Government:			
Tax Revaluation	$10,000		$10,000
Total Expenditures	$10,000	$0	$10,000
Revenues Over (Under) Expenditures	($10,000)	$4,337	$14,337
OTHER FINANCING SOURCES			
Operating Transfers In	$10,000	$10,000	
Total Other Financing Sources	$10,000	$10,000	$0
Revenues Over (Under) Expenditures and Other Financing Sources	$0	$14,337	$14,337
FUND BALANCE, Beginning		121,228	
FUND BALANCE, Ending		$135,565	

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, 2008

	Annual Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Other Taxes and Licenses:			
911 System Subscriber Fees	$58,800	$187,182	$128,382
Restricted Intergovernmental:			
Wireless 911 Funds	74,000	69,134	(4,866)
Investment Earnings	18,000	26,579	8,579
Total Revenues	$150,800	$282,895	$132,095
EXPENDITURES:			
Public Safety:			
E911:			
Operating Expenses	$122,983	$118,665	$4,318
Capital Outlay	43,113	42,893	220
Wireless:			
Operating Exprenses	23,000	16,560	6,440
Capital Outlay	43,113	42,893	220
Total Expenditures	$232,209	$221,011	$11,198
Revenues Over (Under) Expenditures	($81,409)	$61,884	$143,293
OTHER FINANCING SOURCES (USES):			
Transfers to Other Funds	($349,815)	($349,815)	
Fund Balance Appropriated	431,224		($431,224)
Total Other Financing Sources (Uses)	$81,409	($349,815)	($431,224)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$0	($287,931)	($287,931)
Fund Balance, Beginning		848,335	
Fund Balance, Ending		$560,404	

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, 2008

	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	$67,767	($332,233)
Total Revenues	$400,000	$0	$67,767	$67,767	($332,233)
EXPENDITURES:					
Economic Development:					
Rehabilitation	$202,500		$67,767	$67,767	$134,733
Relocation	150,000				150,000
Administration	35,000				35,000
Clearance	12,500				12,500
Total Expenditures	$400,000	$0	$67,767	$67,767	$332,233
Revenues Over (Under) Expenditures	$0	$0	$0	$0	$0
FUND BALANCE, Beginning					
FUND BALANCE, Ending			$0		

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, 2008

	Project Authorization	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Restricted Intergovernmental:			
Rural Center Grant	$282,728	$200,000	($82,728)
Total Revenues	**$282,728**	**$200,000**	**($82,728)**
EXPENDITURES:			
Economic Development:			
Rehabilitation	$282,728	$200,000	$82,728
Total Expenditures	**$282,728**	**$200,000**	**$82,728**
Revenues Over (Under) Expenditures	**$0**	**$0**	**$0**
FUND BALANCE, Beginning			
FUND BALANCE, Ending		**$0**	

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, 2008

	Annual Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Reserved for Debt Service:			
Investment Earnings		$2,075	$2,075
Total Revenues	$0	$2,075	$2,075
EXPENDITURES:			
Capital Outlay	$131,520		$131,520
Total Expenditures	$131,520	$0	$131,520
Revenues Over Expenditures	($131,520)	$2,075	$133,595
OTHER FINANCING SOURCES (USES)			
Interest on Long-Term Debt	($34,964)	($34,964)	
Principal Payments	(206,370)	(206,368)	$2
Transfer from General Fund	372,854	241,332	(131,522)
Total Other Financing Sources	$131,520	$0	($131,520)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	$0	$2,075	$2,075
FUND BALANCE, Beginning		242,553	
FUND BALANCE, Ending		$244,628	

GREENE COUNTY, NORTH CAROLINA
JAIL CONSTRUCTION PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
From Inception and For The Fiscal Year Ended June 30, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
EXPENDITURES:					
Administration & Legal	$35,000	$16,552		$16,552	$18,448
Architectural & Engineering	1,228,819	646,861	$261,046	907,907	320,912
Construction	9,652,750	97,473		97,473	9,555,277
Equipment	373,388				373,388
Miscellaneous	400,000				400,000
Contingency	368,388				368,388
Total Expenditures	$12,058,345	$760,886	$261,046	$1,021,932	$11,036,413
Revenues Over (Under) Expenditures	($12,058,345)	($760,886)	($261,046)	($1,021,932)	$11,036,413
OTHER FINANCING SOURCES (USES)					
USDA Installment Purchase Obligations Issued	$12,058,345				($12,058,345)
Total Other Financing Sources	$12,058,345	$0	$0	$0	($12,058,345)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	$0	($760,886)	($261,046)	($1,021,932)	($1,021,932)
FUND BALANCE, Beginning			(760,886)		
FUND BALANCE, Ending			($1,021,932)		

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, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
PART F - Phase 1 Grant	$340,837	$15,378	$325,459	$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	51,500	103,000	154,500	4,500
Early College Match	31,305				(31,305)
Interest Income			168	168	168
Total Revenues	$1,346,305	$66,878	$911,953	$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	12,854	13,985	26,839	4,467
Contingency	22,329				22,329
Total Expenditures	$1,869,161	$13,011	$1,467,662	$1,480,673	$388,488
Revenues Over (Under) Expenditures	($522,856)	$53,867	($555,709)	($501,842)	$21,014
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	$501,842	($21,014)
Total Other Financing Sources (Uses)	$522,856	$0	$501,842	$501,842	($21,014)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$0	$53,867	($53,867)	$0	$0
FUND BALANCE, Beginning			53,867		
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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for Services:			
Water and Sewer Sales	$1,665,000	$1,859,772	$194,772
Tap-on Fees and Service Charges	50,000	74,255	24,255
Miscellaneous	1,993	50,162	48,169
Total Operating Revenues	$1,716,993	$1,984,189	$267,196
Nonoperating Revenues:			
Interest Earned on Investments	$24,000	$28,627	$4,627
Alternative Water Supply Fees	280,000	409,296	129,296
DOT Waterline Relocation	77,933	77,933	
Rural Center Grant (Cutter Creek)	340,000	340,000	
Project Reimbursements		50,049	50,049
Contributed Capital		115,207	115,207
Total Nonoperating Revenues	$721,933	$1,021,112	$299,179
Total Revenues	$2,438,926	$3,005,301	$566,375
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$409,321	$401,874	$7,447
Supplies	151,364	142,008	9,356
Water Purchases	1,000	1,346	(346)
Maintenance	126,650	122,150	4,500
Contracted Services	67,000	137,946	(70,946)
Utilities	128,000	114,974	13,026
Sewer Charges - Town of Farmville	85,000	97,653	(12,653)
Office Expense	61,000	48,030	12,970
Professional Services	34,000	21,958	12,042
Management Fee - County	25,000	25,000	
Capital Outlay	26,850	26,650	200
Insurance	8,000	8,000	
Waterline Relocation	77,933	77,227	706
Miscellaneous	1,000	212	788
Total Operating Expenditures	$1,202,118	$1,225,028	($22,910)
DEBT SERVICE:			
Interest on Long-Term Debt	$292,272	$284,849	$7,423
Principal Payments	682,472	663,213	19,259
Total Debt Service	$974,744	$948,062	$26,682
Total Expenditures	$2,176,862	$2,173,090	$3,772
Revenues Over Expenditures	$262,064	$832,211	$570,147

GREENE COUNTY, NORTH CAROLINA
UTILITY FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In:			
General Fund	$67,140	$67,140	
Operating Transfers Out:			
Alternative Water Supply Fund	(280,000)	(409,296)	($129,296)
Capital Reserve	(49,204)	(49,204)	
Clean Water Project Fund	(233,940)	(233,940)	
Fund Balance Appropriated	233,940		(233,940)
Total Other Financing Sources (Uses)	($262,064)	($625,300)	($363,236)
Revenues and Other Financing Sources Over (Under) Expenditures Financing Uses, and Appropriated Fund Balance	$0	$206,911	$206,911

RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:

RECONCILING ITEMS:	
Depreciation	($401,332)
Principal Payments	663,213
Capital Outlay	26,650
Increase in Compensated Absences	(1,419)
Decrease in Accrued Interest	9,148
Net Income Capital Reserve Fund Excluding Transfers	12,442
Net Income Alternative Water Supply Capital Reserve Fund Excluding Transfers	356,098
Depreciation Water & Sewer District 1	(41,445)
Administrative Expenses Water & Sewer Disctrict 1	(4,000)
Transfer to Alternative Water Supply Fund	409,296
Transfer to Capital Reserve	49,204
Transfer to Clean Water Project Fund	233,940
Investment Earnings on Alternative Water Phase 1A Project Fund	5,918
Contributed Capital Alternative Water Phase 1A	107,448
Miscellaneous Income Alternative Water Phase 1A	5,125
Investment Earnings on Alternative Water Phase 1C Project Fund	351
Investment Earnings on Cutter Creek Project Fund	25,507
Total Reconciling Items	$1,456,144
Net Income, Full Accrual Basis	$1,663,055

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		$12,442	$12,442
Total Revenues	$0	$12,442	$12,442
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	$49,204	$49,204	
Reserve	(49,204)		$49,204
Total Other Financing Sources	$0	$49,204	$49,204
Revenues Over (Under) Other Financing Sources	$0	$61,646	$61,646
FUND BALANCE, Beginning		364,869	
FUND BALANCE, Ending		$426,515	

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings	$60,000	$97,241	$37,241
Per Meter AWS Fees		258,857	258,857
Total Revenues	$60,000	$356,098	$296,098
EXPENDITURES:			
Alternative Water Supply Study			
Total Expenditures	$0	$0	$0
Revenues Over (Under) Other Expenditures	$60,000	$356,098	$296,098
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	$248,500	$409,296	$160,796
Reserve	(308,500)		308,500
Total Other Financing Sources	($60,000)	$409,296	$469,296
Revenues Over (Under) Other Financing Sources	$0	$765,394	$765,394
FUND BALANCE, Beginning		1,467,067	
FUND BALANCE, Ending		$2,232,461	

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
CLEAN WATER PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Restricted Intergovernmental:					
Clean Water Grant	$2,574,106	$2,574,106		$2,574,106	
Rural Center Grant	200,000	200,000		200,000	
Total Revenues	$2,774,106	$2,774,106	$0	$2,774,106	$0
EXPENDITURES:					
Construction	$6,233,158	$6,081,855	$178,233	$6,260,088	($26,930)
Engineering	401,107	393,855		393,855	7,252
Inspections	359,265	342,323		342,323	16,942
Land	112,000	94,177		94,177	17,823
Surveying & Permits	26,956	27,612		27,612	(656)
Legal	15,000	1,219		1,219	13,781
Geotechnical & Environmental	9,730	4,824		4,824	4,906
Administration	15,195	15,195		15,195	
Contingencies	9,617	3,021		3,021	6,596
Total Expenditures	$7,182,028	$6,964,081	$178,233	$7,142,314	$39,714
Revenues Over (Under) Expenditures	($4,407,922)	($4,189,975)	($178,233)	($4,368,208)	$39,714
OTHER FINANCING SOURCES (USES):					
County Contributions	$1,135,507	$848,231	$233,940	$1,082,171	($53,336)
Other Income		13,622		13,622	13,622
Long Term Debt Issued-NC Drinking Water Revolving Loan	3,272,415	3,272,415		3,272,415	
Total Other Financing Sources (Uses)	$4,407,922	$4,134,268	$233,940	$4,368,208	($39,714)
Revenues and Other Financing Over (Under) Expenditures and Other Financing Sources	$0	($55,707)	$55,707	$0	$0
FUND BALANCE, Beginning			(55,707)		
FUND BALANCE, Ending			$0		

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, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings			$25,507	$25,507	$25,507
Total Revenues	$0	$0	$25,507	$25,507	$25,507
EXPENDITURES:					
Construction	$1,540,200	$1,229,051	$125,634	$1,354,685	$185,515
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	$1,229,801	$307,005	$1,536,806	$263,194
Revenues Over (Under) Expenditures	($1,800,000)	($1,229,801)	($281,498)	($1,511,299)	$288,701
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	$570,199	($281,498)	$288,701	$288,701
FUND BALANCE, Beginning			570,199		
FUND BALANCE, Ending			$288,701		

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, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings		$4,216	$3,174	$7,390	$7,390
Interest Earned on Non-Ban Proceeds			2,744	2,744	2,744
USDA - RD Loan Income - (BAN Proceeds)	$4,202,000				(4,202,000)
USDA - RD Grant Income	1,000,000				(1,000,000)
EDA Grant Income	500,000				(500,000)
Rural Center Grant Income	400,000				(400,000)
NC Direct Appropriations	1,000,000		107,448	107,448	(892,552)
Sales Tax Refund - From Farmville	96,575				(96,575)
Miscellaneous Income			5,125	5,125	5,125
Total Revenues	$7,198,575	$4,216	$118,491	$122,707	($7,075,868)
EXPENDITURES:					
Construction	$5,822,805		$562	$562	$5,822,243
Engineering	377,225				377,225
Contingency	296,423				296,423
Inspection	214,000				214,000
Temporary Financing Interest Expense	200,000				200,000
Land/Easements	116,000		85,751	85,751	30,249
Funding Assistance	46,575				46,575
Administrative	36,797		3,261	3,261	33,536
Project Adminstrative	25,000				25,000
Grant Assistance	25,000				25,000
Reimbursables	15,000				15,000
Legal	12,500		10,574	10,574	1,926
Geotechnical	6,250		5,625	5,625	625
Environmental	5,000				5,000
Appraisals			1,675	1,675	(1,675)
Total Expenditures	$7,198,575	$0	$107,448	$107,448	$7,091,127
Revenues Over (Under) Expenditures	$0	$4,216	$11,043	$15,259	$15,259
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	$196,791	$11,043	$207,834	$207,834
FUND BALANCE, Beginning			196,791		
FUND BALANCE, Ending			$207,834		

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, 2008

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings			$351	$351	$351
USDA - RD Loan Income - (BAN Proceeds)	$3,800,000				(3,800,000)
USDA - RD Grant Income	1,600,000				(1,600,000)
Sales Tax Refund - Restricted	75,000				(75,000)
Total Revenues	$5,475,000	$0	$351	$351	($5,474,649)
EXPENDITURES:					
Construction	$4,437,050				$4,437,050
Engineering	229,900				229,900
Contingency	221,853				221,853
Temporary Financing Interest Expense	221,197				221,197
Inspection	220,000				220,000
Land/Easements	60,000		$81,080	$81,080	(21,080)
Administrative	30,000		1,731	1,731	28,269
Grant Assistance	25,000				25,000
Funding Assistance	25,000		3,500	3,500	21,500
Legal	5,000		$373	$373	4,627
Total Expenditures	$5,475,000	$0	$86,684	$86,684	$5,388,316
Revenues Over (Under) Expenditures	$0	$0	($86,333)	($86,333)	($86,333)
FUND BALANCE, Beginning					
FUND BALANCE, Ending			($86,333)		

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, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Total Revenues	$4,000	$0	($4,000)
EXPENDITURES:			
Administrative	$4,000	$4,000	
Total Expenditures	$4,000	$4,000	$0
Revenues Over (Under) Expenditures	$0	($4,000)	($4,000)
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		($45,445)	

GREENE COUNTY, NORTH CAROLINA
LANDFILL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Operating:			
Landfill Fees	$630,630	$619,381	($11,249)
Total Operating Revenues	$630,630	$619,381	($11,249)
Nonoperating:			
Interest Earned on Investments	$2,000	$465	($1,535)
Other Revenues	14,472	2,690	(11,782)
Total Nonoperating Revenues	$16,472	$3,155	($13,317)
Total Revenues	$647,102	$622,536	($24,566)
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$154,843	$155,754	($911)
Employee Training	500	212	288
Supplies	39,930	34,549	5,381
Maintenance	29,863	26,434	3,429
Contracted Services	196,500	193,541	2,959
Utilities	15,000	13,563	1,437
Professional Services	30,653	36,988	(6,335)
Insurance	11,500	11,500	
Site Improvements	5,000	4,089	911
Telephone and Postage	4,500	3,832	668
Miscellaneous	970	130	840
Disposal Fees	125,502	122,093	3,409
Total Operating	$614,761	$602,685	$12,076
DEBT SERVICE:			
Interest	$1,082	$1,082	
Principal	19,259	19,258	$1
Total Debt Service	$20,341	$20,340	$1
CAPITAL OUTLAY:			
Equipment	$12,000		$12,000
Total Capital Outlay	$12,000	$0	$12,000
Total Expenditures	$647,102	$623,025	$24,077
Revenues Over (Under) Expenditures	$0	($489)	($489)

GREENE COUNTY, NORTH CAROLINA
TRANSPORTATION SYSTEM FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2008

	Budget	2008 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Operating:			
Transportation Fares	$189,398	$156,567	($32,831)
Total Operating Revenues	$189,398	$156,567	($32,831)
Nonoperating:			
Interest Earned on Investments	$4,200	$250	($3,950)
ROAP Funds	74,000	70,270	(3,730)
DOT Transportation Coordination Grant	91,000	86,904	(4,096)
Total Nonoperating Revenues	$169,200	$157,424	($11,776)
Total Revenues	$358,598	$313,991	($44,607)
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	$253,543	$247,065	$6,478
Supplies and Fuel	60,140	46,742	13,398
Maintenance	23,000	17,066	5,934
Utilities	2,133	1,889	244
Office Expense	10,167	8,438	1,729
Telephone and Postage	2,750	2,534	216
Travel	2,000	1,440	560
Miscellaneous Operating Expense	4,865	35	4,830
Total	$358,598	$325,209	$33,389
Revenues Over (Under) Expenditures	$0	($11,218)	($11,218)
OTHER FINANCING SOURCES:			
Fund Balance Appropriated			$0
Total Other Financing Sources	$0	$0	$0
Revenues and Other Financing Sources (Uses) Over Expenditures	$0	($11,218)	($11,218)
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Loss on Sale of Asset		($8,026)	
Increase in Compensated Absences		(1,037)	
Depreciation		(60,080)	
Total Reconciling Items		($69,143)	
Net Income, Full Accrual Basis		($80,361)	

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.

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.

GREENE COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For The Fiscal Year Ended June 30, 2008

	Balances at July 1, 2007	Additions	Deletions	Balances at June 30, 2008
Municipal Tax Fund:				
Assets:				
Cash	$7,189	$68,043	$74,426	$806
Due from Other Governments	1,822	659		2,481
	$9,011	$68,702	$74,426	$3,287
Liabilities, Accounts Payable and Deferred Rev.	$7,726	$68,702	$74,426	$3,287
Social Services Fund:				
Assets, Cash	$179,029	$131,960	$159,316	$151,673
Liabilities, Accounts Payable	$179,029	$131,960	$159,316	$151,673
Fines and Fortfeitures Fund:				
Assets, Due From Other Governments	$6,224	$107,432	$106,258	$7,398
Liabilities, Accounts Payable	$6,224	$107,432	$106,258	$7,398
TOTALS - ALL AGENCY FUNDS:				
Assets, Cash and Due From Other Governments	$194,264	$308,094	$340,000	$162,358
Liabilities:				
Accounts Payable	$194,264	$308,094	$340,000	$162,358
Total Liabilities	$194,264	$308,094	$340,000	$162,358

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, 2008

Fiscal Year Ended June 30,	Uncollected Balance June 30, 2006	Additions	Collections and Credits	Uncollected Balance June 30, 2007
2007-08		$7,044,384	$6,680,470	$363,914
2006-07	$361,955		253,164	108,791
2005-06	126,847		60,394	66,453
2004-05	59,145		19,830	39,315
2003-04	44,022		11,467	32,555
2002-03	56,658		7,518	49,140
2001-02	19,533		3,936	15,597
2000-01	19,453		4,073	15,380
1999-00	12,699		2,803	9,896
1998-99	15,417		1,599	13,818
1997-98	12,172		12,172	
	$727,901	$7,044,384	$7,057,426	$714,859

Less Allowance for Uncollectible Ad Valorem Taxes Receivable:	146,602
Ad Valorem Taxes Receivable, Net	$568,257

Reconciliation with Revenues:

Ad Valorem Taxes - General Fund	$7,038,434
Interest and Penalties Collected on Ad Valorem Taxes - General Fund	131,784
	$7,170,218
Reconciling Items:	
Interest and Penalties Collected	($131,784)
Refunds	81,142
Taxes Written Off	(60,819)
Dog Tax	(1,331)
Total Reconciling Items	($112,792)
Total Collections and Credits	$7,057,426

GREENE COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For The Fiscal Year Ended June 30, 2008

	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	$937,889,410	0.746	$6,996,655	$6,029,629	$967,026
Total	$937,889,410		$6,996,655	$6,029,629	$967,026
Discoveries:					
Current Years Taxes	$2,842,524	0.746	$21,205	$21,205	
Prior Years Taxes			48,661	48,661	
Penalties			22,649	22,649	
Total Discoveries	$2,842,524		$92,515	$92,515	$0
Abatements					
Releases	($6,003,485)	0.746	($44,786)	($20,023)	($24,763)
Total Abatements	($6,003,485)		($44,786)	($20,023)	($24,763)
Total Property Valuation	$934,728,449				
Net Levy			$7,044,384	$6,102,121	$942,263
Uncollected Taxes at June 30, 2008			363,914	228,810	135,104
Current Year's Taxes Collected			$6,680,470	$5,873,311	$807,159
Current Levy Collection Percentage			94.83%	96.25%	85.66%

GREENE COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
For The Fiscal Year Ended June 30, 2008

Taxpayer	Type of Business	2007 Assessed Valuation	Percentage of Total Assessed Valuation
Pitt-Greene EMC	Utility	$14,575,934	1.56%
Ham Farms, Inc.	Agricultural	9,510,200	1.02%
Carolina Telephone	Telephone	5,819,111	0.62%
Carolina Power & Light	Utility	5,604,592	0.60%
Vanrack, Inc.	Construction	4,994,943	0.53%
L.L. Murphrey Company	Swine Producer	4,044,100	0.43%
HillCo. Ltd.	Rental	3,174,090	0.34%
Kanaftec, Inc.	Agricultural	3,042,320	0.33%
Peidmont Natural Gas Co. Inc	Utility	2,926,147	0.31%
Charles Stokes, Jr.	Agricultural	2,683,649	0.29%
		$56,375,086	**6.03%**

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, 2008, which collectively comprises Greene County's basic financial statements, and have issued our report thereon dated January 28, 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 08-1, Finding 08-2, Finding 08-3 and Finding 08-4 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 Finding 08-1, Finding 08-2, Finding 08-3 and Finding 08-4 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 an instance 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 08-4.

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.

January 28, 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, 2008. 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, 2008.

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 first paragraph of this section 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.

January 28, 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, 2008. 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, 2008. 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 08-5.

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 08-5 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.

January 28, 2009

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2008

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		None reported
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
	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
93.558	Work First/Temporary Assistance for Needy Families

Dollar threshold used to distinguish between Type A and Type B Programs	$734,939	
Auditee qualified as low-risk auditee		X

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2008

	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
Parks and Recreation Trust Fund

II. *FINANCIAL STATEMENT FINDINGS*

FINDING 08-1 - 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, 2008

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 08-2 - REPORTING

MATERIAL WEAKNESS

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

Condition: Numerous 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. There procedures were not followed and all accounts were not adjusted to appropriate year-end balances.

Views of Responsible Officials and Planned Corrective Action: Management plans to make all required year-end adjustments for the 2008-2009 fiscal year-end.

FINDING 08-3 – 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, 2008

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 08-4 - 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 seven line items of various project funds exceeded the appropriations made by the governing board.

Effect: Monies 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.

III. *FEDERAL AWARD FINDINGS AND QUESTIONED COSTS*

FINDING 08-5

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.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2008

Condition: In our test of 40 participant files, we noted 3 instances where parent fees were incorrectly calculated and 1 instance where the parent fee was correctly calculated but was not recorded in the system at the time of redetermination.

Effect: Parent fees, in 3 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 3 cases and were tardily recorded in 1 case.

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.

V. STATE AWARD FINDINGS AND QUESTIONED COSTS

None.

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2008

FINANCIAL STATEMENT FINDINGS

FINDING: 08-1

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: 08-2

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: 08-3

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: 08-4

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

FINDING: 08-5

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, 2008

FINDING: **07-1 Financial Reporting**

STATUS: Not corrected. See current year finding 08-1.

FINDING: **07-2 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 08-2.

FINDING: **07-3 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 08-3.

FINDING: **07-4 Budget Over-expenditures**

STATUS: Not corrected. Instances of budgetary over-expenditures noted during the current year. See current year finding 08-4.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

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	$6,774		
USDA Supplement Title III C-2	10.570	NC-15	3,810		
			$10,584	**$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	$188,573		
Direct Benefit Payments:					
Special Supplemental Food Program for WIC	10.557		405,908		
			$594,481	**$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		$3,647,139		
Administration	10.561		134,393		$134,393
Total Food Stamp Cluster			**$3,781,532**	**$0**	**$134,393**
Passed Through Natural Resource Conservation Service:					
Administered by County Soil Conservation:					
Neuse River Tech Assistance	A-4532-392		$65,239		
Total U.S. Department of Agriculture			**$4,451,836**	**$0**	**$134,393**
U.S. DEPARTMENT OF COMMERCE:					
National Telecommunications & Information Administration:					
Administered by County Finance Department:					
Technology Opportunities Program Grant	11.552		$78,700		
Total U.S. Department of Commerce			**$78,700**	**$0**	**$0**

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
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		$17,414		
Total U.S. Department of Homeland Security			**$17,414**	**$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		$67,767		
Total U.S. Department of Housing and Urban Development			**$67,767**	**$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		$19,424	$2,158
Access Title III-B	93.044	NC-15	$16,805	988	1,978
Title III C-1 90% State Funds	N/A	NC-15		7,444	827
Title III C-1 Congregate Meals	93.045	NC-15	30,786	1,811	3,622
Title III C-2 90% State Funds	N/A	NC-15		1,227	1,359
Title III C-2 Home-Delivered Meals	93.045	NC-15	20,730	1,239	2,438
Administered by County Department of Social Services and County Council on Aging:					
In Home Services:					
In-Home State	N/A	NC-15		52,722	5,858
In-Home Title III-B	93.044	NC-15	13,719	807	1,614
Social Services Block Grant	93.667	NC-15	4,216	120	482
Operation Fan	N/A	N/A		261	
Senior Center Operations	N/A	NC-15		4,100	1,366
Title III - F 90%	93.043	NC-15	2,144	126	252
Total Aging Cluster			**88,400**	**90,269**	**21,954**

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Division of Public Health:					
Passed Through NC Department of Health and Human Services:					
Administered by County Health Department:					
Immunization Program	93.268		$7,560		
Bioterrorism	93.283		74,798		
Breast/Cervical Cancer	93.919		4,087	$900	
Healthy Start Baby Love Plus Initiative	93.926		41,058		
Risk Reduction/Health Promotion	93.991		15,562	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	
Dental Health Services	93.994				
Child Health Training	93.994			100,000	
Women's Preventative Health - TANF	93.558		2,818		
Family Planning	93.217			25,303	
Total Division of Public Health			**$212,418**	**$184,402**	**$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		$59,154		$43,167
Workfirst Services	93.558		255,931		248,658
Workfirst Cash	93.558				263
Workfirst Education/Training	93.558				234
Workfirst Transportation	93.558				2,083
TANF Domestic Violence	93.558		1,866		
Family Preservation	93.556		1,291		
Direct Benefit Payments:					
Benefit Payments	93.558		256,570		
			$574,812	**$0**	**$294,405**
Title IV-D Administration	93.563		**$161,240**		
Low-Income Home Energy Assistance:					
Administration	93.568		$6,805		
Crisis Intervention Payments	93.568		75,012		
Direct Benefit Payments:					
Energy Assistance Payments	93.568		52,563		
			$134,380	**$0**	**$0**

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Permanency Planning - Reg	93.645		$4,563	$1,521	
Permanency Planning - Spec	93.645		1,345		
			$5,908	**$1,521**	**$0**
Foster Care and Adoption Cluster					
Title IV-E CPS	93.658		$23,015	$8,771	$14,245
Title IV-E Optional	93.658		24,200		24,200
Direct Benefit Payments:					
Title IV-E Foster Care	93.658		10,531	2,930	2,930
Title IV-E Foster Care in Excess	93.658		3,383		1,892
Direct Benefit Payments:					
Title IV-E Adoption Subsidy	93.659		49,564	13,948	13,948
Total Foster Care and Adoption Cluster			**$110,693**	**$25,649**	**$57,215**
Social Services Block Grant:					
Other Services and Training	93.667		$89,178	$10,637	$29,980
In Home Services Fund	93.667		15,046		2,149
Total Social Services Block Grant			**$104,224**	**$10,637**	**$32,129**
Total Division of Social Services			**$1,091,257**	**$37,807**	**$383,749**
Division of Child Development:					
Administered by County Department of Social Services:					
Subsidized Child Care Cluster: CCDF	93.596		49,		
Temporary Assistance for Needy Families	93.558		$193,093		
CCDF Discretionary Subsidy	93.575		99,782		
TANF to CCDF Discretionary	93.575		186,410		
CCDF Mandatory	93.596		145,929		
CCDF Match	93.596		125,923	$33,126	
SSBG Day Care	93.667		2,760		
Smart Start TANF MOE	N/A			51,175	
Smart Start	N/A			21,043	
TANF-MOE	N/A			129,439	
Smart Start State Match	N/A			37,161	
State Funding	N/A			18,470	
Total Subsidized Child Care Cluster			**$753,897**	**$290,414**	**$0**
Total Division of Child Development			**$753,897**	**$290,414**	**$0**

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures Federal	State	Local
FEDERAL GRANTS					
Passed Through NC Department of Juvenile Justice and Delinquency Prevention:					
Administered by County Cooperative Extension:					
Support Our Students (SOS)	93.558			$73,278	
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		$210,248		$210,248
Medical Assistance Expansion	93.778		10,410	$10,410	
Adult Care Home Special/Case Management	93.778		3,605	2,723	882
Medical Transportation Administration	93.778		18,326		18,326
Health Choice	93.767		24,069	1,231	6,835
Direct Benefit Payments:					
Medical Assistance	93.778		17,464,724	8,980,397	1,213,035
			$17,731,382	$8,994,761	$1,449,326
Total U.S. Department of Health and Human Services			$19,877,354	$9,670,931	$1,855,029
U.S. DEPARTMENT OF TRANSPORTATION:					
Pipeline and Hazardous Materials Safety Administration:					
Passed Through NC Department of Crime Control and Public Safety:					
Division of Emergency Management:					
Administered by County Emergency Management:					
Haz Mat Emergency Preparedness	20.073		$4,900		
Total U.S. Department of Transportation			$4,900	$0	$0
TOTAL FEDERAL ASSISTANCE			$24,497,971	$9,670,931	$1,989,422

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

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			$8,000	
Psychological Services	N/A			3,600	
Family Preservation	N/A			13,764	
SEED Program	N/A			10,000	
Juvenile Restitution	N/A			47,887	
Total NC Department of Juvenile Justice & Delinquency Prevention			$0	$83,251	$0
NC DEPARTMENT OF HEALTH & HUMAN SERVICES:					
Division of Social Services:					
Administered by County Department of Social Services:					
State Aid to Counties	N/A			$17,949	
SC/SA Administration	N/A				$10,776
DCD Smart Start	N/A			30,183	
CP&L Energy	N/A			2,934	
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	$345,133	$286,859
Administered by County Health Department:					
Women's Preventative Health	N/A			$5,220	
Tuberculosis	N/A			3,578	
Healthy Carolinians	N/A			12,048	
General	N/A			55,280	
Communicable Disease	N/A			10,623	
TB Medical	N/A			1,109	
Aids - State	N/A			500	
			$0	$88,358	$0
Total NC Department of Health and Human Services			$0	$433,491	$286,859
NC GENERAL ASSEMBLY:					
GUC Waterline Extension - Farmville/Greene County	N/A		$0	$107,448	$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

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			$70,270	
Transportation Admin. Grant	N/A			86,904	
Total NC Department of Transportation			$0	$157,174	$0
NC DEPARTMENT OF CORRECTIONS:					
Division of Community Corrections:					
Administered by County Sheriff's Department:					
Criminal Justice Partnership	N/A	G0799-I-A	$0	$38,273	$0
NC DEPARTMENT OF ENVIRNONMENT AND NATURAL RESOURCES:					
Division of Parks and Recreation:					
Administered by County Finance Department:					
Parks and Recreation Trust Fund	N/A	P06019		$690,837	
Land and Water Conservation Fund	N/A	P06090		91,426	
Recreation Trails Grant	N/A	P06109		41,900	
			$0	$824,163	$0
The Center for Geographic Information and Analysis:					
Administered by County Finance Department:					
NC One Map Cost Share	N/A	AZ07018		$11,234	
			$0	$11,234	$0
Division of Pollution Prevention and Environmental Assistance:					
Administered by County Sanitary Landfill:					
Solid Waste Reduction Grant	N/A			$2,690	
			$0	$2,690	$0
Total NC Department of Environment and Natural Resources			$0	$838,087	$0
NORTH CAROLINA'S EASTERN REGION:					
Administered by County Finance Department:					
Flex Cap Local Grant	N/A			$20,000	
			$0	$20,000	$0
RURAL ECONOMIC DEVELOPMENT COMMISSION:					
Administered by County Finance Department:					
Building Re-Use Grant	N/A			$200,000	
			$0	$200,000	$0
TOTAL STATE ASSISTANCE			$0	$1,879,724	$286,859
TOTAL FEDERAL AND STATE ASSISTANCE			$24,497,971	$11,550,655	$2,276,281

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2008

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