

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2014**

**COUNTY OF GREENE  
Snow Hill, North Carolina**

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2014**

**Prepared By  
BARROW, PARRIS & DAVENPORT, P.A.  
Certified Public Accountants  
Kinston, North Carolina**

**GREENE COUNTY, NORTH CAROLINA**

**BOARD OF COMMISSIONERS**

**J. JACK EDMONDSON**  
Chairman

**BENNIE J. HEATH**  
Vice-Chairman

**JERRY R. JONES**

**JAMES T. SHACKLEFORD, JR.**

**T. DENNY GARNER**

**COUNTY OFFICIALS**

**RICHARD N. HICKS**  
Interim County Manager

**SANDRA P. BARSS**  
Interim Finance Officer

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**FINANCIAL SECTION**



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**INDEPENDENT AUDITOR'S REPORT**

The Board of County Commissioners  
Greene County, North Carolina

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina, as of and for the year then ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Greene County's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Greene County ABC Board were not audited in accordance with *Governmental Auditing Standards*.

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

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

***Opinions***

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina as of June 30, 2014, 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 accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowances and the Other Postemployment Benefits Schedules of Funding Progress and Employer Contributions on pages 3-11 and 61-64, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

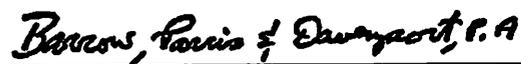
### ***Supplementary and Other Information***

Our audit was conducted 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 fund statements, budgetary schedules and other schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by the 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 fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2014 on our consideration of Greene County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greene County's internal control over financial reporting and compliance.

  
BARROW, PARRIS & DAVENPORT, P.A.  
KINSTON, NC

November 24, 2014

## 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, 2014. 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.

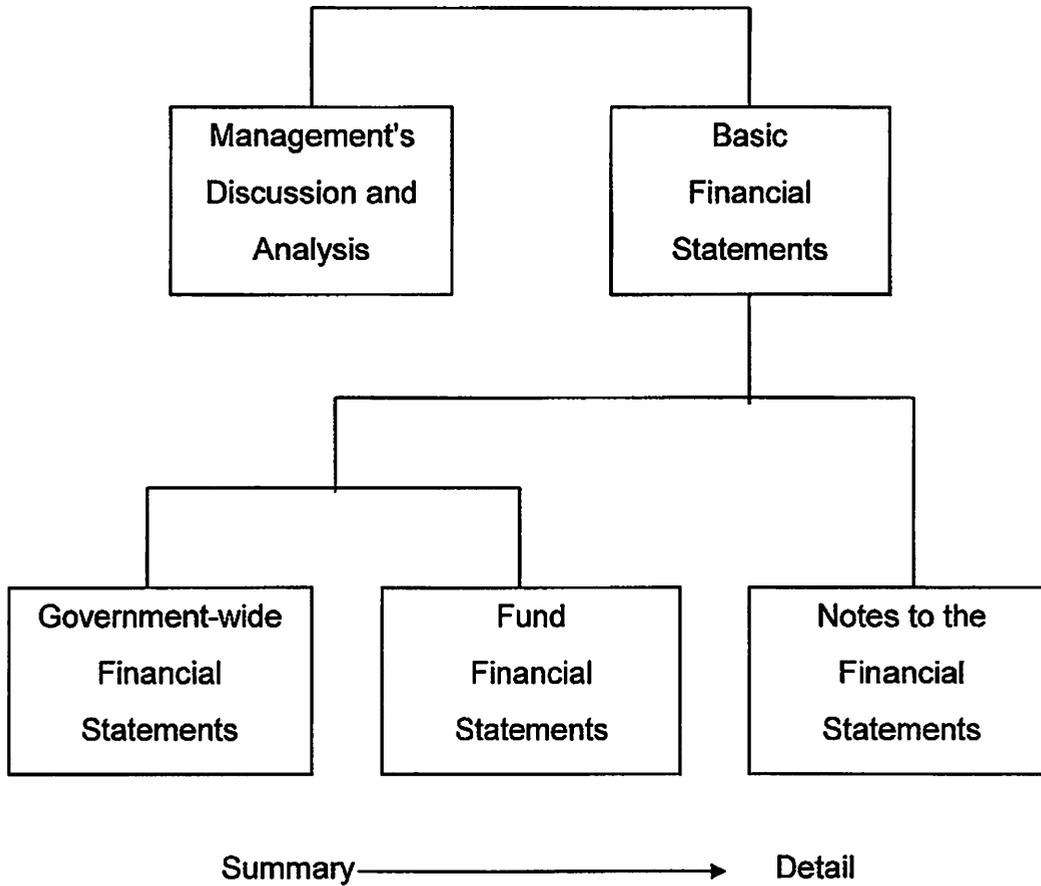
### Financial Highlights

- The assets of Greene County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$25,667,328 (*net position*).
- The government's total net position increased by \$697,553, primarily due to management's focus on monitoring spending and maximizing revenue collection.
- 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 \$6,155,567, after a net increase in fund balance of \$1,177,815. This compares to combined ending fund balances of \$4,977,752, after a net increase of \$3,204,561 in 2013. Approximately 44.15% of this total amount, or \$2,717,465, is available for spending at the government's discretion (unassigned fund balance). In 2013, the unassigned fund balance was \$1,548,191, or 36.20% of combined ending fund balances.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$2,717,465, or 17.10% of total General Fund expenditures for the fiscal year. In 2013, unassigned fund balance in the General Fund was \$1,548,191 or 9.32% of total General Fund expenditures.
- Greene County's total debt increased by \$745,797, or 1.86% during the current fiscal year. New debt totaling \$622,279 was issued during the current fiscal year. Key factors in new issuances include 1) USDA funds for equipment and furniture and fixtures for the Greene County Intermediate School; 2) funding from a local bank to finance two vans for the Department of Social Services; 3) loan through North Carolina's Eastern Region to refinance a local bank loan for the Industrial Park. Principal payments of \$1,368,076 were made by the County during the year.

### 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.

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 and internal service fund, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

**Management's Discussion and Analysis (continued)**  
**County of Greene**

**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 position and how they have changed. Net position is the difference between the total of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows from resources. Measuring net position 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. Greene County ABC Board is legally separate from the County however the County is financially accountable for the Board by appointing its members. Also, the ABC Board is 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 Position 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.

**Management's Discussion and Analysis (continued)**  
**County of Greene**

**Proprietary Funds** - Greene County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Greene County uses enterprise funds to account for its utility (water and sewer) operations, landfill operations (that include scrap tire and white goods), and transportation operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of Greene County. The County uses an internal service fund to account for one activity – its self-funded medical insurance operations. Because this operation benefits predominantly governmental rather than business-type activities, the internal service fund has been included within the governmental activities in the government-wide financial statements.

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

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

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Greene County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 61.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets exceeded its liabilities and deferred inflows of resources by \$25,667,328 as of June 30, 2014. The County's net position increased by \$697,553 for the fiscal year ended June 30, 2014. One of the largest portions, \$28,759,112 or 112.05%, reflects the County's net investment in capital assets (e.g. land, buildings, water and sewer distribution lines, machinery, and equipment). 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 position \$9,023,773 or 35.15% represents resources that are subject to external restrictions on how they may be used. The remaining balance of (12,115,557) or (47.20%) is unrestricted. In 2013, the amount of net position classified as net investment in capital assets was \$28,379,744, with restricted assets standing at \$9,624,034. The remaining (\$13,034,003) was unrestricted for that year.

**Greene County's Net Position**  
**Figure 2**

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$7,180,671	\$5,941,465	\$8,220,691	\$8,020,934	\$15,401,362	\$13,962,399
Capital assets	16,899,606	17,137,487	38,814,005	38,948,717	55,713,611	56,086,204
<b>Total assets</b>	<b>\$24,080,277</b>	<b>\$23,078,952</b>	<b>\$47,034,696</b>	<b>\$46,969,651</b>	<b>\$71,114,973</b>	<b>\$70,048,603</b>
Long-term liabilities outstanding	\$25,605,072	\$25,618,804	\$17,675,746	\$18,154,126	\$43,280,818	\$43,772,930
Other liabilities	1,028,735	907,340	1,102,246	323,580	2,130,981	1,230,920
<b>Total liabilities</b>	<b>\$26,633,807</b>	<b>\$26,526,144</b>	<b>\$18,777,992</b>	<b>\$18,477,706</b>	<b>\$45,411,799</b>	<b>\$45,003,850</b>
<b>Total deferred inflows of resources</b>	<b>\$35,846</b>	<b>\$74,978</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,846</b>	<b>\$74,978</b>
Net position:						
Net investment in capital assets	\$6,249,844	\$6,329,849	\$22,509,268	\$22,049,895	\$28,759,112	\$28,379,744
Restricted	2,837,768	3,157,583	6,186,005	6,466,451	9,023,773	9,624,034
Unrestricted	(11,676,988)	(13,009,602)	(438,569)	(24,401)	(12,115,557)	(13,034,003)
<b>Total net position</b>	<b>(\$2,589,376)</b>	<b>(\$3,522,170)</b>	<b>\$28,256,704</b>	<b>\$28,491,945</b>	<b>\$25,667,328</b>	<b>\$24,969,775</b>

**Management's Discussion and Analysis (continued)**  
**County of Greene**

There are particular aspects of the County's financial operations that positively influenced the total unrestricted governmental net position:

- Management's continued focus of cutting spending and maximizing revenue collections.
- Collection of the Registered Motor Vehicles increased to 97.97% primarily due to the new tax/tag system implemented by the State during the year.
- Change in net position for business-type activities decreased by \$235,241 during the year compared to a decrease of \$635,430 in the prior year. Due in part, to management's proactive stance on monitoring spending across County departments to ensure compliance with the budget.

**Greene County Changes in Net Position**  
**Figure 3**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$2,294,067	\$2,383,297	\$3,660,967	\$3,112,339	\$5,955,034	\$5,495,636
Operating Grants and Contributions	3,430,206	3,989,873	941,257	1,142,094	4,371,463	5,131,967
Capital Grants and Contributions	492,220	1,103,238	291,762	196,520	783,982	1,299,758
General Revenues:						
Property Taxes	9,482,479	8,470,347			9,482,479	8,470,347
Local Option Sales Tax	2,216,847	2,138,499			2,216,847	2,138,499
Other Taxes	350,346	358,311			350,346	358,311
Grants and Contributions not restricted to Specific Programs	83,981	78,090			83,981	78,090
Investment Earnings	5,502	603	1,166	709	6,668	1,312
Other	70,549	86,106		2,645	70,549	88,751
<b>Total revenues</b>	<b>\$18,426,197</b>	<b>\$18,608,364</b>	<b>\$4,895,152</b>	<b>\$4,454,307</b>	<b>\$23,321,349</b>	<b>\$23,062,671</b>
<b>Expenses:</b>						
General Government	\$2,282,985	\$2,473,445			\$2,282,985	\$2,473,445
Public Safety	4,774,422	5,379,233			4,774,422	5,379,233
Environmental Protection	43,297	46,969			43,297	46,969
Economic and Physical Development	289,442	370,035			289,442	370,035
Human Services	5,329,388	5,865,560			5,329,388	5,865,560
Cultural and Recreation	497,231	479,573			497,231	479,573
Education	2,835,267	2,969,291			2,835,267	2,969,291
Interest on Long-Term Debt	921,070	906,991			921,070	906,991
Utility			\$4,003,164	\$3,562,583	4,003,164	3,562,583
Landfill			693,706	726,449	693,706	726,449
Nonmajor Enterprise Activities			404,183	473,185	404,183	473,185
<b>Total expenses</b>	<b>\$16,973,102</b>	<b>\$18,491,097</b>	<b>\$5,101,053</b>	<b>\$4,762,217</b>	<b>\$22,074,155</b>	<b>\$23,253,314</b>
<b>Increase (Decrease) in net position before transfers and special items</b>	<b>\$1,453,095</b>	<b>\$117,267</b>	<b>(\$205,901)</b>	<b>(\$307,910)</b>	<b>\$1,247,194</b>	<b>(\$190,643)</b>
Transfers	29,340	327,520	(29,340)	(327,520)		
Special Item - Gain on Sale of Assets	636				636	
Special Item - Donated Asset (See Note X)	(550,277)	(12,881,547)			(550,277)	(12,881,547)
<b>Increase (Decrease) in net position</b>	<b>\$932,794</b>	<b>(\$12,436,760)</b>	<b>(\$235,241)</b>	<b>(\$635,430)</b>	<b>\$697,553</b>	<b>(\$13,072,150)</b>
Net position, July 1 as originally reported	(3,522,170)	8,914,590	28,491,945	29,026,629	24,969,775	37,941,219
Prior Period Adjustment				100,746		100,746
Net position, July 1 as Restated	(3,522,170)	8,914,590	28,491,945	29,127,375	24,969,775	38,041,965
<b>Net position, June 30</b>	<b>(\$2,589,376)</b>	<b>(\$3,522,170)</b>	<b>\$28,256,704</b>	<b>\$28,491,945</b>	<b>\$25,667,328</b>	<b>\$24,969,775</b>

**Management's Discussion and Analysis (continued)**  
**County of Greene**

**Governmental activities.** Governmental activities increased the County's net position by \$932,794, thereby accounting for 133.72% of the total growth in the net position of Greene County. This compares to a decrease of \$12,436,760 in 2013. The key elements of this year's increase are as follows:

- The capital contribution made by the County to the Greene County Board of Education was \$550,277 for the year ended June 30, 2014, as compared to the \$12,881,547 capital contribution made during the year ended June 30, 2013.
- The County's current levy collection percentage for registered motor vehicles increased to 97.97% as compared to 88.02% for the years ended June 30, 2014 and 2013, respectively.

**Business-type activities.** Business-type activities decreased Greene County's net position by \$235,241, accounting for (33.72%) of the total growth in the government's net position. Net position decreased by \$534,684 in 2013. The key elements of this year's decrease are as follows:

- The County did not receive any capital contributions relating to various phases of the Alternative Water Project Phases as in recent years.
- Expenses pertaining to the Utility Fund increased \$440,581 from the previous year.

**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, fund balance available for appropriation 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, Greene County's fund balance available in the General Fund was \$2,717,465, while total fund balance reached \$5,198,315. The Governing Body of Greene County has determined that the County should maintain an available fund balance of 8% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has available fund balance of 17.10% of general fund expenditures, while total fund balance represents 32.71% of that same amount.

At June 30, 2014, the governmental funds of Greene County reported a combined fund balance of \$6,155,567, a 23.66% increase from last year. Of this increase, approximately 78.29% is directly related to the positive change in fund balance in the General Fund. Approximately 21.71% is directly related to the positive change in fund balance in the Other Governmental Funds.

**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. Several amendments to the General Fund increased revenues by \$618,715 and are explained as follows:

- The County's budget was amended to record an additional \$181,000 of loan proceeds pertaining to the refinancing of the Industrial Park loan.
- The County's budget was amended to include \$643,075 for NCVTS ad valorem taxes.
- The County's budget was amended to record revenue allocation of \$396,292 for the early payoff of GTP loans.

**Management's Discussion and Analysis (continued)**  
**County of Greene**

- The County's budget was amended to account for appropriations to fund additional County services and to also decrease funding for other County services for the net amount of approximately (\$601,652).

**Proprietary Funds.** Greene County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Utility Fund at the end of the fiscal year amounted to \$484,437, and those for the Landfill Fund equaled (\$951,824). The total reduction in net position for both major funds was \$150,088 and \$68,404, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of Greene County's business-type activities.

**Capital Asset and Debt Administration**

**Capital Assets.** Greene County's capital assets for its governmental and business-type activities as of June 30, 2014, totals \$55,713,611 (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 eight new vehicles for public safety and two new vans for the department of social services.
- Purchased a new vehicle for the water department.
- Purchased a plotter for the tax department.
- Contributed equipment and furniture and fixtures related to the Greene County Intermediate School Project to the Greene County Board of Education as a gifted asset (disposal). See Note X.
- Made additional buildings and improvements to the Farmer's Market Project.
- Construction in progress relating to the Arts and Historical Society Building.
- Additional amounts of construction in progress relating to the phases of the Greenville Utilities Commission Waterline Project, 1C, 1G, 1H.
- Additional amounts of construction in progress relating to the Automatic Meter Reading Project.
- Construction costs relating to the Refuge Water Line Extension Project have been put in service.

**Greene County's Capital Assets  
(Net of Depreciation)**

**Figure 4**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Land	\$628,982	\$628,982	\$359,882	\$359,882	\$988,864	\$988,864
Buildings and System	15,577,315	15,973,582	37,456,315	38,265,444	53,033,630	54,239,026
Machinery and Equipment	258,749	277,661	78,014	100,543	336,763	378,204
Vehicles and Motorized Equipmer	350,002	257,262	139,933	198,825	489,935	456,087
Construction in Progress	84,558		779,861	24,023	864,419	24,023
	<b>\$16,899,606</b>	<b>\$17,137,487</b>	<b>\$38,814,005</b>	<b>\$38,948,717</b>	<b>\$55,713,611</b>	<b>\$56,086,204</b>

Additional information on the County's capital assets can be found in note III.A.6 on pages 39-40 of this audited financial report.

**Management's Discussion and Analysis (continued)**  
**County of Greene**

**Long-term Debt.** As of June 30, 2014, Greene County had total bonded debt outstanding of \$40,108,461 all of which is backed by the full faith and credit of the County.

**Greene County's Outstanding Debt**

**Figure 5**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Notes Payable	\$145,035		\$12,580	\$132,455
Global Transpark Development Zone Loan	212,366		212,366	
Installment Purchase Contracts	23,598,035	\$622,279	549,045	23,671,269
<b>Total Governmental Activities</b>	<b><u>\$23,955,436</u></b>	<b><u>\$622,279</u></b>	<b><u>\$773,991</u></b>	<b><u>\$23,803,724</u></b>
<b>Business-type Activities:</b>				
Installment Purchase Contract	\$1,238,498		\$187,852	\$1,050,646
Clean Water Bond Loan	1,722,324		172,233	1,550,091
Revenue Bonds	12,663,000		159,000	12,504,000
DWSRF Revolving Loan	1,275,000		75,000	1,200,000
<b>Total Business-type Activities</b>	<b><u>\$16,898,822</u></b>	<b><u>\$0</u></b>	<b><u>\$594,085</u></b>	<b><u>\$16,304,737</u></b>

Greene County's total debt decreased by \$745,797 or 1.86% during the past fiscal year. New debt for the Greene County Intermediate School was issued to the County for \$397,427, a new loan with First Citizens Bank for the two DSS vans was issued to the County for \$43,852 and the BB&T loan for the Industrial Park was refinanced with North Carolina's Eastern Region for \$181,000. The County also has debt retirement of \$217,056 for the year.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Greene County is \$87,308,243. The County has \$0 in bonds authorized but unissued at June 30, 2014.

Additional information regarding Greene County's long-term debt can be found in Note III.B.7 beginning on page 48 of this audited financial report.

**Economic Factors and Next Year's Budgets and Rates**

The following key economic indicators reflect the current climate in Greene County.

- The projected tax valuations for the 2014/2015 fiscal year were up by approximately 1.9% from the prior year, indicating that some growth is occurring in the County. Building permits in the 2014/2015 fiscal year remain strong and revenues from permits are anticipated to exceed revenues from the prior year.
- The economy of Greene County continues to be rural and agricultural based and this sector of the local economy appears to be doing well. A local dairy recently began operations in the County and appears to be doing very well by capitalizing on the local/fresh market. Many other enterprises within the County are showing signs of strength in the same market.
- Work is continuing on the final phases of the Alternative Water Supply Project. This project allows the County to move water purchased from Greenville Utilities Commission throughout the County.
- All other major capital projects have been completed.
- The County has an aggressive Recreation Program that sponsors and promotes numerous local, regional and statewide tournaments and has been successful in drawing a lot of out of town visitors to the County.

***Management's Discussion and Analysis (continued)***  
***County of Greene***

- The County recently employed a part-time Economic Development Director to promote Greene County and develop an active Economic Development Action Plan. The County is nearing completion of an updated website to also promote Greene County.
- The Division of Water Resources has approved a 5 year temporary permit that would allow Greene County to remain at the 25% reduction of withdrawals from the Upper Cape Fear Aquifer. This will result in significant savings on future capital costs. The permit can be renewed in additional 5 year increments.
- Greene County was returned to a Tier 1 Designation from the North Carolina Department of Commerce, which would provide additional opportunities for funding on economic development projects.
- Sales tax revenues in the first quarter of the 2014/2015 fiscal year have shown a significant increase over the same time period for the prior fiscal year.

***Budget Highlights for the Fiscal Year Ending June 30, 2015***

**Governmental Activities:** The expenditures in the General Fund are budgeted to decrease approximately 4%. This was the result of various cost saving measures that were implemented, such as staff reductions and departmental efficiencies.

- The County's tax rate has remained the same at \$.786 per \$100 of assessed value. Collections remain strong and additional revenues are anticipated from the new statewide tax/tag collections that is now in place.
- Health Insurance premiums for County employees remained the same and the County implemented an aggressive health and wellness program to try and reduce future costs and improve the overall health of the employees.
- The budget included the replacement of a 20+ year chiller at the County complex and initiated other energy savings programs that will result in significant energy savings upon completion.
- The County continues with the replacement of the vehicle fleet for the Sheriff's Department, as well as a new ambulance for the EMS.
- Employee furloughs were reduced from 6 days to 1 for the 2014/2015 fiscal year. County employees were given an additional 5 days of paid leave as a bonus for the current fiscal year.
- The June 30, 2014 budget includes a \$250,000 allocation to the General Fund Fund Balance to help improve the amount available for spending at the discretion of the County.

**Business-type Activities:** Revenues within the Utility Funds remain strong and no rate increases are proposed for the current fiscal year.

***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. You can also call (252)-747-3446 or visit our website [www.co.greene.nc.us](http://www.co.greene.nc.us) for more information.

**BASIC FINANCIAL STATEMENTS**

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
June 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$4,331,358	\$1,903,780	\$6,235,138	\$164,413
Receivables (Net)	845,218	612,873	1,458,091	
Due From Other Governments	1,150,488	103,504	1,253,992	
Due From Component Unit	15,446		15,446	
Internal Balances	234,548	(234,548)		
Inventories				133,687
Prepaid Items				8,895
Restricted Cash and Cash Equivalents	448,311	5,835,082	6,283,393	
Notes Receivable:				
Due within one year	45,575		45,575	
Due in more than one year	109,727		109,727	
Capital Assets:				
Land, Improvements, and Construction in Progress	713,540	1,139,743	1,853,283	12,055
Other Capital Assets, Net of Depreciation	16,186,066	37,674,262	53,860,328	11,732
Total Capital Assets	<u>\$16,899,606</u>	<u>\$38,814,005</u>	<u>\$55,713,611</u>	<u>\$23,787</u>
Total Assets	<u>\$24,080,277</u>	<u>\$47,034,696</u>	<u>\$71,114,973</u>	<u>\$330,782</u>
<b>Liabilities:</b>				
Accounts Payable and Accrued Expenses	\$619,771	\$887,595	\$1,507,366	\$46,425
Accrued Interest Payable	408,964	62,415	471,379	
Customer Deposits		152,236	152,236	
Due To Primary Government				15,446
Long-term Liabilities:				
Due within one year	377,446	607,252	984,698	
Due in more than one year	25,227,626	17,068,494	42,296,120	
Total Liabilities	<u>\$26,633,807</u>	<u>\$18,777,992</u>	<u>\$45,411,799</u>	<u>\$61,871</u>
Deferred Inflows of Resources	<u>\$35,846</u>	<u>\$0</u>	<u>\$35,846</u>	<u>\$0</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$6,249,844	\$22,509,268	\$28,759,112	\$23,787
Restricted for:				
Stabilization by State Statute	2,097,357		2,097,357	
Register of Deeds	48,089		48,089	
Human Services	241,201		241,201	
Public Safety	21,893		21,893	
Economic Development	194,989		194,989	
Alternative Water Supply		5,464,335	5,464,335	
Capital Projects		504,459	504,459	
Loan Payments to USDA	234,239	217,211	451,450	
Component Unit - Greene County ABC Board				84,841
Unrestricted	(11,676,988)	(438,569)	(12,115,557)	160,283
Total Net Position	<u>(\$2,589,376)</u>	<u>\$28,256,704</u>	<u>\$25,667,328</u>	<u>\$268,911</u>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General Government	\$2,282,985	\$92,264	\$15,371	
Public Safety	4,774,422	1,477,555	428,781	\$103,098
Environmental Protection	43,297			22,251
Economic and Physical Development	289,442		293,217	366,871
Human Services	5,329,388	639,853	2,692,837	
Cultural and Recreation	497,231	84,395		
Education	2,835,267			
Interest on Long-Term Debt	921,070			
<b>Total Governmental Activities</b>	<b>\$16,973,102</b>	<b>\$2,294,067</b>	<b>\$3,430,206</b>	<b>\$492,220</b>
<b>Business-type Activities:</b>				
Utility Fund (Water and Sewer)	\$4,003,164	\$2,836,779	\$941,257	\$103,294
Landfill Fund	693,706	625,241		
Transportation Fund	404,183	198,947		\$188,468
<b>Total Business-type Activities</b>	<b>\$5,101,053</b>	<b>\$3,660,967</b>	<b>\$941,257</b>	<b>\$291,762</b>
	<b>\$22,074,155</b>	<b>\$5,955,034</b>	<b>\$4,371,463</b>	<b>\$783,982</b>
<b>Component Unit:</b>				
ABC Board	\$703,133	\$713,559		
<b>Total Component Unit</b>	<b>\$703,133</b>	<b>\$713,559</b>	<b>\$0</b>	<b>\$0</b>
<b>General Revenues:</b>				
<b>Taxes:</b>				
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				
<b>Total General Revenues excluding Special Items and Transfers</b>				
Special Item - Donated Asset (See Note X)				
Special Item - Gain on Sale of Assets				
Transfers				
<b>Total General Revenues, Special Items, and Transfers</b>				
<b>Change in Net Position</b>				
<i>Net Position, Beginning</i>				
<b>NET POSITION, ENDING</b>				

**Net (Expense) Revenue and Changes in Net Position**

<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Greene County ABC Board</b>
(\$2,175,350)		(\$2,175,350)	
(2,764,988)		(2,764,988)	
(21,046)		(21,046)	
370,646		370,646	
(1,996,698)		(1,996,698)	
(412,836)		(412,836)	
(2,835,267)		(2,835,267)	
(921,070)		(921,070)	
<u>(\$10,756,609)</u>	<u>\$0</u>	<u>(\$10,756,609)</u>	
	(\$121,834)	(\$121,834)	
	(68,465)	(68,465)	
	(16,768)	(16,768)	
<u>\$0</u>	<u>(\$207,067)</u>	<u>(\$207,067)</u>	
<u>(\$10,756,609)</u>	<u>(\$207,067)</u>	<u>(\$10,963,676)</u>	
			<u>\$10,426</u>
\$9,482,479		\$9,482,479	
2,216,847		2,216,847	
350,346		350,346	
83,981		83,981	
5,502	\$1,166	6,668	\$118
70,549		70,549	1,403
<u>\$12,209,704</u>	<u>\$1,166</u>	<u>\$12,210,870</u>	<u>\$1,521</u>
(550,277)		(550,277)	
636		636	
29,340	(29,340)		
<u>\$11,689,403</u>	<u>(\$28,174)</u>	<u>\$11,661,229</u>	<u>\$1,521</u>
<u>\$932,794</u>	<u>(\$235,241)</u>	<u>\$697,553</u>	<u>\$11,947</u>
(3,522,170)	28,491,945	24,969,775	256,964
<u>(\$2,589,376)</u>	<u>\$28,256,704</u>	<u>\$25,667,328</u>	<u>\$268,911</u>

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

**GREENE COUNTY, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2014**

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$3,756,601	\$538,601	\$4,295,202
Restricted Cash and Cash Equivalents		448,311	448,311
Receivables, Net	716,949	49,689	766,638
Due From Other Governments	816,678	333,810	1,150,488
Due From Component Unit	15,446		15,446
Due From Other Funds	629,922	25,061	654,983
Current Portion - Notes Receivable	45,575		45,575
Notes Receivable	109,727		109,727
<b>TOTAL ASSETS</b>	<b><u>\$6,090,898</u></b>	<b><u>\$1,395,472</u></b>	<b><u>\$7,486,370</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Liabilities:</i>			
Accounts Payable and Accrued Liabilities	\$450,724	\$26,868	\$477,592
Due to Other Funds	46,393	374,042	420,435
<b>Total Liabilities</b>	<b><u>\$497,117</u></b>	<b><u>\$400,910</u></b>	<b><u>\$898,027</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	<b><u>\$395,466</u></b>	<b><u>\$37,310</u></b>	<b><u>\$432,776</u></b>
<i>Fund Balances:</i>			
<i>Restricted:</i>			
Stabilization by State Statute	\$1,974,678	\$122,679	\$2,097,357
Register of Deeds	48,089		48,089
Health Department	241,201		241,201
Sheriff Department	21,893		21,893
Economic Development	194,989		194,989
USDA Loan Payments		234,239	234,239
<i>Committed:</i>			
Tax Revaluation		33,142	33,142
<i>Assigned:</i>			
Special Revenue Funds		492,455	492,455
Capital Project Funds		74,737	74,737
Unassigned	2,717,465		2,717,465
<b>Total Fund Balances</b>	<b><u>\$5,198,315</u></b>	<b><u>\$957,252</u></b>	<b><u>\$6,155,567</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$6,090,898</u></b>	<b><u>\$1,395,472</u></b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,899,606
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	78,580
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.	(68,713)
Deferred inflows of resources for taxes and special assessments receivable	359,620
Some liabilities, including notes payable, pension obligation and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds (Note 7).	(26,014,036)
<b>Net Position of Governmental Activities</b>	<b><u>(52,589,376)</u></b>

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, 2014

	Major	Non-Major	
	General	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Ad Valorem Taxes	\$8,777,586	\$772,202	\$9,549,788
Local Option Sales Taxes	2,216,847		2,216,847
Other Taxes and Licenses	350,346		350,346
Unrestricted Intergovernmental	83,981		83,981
Restricted Intergovernmental	3,429,161	511,574	3,940,735
Permits and Fees	443,111		443,111
Sales and Services	1,806,081		1,806,081
Investment Earnings	5,153	279	5,432
Miscellaneous	97,115		97,115
<b>Total Revenues</b>	<b>\$17,209,361</b>	<b>\$1,284,055</b>	<b>\$18,493,436</b>
<b>EXPENDITURES:</b>			
<i>Current:</i>			
General Government	\$2,047,779		\$2,047,779
Public Safety	3,981,951	\$859,110	4,841,061
Environmental Protection	43,297	3,686	46,983
Economic and Physical Development	282,230		282,230
Human Services	5,263,045		5,263,045
Cultural and Recreational	399,977		399,977
<i>Intergovernmental:</i>			
Education	2,885,201	500,343	3,385,544
<i>Debt Service:</i>			
Principal	582,516	191,477	773,993
Interest	404,038	523,075	927,113
<b>Total Expenditures</b>	<b>\$15,890,034</b>	<b>\$2,077,691</b>	<b>\$17,967,725</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$1,319,347</b>	<b>(\$793,636)</b>	<b>\$525,711</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers To Other Funds	(\$710,837)	(\$35,997)	(\$746,834)
Transfers From Other Funds	88,233	687,941	776,174
Loan Proceeds	224,702		224,702
Installment Purchase Obligations Issued		397,426	397,426
Sale of Fixed Assets	636		636
<b>Total Other Financing Sources (Uses)</b>	<b>(\$397,266)</b>	<b>\$1,049,370</b>	<b>\$652,104</b>
<b>Net Change in Fund Balance</b>	<b>\$922,081</b>	<b>\$255,734</b>	<b>\$1,177,815</b>
<i>Fund Balances, Beginning</i>	<i>4,276,234</i>	<i>701,518</i>	<i>4,977,752</i>
<b>FUND BALANCES, ENDING</b>	<b>\$5,198,315</b>	<b>\$957,252</b>	<b>\$6,155,567</b>

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, 2014

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

Net changes in fund balances - total governmental funds \$1,177,815

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	\$845,070	
Depreciation expense for governmental assets	(532,674)	
Special Item - Donation of Greene County Intermediate Equipment to Greene County Board of Education	(550,277)	(237,881)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in deferred revenues for taxes and interest		(67,309)
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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 position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

New Issuances of long term debt	(\$622,279)	
Principal payments on long term debt	773,991	
Increase in accrued interest payable	6,043	157,755

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$29,387	
Net pension obligation	(17,562)	
Other postemployment benefits	(149,805)	(137,980)

Net income of internal service fund determined to be governmental-type		40,394
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<b>Total Changes in Net Position of Governmental Activities</b>		<b>\$932,794</b>
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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, 2014

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
<b>Revenues:</b>				
Ad Valorem Taxes	\$8,417,897	\$8,656,978	\$8,777,586	\$120,608
Local Option Sales Taxes	2,275,400	2,192,400	2,216,847	24,447
Other Taxes and Licenses	265,000	351,752	350,346	(1,406)
Unrestricted Intergovernmental	83,000	83,980	83,981	1
Restricted Intergovernmental	4,198,960	3,873,034	3,429,161	(443,873)
Permits and Fees	393,197	442,228	443,111	883
Sales and Services	1,677,765	1,726,600	1,806,081	79,481
Investment Earnings	250	25	5,153	5,128
Miscellaneous	60,453	93,603	97,115	3,512
<b>Total Revenues</b>	<b>\$17,371,922</b>	<b>\$17,420,600</b>	<b>\$17,209,381</b>	<b>(\$211,219)</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government	\$2,384,963	\$2,425,702	\$2,047,779	\$377,923
Public Safety	4,451,811	4,090,722	3,981,951	108,771
Environmental Protection	54,450	54,450	43,297	11,153
Economic and Physical Development	280,364	505,946	282,230	223,716
Human Services	5,752,789	5,923,513	5,263,045	660,468
Cultural and Recreational	344,831	424,747	399,977	24,770
<i>Intergovernmental:</i>				
Education	2,948,000	2,888,544	2,885,201	3,343
<i>Debt Service:</i>				
Principal Retirement	239,374	598,552	582,516	16,036
Interest	397,624	397,624	404,038	(6,414)
<b>Total Expenditures</b>	<b>\$16,854,206</b>	<b>\$17,309,800</b>	<b>\$15,890,034</b>	<b>\$1,419,766</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$517,716</b>	<b>\$110,800</b>	<b>\$1,319,347</b>	<b>\$1,208,547</b>
<b>Other Financing Sources (Uses):</b>				
Transfers To Other Funds	(\$547,716)	(\$710,837)	(\$710,837)	
Transfers From Other Funds		15,000	88,233	\$73,233
Sale of Fixed Assets	30,000	1,960	636	(1,324)
Fund Balance Appropriated		358,375		(358,375)
Vandiford Note Receivable Written Off				
Loan Proceeds		224,702	224,702	
<b>Total Other Financing Sources (Uses)</b>	<b>(\$517,716)</b>	<b>(\$110,800)</b>	<b>(\$397,266)</b>	<b>(\$286,466)</b>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$922,081</b>	<b>\$922,081</b>
<b>Fund Balances:</b>				
<i>Beginning of Year, July 1</i>			4,276,234	
<b>End of Year, June 30</b>			<b>\$5,198,315</b>	

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2014**

	Enterprise Funds				Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals	
<b>ASSETS</b>					
<i>Current Assets:</i>					
Cash and Cash Equivalents	\$1,496,375	\$300,347	\$107,058	\$1,903,780	\$36,156
Receivables, Net	572,368	40,505		612,873	
Due From Other Governments	76,277	12,687	14,540	103,504	
Due From Other Funds	149,526	21,332		170,858	
<b>Total Current Assets</b>	<b><u>\$2,294,546</u></b>	<b><u>\$374,871</u></b>	<b><u>\$121,598</u></b>	<b><u>\$2,791,015</u></b>	<b><u>\$36,156</u></b>
<i>Noncurrent Assets:</i>					
Restricted Cash and Cash Equivalents	\$5,835,082			\$5,835,082	
<i>Capital Assets:</i>					
Land, Improvements, and Construction In Progress	981,309	\$158,434		1,139,743	
Other Capital Assets, Net of Depreciation	37,402,883	69,188	\$202,191	37,674,262	
<b>Total Capital Assets</b>	<b><u>\$38,384,192</u></b>	<b><u>\$227,622</u></b>	<b><u>\$202,191</u></b>	<b><u>\$38,814,005</u></b>	<b><u>\$0</u></b>
<b>Total Noncurrent Assets</b>	<b><u>\$44,219,274</u></b>	<b><u>\$227,622</u></b>	<b><u>\$202,191</u></b>	<b><u>\$44,649,087</u></b>	<b><u>\$0</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$46,513,820</u></b>	<b><u>\$602,493</u></b>	<b><u>\$323,789</u></b>	<b><u>\$47,440,102</u></b>	<b><u>\$36,156</u></b>
<b>LIABILITIES AND NET ASSETS</b>					
<i>Liabilities:</i>					
<i>Current Liabilities:</i>					
Accounts Payable and Accrued Liabilities	\$869,054	\$17,416	\$1,125	\$887,595	\$104,869
Due to Other Funds	255,880	90,767	58,759	405,406	
Accrued Interest Payable	62,415			62,415	
Customer Deposits	152,236			152,236	
Installment Purchase Contract Payable	195,020			195,020	
Clean Water Bond Loan Payable	172,232			172,232	
General Obligation Indebtedness	165,000			165,000	
DWSRF Revolving Loan	75,000			75,000	
<b>Total Current Liabilities</b>	<b><u>\$1,946,837</u></b>	<b><u>\$108,183</u></b>	<b><u>\$59,884</u></b>	<b><u>\$2,114,904</u></b>	<b><u>\$104,869</u></b>
<i>Noncurrent Liabilities:</i>					
Landfill Closure and Postclosure Care Costs		\$1,181,842		\$1,181,842	
Compensated Absences	\$31,503	7,907	\$15,093	54,503	
Other Postemployment Benefits	88,098	28,763	17,803	134,664	
Installment Purchase Contract Payable	855,626			855,626	
Clean Water Bond Loan Payable	1,377,859			1,377,859	
General Obligation Indebtedness	12,339,000			12,339,000	
DWSRF Revolving Loan	1,125,000			1,125,000	
<b>Total Noncurrent Liabilities</b>	<b><u>\$15,817,086</u></b>	<b><u>\$1,218,512</u></b>	<b><u>\$32,896</u></b>	<b><u>\$17,068,494</u></b>	<b><u>\$0</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>\$17,763,923</u></b>	<b><u>\$1,326,695</u></b>	<b><u>\$92,780</u></b>	<b><u>\$19,183,398</u></b>	<b><u>\$104,869</u></b>
<i>Net Position:</i>					
Net Investment in Capital Assets	\$22,079,455	\$227,622	\$202,191	\$22,509,268	
Restricted for Alternative Water Supply	5,464,335			5,464,335	
Restricted for Capital Projects	504,459			504,459	
Restricted for USDA Loan Payments	217,211			217,211	
Unrestricted	484,437	(951,824)	28,818	(438,569)	(\$68,713)
<b>Total Net Position</b>	<b><u>\$28,749,897</u></b>	<b><u>(\$724,202)</u></b>	<b><u>\$231,009</u></b>	<b><u>\$28,256,704</u></b>	<b><u>(\$68,713)</u></b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
For the Fiscal Year Ended June 30, 2014

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<b>OPERATING REVENUES:</b>					
Water and Sewer Sales	\$2,688,205			\$2,688,205	
Water and Sewer Tap Fees and Service Charges	33,595			33,595	
Landfill Fees		\$625,241		625,241	
County Contributions					\$1,267,395
Other Operating Revenues	114,979		\$198,947	313,926	
<b>Total Operating Revenues</b>	<b><u>\$2,836,779</u></b>	<b><u>\$625,241</u></b>	<b><u>\$198,947</u></b>	<b><u>\$3,660,967</u></b>	<b><u>\$1,267,395</u></b>
<b>OPERATING EXPENSES</b>					
Salaries and Employee Benefits	\$466,216	\$166,519	\$248,920	\$881,655	
Supplies and Fuel	154,479	29,805	55,879	240,163	
Maintenance	134,938	25,663	23,901	184,502	
Contracted Services	99,628	163,566		263,194	
Professional Services	44,381	26,561		70,942	
Water Purchased	423,626			423,626	
Management Fee - County	225,000			225,000	
Utilities	160,226	14,888	1,701	176,815	
Sewer Charges - Town of Farmville	112,895			112,895	
Office Expense	54,199		10,105	64,304	
Insurance	23,110	8,000		31,110	
Telephone and Postage		6,997	2,495	9,492	
Miscellaneous	38,962	4,654	5,497	49,113	
Disposal Fees		123,321		123,321	
Landfill Closure and Postclosure Care Costs		92,587		92,587	
Medical Claims					\$1,227,071
Depreciation	936,457	31,145	55,685	1,023,287	
<b>Total Operating Expense</b>	<b><u>\$2,874,117</u></b>	<b><u>\$693,706</u></b>	<b><u>\$404,183</u></b>	<b><u>\$3,972,006</u></b>	<b><u>\$1,227,071</u></b>
<b>Operating Income (Loss)</b>	<b><u>(\$37,338)</u></b>	<b><u>(\$68,465)</u></b>	<b><u>(\$205,236)</u></b>	<b><u>(\$311,039)</u></b>	<b><u>\$40,324</u></b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest and Investment Revenue	\$1,086	\$61	\$19	\$1,166	\$70
Alternative Water Supply Fees - County	711,648			711,648	
Alternative Water Supply Fees - Towns & Districts	229,609			229,609	
Phase 1G Engineering Costs	(516,288)			(516,288)	
Interest on Long-Term Debt	(612,759)			(612,759)	
<b>Total Nonoperating Revenue (Expenses)</b>	<b><u>(\$186,704)</u></b>	<b><u>\$61</u></b>	<b><u>\$19</u></b>	<b><u>(\$186,624)</u></b>	<b><u>\$70</u></b>
Income (Loss) Before Contributions and Transfers	(\$224,042)	(\$68,404)	(\$205,217)	(\$497,663)	\$40,394
Transfers (To) From Other Funds	(29,340)			(29,340)	
Capital Contributions	103,294		188,468	291,762	
<b>Change in Net Position</b>	<b><u>(\$150,088)</u></b>	<b><u>(\$68,404)</u></b>	<b><u>(\$16,749)</u></b>	<b><u>(\$235,241)</u></b>	<b><u>\$40,394</u></b>
Total Net Position, Beginning	28,899,985	(655,798)	247,758	28,491,945	(109,107)
<b>Total Net Position</b>	<b><u>\$28,749,897</u></b>	<b><u>(\$724,202)</u></b>	<b><u>\$231,009</u></b>	<b><u>\$28,256,704</u></b>	<b><u>(\$68,713)</u></b>

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, 2014

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received From Customers	\$2,860,353	\$620,189	\$198,947	\$3,679,489	\$1,267,324
Cash Paid for Goods and Services	(1,475,271)	(398,930)	(100,914)	(1,975,115)	(1,260,389)
Cash Paid to Employees for Services	(449,715)	(162,238)	(246,585)	(858,538)	
Customer Deposits Received	42,500			42,500	
Customer Deposits Returned	(29,175)			(29,175)	
Other Operating Revenues	114,979			114,979	
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$1,063,671</b>	<b>\$59,021</b>	<b>(\$148,652)</b>	<b>\$974,040</b>	<b>\$6,935</b>
<b>CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>					
Increase in (Repayment of) Due to Other Funds		(\$3,799)		(\$3,799)	
Alternative Water Supply Fees	\$939,868			939,868	
Transfers (To) From Other Funds	(29,341)			(29,341)	
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$910,527</b>	<b>(\$3,799)</b>	<b>\$0</b>	<b>\$906,728</b>	<b>\$0</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and Construction of Capital Assets	(\$681,570)			(\$681,570)	
Interest Paid On Indebtedness	(595,304)			(595,304)	
Principal Paid On Indebtedness	(594,084)			(594,084)	
Capital Contributions-State and Federal Grants	103,294		\$188,468	291,762	
<b>Net Cash Provided by (Used by) Capital and Related Financing Activities</b>	<b>(\$1,767,664)</b>	<b>\$0</b>	<b>\$188,468</b>	<b>(\$1,579,196)</b>	<b>\$0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	\$1,088	\$61	\$19	\$1,168	\$70
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$207,620</b>	<b>\$55,283</b>	<b>\$39,935</b>	<b>\$302,838</b>	<b>\$7,005</b>
Cash and Cash Equivalents, July 1	7,123,837	245,064	67,123	7,436,024	29,151
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,331,457</b>	<b>\$300,347</b>	<b>\$107,058</b>	<b>\$7,738,862</b>	<b>\$36,156</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:</b>					
<b>Cash consists of the following:</b>					
Unrestricted Cash and Cash Equivalents	\$1,496,375	\$300,347	\$107,058	\$1,903,780	\$36,156
Restricted Cash and Cash Equivalents - Customer Deposits	152,236			152,236	
Restricted Cash and Cash Equivalents - Alternative Water Supply	5,441,007			5,441,007	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1C	24,628			24,628	
Restricted Cash and Cash Equivalents - USDA Loan Payments	217,211			217,211	
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,331,457</b>	<b>\$300,347</b>	<b>\$107,058</b>	<b>\$7,738,862</b>	<b>\$36,156</b>

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, 2014

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided by</i>					
<i>Operating Activities</i>					
Operating Income (Loss)	<u>(\$37,338)</u>	<u>(\$68,465)</u>	<u>(\$205,236)</u>	<u>(\$311,039)</u>	<u>\$40,324</u>
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash</i>					
<i>Provided by Operating Activities:</i>					
Depreciation	\$936,457	\$31,145	\$55,685	\$1,023,287	
Landfill Closure and Postclosure Care Costs		92,587		92,587	
<i>Changes in Assets and Liabilities:</i>					
Decrease (Increase) in Accounts Receivable	138,554	(5,052)		133,502	
Decrease (Increase) in Due From Other Governments	(33,641)	644	6,357	(26,640)	
Increase (Decrease) in Accounts Payable and Accrued Liabilities	29,813	3,881	(7,693)	26,001	(\$33,389)
Increase (Decrease) in Customer Deposits	13,325			13,325	
Increase (Decrease) in Compensated Absences Payable	1,919	825	(4,362)	(1,618)	
Increase (Decrease) in Other Postemployment Benefits	14,582	3,456	6,697	24,735	
<b>Total Adjustments</b>	<u>\$1,101,009</u>	<u>\$127,486</u>	<u>\$56,684</u>	<u>\$1,285,179</u>	<u>(\$33,389)</u>
<b>Net Cash Provided by (Used by) Operating Activities</b>	<u><del>\$1,063,671</del></u>	<u><del>\$59,021</del></u>	<u><del>(\$148,552)</del></u>	<u><del>\$974,140</del></u>	<u><del>\$6,935</del></u>

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
For the Year Ended June 30, 2014

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	<b>Agency Funds</b>
<b><u>Assets</u></b>	
Cash and Cash Equivalents	\$192,001
Due From Other Governments	10,274
	<b><u>\$202,275</u></b>
<b><u>Liabilities and Net Position</u></b>	
<i>Liabilities:</i>	
Intergovernmental Payable	<u>\$202,275</u>
<b>Total Liabilities</b>	<b><u>\$202,275</u></b>
<i>Net Position:</i>	
Assets Held in Trust for Pension Benefits	<u>\$0</u>

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

**NOTE**

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. REPORTING ENTITY**

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

<b>Component Unit</b>	<b>Reporting Method</b>	<b>Criteria for Inclusion</b>	<b>Separate Financial Statements</b>
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 SE Second 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 Position and the Statement of Activities display information about the primary government net position (*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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2014**

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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 non-major 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. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

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

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 non-major enterprise fund:

*Transportation Fund* – This fund is used to account for the operations of the County's Transportation Department.

The County reports the following fund types:

*Debt Service Funds* – The governmental Debt Service Fund, the Utility Debt Reserve Fund and the Utility Debt Service Fund are used to account for moneys restricted by USDA loan covenants for future debt payments.

*Internal Service Fund* – The ASO-Self Funded Medical Insurance Fund is used to account for moneys collected from employer and employees and to account for said employees, their spouses and dependents.

*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 six Agency Funds: the Municipal Tax Fund, which accounts for funds that are billed and collected by the County for the various municipalities within the County but that are not revenues to the County; the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Jail Inmate Fund which accounts for funds held on behalf of the inmates of the Greene County Jail; 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; the South Greene Water Collection Fund which accounts for water funds collected and remitted under a contract basis on behalf of South Greene Water Corporation; and the Cooperative Extension Fund which accounts for funds received and expensed relating to agriculture-sponsored events.

*Nonmajor Funds* – The County maintains eleven legally budgeted funds. The Fire District Funds, the Property Revaluation Fund, the Emergency Telephone System Fund, the April 2011 Tornado Fund, the Hurricane Irene

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2014**

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Fund, the 2011 Community Development Block Grant Project Fund, and the 2012 Community Development Block Grant Project Fund are reported as non-major special revenue funds.

The School Capital Finance Fund, the American Prawn Cooperative Project Fund, the Jail Construction / Courthouse Renovation Project Fund, and the Intermediate School Capital Project Fund are reported as capital project funds.

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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 non-operating 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 for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

**GREENE COUNTY, NORTH CAROLINA**  
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For the Fiscal Year Ended June 30, 2014

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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 position 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.

**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, the School Capital Finance Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the April 2011 Tornado Fund, the Hurricane Irene Fund, the 2012 CDBG Project Fund, the Jail Construction/Courthouse Renovations Project Fund, the American Prawn Cooperative Project Fund, the Intermediate School 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 project 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 \$455,594 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased by \$11,896 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased by \$412,890. 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, DEFERRED INFLOWS AND OUTFLOWS, 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Use of Estimates**

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

**3. Cash and Cash Equivalents**

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

**4. Restricted Assets**

There is restricted cash in the Utility Alternative Water Supply Fund. These funds are shown as restricted due to the use of these funds being restricted solely for addressing future Alternative Water Supply needs. In addition, there are unexpended Water Construction Project funds that are restricted to the purpose for which it was borrowed or received. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per NC G.S. 153-A-150. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per NC G.S. 159-18 through 22. Money in Governmental Activities and Business-type Activities are restricted for principal payments on loans with USDA that require reserves to be set aside.

**Greene County Restricted Cash**

<i>Governmental Activities:</i>	
Tax Revaluation Fund - Tax Revaluation	\$33,142
Jail Construction/Courthouse Renovation Project - Debt Service	180,930
Intermediate School Capital Project Fund - Debt Service	<u>234,239</u>
<b>Total Governmental Activities</b>	<b><u>\$448,311</u></b>
<i>Business-Type Activities:</i>	
Utility Fund - Customer Deposits	\$152,236
Utility Fund - Alternative Water Supply	5,441,007
Utility Fund - Project Funds	24,628
Utility Fund - Debt Service	<u>217,211</u>
<b>Total Business-Type Activities</b>	<b><u>\$5,835,082</u></b>
<b>TOTAL RESTRICTED CASH</b>	<b><u>\$6,283,393</u></b>

**5. Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**6. Allowances for Doubtful Accounts**

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

**7. Inventories and Prepaid Items**

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

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

**8. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land, \$1; Buildings, improvements, substations, lines and other plant and distribution systems, \$5,000; infrastructure, \$5,000; furniture and equipment, \$5,000; vehicles, \$5,000; and Computer Equipment and Software, \$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:

	<u>Years</u>
Buildings	50
Distribution Systems	50
Improvements	25
Furniture and Equipment	10
Vehicles and Motorized Equipment	5
Computer Equipment and Software	5

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

	<u>Years</u>
Buildings	30-40
Furniture and Equipment	10

**9. Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statements element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County does not have any items that meet this criterion. In addition to liabilities, the statements of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, which represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only two items that meet the criterion for this category – taxes receivable and prepaid taxes.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**10. Long-Term Obligations**

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

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

**11. Compensated Absences**

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

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

**12. Net Position/Fund Balances**

**Net Position**

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

**Fund Balances**

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Inventories** – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources. The County has no inventory in any of the Governmental Funds or the Enterprise Funds.

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

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

**Restricted for Register of Deeds** – portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.

**Restricted for Health Department** – portion of fund balance that is restricted by revenue source to provide resources for the Health Department.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Restricted for Sheriff Department – portion of fund balance that is restricted by federal statute to Law Enforcement expenditures.

Restricted for Economic Development – portion of fund balance that is restricted for Economic Development.

Restricted for USDA Loan Payments – portion of fund balance that is restricted by debt covenants with USDA for future payments on Long-term Debt.

Committed Fund Balance – Portion of fund balance that can only be used for specific purpose imposed by majority vote of Greene County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Tax Revaluation – Portion of fund balance that can only be used for Tax Revaluation.

Assigned Fund Balance – portion of fund balance that the County governing board has budgeted.

Assigned for Special Revenue Funds – portion of fund balance that has been budgeted by the board for special revenue funds.

Assigned for Capital Project Funds – portion of fund balance that has been budgeted by the board for capital project funds.

Unassigned Fund Balance – Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

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

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**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 position.**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of (\$8,744,943) consists of several elements as follows:

<u>Description</u>	<u>Amount</u>
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)	\$23,434,853
Less Accumulated Depreciation	<u>6,535,247</u>
<b>Net Capital Assets</b>	<b>\$16,899,606</b>
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable and in the fund statements	78,580
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	
Taxes	359,620
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	(23,803,724)
Compensated absences	(368,665)
Net pension obligation for law enforcement officers' special separation allowance	(195,708)
Net other postemployment benefits	(1,236,975)
Accrued interest payable	(408,964)
Net loss of internal service fund determined to be governmental-type	(68,713)
<b>Total Adjustment</b>	<b><u><u>(\$8,744,943)</u></u></b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**B. 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 position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of (\$245,021) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$845,070
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	(532,674)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statements of activities - it affects only the government-wide statement of net position	(622,279)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements	773,991
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)	6,043
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	29,387
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(17,562)
Net other postemployment benefits obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(149,805)
Net income of internal service fund determined to be governmental- type	40,394
Special Item - Greene County Intermediate School Donated Asset	(550,277)
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 7/01/13	(424,307)
Increase in deferred inflows of resources - taxes receivable - at end of year	359,620
Decrease in accrued interest on taxes receivable for year ended 6/30/14	(2,622)
<b>Total Adjustment</b>	<b><u>(\$245,021)</u></b>

GREENE COUNTY, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2014

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**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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

**Noncompliance with North Carolina General Statutes**

**Other Matters**

1. The County needs to perform timely reconciliations of all cash accounts. During the current year, the County was not maintaining current bank reconciliations for the Jail Inmate and Department of Social Services Agency Accounts.
2. The County's fixed asset accounting needs to be improved. The County has transferred fixed asset data from manual spread sheets into the MUNIS fixed asset module. However, as of June 30, 2014, the program was not functionable.

**B. DEFICIT FUND BALANCE OR NET POSITION OF INDIVIDUAL FUNDS**

1. The Jail Construction / Court House Renovation Capital Project Fund had a deficit fund balance of \$182,697 as of June 30, 2014. This deficit is a result of preliminary costs related to the Jail Construction part of this project being scrapped. The County had to incur these costs again after going back to the drawing board and as a result, a deficit in fund balance has occurred.
2. The Enterprise Fund net position consists of the following individual fund net position balances:

Utility Fund	\$28,749,897
Landfill Fund	(724,202) *
Transportation Fund	231,009
	<u>\$28,256,704</u>

- \* Effective July 1, 2009, the County reduced the number of hours of service, thereby reducing the attendants' contracts. The 2014/2015 budget, if obtained, is scheduled to add just over \$54,000 back toward reserves.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the fiscal year ended June 30, 2014, the County's expenditures have exceeded amounts budgeted in the following funds and departments:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
<b><u>General Fund</u></b>			
Medical Examiner	\$7,920	\$10,400	(\$2,480)
<b><u>Intermediate School Capital Project Fund</u></b>			
Capital Outlay	\$477,096	\$600,301	(\$123,205)
<b><u>Utility Fund</u></b>			
Transfer to Alternative Water Supply Fund	\$711,648	\$732,408	(\$20,760)
<b><u>Utility Alternative Water Supply Capital Reserve Fund</u></b>			
Transfers Out	\$698,547	\$1,308,367	(\$609,820)

These over-expenditures occurred because budget amendments were not adopted in a timely manner for certain expenditures. The County greatly improved the way it monitored the budget process from the prior year and greatly reduced the amount of over-expenditures that occurred.

**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 interest-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-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The 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, 2014, the County's deposits had a carrying amount of \$4,659,202 and a bank balance of \$4,883,843. Of the bank balance, \$2,684,208 was covered by federal depository insurance and \$2,199,635 was covered by collateral held under the Pooling Method.

At June 30, 2014, Greene County had \$1,723 cash on hand.

**GREENE COUNTY, NORTH CAROLINA**  
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At June 30, 2014, the carrying amount of deposits for Greene County ABC Board was \$163,813 and the bank balance was \$180,592. Of this balance, \$180,592 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2014, the ABC Board had \$600 cash on hand.

**2. Investments**

At June 30, 2014, the County's investment balances were as follows:

	<b>Reported Value</b>	<b>Fair Value</b>
NC Capital Management Trust - General Account	\$8,049,607	\$8,049,607
<b>Total Investments</b>	<b>\$8,049,607</b>	<b>\$8,049,607</b>

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, 2014, 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.

<b>Year Levied</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2011	\$460,058	\$109,263	\$569,321
2012	462,225	68,178	530,403
2013	1,792,641	103,077	1,895,718
2014	1,816,595		1,816,595
<b>Total</b>	<b>\$4,531,519</b>	<b>\$280,518</b>	<b>\$4,812,037</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**4. Receivables**

Receivables at the government-wide level at June 30, 2014, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Due From Component Unit	Total
<b>Governmental Activities:</b>					
General	\$460,829	\$579,653	\$816,678	\$15,446	\$1,872,606
Other Governmental	11,879	37,810	333,810		383,499
<b>Total Receivables</b>	<b>\$472,708</b>	<b>\$617,463</b>	<b>\$1,150,488</b>	<b>\$15,446</b>	<b>\$2,256,105</b>
Allowance for Doubtful Accounts	(103,000)	(141,953)			(244,953)
<b>Total Governmental Activities</b>	<b>\$369,708</b>	<b>\$475,510</b>	<b>\$1,150,488</b>	<b>\$15,446</b>	<b>\$2,011,152</b>
<b>Business-type Activities:</b>					
Utility Fund	\$683,368		\$76,277		\$759,645
Landfill Fund	925	\$73,580	12,687		87,192
Nonmajor Enterprise Activities			14,540		14,540
<b>Total Receivables</b>	<b>\$684,293</b>	<b>\$73,580</b>	<b>\$103,504</b>	<b>\$0</b>	<b>\$861,377</b>
Allowance for Doubtful Accounts	(111,000)	(34,000)			(145,000)
<b>Total Business-type Activities</b>	<b>\$573,293</b>	<b>\$39,580</b>	<b>\$103,504</b>	<b>\$0</b>	<b>\$716,377</b>

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

Local Option Sales Tax	\$410,546
Sales Tax	151,495
NCDMV - Vehicle Property Taxes	93,692
Various Human Service Revenues	249,179
Lottery Money	222,692
Wayne County Inmate Fees	14,350
Court Fees	4,585
CDBG	3,949
<b>Total General Fund</b>	<b>\$1,150,488</b>
Scrap Tire Tax	\$6,563
White Goods	1,612
Solid Waste	3,258
Transportation Grants	14,310
Alternative Water Supply Fees	23,328
Joint Deposit - Town of Farmville	10,000
Sales Tax	44,433
<b>Total Enterprise Fund</b>	<b>\$103,504</b>
<b>Total Due</b>	<b>\$1,253,992</b>

**5. Notes Receivable**

The County has three 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 September 29, 2004 to NWL Capacitators for \$250,000. NWL operates an electronic capacitor 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%.

**GREENE COUNTY, NORTH CAROLINA**  
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The second 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 third loan was made on April 9, 2012 to Ribeye's Steakhouse for \$50,000. Ribeye's is a local restaurant that intends to use the funds to relocate to the former Vandiford's Country Kitchen building. The terms of the loan call for 20 quarterly payments of \$2,793 for 5 years, including interest at 4.5%.

The following summarizes the expected collection on these notes:

<b>Principal Amounts Due For the Year Ended June 30,</b>	<b>NWL Capacitators</b>	<b>Moore's Fiberglass</b>	<b>Ribeye's</b>	<b>Total</b>
2015	\$18,141	\$12,532	\$14,902	\$45,575 ✓
2016	18,878		10,505	29,383
2017	19,644		8,030	27,674
2018	20,442			20,442
2019	21,271			21,271
2020	10,957			10,957
	<b>\$109,333</b>	<b>\$12,532</b>	<b>\$33,437</b>	<b>\$155,302</b>

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**GREENE COUNTY, NORTH CAROLINA**  
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For the Fiscal Year Ended June 30, 2014

**6. Capital Assets**

Primary Government

Capital asset activity for the year ended June 30, 2014, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$628,982			\$628,982
Construction in Progress		\$584,901	\$500,343	84,558
<b>Total Capital Assets Not Being Depreciated</b>	<b><u>\$628,982</u></b>	<b><u>\$584,901</u></b>	<b><u>\$500,343</u></b>	<b><u>\$713,540</u></b>
<b>Capital Assets Being Depreciated:</b>				
Buildings & Land Improvements	\$19,563,226	\$22,140		\$19,585,366
Vehicles	1,303,383	179,534	\$63,505	1,419,412
Equipment	1,707,974	58,495	49,934	1,716,535
<b>Total Capital Assets Being Depreciated</b>	<b><u>\$22,574,583</u></b>	<b><u>\$260,169</u></b>	<b><u>\$113,439</u></b>	<b><u>\$22,721,313</u></b>
<b>Less Accumulated Depreciation for:</b>				
Buildings & Land Improvements	\$3,589,644	\$418,407		\$4,008,051
Vehicles	1,046,121	86,794	\$63,505	1,069,410
Equipment	1,430,313	27,473		1,457,786
<b>Total Accumulated Depreciation</b>	<b><u>\$6,066,078</u></b>	<b><u>\$532,674</u></b>	<b><u>\$63,505</u></b>	<b><u>\$6,535,247</u></b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b><u>16,508,505</u></b>			<b><u>16,186,066</u></b>
<b>Governmental Activity Capital Assets, Net</b>	<b><u>\$17,137,487</u></b>			<b><u>\$16,899,606</u></b>

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

General Government	\$315,907
Public Safety	39,620
Human Services	63,319
Cultural and Recreational	113,828
<b>Total Depreciation Expense</b>	<b><u>\$532,674</u></b>

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**GREENE COUNTY, NORTH CAROLINA**  
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<b>Business Type Activities:</b>	<b>Beginning</b>			<b>Ending</b>
<b>Greene County Utility Fund:</b>	<b>Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balances</b>
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$201,448			\$201,448
Construction In Progress	24,023	\$1,387,729	\$631,891	779,861
<i>Total Capital Assets Not Being Depreciated</i>	<u>\$225,471</u>	<u>\$1,387,729</u>	<u>\$631,891</u>	<u>\$981,309</u>
<b>Capital Assets Being Depreciated:</b>				
Transfer Distribution Systems	\$45,463,058	\$115,602		\$45,578,660
Equipment	228,078			228,078
Vehicles	263,845	17,135		280,980
<i>Total Capital Assets Being Depreciated</i>	<u>\$45,954,981</u>	<u>\$132,737</u>	<u>\$0</u>	<u>\$46,087,718</u>
<b>Less Accumulated Depreciation for:</b>				
Transfer Distribution Systems	\$7,316,301	\$916,202		\$8,232,503
Equipment	198,665	6,401		205,066
Vehicles	233,412	13,854		247,266
<i>Total Accumulated Depreciation</i>	<u>\$7,748,378</u>	<u>\$936,457</u>	<u>\$0</u>	<u>\$8,684,835</u>
<i>Total Capital Assets Being Depreciated, Net</i>	38,206,603			37,402,883
<b>Greene County Utility Fund Capital Assets, Net</b>	<u>\$38,432,074</u>			<u>\$38,384,192</u>
<b>Greene County Landfill Fund:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land and Improvements	\$158,434			\$158,434
<i>Total Capital Assets Not Being Depreciated</i>	<u>\$158,434</u>	<u>\$0</u>	<u>\$0</u>	<u>\$158,434</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$108,102			\$108,102
Vehicles	279,245			279,245
Equipment	546,990			546,990
<i>Total Capital Assets Being Depreciated</i>	<u>\$934,337</u>	<u>\$0</u>	<u>\$0</u>	<u>\$934,337</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$108,102			\$108,102
Vehicles	250,041	\$15,017		265,058
Equipment	475,861	16,128		491,989
<i>Total Accumulated Depreciation</i>	<u>\$834,004</u>	<u>\$31,145</u>	<u>\$0</u>	<u>\$865,149</u>
<i>Total Capital Assets Being Depreciated, Net</i>	100,333			69,188
<b>Greene County Landfill Capital Assets, Net</b>	<u>\$258,767</u>			<u>\$227,622</u>
<b>Greene County Transportation Fund:</b>				
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$169,900			\$169,900
Vehicles	406,168			406,168
Equipment	11,466			11,466
<i>Total Capital Assets Being Depreciated</i>	<u>\$587,534</u>	<u>\$0</u>	<u>\$0</u>	<u>\$587,534</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$51,213	\$8,529		\$59,742
Vehicles	266,980	47,156		314,136
Equipment	11,465			11,465
<i>Total Accumulated Depreciation</i>	<u>\$329,658</u>	<u>\$55,685</u>	<u>\$0</u>	<u>\$385,343</u>
<i>Total Capital Assets Being Depreciated, Net</i>	257,876			202,191
<b>Greene County Transportation Fund Capital Assets, Net</b>	<u>\$257,876</u>			<u>\$202,191</u>
<b>Business-type Activities Capital Assets, Net</b>	<u>\$38,948,717</u>			<u>\$38,814,005</u>

**GREENE COUNTY, NORTH CAROLINA**  
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**Construction Commitments**

The government has active construction projects as of June 30, 2014. The projects include the Alternative Water Phase 1H project and the Automated Meter Solution Project Fund. At June 30, 2014, the Government's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Alternative Water Phase 1H	\$7,158,000	\$6,917,175
Automated Meters	1,587,921	1,048,885
<b>Total</b>	<b><u>\$8,745,921</u></b>	<b><u>\$7,966,060</u></b>

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2014 was as follows:

	Beginning Balances	Increases	Ending Balances
<b>Capital Assets Not Being Depreciated:</b>			
Land	\$12,055		\$12,055
<b>Total Assets Not Being Depreciated</b>	<b><u>\$12,055</u></b>	<b><u>\$0</u></b>	<b><u>\$12,055</u></b>
<b>Capital Assets Being Depreciated:</b>			
Buildings	\$54,642		\$54,642
Equipment	52,653		52,653
<b>Total Capital Assets Being Depreciated</b>	<b><u>\$107,295</u></b>	<b><u>\$0</u></b>	<b><u>\$107,295</u></b>
<b>Less Accumulated Depreciation for:</b>			
Buildings	\$50,166	\$671	\$50,837
Equipment	41,457	3,269	44,726
<b>Total Accumulated Depreciation</b>	<b><u>\$91,623</u></b>	<b><u>\$3,940</u></b>	<b><u>\$95,563</u></b>
<i>Total Capital Assets Being Depreciated, Net</i>	<i>15,672</i>		<i>11,732</i>
<b>Total Capital Assets Being Depreciated, Net</b>	<b><u>\$27,727</u></b>		<b><u>\$23,787</u></b>

**B. LIABILITIES**

**1. Payables**

Payables at the government-wide level at June 30, 2014, were as follows:

	Vendors	Accrued Interest	Total
<b>Governmental Activities:</b>			
General	\$592,903	\$408,964	\$1,001,867
Other Governmental	26,868		26,868
<b>Total Governmental Activities</b>	<b><u>\$619,771</u></b>	<b><u>\$408,964</u></b>	<b><u>\$1,028,735</u></b>
<b>Business-type Activities:</b>			
Utility Fund	\$869,054	\$62,415	\$931,469
Landfill Fund	17,416		17,416
Nonmajor Enterprise Activities	1,125		1,125
<b>Total Business-type Activities</b>	<b><u>\$887,595</u></b>	<b><u>\$62,415</u></b>	<b><u>\$950,010</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**2. Pension Plan Obligations and Other Postemployment Benefits**

**a. Local Governmental Employee's Retirement System**

*Plan Description.* Greene County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LTERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LTERS 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 LTERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or by calling (919) 981-5454.

*Funding Policy.* Plan members are required to contribute six (6) percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.07% and 7.28%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 7.07% 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 LTERS for the years ended June 30, 2014, 2013, and 2012 were \$368,352, \$383,439, and \$371,176, respectively. The ABC Board's contributions to LTERS for the years ended June 30, 2014, 2013, and 2012 were \$1,067, \$1,283, and \$1,426, 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 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2013, the date of the latest actuarial valuation, the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	0
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	24
<b>Total</b>	<b><u>24</u></b>

**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.

**GREENE COUNTY, NORTH CAROLINA**  
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**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, 2013 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. 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, 2013 was 17 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	\$23,003
Interest on Net Pension Obligation	9,087
Adjustment to Annual Required Contribution	(14,528)
<b>Annual Pension Cost</b>	<b>\$17,562</b>
Contributions Made	-
<b>Increase (Decrease) in Net Pension Obligation</b>	<b>\$17,562</b>
<i>Net Pension Obligation - Beginning of Year</i>	178,146
<b>Net Pension Obligation - End of Year</b>	<b>\$195,708</b>

**3-YEAR TREND INFORMATION**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/12	20,909	0.00%	157,237
6/30/13	20,909	0.00%	178,146
6/30/14	17,562	0.00%	195,708

**4. *Funded Status and Funding Progress***

As of December 31, 2013, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$155,552 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$155,552. The covered payroll (annual payroll of active employees covered by the plan) was \$688,858, and the ratio of the UAAL to the covered payroll was 22.58 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.

**GREENE COUNTY, NORTH CAROLINA**  
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**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, 2014 were \$92,246, which consisted of \$50,568 from the County and \$41,678 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, 2014, the County's required and actual contributions were \$975.

**e. Other Post-Employment Benefit**

**1. Healthcare Benefits**

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

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Membership of the HCB Plan consisted of the following at December 31, 2013, the date of the latest actuarial valuation:

Retirees and Dependents Receiving Benefits	6
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	155
<b>Total</b>	<b><u>161</u></b>

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

The current ARC rate is 4.97% of the annual covered payroll. For the current year, the County contributed \$41,490 or 0.88% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 4.97% and 3.34% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to the HCB Plan is established and may be amended by the Board of Commissioners.

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

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

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

Annual Required Contribution	\$234,712
Interest on OPEB Obligation	47,884
Adjustment to Annual Required Contribution	<u>(66,566)</u>
<b>Annual OPEB Cost (expense)</b>	<b>\$216,030</b>
Contributions Made	<u>(41,490)</u>
<b>Increase (Decrease) in Net OPEB Obligation</b>	<b>\$174,540</b>
<i>Net OPEB Obligation - Beginning of Year</i>	<u>1,197,098</u>
<b>Net OPEB Obligation - End of Year</b>	<b><u>\$1,371,638</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contribution</u>	<u>Net Pension Obligation</u>
6/30/12	307,932	36.1%	949,360
6/30/13	307,932	19.6%	1,197,098
6/30/14	216,030	19.2%	1,371,638

*Funded Status and Funding Progress.* As of December 31, 2013, the most recent actuarial valuation date, the plan was 100 percent not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$1,700,744. The covered payroll (annual payroll of active employees covered by the plan) was \$4,725,506, and the ratio of the UAAL to the covered payroll was 36.0%.

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

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

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

**f. Other Employment Benefits**

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

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**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 \$1,181,842 reported as landfill closure and postclosure care liability at June 30, 2014 represents the net cumulative amount reported to date, based on the use of 100% of the total estimated capacity of the landfill.

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

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

**4. Deferred Outflows and Inflows of Resources**

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

	<b>Unavailable Revenue</b>	<b>Unearned Revenue</b>
Taxes Receivable (Net) - General	\$359,620	
Taxes Receivable (Net) - Fire Districts	37,310	
Prepaid Regular Property Taxes Not Yet Earned		\$34,842
Prepaid Vehicle Property Taxes Not Yet Earned		1,004
<b>Total</b>	<b>\$396,930</b>	<b>\$35,846</b>

The County does not have any deferred outflows of resources at June 30, 2014. The above shows deferred inflows of resources only.

**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 this company, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$14.6 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits.

The County maintains a self-insurance plan for the medical benefits provided to their employees. Effective June 1, 2009, the County established a partially self-funded group health care plan for eligible employees and covered dependents. This activity is accounted for as an internal service fund. Stop loss insurance has been purchased to supplement the plan, which will reimburse the County for individual claims exceeding \$50,000 annually, or aggregate claims exceeding approximately \$5,000,000 lifetime. The County became partially self-funded for the purpose of providing affordable health insurance to its employees while better managing the costs of health claims.

**GREENE COUNTY, NORTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2014**

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

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

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

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

**6. Contingent Liabilities**

At June 30, 2014, the County was not a defendant to any lawsuits. However, according to the County's legal counsel, threatened litigation exists. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. If litigation occurs, these claims will be turned over to the County's insurance carrier.

**7. Long-Term Obligations**

**a. *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:

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$13,223	\$6,777	\$20,000
2016	13,900	6,100	20,000
2017	14,611	5,389	20,000
2018	15,359	4,641	20,000
2019	16,144	3,856	20,000
2020-2022	59,218	6,440	65,658
	<u>\$132,455</u>	<u>\$33,203</u>	<u>\$165,658</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**b. 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. During the year, the County paid off all Global Transpark Development Zone loans saving the County \$13,811 in future interest.

The first loan was drawn down on September 29, 2004 in the amount of \$250,000. The County's obligation under this agreement was limited to the amount of its annual appropriation for the payment of principal and interest. The obligation called for quarterly payments of \$5,373, beginning on December 1, 2004 and ending on September 1, 2019. The obligation carried interest at 3.5% and as of June 30, 2014 the balance was paid in full.

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

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

The fourth loan was drawn down on March 28, 2012 in the amount of \$50,000. The County's obligation under this agreement was limited to the amount of its annual appropriation for the payment of principal and interest. The obligation called for quarterly payments of \$2,736, beginning on June 1, 2012 and ending on March 1, 2017. The obligation carried interest at 3.50% and as of June 30, 2014 the balance was paid in full.

**c. Installment Purchase Contracts**

**Industrial Park:**

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%, was 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 loan with Branch Banking & Trust Company has been refinanced through North Carolina's Eastern Region.

On April 8, 2014, the County entered into an unsecured installment purchase contract with North Carolina's Eastern Region for the purpose of refinancing the Branch Banking & Trust Company loan that was for the purpose the acquisition and/or construction of water & sewer utilities and a lift station for the Industrial Park site. 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 amount of the loan by North Carolina's Eastern Region totaled \$181,000. Session Law 2013, Senate Bill 402, Section 15.28(b), dissolved North Carolina's Eastern Region on June 30, 2014 and all active loan documents were turned over to the State Treasurer's office for collection.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

The interest free loan requires five principal payments by the County of \$36,200 with the final and remaining balance payment due on or before March 8, 2019.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$36,200		\$36,200
2016	36,200		36,200
2017	36,200		36,200
2018	36,200		36,200
2019	36,200		36,200
	<b>\$181,000</b>	<b>\$0</b>	<b>\$181,000</b>

**Ambulance:**

On May 25, 2013, the County entered into an installment purchase contract with First Citizens Bank for the purpose of acquiring a 2013 Ford Ambulance. 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 \$90,000.

Repayment, including principal and interest at 1.85%, is scheduled for annual appropriations of \$19,014 beginning on May 25, 2014, with the remaining payments of \$19,014, including principal and interest, due in annual installments through April 25, 2018. The unpaid installment purchase contract balance at June 30, 2014 was \$72,665.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$17,659	\$1,355	\$19,014
2016	17,988	1,026	19,014
2017	18,324	690	19,014
2018	18,694	321	19,015
	<b>\$72,665</b>	<b>\$3,392</b>	<b>\$76,057</b>

**Vans:**

On July 10, 2013, the County entered into an installment purchase contract with First Citizens Bank for the purpose of acquiring two 2013 Dodge Vans for use with the Department of Social Services. 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 \$43,852.

Repayments, including principal and interest at 2.02%, is scheduled for 36 monthly payments of \$1,256 starting on August 10, 2013 with the final payment scheduled on or by July 1, 2016. The unpaid installment purchase contract balance at June 30, 2014 was \$30,733.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$15,491	\$486	\$15,977
2016	15,242	195	15,437
	<b>\$30,733</b>	<b>\$681</b>	<b>\$31,414</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**Jail Construction:**

On December 9, 2010, the County refinanced \$10,500,000 interim financing for the Jail Construction with three loans from USDA. The terms of each agreement calls for one annual payment of interest only on December 9, 2011. Beginning December 9, 2012 the County will make one annual payment of principal and interest of \$373,554, \$119,083, and \$24,070 respectively. These agreements carry an interest rate of 3.75%. The balances at June 30, 2014 were \$7,393,318, \$2,362,137, and \$477,455, respectively. During the refinancing process, \$771,686 went from Greene County back to the USDA. During the year ended June 30, 2013, these funds were subsequently available for drawdown and were drawn down on for the capital project related to courthouse renovations. The County reserved an additional \$51,725 for debt service during the current year. The total amount set aside for debt service is \$180,930 at June 30, 2014, which satisfies the USDA requirements.

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**Loan 1 :**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$95,683	\$277,871	\$373,554
2016	99,271	274,283	373,554
2017	102,994	270,560	373,554
2018	106,856	266,698	373,554
2019	110,864	262,690	373,554
2020-2024	619,885	1,247,885	1,867,770
2025-2029	745,165	1,122,606	1,867,771
2030-2034	895,762	972,008	1,867,770
2035-2039	1,076,795	790,975	1,867,770
2040-2044	1,294,416	573,354	1,867,770
2045-2049	1,556,017	311,753	1,867,770
2050-2051	689,610	39,948	729,558
	<u>\$7,393,318</u>	<u>\$6,410,631</u>	<u>\$13,803,949</u>

**Loan 2:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$30,503	\$88,580	\$119,083
2016	31,647	87,436	119,083
2017	32,833	86,250	119,083
2018	34,065	85,018	119,083
2019	35,342	83,741	119,083
2020-2024	197,613	397,802	595,415
2025-2029	237,551	357,864	595,415
2030-2034	285,559	309,856	595,415
2035-2039	343,271	252,144	595,415
2040-2044	412,647	182,768	595,415
2045-2049	496,042	99,373	595,415
2050-2051	225,064	12,731	237,795
	<u>\$2,362,137</u>	<u>\$2,043,563</u>	<u>\$4,405,700</u>

**Loan 3:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$6,165	\$17,905	\$24,070
2016	6,397	17,673	24,070
2017	6,637	17,433	24,070
2018	6,885	17,185	24,070
2019	7,144	16,926	24,070
2020-2024	39,942	80,408	120,350
2025-2029	48,015	72,335	120,350
2030-2034	57,720	62,630	120,350
2035-2039	69,384	50,966	120,350
2040-2044	83,408	36,942	120,350
2045-2049	100,265	20,085	120,350
2050-2051	45,493	2,573	48,066
	<u>\$477,455</u>	<u>\$413,061</u>	<u>\$890,516</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**School Construction:**

As authorized by State law [G.S. 160A-20 and 153A-158.1], the County financed the construction of an intermediate school for use by the Greene County Board of Education. During the fiscal year ended June 30, 2011 the County entered into two installment purchase contracts which total \$13,600,000. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with 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 capital assets associated with the installment purchase obligation were recorded by the Board of Education after construction was complete during the year ended June 30, 2013. The County reserved an additional \$69,456 for debt service during the current year. The total amount set aside for debt service is \$234,239 at June 30, 2014, which satisfies the USDA requirements.

The terms of the agreement for loan 1 in the amount of \$6,600,000, calls for one interest only payment on February 17, 2012. Beginning February 17, 2013, the County will make forty annual payments of principal and interest of \$337,062, ending February 17, 2051. As of June 30, 2014 the County had drawn \$6,600,000 of principal funds.

**Loan 1:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$78,871	\$258,191	\$337,062
2016	82,026	255,036	337,062
2017	85,307	251,755	337,062
2018	88,720	248,342	337,062
2019	92,268	244,794	337,062
2020-2024	519,744	1,165,566	1,685,310
2025-2029	632,351	1,052,959	1,685,310
2030-2034	769,351	915,960	1,685,311
2035-2039	936,031	749,279	1,685,310
2040-2044	1,138,825	546,485	1,685,310
2045-2049	1,385,556	299,754	1,685,310
2050-2051	503,167	38,294	541,461
	<u>\$6,312,217</u>	<u>\$6,026,415</u>	<u>\$12,338,632</u>

The terms of the agreement for loan 2 in the amount of \$7,000,000, calls for one interest only payment on February 17, 2012. Beginning February 17, 2014, the County will make forty annual payments of principal and interest of \$357,490, ending February 17, 2052. As of June 30, 2014 the County had drawn \$7,000,000 of principal funds.

**Loan 2:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$83,651	\$273,839	\$357,490
2016	86,997	270,493	357,490
2017	90,477	267,013	357,490
2018	94,096	263,394	357,490
2019	97,860	259,630	357,490
2020-2024	551,246	1,236,204	1,787,450
2025-2029	670,675	1,116,776	1,787,451
2030-2034	815,977	971,473	1,787,450
2035-2039	992,761	794,689	1,787,450
2040-2044	1,207,846	579,604	1,787,450
2045-2049	1,469,528	317,922	1,787,450
2050-2052	680,630	42,042	722,672
	<u>\$6,841,744</u>	<u>\$6,393,079</u>	<u>\$13,234,823</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

*(Reported In Enterprise Funds)*

**Utility Fund**

On April 30, 2004 the County entered into an installment purchase contract with Branch Banking and Trust Company for the purpose installing sanitary sewer service to the 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.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$195,020	\$36,980	\$232,000
2016	202,282	29,718	232,000
2017	209,815	22,185	232,000
2018	217,629	14,371	232,000
2019	225,900	6,266	232,166
	<u>\$1,050,646</u>	<u>\$109,520</u>	<u>\$1,160,166</u>

**d. 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, 2014, the balance was \$1,550,091.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$172,232	\$84,136	\$256,368
2016	172,232	75,722	247,954
2017	172,232	67,308	239,540
2018	172,232	58,895	231,127
2019	172,232	50,481	222,713
2020-2023	688,931	117,790	806,721
	<u>\$1,550,091</u>	<u>\$454,332</u>	<u>\$2,004,423</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**e. Revenue Bonds**

On September 23, 2008, the County secured interim financing through the issuance of Bond Anticipation Note Proceeds for the construction of Water System Improvements. On August 30, 2010, \$6,202,000 of these bonds were issued and the interim financing was satisfied. On August 30, 2011, the remaining \$6,537,000 was issued and the interim financing was satisfied. The revenue bonds are recorded in the utility fund and are collateralized by the full faith, credit, and taxing power of the County. Principal and interest payments are appropriated when due. The County reserved an additional \$69,263 for debt service during the current year. The total amount set aside for debt service is \$217,211 at June 30, 2014, which satisfies the USDA requirements.

The County's revenue bonds payable at June 30, 2014 are comprised of the following individual issues by series:

**Serviced by the County's Utility Fund:**

\$4,202,000 Water Revenue Bonds Series 2010A issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	\$4,102,000
\$2,000,000 Water Revenue Bonds Series 2010B issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	1,945,000
\$3,800,000 Water Revenue Bonds Series 2011A issued August 30, 2011; due in annual installments through June 1, 2050; interest at 4.125%.	3,757,000
\$2,737,000 Water Revenue Bonds Series 2011B issued August 30, 2011; due in annual installments through June 1, 2050; interest at 3.375%.	2,700,000
<b>Total</b>	<b><u>\$12,504,000</u></b>

Annual Debt Service requirements to maturity for the County's revenue bonds are as follows:  
**2010 Series:**

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$82,000	\$227,293	\$309,293
2016	85,000	224,230	309,230
2017	88,000	221,055	309,055
2018	91,000	217,767	308,767
2019	95,000	214,368	309,368
2020-2024	530,000	1,015,907	1,545,907
2025-2029	638,000	908,958	1,546,958
2030-2034	767,000	779,897	1,546,897
2035-2039	921,000	624,690	1,545,690
2040-2044	1,108,000	437,903	1,545,903
2045-2049	1,343,000	212,432	1,555,432
2050	299,000	11,285	310,285
	<b><u>\$6,047,000</u></b>	<b><u>\$5,095,785</u></b>	<b><u>\$11,142,785</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**2011 Series:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$83,000	\$246,101	\$329,101
2016	86,000	242,963	328,963
2017	89,000	239,707	328,707
2018	93,000	236,336	329,336
2019	96,000	232,815	328,815
2020-2024	536,000	1,106,708	1,642,708
2025-2029	646,000	997,066	1,643,066
2030-2034	779,000	864,617	1,643,617
2035-2039	939,000	704,481	1,643,481
2040-2044	1,133,000	511,216	1,644,216
2045-2049	1,359,000	278,068	1,637,068
2050-2051	618,000	35,727	653,727
	<u>\$6,457,000</u>	<u>\$5,695,805</u>	<u>\$12,152,805</u>

The County has been in compliance with the covenants as to rates, fees, rentals and charges in Section 5 of the Bond Order, authorizing the issuance of the Water Revenue Bonds, Series 2010A, 2010B, 2011A and 2011B. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2014, is as follows:

Operating Revenues	\$2,836,779
Operating Expenses (excluding depreciation)	<u>1,937,660</u>
Operating Income	899,119
Nonoperating Revenues (Expenses)	426,055
Transfers Out	<u>(29,340)</u>
Income Available for Debt Service	1,295,834
Debt Service, Principal and Interest	
Paid (Revenue Bonds Only)	\$638,394
Debt Service Coverage Ratio	203%

**f. DWSRF Revolving Loan**

On May 20, 2009, the County entered into a loan agreement with the State of North Carolina to obtain financing under the Drinking Water State Revolving Funds Program (DWSRF). The funds will be used to complete a construction project for Water System Improvements. Of the total \$3,000,000 loan, \$3,000,000 has been received by the County as of June 30, 2013. The agreement allows for half of the loan to be forgiven. Once the entire \$3,000,000 has been received, half of the loan will be paid back over 20 years with no interest. One principal payment of \$75,000 was paid during the year, leaving a balance of \$1,200,000 at June 30, 2014.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$75,000		\$75,000
2016	75,000		75,000
2017	75,000		75,000
2018	75,000		75,000
2019	75,000		75,000
2020-2024	375,000		375,000
2025-2029	375,000		375,000
2030	75,000		75,000
	<u>\$1,200,000</u>	<u>\$0</u>	<u>\$1,200,000</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**g. Long-term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2014:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>					
Notes Payable	\$145,035		\$12,580	\$132,455	\$13,223
Global Transpark Development Zone Loans	212,366		212,366		
Installment Purchase Contracts	23,598,035	\$622,279	549,045	23,671,269	364,223
Net Pension Obligation	178,146	17,562		195,708	
OPEB Obligation	1,087,170	191,295	41,490	1,236,975	
Compensated Absences	398,052	284,171	313,558	368,665	
<b>Total Governmental Activities</b>	<b><u>\$25,618,804</u></b>	<b><u>\$1,115,307</u></b>	<b><u>\$1,129,039</u></b>	<b><u>\$25,605,072</u></b>	<b><u>\$377,446</u></b>
<b>Business-type Activities:</b>					
Installment Purchase Contract	\$1,238,498		\$187,852	\$1,050,646	\$195,020
Clean Water Bond Loan	1,722,324		172,233	1,550,091	172,232
Revenue Bonds	12,663,000		159,000	12,504,000	165,000
DWSRF Revolving Loan	1,275,000		75,000	1,200,000	75,000
Accrued Landfill Closure and Postclosure Costs	1,089,255	\$92,587		1,181,842	
OPEB Obligation	109,928	24,735		134,663	
Compensated Absences	56,121	44,544	46,162	54,503	
<b>Total Business-type Activities</b>	<b><u>\$18,154,126</u></b>	<b><u>\$161,866</u></b>	<b><u>\$640,247</u></b>	<b><u>\$17,675,745</u></b>	<b><u>\$607,252</u></b>

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed only \$10,546,365 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$180,930.

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.

**C. INTERFUND BALANCES AND ACTIVITY**

The composition of interfund balances at June 30, 2014 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund		
	Utility Fund	\$255,880
Landfill Fund		
	General Fund	(21,332)
		<b><u>\$234,548</u></b>

The General Fund loaned the Utility Fund \$255,880 back in 2007 to facilitate establishment of the Greene County Water & Sewer District I.

The interfund balance of \$21,332 owed from the General Fund to the Landfill Fund is a timing difference resulting from the time lapse between when landfill funds get collected and then moved from the General Fund to the Landfill Fund.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

Operating and equity transfers to and from funds for the year ended June 30, 2014 are as follows:

<b>Operating Transfers From/To Other Funds</b>	<b>TRANSFERS</b>	
	<b>FROM</b>	<b>TO</b>
<b>General Fund</b>		
Alternative Water Supply Phase 1A	\$242	
Utility Fund	29,098	
<b>Enterprise Fund</b>		
Alternative Water Supply Phase 1A		\$242
Utility Fund		29,098
<b>Total Operating Transfers - Other Funds</b>	<b>\$29,340</b>	<b>\$29,340</b>

The transfer from the Alternative Water Supply Fund for \$242 represented a one-time transfer of excess project funds that were available to be used at the County's discretion.

The transfer from the Utility Fund for \$29,098 was the Utility Fund's portion of debt service related to the industrial park loan.

**D. FUND BALANCE**

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

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

<b>Total Fund Balance - General Fund</b>	<b>\$5,198,315</b>
Less:	
Stabilization by State Statute	1,974,678
Register of Deeds	48,089
Health Department	241,201
Sheriff Department	21,893
Economic Development	194,989
	_____
<b>Remaining Fund Balance</b>	<b>\$2,717,465</b>

**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, 2014, and the Authority is not considered in determining the County's legal debt limit.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

**V. JOINT VENTURES**

The County participates in a joint venture with Lenoir and Jones 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, 2014. During the year ended June 30, 2014, the County appropriated \$120,000 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.

Greene County, as well as Bladen, Columbus, Duplin, Edgecombe, Lenoir, Nash, Robeson, Sampson, Scotland, Wayne and Wilson Counties are currently serviced by Eastpointe. Eastpointe is a newly formed Managed Care Organization that manages publicly-funded behavioral health care services under the 1915(b)(c) Medicaid Waiver. Eastpointe works together with families, individuals, providers and communities to achieve valued outcomes in the behavior healthcare system. Eastpointe receives their funding from the State and federal government, as well as annual contributions from the County governments in the region. Eastpointe is governed by a 23 member Area Board of Directors appointed by the 12 County Commissions in the service area. None of the participating governments have any equity interest in Eastpointe, so no equity interest has been reflected in the financial statements as of June 30, 2014. Greene County appropriated \$24,800 to Eastpointe during the fiscal year ending June 30, 2014, which included \$4,800 from the ABC Board designated for alcohol education. Information on Eastpointe can be obtained by contacting the CEO, Kenneth Jones, as 514 E. Main Street, Beulaville, N.C. 28518.

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 \$230,000 to the Community College during the fiscal year ended June 30, 2014. 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, 2014. 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 ORGANIZATIONS**

**East Carolina Council Of Governments**

The County, in conjunction with eight other counties and fifty municipalities, established the East Carolina 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 \$6,875 during the fiscal year ended June 30, 2014.

**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.

	<b>Federal</b>	<b>State</b>
Medicaid	\$18,138,176	\$10,001,783
Women, Infants and Children	370,799	
Temporary Assistance For Needy Families	185,642	28
Other Programs	180,542	436,404
<b>Total</b>	<b>\$18,875,159</b>	<b>\$10,438,215</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2014

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**VIII. SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

**FEDERAL AND STATE ASSISTED PROGRAMS**

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

**IX. MAJOR ENTERPRISE CUSTOMER**

The County's Utility Fund has one industrial customer who provides a substantial amount of the fund's sales. Billings to this customer comprised 45.13% of total billings.

**X. SPECIAL ITEM – DONATED ASSETS**

The County made a capital contribution to the Greene County Board of Education in the amount of \$550,277 which represents the cost of various equipment purchased for the Greene County Intermediate School. This item is reflected on the government-wide statements as a special item because it is unusual in nature but under the control of management.

**XI. CHANGE IN ACCOUNTING PRINCIPLES/RESTATEMENT**

The County implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously reported as Assets and Liabilities*, in the fiscal year ending June 30, 2014. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position. Additionally, GASB Statement 65 requires that deferred costs from the refunding of debt, which were previously deferred and amortized, be presented as deferred outflows of resources. Bond issuance costs, which were previously deferred and amortized must be included in current expenditures.

## **REQUIRED SUPPLEMENTAL FINANCIAL DATA**

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

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

**GREENE COUNTY, NORTH CAROLINA**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**SCHEDULE OF FUNDING PROGRESS**  
June 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll for Year Ending On Val Date (c)	UAAL as a Percentage of Covered Payroll ((b -a) /c)
12/31/1997	\$0	\$63,324	\$63,324	0.00%	\$441,707	14.34%
12/31/1998	\$0	\$41,666	\$41,666	0.00%	\$507,459	8.21%
12/31/1999	\$0	\$35,126	\$35,126	0.00%	\$492,016	7.14%
12/31/2000	\$0	\$44,921	\$44,921	0.00%	\$511,850	8.78%
12/31/2001	\$0	\$44,712	\$44,712	0.00%	\$477,967	9.35%
12/31/2002	\$0	\$50,488	\$50,488	0.00%	\$559,480	9.02%
12/31/2003	\$0	\$56,684	\$56,684	0.00%	\$593,731	9.55%
12/31/2004	\$0	\$48,867	\$48,867	0.00%	\$577,806	8.46%
12/31/2005	\$0	\$50,632	\$50,632	0.00%	\$703,682	7.20%
12/31/2006	\$0	\$57,121	\$57,121	0.00%	\$719,796	7.94%
12/31/2007	\$0	\$66,629	\$66,629	0.00%	\$697,283	9.56%
12/31/2008	\$0	\$77,583	\$77,583	0.00%	\$721,823	10.75%
12/31/2009	\$0	\$128,600	\$128,600	0.00%	\$722,011	17.81%
12/31/2010	\$0	\$138,018	\$138,018	0.00%	\$775,001	17.81%
12/31/2011	\$0	\$145,568	\$145,568	0.00%	\$812,285	17.92%
12/31/2012	\$0	\$145,568	\$145,568	0.00%	\$812,285	17.92%
12/31/2013	\$0	\$155,552	\$155,552	0.00%	\$688,858	22.58%

**GREENE COUNTY, NORTH CAROLINA**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 June 30, 2014

<u>Year Ending June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1998	\$9,706	0.00%
1999	\$9,495	0.00%
2000	\$7,858	0.00%
2001	\$7,017	0.00%
2002	\$8,552	0.00%
2003	\$8,619	0.00%
2004	\$9,918	0.00%
2005	\$11,069	0.00%
2006	\$9,948	0.00%
2007	\$10,432	0.00%
2008	\$10,913	0.00%
2009	\$11,822	0.00%
2010	\$13,262	0.00%
2011	\$20,657	0.00%
2012	\$22,226	0.00%
2013	\$22,226	0.00%
2014	\$23,003	0.00%

**Notes to the Required Schedules:**

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

Valuation Date	12/31/13
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Closed
Remaining Amortization Period	17 Years
Asset Valuation Method	Market Value
<i>Actuarial Assumptions:</i>	
Investment Rate of Return*	5%
Projected Salary Increases*	4.25% to 7.85%
*Includes Inflation At	3%
Cost-of-Living Adjustments	N/A

**GREENE COUNTY, NORTH CAROLINA  
OTHER POSTEMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
June 30, 2014**

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b -a) /c)</b>
12/31/2008	\$0	\$1,787,821	\$1,787,821	0.00%	\$5,667,378	31.55%
12/31/2009	\$0	\$2,167,955	\$2,167,955	0.00%	\$5,907,343	36.70%
12/31/2010	\$0	\$2,222,489	\$2,222,489	0.00%	\$6,037,746	36.81%
12/31/2011	\$0	\$2,222,489	\$2,222,489	0.00%	\$6,037,746	36.81%
12/31/2012	\$0	\$2,222,489	\$2,222,489	0.00%	\$6,037,746	36.81%
12/31/2013	\$0	\$1,700,744	\$1,700,744	0.00%	\$4,725,506	35.99%

**GREENE COUNTY, NORTH CAROLINA  
OTHER POSTEMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
June 30, 2014**

<u>Year Ending June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2009	\$272,070	11.54%
2010	273,391	11.13%
2011	328,830	18.23%
2012	306,587	36.08%
2013	306,587	19.55%
2014	234,712	19.21%

**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	December 31, 2013
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Amount, Open
Remaining Amortization Period	30 Years
Amortization Factor	17.9837
Asset Valuation Method	Market Value OF Assets
<i>Actuarial Assumptions:</i>	
Investment Rate of Return*	4%
Medical Trend Assumptions	
Pre-Medicare Trend Rate	7.75% to 5.0%
Year of Ultimate Trend Rate	2019
*Includes Inflation At	3.00%

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<b>Ad Valorem Taxes:</b>			
Taxes	\$8,488,845	\$8,608,143	\$119,298
Penalties and Interest	168,133	169,443	1,310
<b>Total Ad Valorem Taxes</b>	<b>\$8,656,978</b>	<b>\$8,777,586</b>	<b>\$120,608</b>
<b>Local Option Sales Taxes:</b>			
Article 39 and 44	\$550,000	\$554,214	\$4,214
Article 40	1,126,400	1,144,110	17,710
Article 42	391,000	389,039	(1,961)
Article 46	125,000	129,484	4,484
<b>Total Local Option Sales Taxes</b>	<b>\$2,192,400</b>	<b>\$2,216,847</b>	<b>\$24,447</b>
<b>Other Taxes and Licenses:</b>			
Medicaid Hold Harmless Tax	\$304,252	\$304,252	
Real Estate Transfer Tax	47,500	45,434	(\$2,066)
Privilege Licenses		660	660
<b>Total Other Taxes and Licenses</b>	<b>\$351,752</b>	<b>\$350,346</b>	<b>(\$1,406)</b>
<b>Unrestricted Intergovernmental Revenue:</b>			
Beer & Wine Tax	\$83,980	\$83,981	\$1
<b>Restricted Intergovernmental Revenue:</b>			
State and Federal Grants	\$3,175,970	\$2,824,551	(\$351,419)
Eastern Region GTP/DMV Funds	286,842	286,942	100
GTP Loans & Loan Repayments	112,722	6,275	(106,447)
Controlled Substance Tax		1,385	1,385
Court Facility Fees	26,200	28,309	2,109
ABC - Bottle Tax	2,500	2,854	354
ABC - Law Enforcement		539	539
Inmate Fees & Reimbursements	163,400	151,323	(12,077)
Board of Education SRO Reimbursements	105,400	126,983	21,583
<b>Total Restricted Intergovernmental Revenue</b>	<b>\$3,873,034</b>	<b>\$3,429,164</b>	<b>(\$443,870)</b>
<b>Permits and Fees:</b>			
Building Inspection Fees	\$103,725	\$103,725	
Concealed Weapon Fees & Gun Permits	23,588	24,158	\$570
Register of Deeds	63,529	63,774	245
Cable TV Fees	9,425	9,335	(90)
Building/Other Permits and Fees	241,961	242,119	158
<b>Total Permits &amp; Fees</b>	<b>\$442,228</b>	<b>\$443,111</b>	<b>\$883</b>

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>Sales and Services:</b>			
DHHS & Health Department Fees	\$594,774	\$639,853	\$45,079
Jail and Officer Fees	309,152	350,408	41,256
Ambulance and EMS Fees	737,714	728,836	(8,878)
Recreation Fees	67,208	67,829	621
Senior Center Meals	4,352	4,581	229
Municipal Tax Collection Fee	3,200	3,780	580
Copier and Vending Machines	4,500	4,680	180
Rents	5,700	6,114	414
<b>Total Sales &amp; Services</b>	<b>\$1,726,600</b>	<b>\$1,806,081</b>	<b>\$79,481</b>
<b>Total Investment Earnings</b>	<b>\$25</b>	<b>\$5,153</b>	<b>\$5,128</b>
<b>Other Revenues:</b>			
United Way Receipts - Senior Center	\$12,969	\$16,566	\$3,597
Local Foods Grant	10,000	10,000	
ABC Board Profit Distribution	21,342	14,722	(6,620)
Miscellaneous	49,292	55,827	6,535
<b>Total Other Revenues</b>	<b>\$93,603</b>	<b>\$97,115</b>	<b>\$3,512</b>
<b>TOTAL REVENUES</b>	<b>\$17,420,600</b>	<b>\$17,209,381</b>	<b>(\$211,219)</b>
<b>EXPENDITURES:</b>			
<b>General Government:</b>			
<b>Governing Body:</b>			
Salaries & Employee Benefits	\$20,779	\$20,305	\$474
Operating Expenses	294,986	52,215	242,771
Insurance Other Than Property	180,594	188,735	(8,141)
	<b>\$496,359</b>	<b>\$261,255</b>	<b>\$235,104</b>
<b>Administration:</b>			
Salaries and Employee Benefits	\$6,658	\$7,282	(\$624)
Operating Expenses	189,537	166,565	22,972
	<b>\$196,195</b>	<b>\$173,847</b>	<b>\$22,348</b>
<b>Elections:</b>			
Salaries & Employee Benefits	\$97,962	\$94,529	\$3,433
Operating Expenses	98,132	67,281	30,851
	<b>\$196,094</b>	<b>\$161,810</b>	<b>\$34,284</b>
<b>Finance:</b>			
Salaries & Employee Benefits	\$236,590	\$233,682	\$2,908
Operating Expenses	97,959	87,383	10,576
	<b>\$334,549</b>	<b>\$321,065</b>	<b>\$13,484</b>

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>Taxes:</b>			
Salaries & Employee Benefits	\$288,008	\$283,730	\$4,278
Operating Expenses	151,621	133,059	18,562
Capital Outlay	9,200	8,561	639
	<b>\$448,829</b>	<b>\$425,350</b>	<b>\$23,479</b>
<b>Register of Deeds:</b>			
Salaries & Employee Benefits	\$136,100	\$133,751	\$2,349
Operating Expenses	64,975	57,216	7,759
	<b>\$201,075</b>	<b>\$190,967</b>	<b>\$10,108</b>
<b>Public Buildings:</b>			
Operating Expenses	\$533,930	\$500,181	\$33,749
	<b>\$533,930</b>	<b>\$500,181</b>	<b>\$33,749</b>
<b>Court Facilities:</b>			
Operating Expenses	\$18,671	\$13,304	\$5,367
	<b>\$18,671</b>	<b>\$13,304</b>	<b>\$5,367</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$2,425,702</b>	<b>\$2,047,779</b>	<b>\$377,923</b>
<b>Public Safety:</b>			
<b>Sheriff Department:</b>			
Salaries & Employee Benefits	\$1,342,847	\$1,327,211	\$15,636
Operating Expenses	341,500	301,827	39,673
Capital Outlay	113,400	126,142	(12,742)
	<b>\$1,797,747</b>	<b>\$1,755,180</b>	<b>\$42,567</b>
<b>County Jail:</b>			
Salaries & Employee Benefits	\$582,993	\$581,396	\$1,597
Operating Expenses	369,087	351,355	17,732
	<b>\$952,080</b>	<b>\$932,751</b>	<b>\$19,329</b>
<b>Inspections:</b>			
Salaries & Employee Benefits	\$115,654	\$115,170	\$484
Operating Expenses	17,916	15,428	2,488
	<b>\$133,570</b>	<b>\$130,598</b>	<b>\$2,972</b>
<b>Emergency Management:</b>			
Salaries & Employee Benefits	\$66,224	\$66,055	\$169
Operating Expenses	59,773	52,755	7,018
Aid to Fire Districts	55,000	55,000	
Greene County Firemen's Association	7,000	7,000	
Capital Outlay/Homeland Security Grant	71,140	60,141	10,999
	<b>\$259,137</b>	<b>\$240,951</b>	<b>\$18,186</b>
<b>Emergency Medical Services:</b>			
Salaries & Employee Benefits	\$627,811	\$620,267	\$7,544
Operating Expenses	288,457	267,804	20,653
Aid to Rescue Districts	24,000	24,000	
	<b>\$940,268</b>	<b>\$912,071</b>	<b>\$28,197</b>

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>Medical Examiner:</b>			
Operating Expenses	\$7,920	\$10,400	(\$2,480)
<b>TOTAL PUBLIC SAFETY</b>	<b>\$4,090,722</b>	<b>\$3,981,951</b>	<b>\$108,771</b>
<b>Environmental Protection:</b>			
<b>Forest Fire Prevention:</b>			
County Matching to State	\$54,450	\$43,297	\$11,153
<b>TOTAL ENVIRONMENTAL PROTECTION</b>	<b>\$54,450</b>	<b>\$43,297</b>	<b>\$11,153</b>
<b>Economic &amp; Physical Development:</b>			
<b>Agricultural Extension:</b>			
Salaries & Employee Benefits	\$152,300	\$152,642	(\$342)
Operating Expenses	16,859	13,228	3,631
	<b>\$169,159</b>	<b>\$165,870</b>	<b>\$3,289</b>
<b>Soil Conservation Services:</b>			
Salaries & Employee Benefits	\$102,542	\$100,053	\$2,489
Operating Expenses	13,479	10,363	3,116
	<b>\$116,021</b>	<b>\$110,416</b>	<b>\$5,605</b>
<b>Economic Development:</b>			
Operating Expenses	\$220,766	\$5,944	\$214,822
<b>TOTAL ECONOMIC &amp; PHYSICAL DEVELOPMENT</b>	<b>\$505,946</b>	<b>\$282,230</b>	<b>\$223,716</b>
<b>Human Services:</b>			
<b>Public Health:</b>			
<b>Administration:</b>			
Salaries & Employee Benefits	\$1,298,273	\$1,169,801	\$128,472
Operating Expenses	333,985	234,771	99,214
Clinic and Consulting Fees	71,550	50,031	21,519
	<b>\$1,703,808</b>	<b>\$1,454,603</b>	<b>\$249,205</b>
<b>Mental Health:</b>			
ABC Funds - Addictions Program	\$4,800	\$4,800	
Current Expense	20,000	20,000	
	<b>\$24,800</b>	<b>\$24,800</b>	<b>\$0</b>
<b>Smart Start:</b>			
Salaries & Employee Benefits	\$4,000		\$4,000
Operating Expenses	7,800	2,891	4,909
	<b>\$11,800</b>	<b>\$2,891</b>	<b>\$8,909</b>
<b>Social Services:</b>			
<b>Administration:</b>			
Salaries & Employee Benefits	\$1,653,193	\$1,642,801	\$10,392
Operating Expenses	161,176	149,998	11,178
Capital Outlay	45,250	45,180	70
	<b>\$1,859,619</b>	<b>\$1,837,979</b>	<b>\$21,640</b>
<b>Adoption Assistance</b>	<b>\$105,098</b>	<b>\$47,583</b>	<b>\$57,515</b>

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>TANF Program:</b>			
Respite Care Family	\$6,877	\$3,883	\$2,994
Emergency Assistance	10,000	1,640	8,360
Foster Care	148,500	85,559	62,941
	<u>\$165,377</u>	<u>\$91,082</u>	<u>\$74,295</u>
<b>Blind Assistance</b>	<u>\$861</u>	<u>\$861</u>	<u>\$0</u>
<b>Energy:</b>			
Carolina Power and Light Crisis Fund	<u>\$2,832</u>	<u>\$2,757</u>	<u>\$75</u>
<b>Day Care:</b>			
County Participation	<u>\$520,863</u>	<u>\$470,032</u>	<u>\$50,831</u>
<b>Adoption Incentive</b>	<u>\$6,000</u>	<u>\$2,550</u>	<u>\$3,450</u>
<b>Crisis LIEAP</b>	<u>\$251,992</u>	<u>\$248,191</u>	<u>\$3,801</u>
<b>Program Expenses</b>	<u>\$31,000</u>	<u>\$26,090</u>	<u>\$4,910</u>
<b>Child Support Enforcement</b>	<u>\$39,300</u>	<u>\$27,193</u>	<u>\$12,107</u>
<b>Food Stamps</b>	<u>\$8,250</u>	<u>\$5,319</u>	<u>\$2,931</u>
<b>General Assistance</b>	<u>\$7,000</u>	<u>\$2,581</u>	<u>\$4,419</u>
<b>Independent Living</b>	<u>\$2,675</u>	<u>\$2,675</u>	<u>\$0</u>
<b>Work First Job Program</b>	<u>\$47,000</u>	<u>\$15,092</u>	<u>\$31,908</u>
<b>Medical Assistance</b>	<u>\$225,000</u>	<u>\$176,111</u>	<u>\$48,889</u>
<b>Neuse River-In Home Care</b>	<u>\$57,473</u>	<u>\$58,203</u>	<u>(\$730)</u>
<b>Special Assistance-Adults</b>	<u>\$272,605</u>	<u>\$244,448</u>	<u>\$28,157</u>
<b>Title XX Legal Expense</b>	<u>\$50,000</u>	<u>\$33,815</u>	<u>\$16,185</u>
<b>Foster Care</b>	<u>\$176,850</u>	<u>\$147,661</u>	<u>\$29,189</u>
<b>Breast &amp; Cervical Cancer</b>	<u>\$1,720</u>	<u>\$1,720</u>	<u>\$1,720</u>
<b>Vidant-Med Grant</b>	<u>\$6,500</u>	<u>\$4,878</u>	<u>\$1,622</u>
<b>Total Social Services</b>	<u>\$3,838,015</u>	<u>\$3,445,101</u>	<u>\$392,914</u>

**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, 2014**

	<u>Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Veterans Service Officer:</b>			
Salaries & Employee Benefits	\$22,127	\$21,798	\$329
Operating Expenses	3,180	1,695	1,485
	<u>\$25,307</u>	<u>\$23,493</u>	<u>\$1,814</u>
<b>Youth Services:</b>			
Operating Expenses	<u>\$81,153</u>	<u>\$81,166</u>	<u>(\$13)</u>
<b>Senior Services:</b>			
Salaries & Employee Benefits	\$100,435	\$98,514	\$1,921
Operating Expenses	138,195	132,477	5,718
	<u>\$238,630</u>	<u>\$230,991</u>	<u>\$7,639</u>
<b>TOTAL HUMAN SERVICES</b>	<u>\$5,923,513</u>	<u>\$5,263,045</u>	<u>\$660,468</u>
<b>Culture and Recreation:</b>			
<b>Regional Library:</b>			
County Matching Share	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$0</u>
<b>Recreation:</b>			
Salaries & Employee Benefits	\$124,081	\$122,692	\$1,389
Operating Expenses	136,605	124,694	11,911
Capital Outlay	1,500	940	560
	<u>\$262,186</u>	<u>\$248,326</u>	<u>\$13,860</u>
<b>Farmers Market</b>	<u>\$42,561</u>	<u>\$31,651</u>	<u>\$10,910</u>
<b>TOTAL CULTURE AND RECREATION</b>	<u>\$424,747</u>	<u>\$399,977</u>	<u>\$24,770</u>
<b>Education:</b>			
<b>Public Schools:</b>			
Current Expense - Local	\$2,168,000	\$2,168,000	
Capital Outlay - Local	490,544	487,201	\$3,343
	<u>\$2,658,544</u>	<u>\$2,655,201</u>	<u>\$3,343</u>
<b>Community College:</b>			
Local Appropriation	\$225,000	\$225,000	
Operating Expenses	5,000	5,000	
	<u>\$230,000</u>	<u>\$230,000</u>	<u>\$0</u>
<b>TOTAL EDUCATION</b>	<u>\$2,888,544</u>	<u>\$2,885,201</u>	<u>\$3,343</u>

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>Debt Service:</b>			
Principal Retirement	\$598,552	\$582,516	\$16,036
Interest	397,624	404,038	(6,414)
<b>TOTAL DEBT SERVICE</b>	<b>\$996,176</b>	<b>\$986,554</b>	<b>\$9,622</b>
<b>TOTAL EXPENDITURES</b>	<b>\$17,309,800</b>	<b>\$15,890,034</b>	<b>\$1,419,766</b>
<b>Excess Revenues Over (Under) Expenditures</b>	<b>\$110,800</b>	<b>\$1,319,347</b>	<b>\$1,208,547</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers To Other Funds	(\$710,837)	(\$710,837)	
Transfers From Other Funds	15,000	88,233	\$73,233
Sale of Fixed Assets	1,960	636	(1,324)
Fund Balance Appropriated	358,375		(358,375)
Loan Proceeds	224,702	224,702	
<b>Total Other Financing Sources (Uses)</b>	<b>(\$110,800)</b>	<b>(\$397,266)</b>	<b>(\$286,466)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$922,081</b>	<b>\$922,081</b>
<b>FUND BALANCES</b>			
Beginning of Year, July 1		4,276,234	
<b>FUND BALANCE, Ending</b>		<b>\$5,198,315</b>	

**SUPPLEMENTARY INFORMATION**  
**Combining and Individual Fund Financial Statements and Schedules**

## **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.
- *April 2011 Tornado Fund* – This fund accounts for the revenues and expenses associated with the tornado that hit the County on April 16, 2011.
- *Hurricane Irene Fund* – This fund accounts for the revenues and expenses associated with Hurricane Irene which made landfall in eastern North Carolina on August 27, 2011.
- *2012 Community Development Block Grant Project Fund* – This fund accounts for the revenues and expenses associated with various community revitalization projects.

### **Capital Projects Funds**

- *School Capital Finance Fund* – The County uses this fund to account for the construction/improvement of the Schools.
- *American Prawn Cooperative Project Fund* - The County uses this fund to account for the construction of a new building for economic innovation to harvest and process prawns.
- *Jail Construction / Court House Renovation Project Fund* – The County uses this fund to account for the construction of the new County Jail and the renovations for the Greene County Courthouse.
- *Intermediate School Capital Project Fund* – The County uses this fund to account for the revenues for the construction of the Greene County Intermediate School.

**GREENE COUNTY, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2014**

	<b>Special Revenue Funds</b>			<b>Total Non-major Special Revenue Funds</b>	
	<b>Fire District Funds</b>	<b>Property Revaluation Fund</b>	<b>Emergency Telephone System Fund</b>		<b>2012 CDBG Project Fund</b>
<b>ASSETS</b>					
Cash and Investments	\$3,183		\$494,210	(\$3,949)	\$493,444
Restricted Cash		\$33,142			33,142
Accounts Receivable			12,379		12,379
Due From Other Governments	7,885		430	3,949	12,264
Due From Other Funds	14,045		11,016		25,061
Taxes Receivable, Net	37,310				37,310
<b>TOTAL ASSETS</b>	<b>\$62,423</b>	<b>\$33,142</b>	<b>\$518,035</b>	<b>\$0</b>	<b>\$613,600</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$25,113		\$1,755		\$26,868
Due to Other Funds					
<b>Total Liabilities</b>	<b>\$25,113</b>	<b>\$0</b>	<b>\$1,755</b>	<b>\$0</b>	<b>\$26,868</b>
<b>Deferred Inflows of Resources:</b>					
Taxes Receivables	\$37,310				\$37,310
<b>Total Deferred Inflows of Resources</b>	<b>\$37,310</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,310</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Stabilization by State Statute			\$23,825		\$23,825
USDA Loan Payments					
Committed		\$33,142			33,142
Assigned			492,455		492,455
<b>Total Fund Balances</b>	<b>\$0</b>	<b>\$33,142</b>	<b>\$516,280</b>	<b>\$0</b>	<b>\$549,422</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$62,423</b>	<b>\$33,142</b>	<b>\$518,035</b>	<b>\$0</b>	<b>\$613,600</b>

Capital Project Funds			Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
School Capital Finance Fund	Jail Construction / Court House Renovation Project Fund	Intermediate School Capital Project Fund		
(\$221,421)		\$266,578	\$45,157	\$538,601
	\$180,930	234,239	415,169	448,311
				12,379
222,692	838	98,016	321,546	333,810
				25,061
				37,310
<b>\$1,271</b>	<b>\$181,768</b>	<b>\$598,833</b>	<b>\$781,872</b>	<b>\$1,395,472</b>

				\$26,868
	\$364,465	\$9,577	\$374,042	374,042
<b>\$0</b>	<b>\$364,465</b>	<b>\$9,577</b>	<b>\$374,042</b>	<b>\$400,910</b>

				\$37,310
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,310</b>

	\$838	\$98,016	\$98,854	\$122,679
		234,239	234,239	234,239
				33,142
\$1,271	(183,535)	257,001	74,737	567,192
<b>\$1,271</b>	<b>(\$182,697)</b>	<b>\$589,256</b>	<b>\$407,830</b>	<b>\$957,252</b>

<b>\$1,271</b>	<b>\$181,768</b>	<b>\$598,833</b>	<b>\$781,872</b>	<b>\$1,395,472</b>
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**GREENE COUNTY, NORTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For The Fiscal Year Ended June 30, 2014**

	Special Revenue Funds					2012 CDBG Project Fund	Total Nonmajor Special Revenue Funds
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	April 2011 Tornado Fund	Hurricane Irene Fund		
<b>REVENUES:</b>							
Ad Valorem Taxes	\$772,202						\$772,202
Restricted Intergovernmental			\$148,551			\$3,686	152,237
Investment Earnings		\$6	66				72
<b>Total Revenues</b>	<b>\$772,202</b>	<b>\$6</b>	<b>\$148,617</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,686</b>	<b>\$924,511</b>
<b>EXPENDITURES:</b>							
Public Safety	\$772,202		\$86,908				\$859,110
Economic Development						\$3,686	3,686
Education							
Debt Service - Principal							
Debt Service - Interest							
<b>Total Expenditures</b>	<b>\$772,202</b>	<b>\$0</b>	<b>\$86,908</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,686</b>	<b>\$862,796</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$6</b>	<b>\$61,709</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,715</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating Transfer In (Out)		\$33,125	\$41,644	(\$17,350)	(\$13,948)		\$43,471
Installment Purchase Obligation Issued							
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$33,125</b>	<b>\$41,644</b>	<b>(\$17,350)</b>	<b>(\$13,948)</b>	<b>\$0</b>	<b>\$43,471</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$33,131</b>	<b>\$103,353</b>	<b>(\$17,350)</b>	<b>(\$13,948)</b>	<b>\$0</b>	<b>\$105,186</b>
<b>FUND BALANCES:</b>							
<i>Beginning of Year, July 1</i>		\$11	\$412,927	\$17,350	\$13,948		\$444,236
<b>End of Year, June 30</b>	<b>\$0</b>	<b>\$33,132</b>	<b>\$516,280</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$549,422</b>

STATEMENT 7

Capital Project Funds				Total	Total
School Capital Finance Fund	American Prawn Cooperative Project Fund	Jail Construction / Court House Renovation Project Fund	Intermediate School Capital Project Fund	Nonmajor Capital Projects Funds	Nonmajor Governmental Funds
					\$772,202
\$222,692			\$136,645	\$359,337	511,574
101		\$55	51	207	279
<del>\$222,793</del>	<del>\$0</del>	<del>\$55</del>	<del>\$136,696</del>	<del>\$359,544</del>	<del>\$1,284,055</del>
					\$859,110
					3,686
			\$500,343	\$500,343	500,343
\$191,477				191,477	191,477
523,075				523,075	523,075
<del>\$714,552</del>	<del>\$0</del>	<del>\$0</del>	<del>\$500,343</del>	<del>\$1,214,895</del>	<del>\$2,077,691</del>
<del>(\$491,759)</del>	<del>\$0</del>	<del>\$55</del>	<del>(\$363,647)</del>	<del>(\$855,351)</del>	<del>(\$793,636)</del>
\$492,045	(\$4,699)	\$51,671	\$69,456	\$608,473	\$651,944
			397,426	397,426	397,426
<del>\$492,045</del>	<del>(\$4,699)</del>	<del>\$51,671</del>	<del>\$466,882</del>	<del>\$1,005,899</del>	<del>\$1,049,370</del>
<del>\$286</del>	<del>(\$4,699)</del>	<del>\$51,726</del>	<del>\$103,235</del>	<del>\$150,548</del>	<del>\$255,734</del>
\$985	\$4,699	(\$234,423)	\$486,021	\$257,282	\$701,518
<del>\$1,271</del>	<del>\$0</del>	<del>(\$182,697)</del>	<del>\$589,266</del>	<del>\$407,830</del>	<del>\$957,252</del>

**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, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Ad Valorem Taxes - Current Year	\$743,775	\$749,719	\$5,944
Ad Valorem Taxes - Prior Years	\$38,983	22,483	(16,500)
<b>Total Revenues</b>	<b><u>\$782,758</u></b>	<b><u>\$772,202</u></b>	<b><u>(\$10,556)</u></b>
<b>EXPENDITURES:</b>			
<i>Public Safety:</i>			
Rainbow Fire District	\$91,925	\$91,484	\$441
Bull Head Fire District	71,635	69,802	1,833
Maury Fire District	81,471	79,194	2,277
Arba Fire District	54,656	54,007	649
Shine Fire District	70,613	70,134	479
Little Creek Fire District	37,705	36,572	1,133
Contentnea Fire District	122,847	122,351	496
Fort Run Fire District	53,072	52,228	844
Jason Fire District	53,873	52,991	882
Castoria Fire District	78,741	78,016	725
Speight's Bridge Fire District	66,220	65,423	797
<b>Total Expenditures</b>	<b><u>\$782,758</u></b>	<b><u>\$772,202</u></b>	<b><u>\$10,556</u></b>
<b>Revenues Over Expenditures</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
FUND BALANCE, Beginning			
FUND BALANCE, Ending		<b><u>\$0</u></b>	

**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, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings		\$6	\$6
<b>Total Revenues</b>	<b>\$0</b>	<b>\$6</b>	<b>\$6</b>
<b>EXPENDITURES:</b>			
<i>Current:</i>			
<i>General Government:</i>			
Supplies			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$6</b>	<b>\$6</b>
<b>OTHER FINANCING SOURCES</b>			
Operating Transfers In		\$33,125	\$33,125
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$33,125</b>	<b>\$33,125</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$33,131</b>	<b>\$33,131</b>
<b>FUND BALANCE, Beginning</b>		<u>11</u>	
<b>FUND BALANCE, Ending</b>		<u><del>\$33,142</del></u>	

**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, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Restricted Intergovernmental:			
PSAP Collections	\$148,546	\$148,551	\$5
Investment Earnings		66	66
<b>Total Revenues</b>	<u><b>\$148,546</b></u>	<u><b>\$148,617</b></u>	<u><b>\$71</b></u>
<b>EXPENDITURES:</b>			
Public Safety:			
Operating Expenses	\$96,678	\$83,408	\$13,270
Equipment	135,000	3,500	131,500
<b>Total Expenditures</b>	<u><b>\$231,678</b></u>	<u><b>\$86,908</b></u>	<u><b>\$144,770</b></u>
<b>Revenues Over (Under) Expenditures</b>	<u><b>(\$83,132)</b></u>	<u><b>\$61,709</b></u>	<u><b>\$144,841</b></u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfer In*	\$64,540	\$64,540	
Operating Transfer Out**	(22,896)	(22,896)	
Fund Balance Appropriated	41,488		(\$41,488)
<b>Total Other Financing Sources (Uses)</b>	<u><b>\$83,132</b></u>	<u><b>\$41,644</b></u>	<u><b>(\$41,488)</b></u>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<u><b>\$0</b></u>	<u><b>\$103,353</b></u>	<u><b>\$103,353</b></u>
<i>Fund Balance, Beginning</i>		<u>412,927</u>	
<b>Fund Balance, Ending</b>		<u><b>\$516,280</b></u>	

\*The County transferred \$64,540 in from the General Fund as a result of correspondence with the State regarding prior years.

\*\*The County transferred \$22,896 to the General Fund to cover 1/2 of the cost of salary and benefits for the County GIS employee responsible for E911.

**GREENE COUNTY, NORTH CAROLINA**  
**APRIL 2011 TORNADO FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**From Inception and for The Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual		Variance Favorable (Unfavorable)
			Current Year	Total to Date	
<b>REVENUES:</b>					
Restricted Intergovernmental:					
FEMA Recovery Funds	\$52,464	\$52,464		\$52,464	
Other:					
Insurance Proceeds	188,691	188,691		188,691	
<b>Total Revenues</b>	<b>\$241,155</b>	<b>\$241,155</b>	<b>\$0</b>	<b>\$241,155</b>	<b>\$0</b>
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
Insurance Deductible	\$500				\$500
PW 113 - Playground Equip./Scoreboards	54,509	\$54,509		\$54,509	
PW-114 - Windscreen & Fence	47,578	47,578		47,578	
PW 118 - Repair 3 Fields	40,440	40,440		40,440	
PW 119 - Sign, Picnic Shelter	19,812	17,786		17,786	2,026
PW 138 - Overtime	9,578				9,578
PW 341 - Emergency Operations	3,870	3,727		3,727	143
PW 191 - Field/Glass Cleanup	31,856	31,856		31,856	
PW 86 - Debris Removal	2,000	2,000		2,000	
PW 466 - Picnic in Lieu of Appie Depot	29,001	23,294		23,294	5,707
PW 199 - Volunteer Fire	2,011				2,011
Facilities		2,615		2,615	(2,615)
Refunded to FEMA		11,392		11,392	(11,392)
<b>Total Expenditures</b>	<b>\$241,155</b>	<b>\$235,197</b>	<b>\$0</b>	<b>\$235,197</b>	<b>\$5,958</b>
Revenues Over (Under) Expenditures	<b>\$0</b>	<b>\$5,958</b>	<b>\$0</b>	<b>\$5,958</b>	<b>\$5,958</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
FEMA Adjustment		\$11,392		\$11,392	
Transfer Out			(\$17,350)	(17,350)	
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$11,392</b>	<b>(\$17,350)</b>	<b>(\$5,958)</b>	<b>(\$5,958)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$17,350</b>	<b>(\$17,350)</b>	<b>\$0</b>	<b>\$0</b>
FUND BALANCE, Beginning			17,350		
FUND BALANCE, Ending			<b>\$0</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**HURRICANE IRENE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**From Inception and for The Fiscal Year Ended June 30, 2014**

	<u>Project</u> <u>Authorization</u>	<u>Prior</u> <u>Years</u>	<u>Actual</u> <u>Current</u> <u>Year</u>	<u>Total to</u> <u>Date</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>					
Restricted Intergovernmental:					
FEMA Recovery Funds	\$35,694	\$35,694		\$35,694	
Other:					
Insurance Proceeds	12,650	22,407		22,407	\$9,757
<b>Total Revenues</b>	<b>\$48,344</b>	<b>\$58,101</b>	<b>\$0</b>	<b>\$58,101</b>	<b>\$9,757</b>
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
PW 446 - Recreation Park	\$7,600	\$7,600		\$7,600	
PW 496 - Overtime, Administrative Facilities	8,958	4,914		4,914	\$4,044
PW 850 - Mosquito Control	5,772	5,772		5,772	
PW 430 - Recreation Park Gravel	4,407	4,407		4,407	
PW 435 - Roof Repair	7,957	7,810		7,810	147
<b>Total Expenditures</b>	<b>\$48,344</b>	<b>\$44,153</b>	<b>\$0</b>	<b>\$44,153</b>	<b>\$4,191</b>
<b>Revenues Over</b> <b>(Under) Expenditures</b>	<b>\$0</b>	<b>\$13,948</b>	<b>\$0</b>	<b>\$13,948</b>	<b>\$13,948</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer Out			(\$13,948)	(\$13,948)	(\$13,948)
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$13,948)</b>	<b>(\$13,948)</b>	<b>(\$13,948)</b>
<b>Revenue and Other Financing</b> <b>Sources Over (Under) Expenditures</b> <b>and Other Financing Sources</b>	<b>\$0</b>	<b>\$13,948</b>	<b>(\$13,948)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			<b>13,948</b>		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**2012 COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**From Inception and for The Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Restricted Intergovernmental:					
2012 Single Family Rehabilitation Program	\$160,000	\$263	\$3,686	\$3,949	(\$156,051)
<b>Total Revenues</b>	<b>\$160,000</b>	<b>\$263</b>	<b>\$3,686</b>	<b>\$3,949</b>	<b>(\$156,051)</b>
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
Rehabilitation Hard Costs	\$121,455				\$121,455
Rehabilitation Soft Costs	24,000				24,000
Administration	14,545	\$263	\$3,686	\$3,949	10,596
<b>Total Expenditures</b>	<b>\$160,000</b>	<b>\$263</b>	<b>\$3,686</b>	<b>\$3,949</b>	<b>\$156,051</b>
Revenues Over (Under) Expenditures	\$0	\$0	\$0	\$0	\$0
<i>FUND BALANCE, Beginning</i>					
<i>FUND BALANCE, Ending</i>					
			\$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, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Reserved for Debt Service:</i>			
Public School Building			
Capital Fund - Lottery	\$222,507	\$222,692	\$185
Investment Earnings		101	101
<b>Total Revenues</b>	<u>\$222,507</u>	<u>\$222,793</u>	<u>\$286</u>
<b>EXPENDITURES:</b>			
Debt Service - Principal	\$163,132	\$191,477	(\$28,345)
Debt Service - Interest	551,420	523,075	28,345
<b>Total Expenditures</b>	<u>\$714,552</u>	<u>\$714,552</u>	<u>\$0</u>
<b>Revenues Over Expenditures</b>	<u>(\$492,045)</u>	<u>(\$491,759)</u>	<u>\$286</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from General Fund	\$492,045	\$492,045	
<b>Total Other Financing Sources</b>	<u>\$492,045</u>	<u>\$492,045</u>	<u>\$0</u>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<u>\$0</u>	<u>\$286</u>	<u>\$286</u>
<b>FUND BALANCE, Beginning</b>		<u>985</u>	
<b>FUND BALANCE, Ending</b>		<u>\$1,271</u>	

**GREENE COUNTY, NORTH CAROLINA**  
**AMERICAN PRAWN COOPERATIVE PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**From Inception and For the Fiscal Year Ended June 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>					
<i>Restricted Intergovernmental:</i>					
Rural Center Grant	\$300,000	\$300,000		\$300,000	
Golden Leaf Award	50,000	50,000		50,000	
APC Contribution	7,778	7,777		7,777	(\$1)
NC Eastern Region Grant	15,000	15,000		15,000	
<b>Total Revenues</b>	<b>\$372,778</b>	<b>\$372,777</b>	<b>\$0</b>	<b>\$372,777</b>	<b>(\$1)</b>
<b>EXPENDITURES:</b>					
Engineer Drawings	\$19,625	\$19,625		\$19,625	
Supplies	2,966				\$2,966
Supplies-Golden Leaf	5,607	5,607		5,607	
Travel	3,877	3,877		3,877	
Equipment	18,484	16,750		16,750	1,734
Capital Outlay	281,703	281,703		281,703	
Live Holding System	20,035	20,035		20,035	
Live Hauling	19,425	19,425		19,425	
Live Shipping	1,056	1,056		1,056	
<b>Total Expenditures</b>	<b>\$372,778</b>	<b>\$368,078</b>	<b>\$0</b>	<b>\$368,078</b>	<b>\$4,700</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$4,699</b>	<b>\$0</b>	<b>\$4,699</b>	<b>\$4,699</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer from General Fund			(\$4,699)	(\$4,699)	(\$4,699)
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,699)</b>	<b>(\$4,699)</b>	<b>(\$4,699)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$4,699</b>	<b>(\$4,699)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			<b>4,699</b>		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**JAIL CONSTRUCTION / COURT HOUSE RENOVATION CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**From Inception and For the Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Investment Earnings		\$33,982	\$55	\$34,037	\$34,037
<b>Total Revenues</b>	<b>\$0</b>	<b>\$33,982</b>	<b>\$55</b>	<b>\$34,037</b>	<b>\$34,037</b>
<b>EXPENDITURES:</b>					
<i>Jail Construction:</i>					
Administration & Legal	\$19,003	\$56,652		\$56,652	(\$37,649)
Architectural & Engineering	1,471,104	1,158,408		1,158,408	312,696
Construction	7,853,968	7,903,513		7,903,513	(49,545)
Equipment	200,000	76,493		76,493	123,507
Inspection		82,831		82,831	(82,831)
Owner's Rep Contract	130,000	131,733		131,733	(1,733)
Miscellaneous	445,725	639,943		639,943	(194,218)
Contingency	360,000				360,000
Capital Outlay	20,200	20,144		20,144	56
<b>Total Jail Construction</b>	<b>\$10,500,000</b>	<b>\$10,069,717</b>	<b>\$0</b>	<b>\$10,069,717</b>	<b>\$430,283</b>
<i>Court House Renovation:</i>					
Administration & Legal	\$10,000	\$2,944		\$2,944	\$7,056
Architectural - Development & Design	69,252	62,849		62,849	6,403
Construction	788,538	786,130		786,130	2,408
Equipment	42,000	35,155		35,155	6,845
Contingency	21,623				21,623
Owner's Rep Contract	60,287	64,447		64,447	(4,160)
Inspection	18,268	18,268		18,268	
Abatement Design Cost	8,100	8,100		8,100	
<b>Total Court House Renovation</b>	<b>\$1,018,068</b>	<b>\$977,893</b>	<b>\$0</b>	<b>\$977,893</b>	<b>\$40,175</b>
<b>Total Expenditures</b>	<b>\$11,518,068</b>	<b>\$11,047,610</b>	<b>\$0</b>	<b>\$11,047,610</b>	<b>\$470,458</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$11,518,068)</b>	<b>(\$11,013,628)</b>	<b>\$55</b>	<b>(\$11,013,573)</b>	<b>\$504,495</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
<i>Temporary Financing Issued for USDA</i>					
Installment Purchase Obligations Issued	\$10,500,000	\$10,500,000		\$10,500,000	
Installment Purchase Obligation Repaid		(771,686)		(771,686)	(\$771,686)
Installment Purchase Obligations Re-issued	843,068	771,686		771,686	(71,382)
County Contribution	175,000	150,000		150,000	(25,000)
<b>Total Other Financing Sources</b>	<b>\$11,518,068</b>	<b>\$10,650,000</b>	<b>\$0</b>	<b>\$10,650,000</b>	<b>(\$868,068)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>(\$363,628)</b>	<b>\$55</b>	<b>(\$363,573)</b>	<b>(\$363,573)</b>
<b>FUND BALANCE, Beginning</b>			<b>(363,628)</b>		
<b>FUND BALANCE, Ending</b>			<b>(\$363,573)</b>		
Amounts reported for Revenue, Expenditures and Changes in Fund Balance are Different from the Budget/Actual Statements due to consolidation of Debt Service Fund:					
Transfers In (Out)			\$51,671		
Fund Balance, Beginning (Debt Service Fund)			129,205		
<b>Fund Balance, Ending (Consolidated Courthouse Renovations Fund)</b>			<b>(\$182,697)</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**INTERMEDIATE SCHOOL CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For The Fiscal Year Ended June 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>					
<i>Restricted Intergovernmental:</i>					
USDA Grant			\$136,645	\$136,645	\$136,645
Investment Earnings		\$213	51	264	264
<b>Total Revenues</b>	<b>\$0</b>	<b>\$213</b>	<b>\$136,696</b>	<b>\$136,909</b>	<b>\$136,909</b>
<b>EXPENDITURES:</b>					
<i>Education:</i>					
Admin/Legal	\$21,000	\$20,061		\$20,061	\$939
Architectural Reimbursement	32,011	32,011		32,011	
Architectural/Engineering	792,500	792,500		792,500	
Construction	11,118,275	10,851,142		10,851,142	267,133
Capital Outlay	477,096	428,600	\$171,701	600,301	(123,205)
Interim Interest	100,874	100,874		100,874	
Construction Management	222,300	222,300		222,300	
Data Service Technology	699,273	313,242	328,642	641,884	57,389
LEED Submission Cost	3,542	3,542		3,542	
Special Inspections	117,277	117,277		117,277	
<b>Total Expenditures</b>	<b>\$13,584,148</b>	<b>\$12,881,549</b>	<b>\$500,343</b>	<b>\$13,381,892</b>	<b>\$202,256</b>
<b>Revenues Over Expenditures</b>	<b>(\$13,584,148)</b>	<b>(\$12,881,336)</b>	<b>(\$363,647)</b>	<b>(\$13,244,983)</b>	<b>\$339,165</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
<i>Temporary Financing Issued for USDA</i>					
Installment Purchase Obligations Issued	\$13,584,148	\$13,202,574	\$397,426	\$13,600,000	\$15,852
<b>Total Other Financing Sources</b>	<b>\$13,584,148</b>	<b>\$13,202,574</b>	<b>\$397,426</b>	<b>\$13,600,000</b>	<b>\$15,852</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$321,238</b>	<b>\$33,779</b>	<b>\$355,017</b>	<b>\$355,017</b>
<b>FUND BALANCE, Beginning</b>			<b>321,238</b>		
<b>FUND BALANCE, Ending</b>			<b>\$355,017</b>		
Amounts reported for Revenue, Expenditures and Changes in Fund Balance are different from the Budget/Actual Statements due to consolidation of					
Debt Service Fund:					
Transfers In (Out)			\$69,456		
Fund Balance, Beginning (Debt Service Fund)			164,783		
<b>Fund Balance, Ending (Consolidated Intermediate School Fund)</b>			<b>\$589,256</b>		

**DEBT SERVICE FUND**

**GREENE COUNTY, NORTH CAROLINA**  
**DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**From Inception and For the Fiscal Year Ended June 30, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings		\$54	\$54
<b>Total Revenues</b>	<b>\$0</b>	<b>\$54</b>	<b>\$54</b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$54</b>	<b>\$54</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from General Fund - Jail	\$51,671	\$51,671	
Transfer from General Intermediated School Reserve - Jail	69,456	69,456	
Reserve - Jail	(51,671)		\$51,671
Reserve - Intermediate School	(69,456)		69,456
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$121,127</b>	<b>\$121,127</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$121,181</b>	<b>\$121,181</b>
<b>FUND BALANCE, Beginning</b>		<b>293,988</b>	
<b>FUND BALANCE, Ending</b>		<b>\$415,169</b>	
<b><u>Supplementary Information</u></b>			
Fund Allocation of Debt Reserve	<u>Prior Years</u>	<u>Current Year</u>	<u>Year To Date</u>
Jail Construction/Court House Renovation Project Fund	\$129,205	\$51,725	\$180,930
Intermediate School Project Fund	164,783	69,456	234,239
	<b>\$293,988</b>	<b>\$121,181</b>	<b>\$415,169</b>

## **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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for Services:			
Water and Sewer Sales	\$2,353,402	\$2,464,514	\$111,112
South Greene Water Corporation Charges	224,376	223,691	(685)
Tap-on Fees and Service Charges	63,000	33,595	(29,405)
Penalties and Interest Charges	99,000	99,530	530
Miscellaneous	8,035	15,449	7,414
<b>Total Operating Revenues</b>	<b>\$2,747,813</b>	<b>\$2,836,779</b>	<b>\$88,966</b>
Nonoperating Revenues:			
Alternative Water Supply Fees	\$711,648	\$711,648	
<b>Total Nonoperating Revenues</b>	<b>\$711,648</b>	<b>\$711,648</b>	<b>\$0</b>
<b>Total Revenues</b>	<b>\$3,459,461</b>	<b>\$3,548,427</b>	<b>\$88,966</b>
<b>EXPENDITURES:</b>			
Operating:			
Salaries and Employee Benefits	\$479,971	\$449,715	\$30,256
Supplies	202,500	154,479	48,021
Water Purchases	407,050	423,626	(16,576)
Maintenance	166,058	134,938	31,120
Contracted Services	102,200	99,628	2,572
Utilities	178,500	160,226	18,274
Sewer Charges - Town of Farmville	220,860	112,895	107,965
Office Expense	66,500	54,199	12,301
Professional Services	57,500	44,381	13,119
Management Fee - County	225,000	225,000	
Insurance	25,000	23,110	1,890
Miscellaneous	800	335	465
<b>Total Operating Expenditures</b>	<b>\$2,131,939</b>	<b>\$1,882,532</b>	<b>\$249,407</b>
<b>DEBT SERVICE:</b>			
Interest on Long-Term Debt	\$622,715	\$595,304	\$27,411
Principal Payments	617,263	594,084	23,179
<b>Total Debt Service</b>	<b>\$1,239,978</b>	<b>\$1,189,388</b>	<b>\$50,590</b>
<b>CAPITAL OUTLAY:</b>			
Vehicles and Lines	\$98,000	\$17,135	\$80,865
Equipment below threshold		522	(522)
<b>Total Capital Outlay</b>	<b>\$98,000</b>	<b>\$17,657</b>	<b>\$80,343</b>
<b>Total Expenditures</b>	<b>\$3,469,917</b>	<b>\$3,089,577</b>	<b>\$380,340</b>
<b>Revenues Over Expenditures</b>	<b>(\$10,456)</b>	<b>\$458,850</b>	<b>\$469,306</b>

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In:			
Alternative Water Supply Fund	\$713,367	\$713,366	(\$1)
Cutter Creek Sewer Construction Fund		32,230	32,230
Operating Transfers Out:			
Alternative Water Supply Fund	(711,648)	(732,408)	(20,760)
General Fund		(29,098)	(29,098)
Automated Meter Solution Fund		(31,712)	(31,712)
The Refuge Water Line Extension Fund		(90,910)	(90,910)
Water Debt Service Fund	(69,263)	(69,263)	
Fund Balance Appropriated	78,000		(78,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$10,456</b>	<b>(\$207,795)</b>	<b>(\$218,251)</b>
 <i>Revenues and Other Financing Sources Over (Under) Expenditures, Financing Uses, and Appropriated Fund Balance</i>	 <b>\$0</b>	 <b>\$251,055</b>	 <b>\$251,055</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		(\$895,012)	
Principal Payments		594,084	
Capital Outlay		17,135	
Increase in Compensated Absences		(1,919)	
Increase in Other Postemployment Benefits		(14,582)	
Increase in Accrued Interest		(17,455)	
Alternative Water Phase 1G Engineering Costs		(516,288)	
Net Income Capital Reserve Fund Excluding Transfers		76	
Capital Reserve Fund		857	
Alternative Water Supply Meter Fees from Alternative Water Supply Capital Reserve Fund		229,609	
Depreciation Water & Sewer District 1		(41,445)	
Administrative Expenses Water & Sewer District 1		(12)	
Transfer to Alternative Water Supply Fund		732,408	
Reimbursement to Water Fund From Alternative Water Supply Fund		(713,366)	
Alternative Water Supply Fund Expenditures		(38,092)	
Investment Earnings on Alternative Water Phase 1A		73	
Capital Contributions Alternative Water Phase 1C Project		103,294	
Transfer from Cutter Creek Sewer Construction Project		(32,230)	
Transfer to Automated Meter Solutions Fund		31,712	
Transfer to the Refuge Water Line Extension Fund		90,910	
Transfer to Water Debt Service Fund		69,263	
Transfer from Alternative Water Phase 1A to General Fund		(243)	
Investment Earnings on Alternative Water Phase 1C		39	
Investment Earnings on Alternative Water Phase 1F		41	
<b>Total Reconciling Items</b>		<b>(\$401,143)</b>	
<b>Change in Net Position</b>		<b>(\$150,088)</b>	

**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, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$76	\$76
<b>Total Revenues</b>	<b>\$0</b>	<b>\$76</b>	<b>\$76</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In (Out)	\$69,263		(\$69,263)
Reserve	(69,263)		69,263
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over (Under) Other Financing Sources</b>	<b>\$0</b>	<b>\$76</b>	<b>\$76</b>
FUND BALANCE, Beginning		504,383	
FUND BALANCE, Ending		<b>\$504,459</b>	

**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, 2014**

	<u>Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings	\$38	\$857	\$819
Per Meter AWS Fees	209,296	229,609	20,313
<b>Total Revenues</b>	<b><u>\$209,334</u></b>	<b><u>\$230,466</u></b>	<b><u>\$21,132</u></b>
<b>EXPENDITURES:</b>			
Professional Services	\$40,000	\$38,092	\$1,908
<b>Total Expenditures</b>	<b><u>\$40,000</u></b>	<b><u>\$38,092</u></b>	<b><u>\$1,908</u></b>
<b>Revenues Over (Under) Other Expenditures</b>	<b><u>\$169,334</u></b>	<b><u>\$192,374</u></b>	<b><u>\$23,040</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In	\$479,748	\$732,408	\$252,660
Operating Transfers Out	(698,547)	(1,308,367)	(609,820)
Reimbursement to Water Fund			
Debt Reserve - Phase 1A			
Debt Reserve - Phase 1C			
Reserve			
Fund Balance Appropriated	49,465		(49,465)
<b>Total Other Financing Sources</b>	<b><u>(\$169,334)</u></b>	<b><u>(\$575,959)</u></b>	<b><u>(\$406,625)</u></b>
<b>Revenues Over (Under) Other Financing Sources</b>	<b><u>\$0</u></b>	<b><u>(\$383,585)</u></b>	<b><u>(\$383,585)</u></b>
FUND BALANCE, Beginning		<u>5,847,920</u>	
FUND BALANCE, Ending		<b><u>\$5,464,335</u></b>	

**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, 2014**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Investment Earnings		\$30,648		\$30,648	\$30,648
<b>Total Revenues</b>	<b>\$0</b>	<b>\$30,648</b>	<b>\$0</b>	<b>\$30,648</b>	<b>\$30,648</b>
<b>EXPENDITURES:</b>					
Construction	\$1,515,917	\$1,476,579		\$1,476,579	\$39,338
Engineering	114,437	96,388		96,388	18,049
Inspection	112,690	112,689		112,689	1
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
<b>Total Expenditures</b>	<b>\$1,800,000</b>	<b>\$1,693,068</b>	<b>\$0</b>	<b>\$1,693,068</b>	<b>\$106,932</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$1,800,000)</b>	<b>(\$1,662,420)</b>	<b>\$0</b>	<b>(\$1,662,420)</b>	<b>\$137,580</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Installment Purchase Obligation Issued	\$1,800,000	\$1,800,000		\$1,800,000	
Transfer to Utility Fund		(105,350)	(\$32,230)	(137,580)	(\$137,580)
<b>Total Other Financing Sources (Uses)</b>	<b>\$1,800,000</b>	<b>\$1,800,000</b>	<b>(\$32,230)</b>	<b>\$1,662,420</b>	<b>(\$137,580)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$137,580</b>	<b>(\$32,230)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			<b>32,230</b>		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**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, 2014**

	Project Authorization	Actual		Total To Date	Variance Favorable (Unfavorable)
		Prior Years	Current Year		
<b>REVENUES:</b>					
Investment Earnings - (BAN Proceeds)	\$57,380	\$59,802	\$73	\$59,875	\$2,495
Investment Earnings from Phase 1A	20,122				(20,122)
Interest Earned on Non-Ban Proceeds		28,138		28,138	28,138
USDA - RD Grant Income	1,000,000	1,000,000		1,000,000	
EDA Grant Income	500,000	500,000		500,000	
Rural Center Grant Income	400,000	400,000		400,000	
NC Direct Appropriations	1,000,000	1,000,000		1,000,000	
Sales Tax Refund - From Farmville	193,193	7,744		7,744	(185,449)
Sale of Timber - Site 247	4,875	4,875		4,875	
Miscellaneous Income	78,365				(78,365)
<b>Total Revenues</b>	<b>\$3,253,935</b>	<b>\$3,000,559</b>	<b>\$73</b>	<b>\$3,000,632</b>	<b>(\$253,303)</b>
<b>EXPENDITURES:</b>					
Construction	\$7,617,111	\$7,559,127		\$7,559,127	\$57,984
Engineering	465,518	465,518		465,518	
Inspection	278,850	276,127		276,127	2,723
Temporary Financing Interest Expense	414,305	398,385		398,385	15,920
Land/Easements	147,447	147,447		147,447	
Funding Assistance	46,575	46,575		46,575	
Administrative	46,333	46,332		46,332	1
Project Administrative	25,000	25,000		25,000	
Grant Assistance	25,000	25,000		25,000	
Reimbursables	21,160	21,160		21,160	
Legal	30,696	30,695		30,695	1
Geotechnical	5,625	5,625		5,625	
Environmental	5,000	5,000		5,000	
Appraisals	2,300	2,300		2,300	
Accounting	3,400				3,400
<b>Total Expenditures</b>	<b>\$9,134,320</b>	<b>\$9,054,291</b>	<b>\$0</b>	<b>\$9,054,291</b>	<b>\$80,029</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$6,880,385)</b>	<b>(\$6,053,732)</b>	<b>\$73</b>	<b>(\$6,053,659)</b>	<b>(\$173,274)</b>
<b>OTHER FINANCING SOURCES:</b>					
USDA - RD Loan Income - (BAN Proceeds)	\$6,202,000	\$6,202,000		\$6,202,000	
Residual Fund Balance from DOC Water/Sewer Project		192,575		192,575	\$192,575
Transfer to General Fund			(\$243)	(243)	(243)
Transfer to Farmville	(200,000)	(200,000)		(200,000)	
Transfer to GC 43-210-434570	(70,620)				70,620
Transfer to GC - Water Fund	(50,995)	(50,995)		(50,995)	
Transfer to GC - Alternative Water Supply Fund	(89,678)	(89,678)		(89,678)	
Appropriated Fund Balance	89,678				(89,678)
<b>Total Other Financing Sources</b>	<b>\$5,880,385</b>	<b>\$6,053,902</b>	<b>(\$243)</b>	<b>\$6,053,659</b>	<b>\$173,274</b>
<b>Revenues and Other Financing Over Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$170</b>	<b>(\$170)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			170		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**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, 2014**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
USDA - RD Grant Income	\$1,547,332	\$1,543,486		\$1,543,486	(\$3,846)
USDA - RD Transfer from Farmville	200,000	200,000		200,000	
USDA - RD Supplemental Grant	2,000,000	2,000,000		2,000,000	
Rural Center Grant Income	1,800,000	1,800,000		1,800,000	
Sales Tax Refund - Restricted	154,595				(154,595)
Investment Earnings - (BAN Proceeds)	5,254	5,256		5,256	2
Investment Earnings	861	1,245	\$39	1,284	423
Liquidated Damages	25,000	25,000		25,000	
USDA - RD Grant Income	52,668		56,363	56,363	3,695
Rural Center Grant Income	50,000		46,931	46,931	(3,069)
Sales Tax Refund - Restricted	172,131				(172,131)
<b>Total Revenues</b>	<b><u>\$6,007,841</u></b>	<b><u>\$5,574,987</u></b>	<b><u>\$103,333</u></b>	<b><u>\$5,678,320</u></b>	<b><u>(\$329,521)</u></b>
<b>EXPENDITURES:</b>					
Construction	\$10,220,172	\$9,893,444		\$9,893,444	\$326,728
Engineering	581,601	578,667	\$2,934	581,601	
Temporary Financing Interest Expense	498,247	314,615		314,615	183,632
Inspection	555,745	555,747		555,747	(2)
Land/Easements	202,530	202,522		202,522	8
Administrative	8,044	8,043		8,043	1
Grant Assistance	25,000	25,000		25,000	
Funding Assistance	25,000	25,000		25,000	
Legal	20,697	20,697		20,697	
Audit	2,550	1,700		1,700	850
Project Administration	25,000	25,000		25,000	
Water Board Coordination	35,000	35,000		35,000	
Inspection Beyond Contract Period	50,456	50,456		50,456	
Construction Admin Beyond Contract Period	20,000	20,000		20,000	
Contract No. 16 - Water Transmission Lines	80,698		80,698	80,698	
Basic Engineering Fees	7,000		7,000	7,000	
Inspection	12,000		11,901	11,901	99
Legal	1,000				1,000
Administrative	874	874		874	
Contingency	1,096				1,096
Project Administration	2,500		2,500	2,500	
Grant Assistance	2,500		2,500	2,500	
<b>Total Expenditures</b>	<b><u>\$12,377,710</u></b>	<b><u>\$11,756,765</u></b>	<b><u>\$107,533</u></b>	<b><u>\$11,864,298</u></b>	<b><u>\$513,412</u></b>
<b>Revenues Over (Under) Expenditures</b>	<b><u>(\$6,369,869)</u></b>	<b><u>(\$6,181,778)</u></b>	<b><u>(\$4,200)</u></b>	<b><u>(\$6,185,978)</u></b>	<b><u>\$183,891</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>					
USDA - RD Loan Income - (BAN Proceeds)	\$3,800,000	\$3,800,000		\$3,800,000	
USDA - Supplemental Loan	2,737,000	2,737,000		2,737,000	
Interim Financing Loan	113,000				(113,000)
Repayment of Interim Financing Loan	(113,000)				113,000
Transfer (to) from GC - Alternative Water Supply	(167,131)	(350,763)	\$20,561	(330,202)	(163,071)
<b>Total Other Financing Sources (Uses)</b>	<b><u>\$6,369,869</u></b>	<b><u>\$6,186,237</u></b>	<b><u>\$20,561</u></b>	<b><u>\$6,206,798</u></b>	<b><u>(\$163,071)</u></b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b><u>\$0</u></b>	<b><u>\$4,459</u></b>	<b><u>\$16,361</u></b>	<b><u>\$20,820</u></b>	<b><u>\$20,820</u></b>
<b>FUND BALANCE, Beginning</b>			<b><u>4,459</u></b>		
<b>FUND BALANCE, Ending</b>			<b><u>\$20,820</u></b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1F PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
ARRA - DWSRF Principal Forgiveness Grant	\$1,500,000	\$1,500,000		\$1,500,000	
Sales Tax	90,066				(\$90,066)
Local Project Contribution	101	101		101	
Investment Earnings			\$41	41	41
<b>Total Revenues</b>	<b><u>\$1,590,167</u></b>	<b><u>\$1,500,101</u></b>	<b><u>\$41</u></b>	<b><u>\$1,500,142</u></b>	<b><u>(\$90,025)</u></b>
<b>EXPENDITURES:</b>					
Construction	\$2,558,679	\$2,468,613		\$2,468,613	\$90,066
Engineering	174,347	174,347		174,347	
Construction Observation	191,832	191,832		191,832	
Legal	2,775	2,775		2,775	
Audit	1,700	1,700		1,700	
Administrative	4,607	4,607		4,607	
Project Administration	85,000	85,000		85,000	
Funding Assistance	25,000	25,000		25,000	
Grant Administration	25,000	25,000		25,000	
ARRA DBE Administration	10,000	10,000		10,000	
ARRA Buy American Administration	6,500	6,500		6,500	
ARRA Job Creation Administration	5,000	5,000		5,000	
ARRA Davis Bacon Administration	25,000	25,000		25,000	
Permit Fees	1,240	1,240		1,240	
<b>Total Expenditures</b>	<b><u>\$3,116,680</u></b>	<b><u>\$3,026,614</u></b>	<b><u>\$0</u></b>	<b><u>\$3,026,614</u></b>	<b><u>\$90,066</u></b>
<b>Revenues Over (Under) Expenditures</b>	<b><u>(\$1,526,513)</u></b>	<b><u>(\$1,526,513)</u></b>	<b><u>\$41</u></b>	<b><u>(\$1,526,472)</u></b>	<b><u>\$41</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>					
ARRA - DWSRF Debt Proceeds	\$1,500,000	\$1,500,000		\$1,500,000	
Transfer from GC - Alternative Water Supply Fund	26,513		\$26,472	26,472	(\$41)
<b>Total Other Financing Sources (Uses)</b>	<b><u>\$1,526,513</u></b>	<b><u>\$1,500,000</u></b>	<b><u>\$26,472</u></b>	<b><u>\$1,526,472</u></b>	<b><u>(\$41)</u></b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b><u>\$0</u></b>	<b><u>(\$26,513)</u></b>	<b><u>\$26,513</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FUND BALANCE, Beginning</b>			<b><u>(26,513)</u></b>		
<b>FUND BALANCE, Ending</b>			<b><u>\$0</u></b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1G PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual		Variance Favorable (Unfavorable)
			Current Year	Total To Date	
<b>EXPENDITURES:</b>					
Engineering	\$398,298		\$398,298	\$398,298	
Legal	3,276	\$78	3,198	3,276	
Land/Easements	60,680	31,680		31,680	\$29,000
Funding Assistance	5,000		5,000	5,000	
Advertisement	290		290	290	
Printing	3,549		3,549	3,549	
Reimbursable	875	875		875	
Funding Assistance - Non-USDA	20,000		20,000	20,000	
Project Administration - Non-USDA	15,000		15,000	15,000	
Water Board Coordination - Non-USDA	70,000	15,000	55,000	70,000	
Contingency - Non-USDA	8,032				8,032
<b>Total Expenditures</b>	<b>\$585,000</b>	<b>\$47,633</b>	<b>\$500,335</b>	<b>\$547,968</b>	<b>\$37,032</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$585,000)</b>	<b>(\$47,633)</b>	<b>(\$500,335)</b>	<b>(\$547,968)</b>	<b>\$37,032</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer from GC - Alternative Water Supply Fund	\$585,000		\$547,968	\$547,968	(\$37,032)
<b>Total Other Financing Sources (Uses)</b>	<b>\$585,000</b>	<b>\$0</b>	<b>\$547,968</b>	<b>\$547,968</b>	<b>(\$37,032)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$47,633)</b>	<b>\$47,633</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			(47,633)		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1H PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

	Project Authorization	Prior Years	Actual		Variance Favorable (Unfavorable)
			Current Year	Total To Date	
<b>REVENUES:</b>					
USDA - RD Grant Income	\$1,276,000				(\$1,276,000)
<b>Total Revenues</b>	<b>\$1,276,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,276,000)</b>
<b>EXPENDITURES:</b>					
Contract No. 14 - Water Transmission Lines	\$2,406,477				\$2,406,477
Basic Engineering Fees (Prior to Construction)	219,585		\$197,524	\$197,524	22,061
Advertisement	1,500		990	990	510
Printing	10,000				10,000
Permit Application Fees	1,370				1,370
Construction Administration	266,157		17,311	17,311	248,846
Legal	5,000				5,000
Contingency	119,911				119,911
Funding Assistance	25,000				25,000
Contract No. 14 - Water Transmission Lines	789,308				789,308
Contract No. 15 - Water Transmission Lines & Sta	2,443,612				2,443,612
Preliminary Engineering Report	15,000				15,000
Basic Engineering Fees	140,840				140,840
Inspection	100,000				100,000
Advertisement	1,000				1,000
Reimbursable (Permit Fees)	1,000				1,000
Environmental Report	5,000				5,000
Survey	6,000				6,000
Land Acquisition Negotiation	5,000				5,000
Coordination with USACOE	5,000				5,000
Funding Assistance	25,000		25,000	25,000	
Project Administration	25,000				25,000
Grant Administration	25,000				25,000
Legal	30,000				30,000
Land/Easements	60,000				60,000
Repay Interin Financing Loan	40,000				40,000
Temporary Financing	75,000				75,000
Contingency	311,240				311,240
<b>Total Expenditures</b>	<b>\$7,158,000</b>	<b>\$0</b>	<b>\$240,825</b>	<b>\$240,825</b>	<b>\$6,917,175</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$5,882,000)</b>	<b>\$0</b>	<b>(\$240,825)</b>	<b>(\$240,825)</b>	<b>\$5,641,175</b>

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1H PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

**OTHER FINANCING SOURCES (USES):**

PWS DWSRF Loan	\$600,000			(\$600,000)
PWS DWSRF Loan Forgiveness	2,400,000			(2,400,000)
Owner Contribution from AWS Fund	55,000			(55,000)
USDA - RD Loan Income - (BAN Proceeds)	2,787,000			(2,787,000)
Interim Financing Loan From AWS Fund	40,000			(40,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$5,882,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Revenues and Other Financing Sources  
Over (Under) Expenditures and Other  
Financing Uses**

<b>\$0</b>	<b>\$0</b>	<b>(\$240,825)</b>	<b>(\$240,825)</b>	<b>(\$240,825)</b>
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FUND BALANCE, Beginning

FUND BALANCE, Ending

(\$240,825)

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**AUTOMATED METER SOLUTION PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

	<u>Project</u> <u>Authorization</u>	<u>Prior</u> <u>Years</u>	<u>Actual</u> <u>Current</u> <u>Year</u>	<u>Total</u> <u>To Date</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>EXPENDITURES:</b>					
Contract No. 1 - Automated Metering Solution	\$1,219,946		\$410,868	\$410,868	\$809,078
Tyler Technologies, Inc.	14,000				14,000
CenturyLink, Inc.	750				750
Utility Service Company, Inc.	14,000				14,000
Basic Engineering Fees (Prior to Construction)	87,410		79,829	79,829	7,581
Construction Administration/Observation	137,360		13,581	13,581	123,779
Other	26,000		3,046	3,046	22,954
Legal Costs	2,000				2,000
Closing Fee	34,020		31,712	31,712	2,308
Contingency	52,435				52,435
<b>Total Expenditures</b>	<b><u>\$1,587,921</u></b>	<b><u>\$0</u></b>	<b><u>\$539,036</u></b>	<b><u>\$539,036</u></b>	<b><u>\$1,048,885</u></b>
<b>Revenues Over (Under) Expenditures</b>	<b><u>(\$1,587,921)</u></b>	<b><u>\$0</u></b>	<b><u>(\$539,036)</u></b>	<b><u>(\$539,036)</u></b>	<b><u>(\$1,048,885)</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>					
PWS DWSRF Loan	\$1,587,921				(\$1,587,921)
Transfer from Utility Fund			\$31,712	\$31,712	31,712
<b>Total Other Financing Sources (Uses)</b>	<b><u>\$1,587,921</u></b>	<b><u>\$0</u></b>	<b><u>\$31,712</u></b>	<b><u>\$31,712</u></b>	<b><u>(\$1,587,921)</u></b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>(\$507,324)</u></b>	<b><u>(\$507,324)</u></b>	<b><u>(\$2,636,806)</u></b>
<b>FUND BALANCE, Beginning</b>					
<b>FUND BALANCE, Ending</b>			<b><u>(\$507,324)</u></b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**THE REFUGE WATER LINE EXTENSION PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>					
Sales Tax Refund					
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>					
Contract No. 1 - Water Distribution Line	\$79,464	\$79,464		\$79,464	
Preliminary Engineering Report	750	750		750	
Basic Engineering Fees	3,725	3,725		3,725	
Additional Services	2,190	2,190		2,190	
Inspection	2,790	2,790		2,790	
Legal	927	927		927	
Project Administration	750	750		750	
Advertisement	314	314		314	
<b>Total Expenditures</b>	<b>\$90,910</b>	<b>\$90,910</b>	<b>\$0</b>	<b>\$90,910</b>	<b>\$0</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$90,910)</b>	<b>(\$90,910)</b>	<b>\$0</b>	<b>(\$90,910)</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer from Utility Fund	\$90,910		\$90,910	\$90,910	
<b>Total Other Financing Sources (Uses)</b>	<b>\$90,910</b>	<b>\$0</b>	<b>\$90,910</b>	<b>\$90,910</b>	<b>\$0</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$90,910)</b>	<b>\$90,910</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>			<b>(90,910)</b>		
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**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, 2014**

	<u>Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Total Revenues</i>	<u>\$12</u>	<u>\$0</u>	<u>(\$12)</u>
<b>EXPENDITURES:</b>			
Administrative	\$12	\$12	
<i>Total Expenditures</i>	<u>\$12</u>	<u>\$12</u>	<u>\$0</u>
<i>Revenues Over (Under) Expenditures</i>	<u>\$0</u>	<u>(\$12)</u>	<u>(\$12)</u>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		(\$41,445)	
<i>Total Reconciling Items</i>		<u>(\$41,445)</u>	
<i>Change in Net Position</i>		<u>(\$41,457)</u>	

**GREENE COUNTY, NORTH CAROLINA**  
**WATER DEBT RESERVE FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year End June 30, 2014**

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Debt Service Revenues			
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from Utility Fund			
Phase 1A Reserve			
Phase 1C Reserve			
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE, Beginning</b>		<b>84,128</b>	
<b>FUND BALANCE, Ending</b>		<b>\$84,128</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**WATER DEBT SERVICE FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
For the Fiscal Year End June 30, 2014

	<u>Annual Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings			
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from Utility Fund	\$69,263	\$69,263	
Phase 1A Reserve	(35,235)		\$35,235
Phase 1C Reserve	(34,028)		34,028
<b>Total Other Financing Sources</b>	<b>0</b>	<b>\$69,263</b>	<b>\$69,263</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$69,263</b>	<b>\$69,263</b>
<b>FUND BALANCE, Beginning</b>		<b>63,820</b>	
<b>FUND BALANCE, Ending</b>		<b>\$133,083</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**LANDFILL FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Operating:</i>			
Landfill Fees	\$600,245	\$625,241	\$24,996
<b>Total Operating Revenues</b>	<b>\$600,245</b>	<b>\$625,241</b>	<b>\$24,996</b>
<i>Nonoperating:</i>			
Investment Earnings	\$15	\$61	\$46
<b>Total Nonoperating Revenues</b>	<b>\$15</b>	<b>\$61</b>	<b>\$46</b>
<b>Total Revenues</b>	<b>\$600,260</b>	<b>\$625,302</b>	<b>\$25,042</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$166,103	\$162,238	\$3,865
Employee Training	1,250	940	310
Supplies	38,800	29,805	8,995
Maintenance	38,923	25,663	13,260
Contracted Services	170,004	163,566	6,438
Utilities	16,500	14,888	1,612
Professional Services	23,000	26,561	(3,561)
Insurance	8,000	8,000	
Site Improvements	4,000	3,714	286
Telephone and Postage	8,060	6,997	1,063
Travel	770		770
Disposal Fees	124,850	123,321	1,529
<b>Total Expenditures</b>	<b>\$600,260</b>	<b>\$565,693</b>	<b>\$34,567</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$59,609</b>	<b>\$59,609</b>

GREENE COUNTY, NORTH CAROLINA  
LANDFILL FUND  
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2014

	<u>Budget</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Fund Balance Appropriated			
<b>Total Other Financing Sources (Uses)</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$0</u>	<u>\$59,609</u>	<u>\$59,609</u>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>Revenues Over (Under) Expenditures</b>	<u>\$0</u>	<u>\$59,609</u>	<u>\$59,609</u>
<b>RECONCILING ITEMS:</b>			
Increase in Compensated Absences		(\$825)	
Increase in Other Postemployment Benefits		(3,456)	
Depreciation		(31,145)	
Increase in Accrued Landfill Closure and Postclosure Care Costs		(92,587)	
<b>Total Reconciling Items</b>		<u>(\$128,013)</u>	
<b>Change in Net Position</b>		<u>(\$68,404)</u>	

**GREENE COUNTY, NORTH CAROLINA**  
**TRANSPORTATION SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2014**

	Budget	2014 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<i>Operating:</i>			
Transportation Fares	\$173,713	\$198,947	\$25,234
<b>Total Operating Revenues</b>	<b>\$173,713</b>	<b>\$198,947</b>	<b>\$25,234</b>
<i>Nonoperating:</i>			
Investment Earnings		\$19	\$19
ROAP - EMPL	\$7,346	7,346	
DOT Transportation Coordination Grant	88,000	68,000	(20,000)
ROAP - EDTAP	63,030	51,064	(11,966)
ROAP - RGP	62,058	62,058	
<b>Total Nonoperating Revenues</b>	<b>\$220,434</b>	<b>\$188,487</b>	<b>(\$31,947)</b>
<b>Total Revenues</b>	<b>\$394,147</b>	<b>\$387,434</b>	<b>(\$6,713)</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$258,702	\$246,585	\$12,117
Supplies and Fuel	76,738	55,879	20,859
Maintenance	34,840	23,901	10,939
Utilities	2,500	1,701	799
Office Expense	10,655	10,105	550
Telephone and Postage	2,600	2,495	105
Travel	3,150	584	2,566
Miscellaneous Operating Expense	355	354	1
Rent	542	494	48
Indirect Costs	4,065	4,065	0
<b>Total Expenditures</b>	<b>\$394,147</b>	<b>\$346,163</b>	<b>\$47,984</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$41,271</b>	<b>\$41,271</b>
<b>OTHER FINANCING SOURCES:</b>			
Fund Balance Appropriated			\$0
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues and Other Financing Sources (Uses) Over Expenditures</b>	<b>\$0</b>	<b>\$41,271</b>	<b>\$41,271</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Decrease in Compensated Absences		\$4,362	
Increase in Other Post Employment Benefits		(6,697)	
Depreciation		(55,685)	
<b>Total Reconciling Items</b>		<b>(\$58,020)</b>	
<b>Change in Net Position</b>		<b>(\$16,749)</b>	

## **INTERNAL SERVICE FUND**

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

**GREENE COUNTY, NORTH CAROLINA**  
**ASO-SELF FUNDED MEDICAL INSURANCE INTERNAL SERVICE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)**  
**For The Fiscal Year Ended June 30, 2014**

	<u>Financial Plan</u>	<u>2014 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Operating:</i>			
County Contributions/Premiums		\$1,267,395	\$1,267,395
<b>Total Operating Revenues</b>	<b>\$0</b>	<b>\$1,267,395</b>	<b>\$1,267,395</b>
<i>Nonoperating:</i>			
Investment Earnings		\$70	\$70
<b>Total Nonoperating Revenues</b>	<b>\$0</b>	<b>\$70</b>	<b>\$70</b>
<b>Total Revenues</b>	<b>\$0</b>	<b>\$1,267,465</b>	<b>\$1,267,465</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Medical Claims and Fees		\$1,227,071	(\$1,227,071)
<b>Total</b>	<b>\$0</b>	<b>\$1,227,071</b>	<b>(\$1,227,071)</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$40,394</b>	<b>\$40,394</b>

## **AGENCY FUNDS**

***The following comprise the County's Agency Funds:***

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

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

***Jail Inmate Fund*** - The Jail Inmate Fund is used to account for funds held on behalf of the inmates of the Greene County Jail.

***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.

***Cooperative Extension Fund*** - The Cooperative Extension Fund is used to account for funds received for agriculturally-sponsored events and expenses paid to cover costs related to those events.

***South Greene Water Collection Fund*** - The South Greene Water Collection Fund is used to account for water funds collected and remitted under a contract basis on behalf of South Greene Water Corporation.

**GREENE COUNTY, NORTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For The Fiscal Year Ended June 30, 2014**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b><i>Municipal Tax Fund:</i></b>				
<b>Assets:</b>				
Cash	\$8,819	\$134,627	\$137,337	\$6,109
Due from Other Governments		5,595		5,595
	<u>\$8,819</u>	<u>\$140,222</u>	<u>\$137,337</u>	<u>\$11,704</u>
<b>Liabilities:</b>				
Accounts Payable	\$8,819	\$140,222	\$137,337	\$11,704
	<u>\$8,819</u>	<u>\$140,222</u>	<u>\$137,337</u>	<u>\$11,704</u>
<b><i>Social Services Fund:</i></b>				
<b>Assets, Cash</b>				
	<u>\$118,875</u>	<u>\$184,380</u>	<u>\$173,238</u>	<u>\$130,017</u>
<b>Liabilities, Accounts Payable</b>				
	<u>\$118,875</u>	<u>\$184,380</u>	<u>\$173,238</u>	<u>\$130,017</u>
<b><i>Jail Inmate Fund:</i></b>				
<b>Assets, Cash</b>				
	<u>\$3,987</u>	<u>\$45,773</u>	<u>\$47,329</u>	<u>\$2,431</u>
<b>Liabilities, Accounts Payable</b>				
	<u>\$3,987</u>	<u>\$45,773</u>	<u>\$47,329</u>	<u>\$2,431</u>
<b><i>Fines and Forfeitures Fund:</i></b>				
<b>Assets:</b>				
Cash	\$7		\$7	
Due from Other Governments	9,616	\$79,542	84,479	\$4,679
	<u>\$9,623</u>	<u>\$79,542</u>	<u>\$84,486</u>	<u>\$4,679</u>
<b>Liabilities:</b>				
Accounts Payable	\$9,623	\$79,542	\$84,486	\$4,679
	<u>\$9,623</u>	<u>\$79,542</u>	<u>\$84,486</u>	<u>\$4,679</u>
<b><i>Cooperative Extension Fund:</i></b>				
<b>Assets, Cash</b>				
	<u>\$20,620</u>	<u>\$26,290</u>	<u>\$17,017</u>	<u>\$29,893</u>
<b>Liabilities, Accounts Payable</b>				
	<u>\$20,620</u>	<u>\$26,290</u>	<u>\$17,017</u>	<u>\$29,893</u>
<b><i>South Greene Water Collection Fund:</i></b>				
<b>Assets:</b>				
Cash	(\$65,773)	\$479,850	\$390,526	\$23,551
Due from Other Governments	76,397		76,397	
	<u>\$10,624</u>	<u>\$479,850</u>	<u>\$466,923</u>	<u>\$23,551</u>
<b>Liabilities:</b>				
Accounts Payable	\$10,624	\$479,850	\$466,923	\$23,551
	<u>\$10,624</u>	<u>\$479,850</u>	<u>\$466,923</u>	<u>\$23,551</u>
<b>TOTALS - ALL AGENCY FUNDS:</b>				
<b>Assets, Cash and Due From Other Governments</b>				
	<u>\$172,548</u>	<u>\$956,057</u>	<u>\$926,330</u>	<u>\$202,275</u>
<b>Liabilities:</b>				
Accounts Payable	\$172,548	\$956,057	\$926,330	\$202,275
	<u>\$172,548</u>	<u>\$956,057</u>	<u>\$926,330</u>	<u>\$202,275</u>
<b>Total Liabilities</b>	<u>\$172,548</u>	<u>\$956,057</u>	<u>\$926,330</u>	<u>\$202,275</u>

## **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, 2014**

<b>Fiscal Year Ended June 30,</b>	<b>Uncollected Balance June 30, 2013</b>	<b>Additions</b>	<b>Collections and Credits</b>	<b>Uncollected Balance June 30, 2014</b>
2013-14		\$8,583,252	\$8,360,744	\$222,508
2012-13	\$284,030		214,236	69,794
2011-12	62,920		25,562	37,358
2010-11	46,164		17,939	28,225
2009-10	35,303		6,499	28,804
2008-09	27,827		3,648	24,179
2007-08	18,260		3,071	15,189
2006-07	15,097		2,963	12,134
2005-06	15,896		1,890	14,006
2004-05	13,353		1,787	11,566
2003-04	13,179		13,179	
	<u>\$532,029</u>	<u>\$8,583,252</u>	<u>\$8,651,518</u>	<u>\$463,763</u>
Less Allowance for Uncollectible Ad Valorem Taxes Receivable:				104,143
<b>Ad Valorem Taxes Receivable, Net</b>				<u><u>\$359,620</u></u>
<b>Reconciliation with Revenues:</b>				
Ad Valorem Taxes - General Fund				\$8,608,143
Interest and Penalties Collected on Ad Valorem Taxes - General Fund				169,443
				<u><u>\$8,777,586</u></u>
<b>Reconciling Items:</b>				
Interest and Penalties Collected				(\$169,443)
Refunds				57,715
Dog Tax				(1,495)
Taxes Written Off				4,013
Prior Year Releases/Adjustments				(16,858)
<b>Total Reconciling Items</b>				<u><u>(\$126,068)</u></u>
<b>Total Collections and Credits</b>				<u><u>\$8,651,518</u></u>

**GREENE COUNTY, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE LEVY**  
For The Fiscal Year Ended June 30, 2014

	<b>County-Wide</b>		<b>Total Levy</b>		
			<b>Property Valuation</b>	<b>Rate</b>	<b>Amount of Levy</b>
	<b>Registered Motor Vehicles</b>	<b>Registered Motor Vehicles</b>			
<b>Original Levy:</b>					
Property Taxed at Current Year's Rate	\$1,045,596,819	0.786	\$8,218,391	\$7,280,679	\$937,712
Motor Vehicles Taxed at Prior Year's Rates	50,856,026	0.756	384,472		384,472
<b>Total</b>	<del>\$1,096,452,845</del>		<del>\$8,602,863</del>	<del>\$7,280,679</del>	<del>\$1,322,184</del>
<b>Discoveries:</b>					
Current Year Taxes	\$1,732,481	0.786	\$13,617	\$13,617	
Prior Year Taxes			4,413	4,413	
Penalties			16,061	16,061	
<b>Total Discoveries</b>	<del>\$1,732,481</del>		<del>\$34,091</del>	<del>\$34,091</del>	<del>\$0</del>
<b>Abatements</b>					
Releases	(\$6,832,285)	0.786	(\$53,702)	(\$36,436)	(\$17,266)
<b>Total Abatements</b>	<del>(\$6,832,285)</del>		<del>(\$53,702)</del>	<del>(\$36,436)</del>	<del>(\$17,266)</del>
<b>Total Property Valuation</b>	<del>\$1,091,353,041</del>				
<b>Net Levy</b>			<b>\$8,583,252</b>	<b>\$7,278,334</b>	<b>\$1,304,918</b>
Uncollected Taxes at June 30, 2014			222,508	196,048	26,460
<b>Current Year's Taxes Collected</b>			<del><b>\$8,360,744</b></del>	<del><b>\$7,082,286</b></del>	<del><b>\$1,278,458</b></del>
<b>Current Levy Collection Percentage</b>			<del><b>97.41%</b></del>	<del><b>97.31%</b></del>	<del><b>97.97%</b></del>

**GREENE COUNTY, NORTH CAROLINA**  
**TEN LARGEST TAXPAYERS**  
For The Fiscal Year Ended June 30, 2014

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2012 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Pitt-Greene EMC	Utility	\$17,874,645	1.64%
Ham Farms, Inc.	Agricultural	13,820,104	1.27%
Duke Energy Center	Utility	7,150,032	0.66%
Carolina Telephone	Telephone	4,998,475	0.46%
Piedmont Natural Gas Co., Inc.	Utility	4,113,352	0.38%
Mill Run Development Group, LLC	Construction	3,990,294	0.37%
L.L. Murphrey Company, Inc.	Swine Producer	3,983,164	0.36%
Vanrack, Inc.	Construction	3,693,146	0.34%
Hillco, Ltd.	Nursing Home	3,228,120	0.30%
Cutter Creek Golf Club II, LLC	Country Club	3,059,540	0.28%
		<b><u>\$65,910,872</u></b>	<b><u>6.04%</u></b>

**COMPLIANCE SECTION**



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---

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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**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of County Commissioners  
Greene County, North Carolina

We have audited, 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 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, 2014, and the related notes to the financial statements, which collectively comprises Greene County's basic financial statements, and have issued our report thereon dated November 24, 2014.

**Internal Control Over Financial Reporting**

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

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 14-1, Finding 14-2, Finding 14-3, Finding 14-4, Finding 14-5, Finding 14-6, Finding 14-7 and Finding 14-8 to be material weaknesses.

**Compliance and Other Matters**

As 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 14-6.

**County of Greene's Response to Findings**

The County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

**Purpose of this Report**

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

*Barrow, Parris & Davenport, P.A.*  
BARROW, PARRIS & DAVENPORT, P.A.  
KINSTON, NC

November 24, 2014



**BARROW, PARRIS & DAVENPORT, P.A.**  
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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**

---

**INDEPENDENT AUDITOR'S REPORT**

To the Board of County Commissioners  
Greene County, North Carolina

**Report on Compliance for Each Major Federal Program**

We have audited Greene County, North Carolina's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2014. Greene County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion on Each Major Federal Program**

In our opinion, Greene County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

## Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Finding 14-9 and Finding 14-10. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control Over Compliance

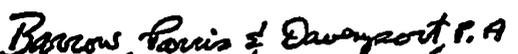
Management of Greene County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Greene County's internal control over compliance with requirements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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as Finding 14-9 and Finding 14-10 that we consider to be significant deficiencies.

The County of Greene's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County of Greene's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

  
BARROW, PARRIS & DAVENPORT, P.A.  
KINSTON, NC



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

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of County Commissioners  
Greene County, North Carolina

**Report on Compliance for Each Major State Program**

We have audited Greene County, North Carolina's compliance, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major State programs for the year ended June 30, 2014. Greene County's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 on compliance for each major state program. However, our audit does not provide a legal determination on Greene County's compliance.

**Opinion on Each Major State Program**

In our opinion, Greene County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2014.

### Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina* and which is described in the accompanying schedule of findings and questioned costs as Finding 14-11. Our opinion on each major state program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### Report on Internal Control Over Compliance

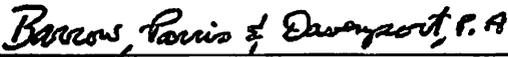
Management of Greene County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Greene County's internal control over compliance with the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

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance as described in the accompanying schedule of findings and questioned costs as Finding 14-11 that we consider to be a significant deficiency.

The County of Greene's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County of Greene's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

  
BARROW, PARRIS & DAVENPORT, P.A.  
KINSTON, NC

November 24, 2014

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For The Year Ended June 30, 2014

**I. SUMMARY OF AUDITORS' RESULTS**

	<u>YES</u>	<u>NO</u>
<b><u>Financial Statements</u></b>		
Type of auditors' report issued: Unqualified		
Internal control over financial reporting:		
• Material weakness(es) identified	<u>X</u>	<u>      </u>
• Significant deficiency(s) identified that are not considered to be material weaknesses	<u>      </u>	<u>X</u>
Noncompliance material to financial statements noted	<u>      </u>	<u>X</u>

**Federal Awards**

Internal control over major federal programs:		
• Material weakness(es) identified	<u>      </u>	<u>X</u>
• Significant deficiency(s) identified that are not considered to be material weaknesses	<u>X</u>	<u>      </u>
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		
	<u>X</u>	<u>      </u>

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
66.468	Drinking Water State Revolving Loan Fund
93.767	State Children's Insurance Program
93.778	Title XIX – Medicaid

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$691,933</u>
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**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2014**

	<u>YES</u>	<u>NO</u>
Auditee qualified as low-risk auditee	_____	<u>  X  </u>

**State Awards**

Internal control over major State programs:

- |  |              |              |
|--|--------------|--------------|
| • Material weakness(es) identified   | _____        | <u>  X  </u> |
| • Significant deficiency(s) identified that are not considered to be material weaknesses | <u>  X  </u> | _____        |

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	<u>  X  </u>	_____
--	--------------	-------

Identification of major State programs:

**Program Name**

Title XIX - Medicaid – State Match

State Children's Insurance Program

**II. FINANCIAL STATEMENT FINDINGS**

**FINDING 14-1 – 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 financial personnel in place 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's 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, 2014

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*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 14-2 – LACK OF OVERALL INTERNAL CONTROLS**

**MATERIAL WEAKNESS**

*Criteria:* The County should have a functioning system of internal controls in place that ensures that County financial and management data is in accordance with laws & regulations and one that also establishes policies and procedures to ensure that County assets are protected against fraud, theft, errors & irregularities.

*Condition:* Although some progress has been made, the County still does not have a complete system of adequate internal controls in place to ensure that all transactions are recorded properly and timely. The County also does not have adequate personnel in place to ensure that all day-to-day operations and finances are being monitored adequately. A part-time Interim County Manager is in place, but has limited time to devote to more detailed monitoring, which in turn limits his effectiveness in detailed monitoring of the finances. This part-time status does not give the County the leadership and management presence that it needs to function properly. This is further compounded by an Interim Finance Officer who is not yet fully trained in all areas of governmental accounting and this does not set a tone of accountability that should be projected throughout the County and throughout all departments.

The following items were noted during the audit that individually did not rise to the level of findings but collectively support the fact that there are deficiencies in the overall internal controls of the County: 1) The County incurred over \$4,000 in penalties for failure to file new unemployment insurance forms timely, 2) The County overpaid a terminated employee by \$1,750 as a result of lack of proper communication between supervisor and the payroll clerk, 3) The County was not following up on non-repayment of Economic Development Loans and has a local business over \$6,000 in arrears with no action being taken and, 4) Due to the retirement of a long term employee and the inexperience of that person's replacement, the Health Department lost its Medicaid status in April 2014 and has been unable to bill Medicaid and Medicare for services that have been rendered, resulting in a loss of income for the fiscal year.

*Effect:* Material misstatements caused by error or fraud can occur and not be detected and corrected by management in a timely manner.

*Cause:* The County is still operating with an Interim County Manager and an Interim Finance Officer. It should be noted that both the Interim County Manager and the Interim Finance Officer have both served the County well (given the limitations of being interim and not full-time) and have, under the circumstances, done an excellent job of keeping things moving forward.

*Recommendation:* The County needs to hire a full-time County Manager and needs to hire a qualified Finance Officer or continue to provide training and support for the current Interim Finance Officer.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

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*Views of Responsible  
Officials and Planned  
Corrective Action:*

The County agrees with this finding. The County is in the process of hiring a full-time County Manager. Interviews have been scheduled with the 2 finalists for this position with an anticipated hire date of February 1, 2015. Both finalists are experienced finance officers. The Interim County Manager will also be retained for a few months to ensure a smooth transition and to assist with the preparation of the 2014-2015 budget. By hiring an experienced Finance Officer as County Manager, this person will be able to assist in the development of the Interim Finance Officer, as well as provide a more detailed monitoring of the County's finances. Additional training will be provided to the Interim Finance Officer. The penalties associated with the unemployment insurance was due to a lack of knowledge of the new procedures and the staff has been provided additional training and we anticipate no additional problems. No payments to employees are paid until all paperwork is complete and signed off by the supervisor, approved by the Finance Officer and completed by the payroll clerk. The collection of the Economic Development Loan was turned over to the County Attorney and the business owner is now current with the exception of the current payment that is due in December. These accounts will be more closely monitored in the future. The Health Department has filed all of the necessary paperwork to regain its Medicare and Medicaid eligibility and is in the process of billing for all of the past services. These funds should be received in FY 2014/2015.

**FINDING 14-3 – REPORTING**

**MATERIAL WEAKNESS**

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

*Condition:* Some accounts had not been adjusted to reflect appropriate year-end balances. Some of the accounts not appropriately adjusted included property tax receivable, sales tax receivable, general accounts receivable, accrued vacation, accrued OPEB, landfill liability closure costs, capital outlay, depreciation expense, customer deposits and transfers. Some of these 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 in a timely manner. Not all accounts were adjusted to appropriate year-end balances.

*Recommendation:* County personnel needs to make it a priority to get its books and records adjusted accurately and timely. This is a repeat finding.

*Views of Responsible  
Officials and Planned  
Corrective Action:*

The County agrees with this finding. The Interim Finance Officer, after working with the consultant, is now using the checklist of duties to make sure that all accounts are kept up to date and that the accounts will reflect appropriate year-end balances.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

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**FINDING 14-4 – 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.

*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 14-5 – FIXED ASSETS**

**MATERIAL WEAKNESS**

*Criteria:* Fixed asset records should be maintained accurately and completely to ensure that all fixed assets meeting the County's capitalization threshold are capitalized and depreciated appropriately.

*Condition:* During the audit of fixed assets, we determined that the reports used by the County to maintain the fixed asset records contained a number of errors. These included incorrect beginning balances, incorrect calculations of depreciation, and inadequate accounting for additions and disposals.

*Effect:* The depreciation schedule could include material misstatements.

*Cause:* During the current year, the County attempted to convert the spreadsheets that it maintains to track fixed assets into a custom depreciation software package. Information was not reconciled and the custom software did not compute current year depreciation. It was also subsequently determined that the County had purchased the software program a number of years back but had not been paying the annual maintenance fee. This resulted in various reports not being able to be produced out of the program.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

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*Recommendation:* The County needs to place continued emphasis on getting the fixed asset records in better condition. This is a repeat finding.

*Views of Responsible  
Officials and Planned  
Corrective Action:*

The County agrees with this finding. While the County has initialized the use of depreciation software to track fixed assets, they are not yet proficient in utilizing the software for the depreciation calculation or for producing appropriate reports and reconciliations. Effective November 2014, the County has contracted with Munis software to make sure that all aspects of the program are working and to receive additional training as needed.

**FINDING 14-6 – BUDGET OVER-EXPENDITURES**

**MATERIAL WEAKNESS  
IMMATERIAL NONCOMPLIANCE**

*Criteria:* In accordance with North Carolina General Statute 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 four areas of various funds exceeded the appropriations made by the governing board.

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

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

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

*Views of Responsible  
Officials and Planned  
Corrective Actions:*

The County agrees with this finding and will more closely monitor budget reports in the future.

**FINDING 14-7 – RECONCILIATION OF CASH BALANCES**

**MATERIAL WEAKNESS**

*Criteria:* Cash balances should be reconciled monthly in a timely manner to ensure that all transactions are properly accounted for.

*Condition:* Cash reconciliations were not performed in a timely manner for two of the County's agency accounts.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

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*Effect:* The bank accounts for Jail Inmates and the Department of Social Services Special Account were not reconciled in a timely manner. Agency Funds could be mishandled or errors could occur and not be detected in a timely manner.

*Cause:* Responsible personnel did not perform their duties.

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

*Views of Responsible Officials and Planned Corrective Actions:* The County agrees with this finding. The Department of Social Services has now reconciled all special accounts. A staff person has been designated for reconciling all special accounts that are held by Social Services. The Finance Office has reconciled the Jail account and is working with current personnel to maintain reconciled monthly statements.

**FINDING 14-8 – SALES TAX REFUND**

**MATERIAL WEAKNESS**

*Criteria:* As permitted by North Carolina General Statute 105-164.14(c), governmental entities are allowed an annual refund of sales and use taxes paid on direct purchases of certain tangible personal property and services and on sales and use tax liability indirectly incurred on capital projects. The request for refund is due within six months after the end of the governmental entity's fiscal year.

*Condition:* The County neglected to request a refund for sales tax paid of approximately \$60,000 on expenditures incurred in association with the construction of the Intermediate School Capital Project which was completed in fiscal year ending June 30, 2013.

*Effect:* The County has not received a refund of the sales tax to which it is entitled.

*Cause:* Two years ago, the County's Finance Officer resigned and the County Manager retired. Since that time, the Interim Finance Office has struggled to stay current. As a result, the sales tax refund has not been requested.

*Recommendation:* The County should submit the request for refund immediately.

*Views of Responsible Officials and Planned Corrective Actions:* The County agrees with this finding. The fiscal year ending June 30, 2013 sales tax refund form has been amended and filed.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

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III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**FINDING 14-9**

**SIGNIFICANT DEFICIENCY  
IMMATERIAL NONCOMPLIANCE**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES**

*Passed Through the N.C. Department of Health and Human Services:*

Program Name: Crosscutting Requirements (DSS-1571) / Subsidized Child Care Cluster: Child Care Development Fund – Administration, Child Care and Development Fund – Discretionary, Child Care and Development Fund – Mandatory and Match, TANF, Foster Care Title IV-E, Social Services Block Grant Day Care; Medical Assistance Program

CFDA #s: 93.575, 93.596, 93.558, 93.667, 93.778

**Special Tests and Provisions**

**Criteria:** Claims for overpayments in the Work First, Food and Nutrition Services Program (Food Stamps), Medicaid Programs and AFDC/TANF are to be entered and tracked in EPICS (Enterprise Program Integrity Control System) by all counties. The county must maintain adequate documentation to substantiate the overpayment for all cases.

**Condition:** The County EPICS supervisor and case worker have not dedicated the amount of time needed to adequately make inquiries to discover and track new claims. The County is currently collecting payments in the form of recoupments and some cash collections on existing cases.

**Questioned Cost:** \$0 – Does not apply.

**Context:** Results of our test showed that the only significant time the County spends on the EPICS program is to process new applications. Very little, if any, fraud work is being performed.

**Effect:** County potentially could miss discovery of new fraud cases in which the County would be entitled to collect the overpayments.

**Cause:** The County Department of Social Services currently has a significant amount of vacancies. Due to the vacancies, the EPICS supervisor and case worker did not dedicate any meaningful amount of time towards the program. The case worker processes new applications for services and finds little, if any time to work on EPICS.

**Recommendation:** Personnel responsible for supervision should closely monitor the procedures and performance of staff and ensure controls are established, implemented and monitored in such a way the County is able to effectively monitor and recoup overpayments. This is a repeat finding.

***Views of Responsible  
Officials and Planned  
Corrective Actions:***

The County DSS agrees with this finding. The County is unable to dedicate any meaningful time towards EPICS and acknowledges the potential for the County to miss the discovery of significant amounts of new fraud claims the County may be entitled to.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2014

**FINDING 14-10**

**SIGNIFICANT DEFICIENCY  
IMMATERIAL NONCOMPLIANCE**

US DEPARTMENT OF HEALTH AND HUMAN SERVICES

*Passed Through the N.C. Department of Health and Human Services:*

Program Name: Medicaid - Transportation

CFDA #: 93.778

Special Tests and Provisions

*Criteria:* Claims for reimbursement for Medicaid transportation are to be filed on form DMA-2055. Reimbursements are required to be submitted by the 15th day of the month to be received that month otherwise, claims may be submitted for up to one year. Expenses over one year will not be reimbursed.

*Condition:* The County did not have an up to date reconciliation of reimbursement for Medicaid transportation expenses. Multiple requests for reimbursements were delayed. The following schedule depicts the details of the untimely submissions:

<u>Month</u>	<u>Recommended Submission Date</u>	<u>Actual Submission Date</u>	<u>Amount of Reimbursement</u>	<u>Delayed Cash Flow</u>
Jul 2013	08/15/13	06/06/14	\$17,002	10 Months
Aug 2013	09/15/13	01/15/14	\$17,416	4 Months
Sep 2013	10/15/13	01/15/14	\$14,779	3 Months
Oct 2013	11/15/13	03/20/14	\$16,195	5 Months
Nov 2013	12/15/13	03/20/14	\$12,844	4 Months
Dec 2013	01/15/14	03/20/14	\$12,475	3 Months
Jan 2014	02/15/14	03/20/14	\$13,544	2 Months
Feb 2014	03/15/14	03/20/14	\$12,654	1 Month
Mar 2014	04/15/14	05/05/14	\$12,886	1 Month
Apr 2014	05/15/14	08/22/14	\$14,744	4 Months
May 2014	06/15/14	09/04/14	\$13,815	3 Months
Jun 2014	07/15/14	09/29/14	\$14,715	3 Months

*Questioned Costs:* \$0 – Does not apply.

*Effect:* County cash flow is delayed and reimbursement opportunity potentially lost.

*Cause:* The County employee that typically handles this function has been out on leave yet still trying to perform these duties from home. The supervisor was not adequately monitoring and performing proper monthly reconciliations.

*Recommendation:* Personnel responsible for supervision should closely monitor the procedures for Medicaid transportation reimbursement, including reconciliations, in such a way that the County is able to effectively monitor and receive timely reimbursements.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For The Year Ended June 30, 2014

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*Views of Responsible  
Officials and Planned*

*Corrective Actions:*

The County agrees with this finding. Training and procedures will be reinforced to ensure that reimbursements are reconciled appropriately and submitted for reimbursement timely.

**IV. STATE AWARD FINDINGS AND QUESTIONED COSTS**

**FINDING 14-11**

**N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Program Name: Medicaid – Transportation

*REFER TO FEDERAL FINDING 14-9*

GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2014

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**FINANCIAL STATEMENT FINDINGS**

**FINDING: 14-1**

- A. Name of Contact Person: Sandy Barss, Interim 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: 14-2**

- A. Name of Contact Person: County Commissioners
- B. Corrective Action: The County plans to hire a County Manager with a strong background in finance and then determine how to proceed with the training of the Interim Finance Officer.
- C. Proposed Completion Date: The County has conducted interviews during October and November in 2014 and hope to have a full-time County Manager hired by February 1, 2015.

**FINDING: 14-3**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: The Interim Finance Officer and consultant developed a checklist documenting duties to be performed on all accounts to reflect appropriate year-end balances. The Interim Finance Officer is currently using the checklist and closely monitoring the accounts.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 14-4**

- A. Name of Contact Person: Sandy Barss, Interim 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: 14-5**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: County staff is becoming familiar with the fixed asset module in MUNIS and has converted all fixed assets to the new system. The County has also caught up unpaid maintenance fees and requested implementation training from MUNIS. The County plans to use the system to calculate depreciation in the next fiscal year.
- C. Proposed Completion Date: The County has already begun this process.

GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2014

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**FINDING: 14-6**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: The Interim Finance Officer plans to review all line items on a monthly basis. The Board will review all department funds at meetings and solicit the department head's oversight for all of their department's accounts. Preapproval by the appropriate authorizing party will be required for any invoice or purchase order that makes a line item over budget.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 14-7**

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

**FINDING: 14-8**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: The County intends to file the sales tax refund request immediately and ensure that requests are filed timely in the future.
- C. Proposed Completion Date: The County has already filed an amended fiscal year ending June 30, 2013 sales tax refund form.

**FEDERAL AWARD FINDINGS**

**FINDING: 14-9**

- A. Name of Contact Person: Suzanne Gray, Interim DSS Director
- B. Corrective Action: The County plans to dedicate more time towards EPICS in the future.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 14-10**

- A. Name of Contact Person: Suzanne Gray, Interim DSS Director
- B. Corrective Action: Training and procedures will be reinforced to ensure that reimbursements are determined accurately and reconciled appropriately.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**GREENE COUNTY, NORTH CAROLINA**  
**CORRECTIVE ACTION PLAN**  
For the Fiscal Year Ended June 30, 2014

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***STATE AWARD FINDINGS***

***FINDING 14-11***

***REFER TO FEDERAL FINDING 14-9***

**GREENE COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2014

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<b>FINDING:</b>	<b>13-1 Reporting</b>
<b>STATUS:</b>	Not corrected. See current year finding 14-1.
<b>FINDING:</b>	<b>13-2 Reporting</b>
<b>STATUS:</b>	Corrected.
<b>FINDING:</b>	<b>13-3 Reporting</b>
<b>STATUS:</b>	Not corrected. See current year finding 14-3.
<b>FINDING:</b>	<b>13-4 Segregation of Duties</b>
<b>STATUS:</b>	Not corrected. Duties are being separated as much as possible and alternative controls are being implemented for lack of separation. See current year finding 14-4.
<b>FINDING:</b>	<b>13-5 Fixed Assets</b>
<b>STATUS:</b>	Not corrected. Errors on the County's fixed asset depreciation schedule were noted during the current year. See current year finding 14-5.
<b>FINDING:</b>	<b>13-6 Budget Over-expenditures</b>
<b>STATUS:</b>	Not corrected. Instances of budgetary over-expenditures noted during the current year. See current year finding 14-6.
<b>FINDING:</b>	<b>13-7 Budgeted Ordinance Adopted After Start of Fiscal Year</b>
<b>STATUS:</b>	Corrected.
<b>FINDING:</b>	<b>13-8 Budgets out of Balance at Year End</b>
<b>STATUS:</b>	Corrected.
<b>FINDING:</b>	<b>13-9 Claims for Overpayments</b>
<b>STATUS:</b>	Not corrected. The County has still not devoted time to overpayments. See current year finding 14-9.
<b>FINDING:</b>	<b>13-10 Employee Day Sheets</b>
<b>STATUS:</b>	Corrected.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
 For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>U.S. DEPARTMENT OF AGRICULTURE:</b>					
<b>Passed Through NC Department of Health and Human Services:</b>					
<i>Administered by County Finance Department:</i>					
USDA Supplement Title III C-1	10.570	NC-15	\$14,413		
			<u>\$14,413</u>	<u>\$0</u>	<u>\$0</u>
<b>Passed Through NC Department of Health and Human Services:</b>					
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
<b>Special Supplemental Nutrition Program for</b>					
<b>Women, Infants and Children:</b>					
AGRI-SFP Food Program Meal	10.557		\$190,903		
	10.559		97		
<b>Direct Benefit Payments:</b>					
<b>Special Supplemental Nutrition Program for WIC</b>					
<b>Women, Infants and Children:</b>					
	10.557		370,799		
<b>Total Division of Public Health</b>			<u>\$561,799</u>	<u>\$0</u>	<u>\$0</u>
<b>Passed Through NC Department of Health and Human Services:</b>					
<b>Division of Social Services:</b>					
<i>Administered by County Department of Social Services:</i>					
<b>Supplemental Nutrition Assistance Program Cluster:</b>					
<b>State Administrative Matching Grants for the Supplemental</b>					
<b>Nutrition Assistance Program</b>					
	10.561		\$158,066		\$156,066
<b>Total Supplemental Nutrition Assistance Program Cluster</b>			<u>\$158,066</u>	<u>\$0</u>	<u>\$156,066</u>
<b>Total NC Department of Health and Human Services</b>			<u>\$734,278</u>	<u>\$0</u>	<u>\$156,066</u>
<b>Passed Through Rural Development:</b>					
<i>Administered by County Finance Department:</i>					
<b>Phase 1C System Improvement Grant</b>					
	10.760		\$56,363		
<i>Administered by County Finance Department:</i>					
<b>USDA Community Facilities Grant - Intermediate School</b>					
	10.766		136,645		
<i>Administered by County Finance Department:</i>					
<b>Community Facilities Loan - Intermediate School</b>					
	10.766		397,427		
<b>Total Rural Development</b>			<u>\$590,435</u>	<u>\$0</u>	<u>\$0</u>
<b>Total U.S. Department of Agriculture</b>			<u>\$1,324,713</u>	<u>\$0</u>	<u>\$156,066</u>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>					
<i>Passed Through NC Department of Environment and Natural Resources:</i>					
<b>Division of Water Infrastructure:</b>					
<i>Administered by County Finance Department:</i>					
Drinking Water State Revolving Fund - Project 1H	66.468		\$539,036		
Drinking Water State Revolving Fund - Automated Meter Project	66.468		240,825		
<b>Total U.S. Environmental Protection Agency</b>			<b>\$779,861</b>	<b>\$0</b>	<b>\$0</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY:</b>					
<i>Passed Through NC Department of Crime Control and Public Safety:</i>					
<b>Division of Emergency Management:</b>					
<i>Administered by County Finance Department:</i>					
Hazardous Materials Emergency Preparedness	20.703		\$9,600		
Homeland Security Grant Program	97.067		61,541		
Emergency Food and Shelter National Board Program	97.024		3,254		
Emergency Management Performance Grant	97.042		31,957		
<b>Total U.S. Department of Homeland Security</b>			<b>\$106,352</b>	<b>\$0</b>	<b>\$0</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>					
<b>Administration on Aging:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Aging Cluster:</b>					
<i>Administered by County Finance Department:</i>					
Access Title III-B	93.044	NC-15	\$35,408	\$2,083	\$4,166
Title III C-1 Congregate Meals	93.045	NC-15	43,171	2,538	5,080
Title III C-2 90% State Funds	N/A	NC-15		10,697	1,188
Title III C-2 Home-Delivered Meals	93.045	NC-15	31,926	1,878	4,945
<i>Administered by County Department of Social Services and County Council on Aging:</i>					
<b>In Home Services:</b>					
In-Home 90% State Funds	N/A	NC-15		\$87,762	\$9,755
In-Home Title III-B	93.044	NC-15	\$15,286	899	1,798
Social Services Block Grant	93.667	NC-15	3,489	100	398
<b>Total Aging Cluster</b>			<b>\$129,280</b>	<b>\$105,957</b>	<b>\$27,330</b>
<b>Administration for Community Living:</b>					
<i>Passed Through Eastern Carolina Council of Governments:</i>					
Title III-D Disease Prevention and Health Promotion	93.043		\$2,286	\$254	
Family Caregiver Title III-E	93.052		5,760		
<b>Total Administration for Community Living</b>			<b>\$8,046</b>	<b>\$254</b>	<b>\$0</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
**For the Fiscal Year Ended June 30, 2014**

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>Division of Public Health:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<i>Administered by County Health Department:</i>					
Public Health Emergency Preparedness	93.069		\$29,991		
Immunization Program	93.268		7,560		
Cancer Early Detection	93.919		4,578	\$1,275	
Risk Reduction/Health Promotion	93.991		10,783		
Healthy Start Communities	93.926		30,555		
Maternal and Child Health Services	93.994		57,346	44,534	
Family Planning Services	93.217		27,127		
<b>Total Division of Public Health</b>			<b>\$167,940</b>	<b>\$45,809</b>	<b>\$0</b>
<b>Administration for Children and Families:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Social Services:</b>					
<i>Administered by County Finance Department:</i>					
Chafee Foster Care Independence Program (CFCIP)	93.674		\$2,140	\$535	
<b>Total Administration for Children and Families</b>			<b>\$2,140</b>	<b>\$535</b>	<b>\$0</b>
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Social Services:</b>					
<b>Temporary Assistance for Needy Families Cluster:</b>					
<i>Administered by County Department of Social Services:</i>					
Workfirst Administration	93.558		\$54,304		\$82,762
Workfirst Services	93.558		192,444		84,109
Social Services Block Grant	93.667			\$500	
Temporary Assistance for Needy Families	93.558		2,320		
<b>Direct Benefit Payments:</b>					
Benefit Payments	93.558		185,642	28	29
<b>Total TANF Cluster</b>			<b>\$434,710</b>	<b>\$528</b>	<b>\$166,900</b>
Title IV-D Administration	93.563		\$154,476	\$997	\$79,578
<b>Low-Income Home Energy Assistance:</b>					
Administration	93.568		\$21,640		
Crisis Intervention Payments	93.568		101,491		
Home Energy Assistance	93.568		146,700		
			<b>\$269,831</b>	<b>\$0</b>	<b>\$0</b>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
Permanency Planning - Reg	93.645		\$18,694		\$6,231
<b>Foster Care and Adoption Cluster</b>					
Title IV-E CPS	93.658		\$4,495	\$20,670	\$702
Title IV-E Foster Care	93.658		68		68
Title IV-E Adoption	93.658		30,634		30,634
<b>Direct Benefit Payments:</b>					
Title IV-E Foster Care	93.658		40,430	13,972	14,136
Title IV-E Adoption Subsidy	93.659		140,112	36,511	36,511
<b>Total Foster Care and Adoption Cluster</b>			<b>\$215,739</b>	<b>\$71,153</b>	<b>\$82,051</b>
<b>Social Services Block Grant:</b>					
Other Services and Training	93.667		\$87,666	\$10,651	\$32,772
In Home Services Fund	93.667		1,066		152
<b>Total Social Services Block Grant</b>			<b>\$88,732</b>	<b>\$10,651</b>	<b>\$32,924</b>
<b>Total Division of Social Services</b>			<b>\$1,184,322</b>	<b>\$83,864</b>	<b>\$367,684</b>
<i>Administered by County Department of Social Services:</i>					
<b>Subsidized Child Care</b>					
<b>Child Care Development Fund Cluster:</b>					
Division of Social Services:					
CCDF Administration	93.596		\$49,510		
Division of Child Development:					
CCDF Discretionary Subsidy	93.575		201,664		
CCDF Mandatory	93.596		135,994		
CCDF Match	93.596		25,998		
<b>Total Child Care Development Fund Cluster</b>			<b>\$413,166</b>	<b>\$0</b>	<b>\$0</b>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
Temporary Assistance for Needy Families	93.558		\$123,982		
Foster Care Title IV-E	93.658		7,077	\$3,710	
Smart Start	93.658			1,827	
TANF MOE				16,904	
State Appropriations	93.658			789	
<b>Total Subsidized Child Care</b>			<b>\$544,225</b>	<b>\$23,230</b>	<b>\$0</b>
<b>Health Care Financing Administration:</b>					
<b>Passed Through NC Department of Health and Human Services:</b>					
<b>Division of Medical Assistance:</b>					
<i>Administered by County Department of Social Services:</i>					
Adult Care Home Special/Case Management	93.778		\$2,836	\$1,418	\$1,418
Medical Assistance	93.778		41,015	10,611	30,404
<b>Direct Benefit Payments:</b>					
Medical Assistance	93.778		18,138,176	10,001,783	
			<b>\$18,182,027</b>	<b>\$10,013,812</b>	<b>\$31,822</b>
<b>Division of Social Services:</b>					
<i>Administration:</i>					
State Children's Insurance Program - NC Health Choice	93.767		\$4,926	\$795	\$761
<b>Direct Benefit Payments:</b>					
Medical Assistance	93.767		568,743	179,548	
			<b>\$573,669</b>	<b>\$180,343</b>	<b>\$761</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>\$20,789,509</b>	<b>\$10,453,269</b>	<b>\$427,597</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>					
<b>Federal Transit Administration:</b>					
<b>Passed Through NC Department of Commerce:</b>					
<b>Division of Emergency Management:</b>					
<i>Administered by County Health Department:</i>					
Formula Grants for Rural Areas	20.509		\$64,000	\$4,000	
<b>Total U.S. Department of Transportation</b>			<b>\$64,000</b>	<b>\$4,000</b>	<b>\$0</b>
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$23,064,435</b>	<b>\$10,457,269</b>	<b>\$583,663</b>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>STATE PROGRAMS</b>					
<b>NC DEPARTMENT OF THE ADMINISTRATION:</b>					
<b>Division of Veteran Affairs:</b>					
<i>Administered by County Veterans Office:</i>					
Veteran Affairs	N/A		\$0	\$1,462	\$0
<b>NC DEPARTMENT OF ENVIRONMENTAL AND NATURAL RESOURCES:</b>					
<b>Division of Waste Management:</b>					
<i>Administered by County Finance Department:</i>					
Soil Conservation Grant	N/A		\$0	\$22,251	\$0
<b>NC DEPARTMENT OF JUVENILE JUSTICE &amp; DELINQUENCY PREVENTION:</b>					
<i>Administered by County Finance Department:</i>					
<b>Juvenile Crime Prevention:</b>					
Juvenile Crime Prevention Administration	N/A			\$7,000	
Family Preservation	N/A			14,205	\$1,421
SEED Program	N/A			11,878	11,592
Juvenile Restitution	N/A			48,105	5,500
<b>Total NC Department of Juvenile Justice &amp; Delinquency Prevention</b>			<b>\$0</b>	<b>\$81,188</b>	<b>\$18,513</b>
<b>NC DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>					
<b>Division of Social Services:</b>					
<i>Administered by County Department of Social Services:</i>					
Energy Neighborhood	N/A			\$2,757	
<b>Direct Benefit Payment:</b>					
Foster Care at Risk Maximization	N/A			65	\$34
State Foster Home Fund Maximization	N/A			24,153	24,153
State Foster Home Fund	N/A			40,368	40,368
Child Welfare Services Adoption Assistance	N/A			77,909	10,444
SC/SA Domiciliary Care Payments	N/A			243,426	243,426
			<b>\$0</b>	<b>\$388,678</b>	<b>\$318,426</b>
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
Food & Lodging	N/A			\$3,705	
Environmental Health	N/A			4,000	
Mosquito-Public Health Pesticide	N/A			4,806	
General	N/A			99,470	
Communicable Disease	N/A			10,623	
Risk Reduction/Health Promotion	N/A			6,285	
Maternal Health (HMHC)	N/A			945	
Women's Health Service Fund	N/A			7,116	
Tuberculosis	N/A			3,578	
TB Medical Service	N/A			40	
			<b>\$0</b>	<b>\$140,568</b>	<b>\$0</b>
<b>Total NC Department of Health and Human Services</b>			<b>\$0</b>	<b>\$529,246</b>	<b>\$318,426</b>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>STATE PROGRAMS</b>					
<b>NC DEPARTMENT OF AGRICULTURE:</b>					
<i>Administered by County Finance Department:</i>					
Local Farmers Market Cooperative	N/A			\$10,423	
<b>Total NC Department of Agriculture</b>			<b>\$0</b>	<b>\$10,423</b>	<b>\$0</b>
<b>NC DEPARTMENT OF COMMERCE:</b>					
<i>Administered by County Finance Department:</i>					
Clean Water Partnership	N/A			\$44,931	
<b>Total NC State Board of Elections</b>			<b>\$0</b>	<b>\$44,931</b>	<b>\$0</b>
<b>NC DEPARTMENT OF INSURANCE:</b>					
<i>Administered by County Finance Department:</i>					
SHIIP Grant	N/A			\$3,848	
<b>Total NC Department of Insurance</b>			<b>\$0</b>	<b>\$3,848</b>	<b>\$0</b>
<b>NC DEPARTMENT OF TRANSPORTATION:</b>					
<i>Administered by County Finance Department:</i>					
ROAP Funds	N/A			\$62,058	
<b>Total NC Department of Transportation</b>			<b>\$0</b>	<b>\$62,058</b>	<b>\$0</b>
<b>EASTERN CAROLINA COUNCIL OF GOVERNMENTS</b>					
<i>Administered by County Finance Department:</i>					
Senior Center General	N/A			\$11,680	
<b>Total Eastern Carolina Council of Governments</b>			<b>\$0</b>	<b>\$11,680</b>	<b>\$0</b>
<b>TOTAL STATE ASSISTANCE</b>			<b>\$0</b>	<b>\$767,077</b>	<b>\$336,938</b>
<b>TOTAL FEDERAL AND STATE ASSISTANCE</b>			<b>\$23,064,435</b>	<b>\$11,224,346</b>	<b>\$920,801</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2014

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**1. BASIS OF PRESENTATION**

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

**2. LOANS OUTSTANDING**

Greene County had the following loan balances outstanding at June 30, 2014. The expended portion of these loan proceeds are included in the federal expenditures presented in the schedule.

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Outstanding</u>
Community Facilities Loans & Grants		
Financing with USDA loans		
\$6,600,000 loan, \$6,600,000 Expenditures to date	10.766	\$6,312,217

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