

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

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2013**

Preliminary Draft

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Snow Hill, North Carolina**

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2013**

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

**GREENE COUNTY, NORTH CAROLINA**

**BOARD OF COMMISSIONERS**

**BENNIE J. HEATH**  
Chairman

**T. DENNY GARNER**  
Vice-Chairman

**JERRY R. JONES**

**JAMES T. SHACKLEFORD, JR.**

**J. JACK EDMONDSON**

**COUNTY OFFICIALS**

**RICHARD N. HICKS**  
Interim County Manager

**SANDRA P. BARSS**  
Interim Finance Officer

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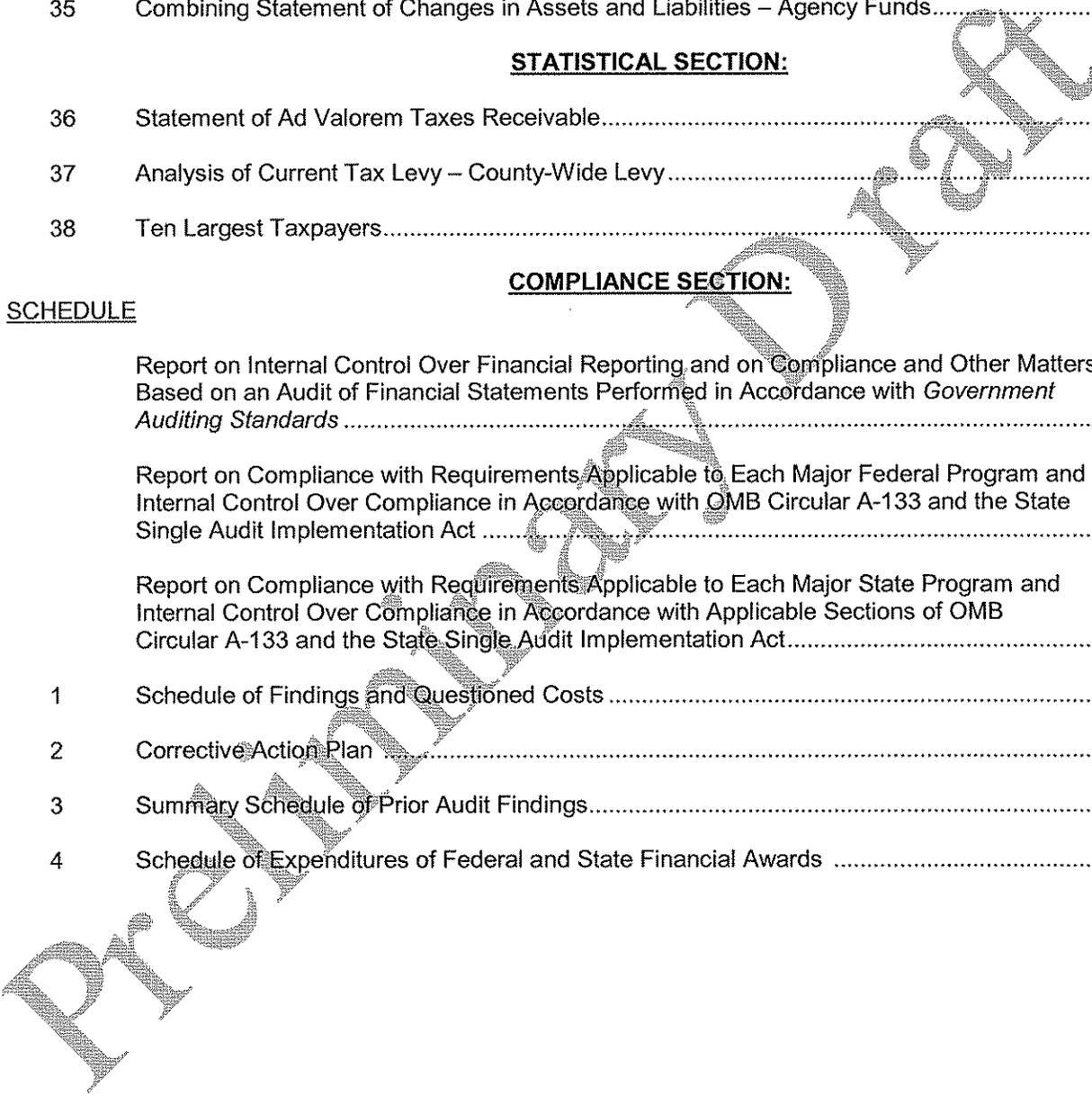
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FINANCIAL SECTION

Preliminary Draft



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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 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, 2013, 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 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 *Government 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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina as of June 30, 2013, 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 nonmajor fund statements, budgetary schedules and other schedules, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual 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 nonmajor 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 January 9, 2014 on our consideration of Greene County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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.

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

January 9, 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, 2013. 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.

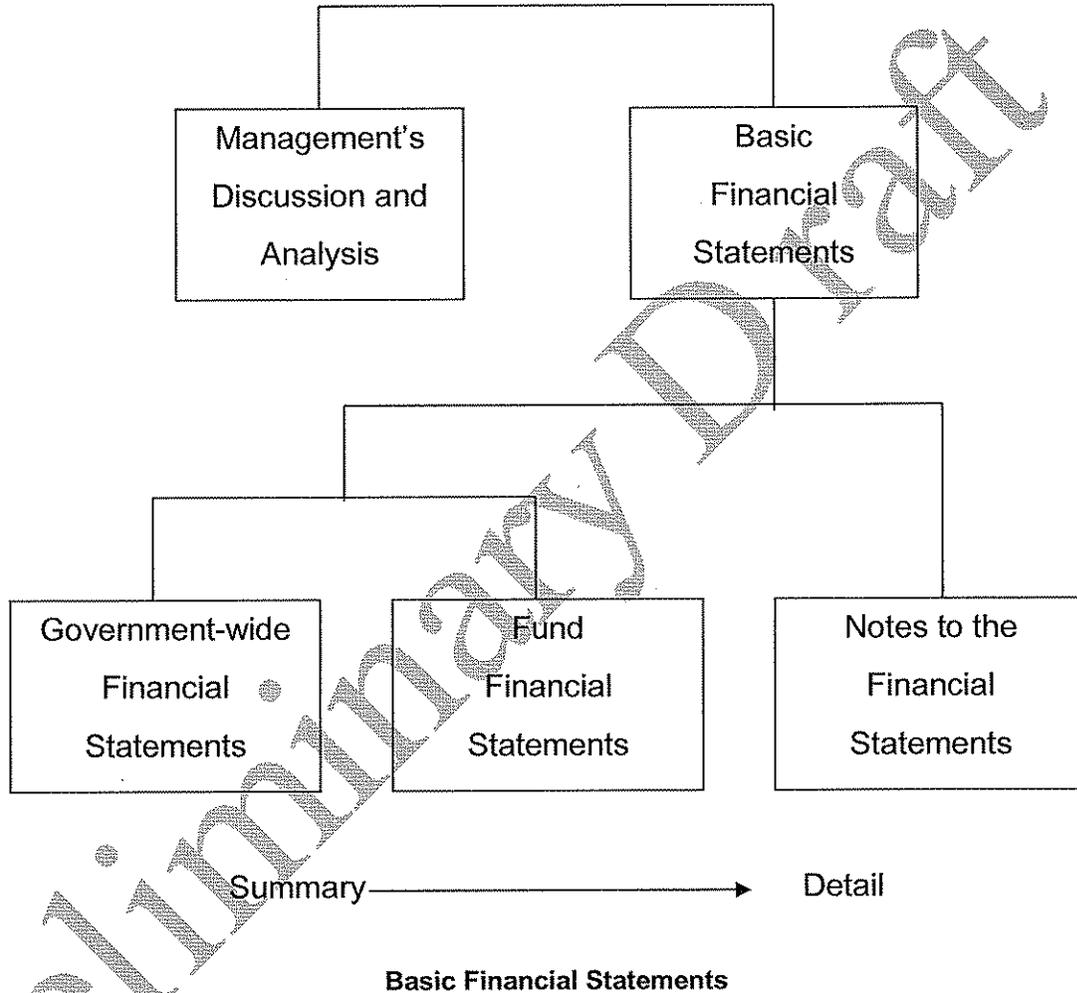
### Financial Highlights

- The assets of Greene County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$24,969,775 (*net position*).
- The government's total net position decreased by \$13,072,190, primarily due to decreased net position in the governmental funds. A capital contribution of \$12,881,547 was made by the County to the Greene County Board of Education relating to the Intermediate School Project. This makes up the majority of the decrease in total net position. See note XI – Special Item. This compares to an increase of \$1,048,066 in 2012.
- A prior period adjustment of \$100,746 was made to the business-type activities beginning net position (See Note III-D).
- 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 \$4,977,752, after a net increase in fund balance of \$3,204,561. This compares to combined ending fund balances of \$1,773,191, after a net decrease of \$3,151,795 in 2012. Approximately 36.20% of this total amount, or \$1,548,191, is available for spending at the government's discretion (unassigned fund balance). In 2012, the unassigned fund balance was \$448,568, or 25.30% of combined ending fund balances.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$1,548,191, or 9.32% of total General Fund expenditures for the fiscal year. In 2012, unassigned fund balance in the General Fund was \$448,568 or 2.61% of total General Fund expenditures.
- Greene County's total debt increased by \$2,527,368, or 6.59% during the current fiscal year. New debt totaling \$3,843,361 was issued during the current fiscal year. Key factors in new issuances include 1) USDA funds to complete construction of the Greene County Intermediate School; 2) USDA funds to complete construction relating to the Court House Renovations Project; and 3) funding from a local bank to finance the purchase of a new ambulance. Principal payments of \$1,315,993 were made by the County during the year.
- Construction began during the June 30, 2011 fiscal year on the \$14,000,000 Greene County Intermediate School Project. Construction in progress has been carried by the County on the Government-wide Statement of Net Position since inception. Construction was completed during the current year with a substantial completion date of August 15, 2012. Title to the asset has been transferred to the Greene County Board of Education now that construction is complete. The County had entered into two installment purchase contracts with USDA that will total \$13,600,000. The remaining \$400,000 was to be provided in the form of a grant from USDA. The project has since been updated with the County now receiving USDA funding through two Installment Purchase Contracts that total \$13,584,148. The \$400,000 grant is no longer part of the project ordinance.

### 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



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

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

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

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

### **Government-wide Financial Statements**

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

The two government-wide statements report the County's net 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 \$24,969,775 as of June 30, 2013. As of June 30, 2012, the net position of Greene County stood at \$37,941,219. The change in net position for the year of (\$13,072,190) along with the prior period adjustment to beginning net position in the business-type activities of \$100,746 (See Note III-D) make up the net decrease in total net position for the year of (\$12,971,444). This compares to an increase of \$1,048,066 in 2012. One of the largest portions, \$28,379,744 or 113.66%, 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 \$9,624,034 or 38.54% represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$13,034,003) or (52.20%) is unrestricted. In 2012 the amount of net position classified as net investment in capital assets was \$30,649,622, with restricted assets standing at \$9,873,913. The remaining (\$2,582,316) was unrestricted for that year.

**Greene County's Net Position**

**Figure 2**

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$5,941,465	\$5,570,952	\$8,020,934	\$8,946,250	\$13,962,399	\$14,517,202
Capital assets	17,137,487	28,877,491	38,948,717	39,818,541	56,086,204	68,696,032
<b>Total assets</b>	<b>\$23,078,952</b>	<b>\$34,448,443</b>	<b>\$46,969,651</b>	<b>\$48,764,791</b>	<b>\$70,048,603</b>	<b>\$83,213,234</b>
Long-term liabilities outstanding	\$25,618,804	\$21,681,544	\$18,154,126	\$18,058,990	\$43,772,930	\$39,740,534
Other liabilities	907,340	3,748,956	323,580	1,679,172	1,230,920	5,428,128
<b>Total liabilities</b>	<b>\$26,526,144</b>	<b>\$25,430,500</b>	<b>\$18,477,706</b>	<b>\$19,738,162</b>	<b>\$45,003,850</b>	<b>\$45,168,662</b>
<b>Total deferred inflows of resources</b>	<b>\$74,978</b>	<b>\$103,353</b>	<b>\$0</b>	<b>\$0</b>	<b>\$74,978</b>	<b>\$103,353</b>
Net position:						
Net investment in capital assets	\$6,329,849	\$8,530,053	\$22,049,895	\$22,119,569	\$28,379,744	\$30,649,622
Restricted	3,157,583	3,494,888	6,466,451	6,379,025	9,624,034	9,873,913
Unrestricted	(13,009,602)	(3,110,351)	(24,401)	528,035	(13,034,003)	(2,582,316)
<b>Total net position</b>	<b>(\$3,522,170)</b>	<b>\$8,914,590</b>	<b>\$28,491,945</b>	<b>\$29,026,629</b>	<b>\$24,969,775</b>	<b>\$37,941,219</b>

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

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

- The County made a capital contribution to the Greene County Board of Education relating to construction costs for the Intermediate School of \$12,881,547 (See Note XI). The expenditures relating to this project have been carried on the county's books as construction in progress since inception. Now that construction is complete, the County has transferred title of the asset to the School Board. As a result, capital assets along with net investment in capital assets have both decreased significantly while the debt relating to the project has stayed with the county. This has a direct negative effect on the county's total net position for governmental activities.
- Change in net position for business-type activities decreased by \$635,430 during the year compared to an increase of \$1,662,220 in the prior year. The county received less capital contributions relating to water projects this year while expenses increased slightly.

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$2,383,297	\$1,147,054	\$3,112,339	\$3,253,667	\$5,495,636	\$4,400,721
Operating Grants and Contributions	3,989,873	4,852,883	1,142,094	1,079,824	5,131,967	5,932,707
Capital Grants and Contributions	1,103,238	202,340	196,520	1,463,250	1,299,758	1,665,590
General Revenues:						
Property Taxes	8,470,347	8,496,840			8,470,347	8,496,840
Local Option Sales Tax	2,138,499	2,083,912			2,138,499	2,083,912
Other Taxes	358,311	32,638			358,311	32,638
Grants and Contributions not restricted to Specific Programs	78,090	82,585			78,090	82,585
Investment Earnings	603	2,179	709	3,849	1,312	6,028
Other	86,106	77,139	2,645		88,751	77,139
<b>Total revenues</b>	<b>\$18,608,364</b>	<b>\$16,977,570</b>	<b>\$4,454,307</b>	<b>\$5,800,590</b>	<b>\$23,062,671</b>	<b>\$22,778,160</b>
<b>Expenses:</b>						
General Government	\$2,473,445	\$2,636,891			\$2,473,445	\$2,636,891
Public Safety	5,379,233	5,419,322			5,379,233	5,419,322
Environmental Protection	46,969	46,206			46,969	46,206
Economic and Physical Development	370,035	623,411			370,035	623,411
Human Services	5,865,560	5,977,704			5,865,560	5,977,704
Cultural and Recreation	479,573	361,990			479,573	361,990
Education	2,969,291	2,944,661			2,969,291	2,944,661
Interest on Long-Term Debt	906,991	329,784			906,991	329,784
Utility			\$3,562,583	\$3,038,436	3,562,583	3,038,436
Landfill			726,449	892,056	726,449	892,056
Nonmajor Enterprise Activities			473,185	486,080	473,185	486,080
<b>Total expenses</b>	<b>\$18,491,097</b>	<b>\$18,339,969</b>	<b>\$4,762,217</b>	<b>\$4,416,572</b>	<b>\$23,253,314</b>	<b>\$22,756,541</b>
<b>Increase (Decrease) in net position before transfers and special items</b>	<b>\$117,267</b>	<b>(\$1,362,399)</b>	<b>(\$307,910)</b>	<b>\$1,384,018</b>	<b>(\$190,643)</b>	<b>\$21,619</b>
Transfers	327,520	(278,202)	(327,520)	278,202		
Special Item - Donated Asset (See Note XI)	(12,881,547)	1,026,447			(12,881,547)	1,026,447
<b>Increase (Decrease) in net position</b>	<b>(\$12,436,760)</b>	<b>(\$614,154)</b>	<b>(\$635,430)</b>	<b>\$1,662,220</b>	<b>(\$13,072,190)</b>	<b>\$1,048,066</b>
Net position, July 1 as originally reported	8,914,590	9,730,437	29,026,629	27,364,409	37,941,219	37,094,846
Prior Period Adjustment (See Note III-D)		(201,693)	100,746		100,746	(201,693)
Net position, July 1 as Restated	8,914,590	9,528,744	29,127,375	27,364,409	38,041,965	36,893,153
<b>Net position, June 30</b>	<b>(\$3,522,170)</b>	<b>\$8,914,590</b>	<b>\$28,491,945</b>	<b>\$29,026,629</b>	<b>\$24,969,775</b>	<b>\$37,941,219</b>

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

**Governmental activities.** Governmental activities decreased the County's net position by \$12,436,760, thereby accounting for 95.88% of the total reduction in the net position of Greene County. This compares to a decrease of \$815,847 in 2012. The key elements of this year's decrease are as follows:

- The capital contribution of \$12,881,547 made by the County to the Greene County Board of Education makes up 103.58% of total decrease (See Note XI).
- It should be noted that the county has improved from the prior year in that the change in net position excluding the special item has increased by \$1,058,941 from the prior year.

**Business-type activities.** Business-type activities decreased Greene County's net position by \$534,684, accounting for 4.12% of the total reduction in the government's net position. \$100,746 of the change in net position relates to a prior period adjustment (See Note III-D). Net position increased by \$1,662,220 in 2012. 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.
- Collections for tipping fees in the County Landfill dropped significantly. These fees have been up the past two years relating to Hurricane Irene cleanup.
- Transfers to other funds are up from the previous year, as are expenses.

**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 \$1,548,191, while total fund balance reached \$4,276,234. 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 9.32% of general fund expenditures, while total fund balance represents 36.20% of that same amount.

At June 30, 2013, the governmental funds of Greene County reported a combined fund balance of \$4,977,752, a 180.72% increase from last year. Of this increase, approximately 25.06% is directly related to the positive change in fund balance in the General Fund. Approximately 76.10% is directly related to the positive change in fund balance in the Intermediate School Capital Project Fund. Approximately (1.16%) is directly related to the negative change in fund balance in the Special Revenue 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 \$635,636 and are explained as follows:

- The County's budget was amended to receive an additional \$138,500 of Medicaid Hold Harmless dollars.

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

- The County's budget was amended for \$296,100 for additional inmate jail misdemeanor fees.
- The County's budget was amended to receive \$394,000 from the Golden Leaf Foundation.
- 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 (\$192,964).

**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 \$900,282, and those for the Landfill Fund equaled (\$914,565). The total reduction in net position for both major funds was \$372,368 and \$93,024, 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, 2013, totals \$56,086,204 (net of accumulated depreciation). These assets include buildings, water and sewer distribution lines, land, equipment, and vehicles.

Major capital asset transactions during the year include:

- Purchased new ambulance for EMS Department.
- Purchased a new vehicle for both the building inspections and utility departments.
- Contributed all construction costs related to the Greene County Intermediate School Project to the Greene County Board of Education as a gifted asset (disposal). See Note XI.
- Additional amounts of construction in progress relating to the Courthouse Renovations Project as well as the Elaney Woods Farmer's Market Project. Both of these projects were completed during the year and have been placed in service.
- Additional amounts of construction in progress relating to the phases of the Greenville Utilities Commission Waterline Project, 1C and 1G.
- Additional land easements relating to the Greenville Utilities Commission Waterline Project 1G
- 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**

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$628,982	\$628,982	\$359,882	\$337,382	\$988,864	\$966,364
Buildings and System	15,973,582	14,915,567	38,265,444	39,098,204	54,239,026	54,013,771
Machinery and Equipment	277,661	294,058	100,543	122,787	378,204	416,845
Vehicles and Motorized Equipment	257,262	211,665	198,825	260,168	456,087	471,833
Construction in Progress		12,827,219	24,023		24,023	12,827,219
	<b>\$17,137,487</b>	<b>\$28,877,491</b>	<b>\$38,948,717</b>	<b>\$39,818,541</b>	<b>\$56,086,204</b>	<b>\$68,696,032</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, 2013, Greene County had total bonded debt outstanding of \$40,854,258 all of which is backed by the full faith and credit of the County.

**Greene County's Outstanding Debt**

**Figure 5**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
Notes Payable	\$157,002		\$11,967	\$145,035
Global Transpark Development Zone Loan	280,479		68,113	212,366
Installment Purchase Contracts	20,190,437	\$3,843,361	435,763	23,598,035
<b>Total Governmental Activities</b>	<b>\$20,627,918</b>	<b>\$3,843,361</b>	<b>\$515,843</b>	<b>\$23,955,436</b>
<b>Business-type Activities:</b>				
Installment Purchase Contract	\$1,715,416		\$476,918	\$1,238,498
Clean Water Bond Loan	1,894,556		172,232	1,722,324
Revenue Bonds	12,739,000		76,000	12,663,000
DWSRF Revolving Loan	1,350,000		75,000	1,275,000
<b>Total Business-type Activities</b>	<b>\$17,698,972</b>	<b>\$0</b>	<b>\$800,150</b>	<b>\$16,898,822</b>

Greene County's total debt increased by \$2,527,368 or 6.59% during the past fiscal year. New debt for the Greene County Intermediate School was issued to the County for \$3,448,299, new debt for the Greene County Courthouse Renovations was issued to the County for \$305,062, and a new loan with First Citizens Bank was issued to the County to finance the cost of a new ambulance for \$90,000. The County also has debt retirement of \$1,315,993 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 \$81,843,534. The County has \$0 in bonds authorized but unissued at June 30, 2013.

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.

- After factoring in the 2013-2014 tax revaluations with the average 8 year growth rate, those tax valuations were actually less than the 2012-2013 valuations. The tax revaluation was completed in 2013 and the revenue-neutral tax rate would have resulted in a tax increase to produce the same revenues from the prior year.
- The economy of Greene County continues to be rural and agricultural based and no significant changes are anticipated for the June 30, 2014 fiscal year.
- All work has been completed on the Court House Renovation Project and the building is being occupied and used as designed.
- All work has been completed on the Greene County Intermediate School and full operations have resumed for the June 30, 2014 fiscal year.
- Greene County has submitted an application for a permit from the Division of Water Resources that would allow the County to remain at the 25% reduction of withdrawals from the Upper Cape Fear Aquifer. This will potentially eliminate the need to construct a majority of the final phases of the Greene County Alternative Water Supply Project. A review of these projects is currently under consideration.

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

- In 2014, Greene County will change Development Tier Designation from the North Carolina Department of Commerce. The County will change from Tier II to Tier I. A Tier I designation represents the most distressed counties in the state, which in turn determines a variety of state funding opportunities to assist in economic development.

**Budget Highlights for the Fiscal Year Ending June 30, 2014**

**Governmental Activities:** The expenditures in the General Fund are budgeted to increase approximately 1.71%.

- The County's tax rate has increased by 3 cents to \$.786 per \$100 of assessed value starting in the June 30, 2014 fiscal year and the collection rate remains strong.
- The June 30, 2014 budget includes departmental reductions, employee furloughs, reduced health benefits and employee participation in the cost of health insurance.
- 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:** No rate increases were budgeted except for the alternative water charges in the Utility Fund.

**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**

Preliminary Draft

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$3,259,942	\$830,662	\$4,090,604	\$170,330
Receivables (Net)	1,042,302	746,383	1,788,685	
Due From Other Governments	884,691	76,874	961,565	
Due From Component Unit	21,722		21,722	
Internal Balances	238,347	(238,347)		
Inventories				127,458
Prepaid Items				8,021
Restricted Cash and Cash Equivalents	294,985	6,605,362	6,900,347	
Notes Receivable:				
Due within one year	49,750		49,750	
Due in more than one year	149,726		149,726	
Capital Assets:				
Land, Improvements, and Construction in Progress	628,982	383,905	1,012,887	12,055
Other Capital Assets, Net of Depreciation	16,508,505	38,564,812	55,073,317	15,671
Total Capital Assets	<b>\$17,137,487</b>	<b>\$38,948,717</b>	<b>\$56,086,204</b>	<b>\$27,726</b>
<b>Total Assets</b>	<b>\$23,078,952</b>	<b>\$46,969,651</b>	<b>\$70,048,603</b>	<b>\$333,535</b>
<b>Liabilities:</b>				
Accounts Payable and Accrued Expenses	\$492,333	\$118,949	\$611,282	\$54,849
Accrued Interest Payable	415,007	65,720	480,727	
Customer Deposits		138,911	138,911	
Due To Primary Government				21,722
Long-term Liabilities:				
Due within one year	415,309	594,250	1,009,559	
Due in more than one year	25,203,495	17,559,876	42,763,371	
<b>Total Liabilities</b>	<b>\$26,526,144</b>	<b>\$18,477,706</b>	<b>\$45,003,850</b>	<b>\$76,571</b>
<b>Deferred Inflows of Resources</b>	<b>\$74,978</b>	<b>\$0</b>	<b>\$74,978</b>	<b>\$0</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$6,329,849	\$22,049,895	\$28,379,744	\$27,726
Restricted for:				
Public Safety	35,999		35,999	
Register of Deeds	43,418		43,418	
Stabilization by State Statute	2,286,392		2,286,392	
Human Services	386,745		386,745	
Capital Outlay	45,929		45,929	
Emergency Telephone	65,112		65,112	
Alternative Water Supply		5,851,595	5,851,595	
Capital Projects		466,908	466,908	
Loan Payments to USDA	293,988	147,948	441,936	
Component Unit - Greene County ABC Board				83,896
Unrestricted	(13,009,602)	(24,401)	(13,034,003)	145,342
<b>Total Net Position</b>	<b>(\$3,522,170)</b>	<b>\$28,491,945</b>	<b>\$24,969,775</b>	<b>\$256,964</b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$2,473,445	\$93,415	\$7,446	
Public Safety	5,379,233	1,571,711	393,561	\$100,331
Environmental Protection	46,969		23,343	
Economic and Physical Development	370,035		41,900	49,557
Human Services	5,865,560	613,248	3,523,623	
Cultural and Recreation	479,573	104,923		394,000
Education	2,969,291			559,350
Interest on Long-Term Debt	906,991			
<b>Total Governmental Activities</b>	<b>\$18,491,097</b>	<b>\$2,383,297</b>	<b>\$3,989,873</b>	<b>\$1,103,238</b>
Business-type Activities:				
Utility Fund (Water and Sewer)	\$3,562,583	\$2,274,321	\$1,142,094	
Landfill Fund	726,449	630,675		
Transportation Fund	473,185	207,343		\$196,520
<b>Total Business-type Activities</b>	<b>\$4,762,217</b>	<b>\$3,112,339</b>	<b>\$1,142,094</b>	<b>\$196,520</b>
	<b>\$23,253,314</b>	<b>\$5,495,636</b>	<b>\$5,131,967</b>	<b>\$1,299,758</b>
Component Unit:				
ABC Board	\$690,135	\$684,254		
<b>Total Component Unit</b>	<b>\$690,135</b>	<b>\$684,254</b>	<b>\$0</b>	<b>\$0</b>

*General Revenues:*

Taxes:

Property Taxes, Levied for General Purpose

Local Option Sales Taxes

Other Taxes and Licenses

Grants and Contributions Not Restricted to Specific Programs

Investment Earnings, Unrestricted

Miscellaneous, Unrestricted

**Total General Revenues excluding Special Items and Transfers**

Special Item - Donated Asset (See Note XI)

Transfers

**Total General Revenues, Special Items, and Transfers**

**Change in Net Position**

*Net Position, Beginning*

*Prior Period Adjustment (See Note III-D)*

*Net Position, Beginning As Restated*

**NET POSITION, ENDING**

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Greene County ABC Board
(\$2,372,584)		(\$2,372,584)	
(3,313,630)		(3,313,630)	
(23,626)		(23,626)	
(278,578)		(278,578)	
(1,728,689)		(1,728,689)	
19,350		19,350	
(2,409,941)		(2,409,941)	
(906,991)		(906,991)	
<b>(\$11,014,689)</b>	<b>\$0</b>	<b>(\$11,014,689)</b>	
	(\$146,168)	(\$146,168)	
	(95,774)	(95,774)	
	(69,322)	(69,322)	
<b>\$0</b>	<b>(\$311,264)</b>	<b>(\$311,264)</b>	
<b>(\$11,014,689)</b>	<b>(\$311,264)</b>	<b>(\$11,325,953)</b>	
			<b>(\$5,881)</b>
\$8,470,347		\$8,470,347	
2,138,499		2,138,499	
358,311		358,311	
78,090		78,090	
603	\$709	1,312	\$204
86,106	2,645	88,751	5,677
<b>\$11,131,956</b>	<b>\$3,354</b>	<b>\$11,135,310</b>	<b>\$5,881</b>
(12,881,547)		(12,881,547)	
327,520	(327,520)		
<b>(\$1,422,071)</b>	<b>(\$324,166)</b>	<b>(\$1,746,237)</b>	<b>\$5,881</b>
<b>(\$12,436,760)</b>	<b>(\$635,430)</b>	<b>(\$13,072,190)</b>	<b>\$0</b>
8,914,590	29,026,629	37,941,219	256,964
	100,746	100,746	
8,914,590	29,127,375	38,041,965	256,964
<b>(\$3,522,170)</b>	<b>\$28,491,945</b>	<b>\$24,969,775</b>	<b>\$256,964</b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 June 30, 2013

	Major		Non-Major	Total Governmental Funds
	General	Intermediate School Capital Project Fund	Other Governmental Funds	
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$2,522,747	\$221,051	\$486,993	\$3,230,791
Restricted Cash and Cash Equivalents		164,783	130,202	294,985
Receivables, Net	897,901		63,199	961,100
Due From Other Governments	770,911	109,764	4,016	884,691
Due From Component Unit	21,722			21,722
Due From Other Funds	685,137		10,168	695,305
Current Portion - Notes Receivable	49,750			49,750
Notes Receivable	149,726			149,726
<b>TOTAL ASSETS</b>	<b>\$5,097,894</b>	<b>\$495,598</b>	<b>\$694,578</b>	<b>\$6,288,070</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Liabilities:</i>				
Accounts Payable and Accrued Liabilities	\$294,621		\$17,777	\$312,398
Due to Other Funds	27,754	\$9,577	419,627	456,958
<b>Total Liabilities</b>	<b>\$322,375</b>	<b>\$9,577</b>	<b>\$437,404</b>	<b>\$769,356</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$499,285</b>	<b>\$0</b>	<b>\$41,677</b>	<b>\$540,962</b>
<i>Fund Balances:</i>				
Restricted:				
Stabilization by State Statute	\$2,150,840	\$109,764	\$25,788	\$2,286,392
Register of Deeds	43,418			43,418
Health Department	386,745			386,745
Sheriff Department	35,999			35,999
Emergency Telephone	65,112			65,112
Capital Outlay	45,929			45,929
USDA Loan Payments		164,783	129,205	293,988
Committed:				
Tax Revaluation			11	11
Assigned:				
Special Revenue Funds			420,693	420,693
Capital Project Funds		211,474	(360,200)	(148,726)
Unassigned	1,548,191			1,548,191
<b>Total Fund Balances</b>	<b>\$4,276,234</b>	<b>\$486,021</b>	<b>\$215,497</b>	<b>\$4,977,752</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$5,097,894</b>	<b>\$495,598</b>	<b>\$694,578</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.				17,137,487
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.				81,202
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.				(109,107)
Deferred inflows of resources for taxes and special assessments receivable				424,307
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).				(26,033,811)
<b>Net Position of Governmental Activities</b>				<b>(\$3,522,170)</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, 2013

	Major		Non-major	Total Governmental Funds
	General	Intermediate School Project Fund	Other Governmental Funds	
<b>REVENUES:</b>				
Ad Valorem Taxes	\$7,937,816		\$671,429	\$8,609,245
Local Option Sales Taxes	2,138,499			2,138,499
Other Taxes and Licenses	358,311			358,311
Unrestricted Intergovernmental	78,090			78,090
Restricted Intergovernmental	3,923,019		752,491	4,675,510
Permits and Fees	337,224			337,224
Sales and Services	2,006,891			2,006,891
Investment Earnings	228	\$79	134	441
Miscellaneous	592,139			592,139
<b>Total Revenues</b>	<b>\$17,372,217</b>	<b>\$79</b>	<b>\$1,424,054</b>	<b>\$18,796,350</b>
<b>EXPENDITURES:</b>				
<i>Current:</i>				
General Government	\$2,186,920			\$2,186,920
Public Safety	4,337,392		\$1,248,276	5,585,668
Environmental Protection	46,969			46,969
Economic and Physical Development	316,051		53,822	369,873
Human Services	5,719,771			5,719,771
Cultural and Recreational	397,039			397,039
<i>Intergovernmental:</i>				
Education	2,980,290	\$1,079,103		4,059,393
<i>Debt Service:</i>				
Principal	236,733		279,109	515,842
Interest	396,565		435,443	832,008
<b>Total Expenditures</b>	<b>\$16,617,730</b>	<b>\$1,079,103</b>	<b>\$2,016,650</b>	<b>\$19,713,483</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$754,487</b>	<b>(\$1,079,024)</b>	<b>(\$592,596)</b>	<b>(\$917,133)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers To Other Funds	(\$426,330)		(\$106,754)	(\$533,084)
Transfers From Other Funds	434,274	\$69,491	356,901	860,666
Vaniford Note Receivable Written Off	(49,250)			(49,250)
Loan Proceeds	90,000			90,000
Installment Purchase Obligations Issued		3,448,300	305,062	3,753,362
<b>Total Other Financing Sources (Uses)</b>	<b>\$48,694</b>	<b>\$3,517,791</b>	<b>\$555,209</b>	<b>\$4,121,694</b>
<b>Net Change in Fund Balance</b>	<b>\$803,181</b>	<b>\$2,438,767</b>	<b>(\$37,387)</b>	<b>\$3,204,561</b>
<i>Fund Balances, Beginning</i>	3,473,053	(1,952,746)	252,884	1,773,191
<b>FUND BALANCES, ENDING</b>	<b>\$4,276,234</b>	<b>\$486,021</b>	<b>\$215,497</b>	<b>\$4,977,752</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, 2013

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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		\$3,204,561
<p>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.</p>		
Capital outlay expenditures which are capitalized	\$1,659,355	
Depreciation expense for governmental assets	(506,813)	
Special Item - Donation of Greene County Intermediate School to Greene County Board of Education	<u>(12,881,547)</u>	(11,729,005)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Change in deferred revenues for taxes and interest		(138,898)
<p>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</p>		
New Issuances of long term debt	(\$3,843,361)	
Principal payments on long term debt	515,843	
Increase in accrued interest payable	<u>(74,983)</u>	(3,402,501)
Value of Equipment Donated by County		(11,000)
<p>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.</p>		
Compensated absences	\$13,594	
Net pension obligation	(20,909)	
Other postemployment benefits	<u>(223,966)</u>	(231,281)
Net loss of internal service fund determined to be governmental-type		<u>(128,636)</u>
<b>Total Changes in Net Position of Governmental Activities</b>		<b><u>(\$12,436,760)</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 BALANCES-BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
<b>Revenues:</b>				
Ad Valorem Taxes	\$8,010,871	\$7,809,695	\$7,937,816	\$128,121
Local Option Sales Taxes	2,235,000	2,149,234	2,138,499	(10,735)
Other Taxes and Licenses	260,057	354,865	358,311	3,446
Unrestricted Intergovernmental	86,000	78,084	78,090	6
Restricted Intergovernmental	4,200,266	3,755,440	3,923,019	167,579
Permits and Fees	348,000	321,818	337,224	15,406
Sales and Services	1,552,077	1,833,986	2,006,891	172,905
Investment Earnings	10,000	174	228	54
Miscellaneous	263,200	545,822	592,139	46,317
<b>Total Revenues</b>	<b>\$16,965,471</b>	<b>\$16,849,118</b>	<b>\$17,372,217</b>	<b>\$523,099</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government	\$2,276,492	\$2,321,465	\$2,186,920	\$134,545
Public Safety	4,226,527	4,434,873	4,337,392	97,481
Environmental Protection	55,086	50,000	46,969	3,031
Economic and Physical Development	328,330	323,803	316,051	7,752
Human Services	6,100,176	6,143,811	5,719,771	424,040
Cultural and Recreational	348,106	417,812	397,039	20,773
<i>Intergovernmental:</i>				
Education	3,121,455	2,999,005	2,980,290	18,715
<i>Debt Service:</i>				
Principal Retirement	223,496	223,505	236,733	(13,228)
Interest	409,803	409,803	396,565	13,238
<b>Total Expenditures</b>	<b>\$17,089,471</b>	<b>\$17,324,077</b>	<b>\$16,617,730</b>	<b>\$706,347</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$124,000)</b>	<b>(\$474,959)</b>	<b>\$754,487</b>	<b>\$1,229,446</b>
<b>Other Financing Sources (Uses):</b>				
Transfers To Other Funds	(\$20,000)	(\$421,030)	(\$426,330)	(\$5,300)
Transfers From Other Funds	114,000	434,274	434,274	
Sale of Fixed Assets	30,000	46,000		(46,000)
Fund Balance Appropriated		325,715		(325,715)
Vandford Note Receivable Written Off			(49,250)	(49,250)
Loan Proceeds		90,000	90,000	
<b>Total Other Financing Sources (Uses)</b>	<b>\$124,000</b>	<b>\$474,959</b>	<b>\$48,694</b>	<b>(\$426,265)</b>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$803,181</b>	<b>\$803,181</b>
<b>Fund Balances:</b>				
<i>Beginning of Year, July 1</i>			3,473,053	
<b>End of Year, June 30</b>			<b>\$4,276,234</b>	

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
June 30, 2013

	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	\$518,475	\$245,064	\$67,123	\$830,662	\$29,151
Receivables, Net	710,930	35,453		746,383	
Due From Other Governments	42,646	13,331	20,897	76,874	
Due From Other Funds	811,725	17,533		829,258	
<b>Total Current Assets</b>	<b>\$2,083,776</b>	<b>\$311,381</b>	<b>\$88,020</b>	<b>\$2,483,177</b>	<b>\$29,151</b>
<i>Noncurrent Assets:</i>					
Restricted Cash and Cash Equivalents	\$6,605,362			\$6,605,362	
<i>Capital Assets:</i>					
Land, Improvements, and Construction in Progress	225,471	\$158,434		383,905	
Other Capital Assets, Net of Depreciation	38,206,603	100,333	\$257,876	38,564,812	
<b>Total Capital Assets</b>	<b>\$38,432,074</b>	<b>\$258,767</b>	<b>\$257,876</b>	<b>\$38,948,717</b>	<b>\$0</b>
<b>Total Noncurrent Assets</b>	<b>\$45,037,436</b>	<b>\$258,767</b>	<b>\$257,876</b>	<b>\$45,554,079</b>	<b>\$0</b>
<b>TOTAL ASSETS</b>	<b>\$47,121,212</b>	<b>\$570,148</b>	<b>\$345,896</b>	<b>\$48,037,256</b>	<b>\$29,151</b>
<b>LIABILITIES AND NET ASSETS</b>					
<i>Liabilities:</i>					
<i>Current Liabilities:</i>					
Accounts Payable and Accrued Liabilities	\$96,596	\$13,535	\$8,818	\$118,949	\$138,258
Due to Other Funds	918,079	90,767	58,759	1,067,605	
Accrued Interest Payable	65,720			65,720	
Customer Deposits	138,911			138,911	
Installment Purchase Contract Payable	188,018			188,018	
Clean Water Bond Loan Payable	172,232			172,232	
General Obligation Indebtedness	159,000			159,000	
DWSRF Revolving Loan	75,000			75,000	
<b>Total Current Liabilities</b>	<b>\$1,813,556</b>	<b>\$104,302</b>	<b>\$67,577</b>	<b>\$1,985,435</b>	<b>\$138,258</b>
<i>Noncurrent Liabilities:</i>					
Landfill Closure and Postclosure Care Costs		\$1,089,255		\$1,089,255	
Compensated Absences	\$29,584	7,082	\$19,455	56,121	
Other Postemployment Benefits	73,516	25,307	11,106	109,929	
Installment Purchase Contract Payable	1,050,480			1,050,480	
Clean Water Bond Loan Payable	1,550,091			1,550,091	
General Obligation Indebtedness	12,504,000			12,504,000	
DWSRF Revolving Loan	1,200,000			1,200,000	
<b>Total Noncurrent Liabilities</b>	<b>\$16,407,671</b>	<b>\$1,121,644</b>	<b>\$30,561</b>	<b>\$17,559,876</b>	<b>\$0</b>
<b>TOTAL LIABILITIES</b>	<b>\$18,221,227</b>	<b>\$1,225,946</b>	<b>\$98,138</b>	<b>\$19,545,311</b>	<b>\$138,258</b>
<i>Net Position:</i>					
Net Investment in Capital Assets	\$21,533,252	\$258,767	\$257,876	\$22,049,895	
Restricted for Alternative Water Supply	5,851,595			5,851,595	
Restricted for Capital Projects	466,908			466,908	
Restricted for USDA Loan Payments	147,948			147,948	
Unrestricted	900,282	(914,565)	(10,118)	(24,401)	(\$109,107)
<b>Total Net Position</b>	<b>\$28,899,985</b>	<b>(\$655,798)</b>	<b>\$247,758</b>	<b>\$28,491,945</b>	<b>(\$109,107)</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, 2013

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<b>OPERATING REVENUES:</b>					
Water and Sewer Sales	\$1,979,601			\$1,979,601	
Water and Sewer Tap Fees and Service Charges	26,899			26,899	
Landfill Fees		\$630,675		630,675	
County Contributions					\$1,487,708
Other Operating Revenues	267,821		\$207,343	475,164	
<b>Total Operating Revenues</b>	<b>\$2,274,321</b>	<b>\$630,675</b>	<b>\$207,343</b>	<b>\$3,112,339</b>	<b>\$1,487,708</b>
<b>OPERATING EXPENSES</b>					
Salaries and Employee Benefits	\$465,541	\$176,797	\$301,565	\$943,903	
Supplies and Fuel	175,837	27,295	70,403	273,535	
Maintenance	110,731	58,678	17,561	186,970	
Contracted Services	150,264	151,980		302,244	
Professional Services	69,253	29,703		98,956	
Water Purchased	426,868			426,868	
Management Fee - County	164,128			164,128	
Utilities	151,172	16,425	1,986	169,583	
Sewer Charges - Town of Farmville	191,995			191,995	
Office Expense	60,630		9,712	70,342	
Insurance	20,610	8,000		28,610	
Telephone and Postage		5,142	2,534	7,676	
Miscellaneous	303	3,426	14,547	18,276	
Disposal Fees		121,569		121,569	
Landfill Closure and Postclosure Care Costs		92,912		92,912	
Medical Claims					\$1,616,444
Depreciation	934,751	34,522	54,877	1,024,150	
<b>Total Operating Expense</b>	<b>\$2,922,083</b>	<b>\$726,449</b>	<b>\$473,185</b>	<b>\$4,121,717</b>	<b>\$1,616,444</b>
<b>Operating Income (Loss)</b>	<b>(\$647,762)</b>	<b>(\$95,774)</b>	<b>(\$265,842)</b>	<b>(\$1,009,378)</b>	<b>(\$128,736)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest and Investment Revenue	\$574	\$105	\$30	\$709	\$100
Alternative Water Supply Fees - County	729,390			729,390	
Alternative Water Supply Fees - Towns & Districts	412,704			412,704	
Restitution		2,545		2,545	
NCDOT Grinding		100		100	
Interest on Long-Term Debt	(640,500)			(640,500)	
<b>Total Nonoperating Revenue (Expenses)</b>	<b>\$502,168</b>	<b>\$2,750</b>	<b>\$30</b>	<b>\$504,948</b>	<b>\$100</b>
Income (Loss) Before Contributions and Transfers	(\$145,594)	(\$93,024)	(\$265,812)	(\$504,430)	(\$128,636)
Transfers (To) From Other Funds	(327,520)			(327,520)	
Capital Contributions			196,520	196,520	
<b>Change in Net Position</b>	<b>(\$473,114)</b>	<b>(\$93,024)</b>	<b>(\$69,292)</b>	<b>(\$635,430)</b>	<b>(\$128,636)</b>
Total Net Position, Beginning	29,272,353	(562,774)	317,050	29,026,629	19,529
Prior Period Adjustment (See Note III-D)	100,746			100,746	
Total Net Position, Beginning As Restated	29,373,099	(562,774)	317,050	29,127,375	
<b>Total Net Position</b>	<b>\$28,899,985</b>	<b>(\$655,798)</b>	<b>\$247,758</b>	<b>\$28,491,945</b>	<b>(\$109,107)</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, 2013

	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	\$1,931,340	\$685,916	\$209,640	\$2,826,896	\$1,487,708
Cash Paid for Goods and Services	(1,568,054)	(423,242)	(114,137)	(2,105,433)	(1,584,767)
Cash Paid to Employees for Services	(457,289)	(179,838)	(304,550)	(941,677)	
Customer Deposits Received	22,250			22,250	
Customer Deposits Returned	(15,010)			(15,010)	
Other Operating Revenues	267,821			267,821	
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$181,058</b>	<b>\$82,836</b>	<b>(\$209,047)</b>	<b>\$54,847</b>	<b>(\$97,059)</b>
<b>CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>					
Increase in (Repayment of) Due to Other Funds		(\$2,312)		(\$2,312)	
Restitution		2,545		2,545	
NCDOT Grinding		100		100	
Alternative Water Supply Fees	\$1,122,027			1,122,027	
Transfers (To) From Other Funds	(327,520)			(327,520)	
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$794,507</b>	<b>\$333</b>	<b>\$0</b>	<b>\$794,840</b>	<b>\$0</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and Construction of Capital Assets	(\$130,302)			(\$130,302)	
Interest Paid On Indebtedness	(635,533)			(635,533)	
Principal Paid On Indebtedness	(800,150)			(800,150)	
Capital Contributions-State and Federal Grants			\$196,520	196,520	
<b>Net Cash Provided by (Used by) Capital and Related Financing Activities</b>	<b>(\$1,565,985)</b>	<b>\$0</b>	<b>\$196,520</b>	<b>(\$1,369,465)</b>	<b>\$0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	\$574	\$105	\$30	\$709	\$100
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$589,846)</b>	<b>\$83,274</b>	<b>(\$12,497)</b>	<b>(\$519,069)</b>	<b>(\$96,959)</b>
Cash and Cash Equivalents, July 1	7,713,683	161,790	79,620	7,955,093	126,110
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,123,837</b>	<b>\$245,064</b>	<b>\$67,123</b>	<b>\$7,436,024</b>	<b>\$29,151</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:</b>					
<b>Cash consists of the following:</b>					
Unrestricted Cash and Cash Equivalents	\$518,475	\$245,064	\$67,123	\$830,662	\$29,151
Restricted Cash and Cash Equivalents - Customer Deposits	138,911			138,911	
Restricted Cash and Cash Equivalents - Alternative Water Supply	5,851,595			5,851,595	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1A	262,433			262,433	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1C	204,475			204,475	
Restricted Cash and Cash Equivalents - USDA Loan Payments	147,948			147,948	
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,123,837</b>	<b>\$245,064</b>	<b>\$67,123</b>	<b>\$7,436,024</b>	<b>\$29,151</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, 2013

	Enterprise Funds			Internal Service Fund	
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		Totals
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</i>					
Operating Income (Loss)	(\$647,762)	(\$95,774)	(\$265,842)	(\$1,009,378)	(\$128,736)
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</i>					
Depreciation	\$934,751	\$34,522	\$54,877	\$1,024,150	
Landfill Closure and Postclosure Care Costs		92,912		92,912	
<i>Changes in Assets and Liabilities:</i>					
Decrease (Increase) in Accounts Receivable	(174,421)	7,486	2,297	(164,638)	
Decrease (Increase) in Due From Other Governments	99,261	47,756		147,017	
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(46,263)	(1,025)	2,606	(44,682)	\$31,677
Increase (Decrease) in Customer Deposits	7,240			7,240	
Increase (Decrease) in Compensated Absences Payable	(7,914)	(8,276)	(5,356)	(21,546)	
Increase (Decrease) in Other Postemployment Benefits	16,166	5,235	2,371	23,772	
<b>Total Adjustments</b>	<b>\$828,820</b>	<b>\$178,610</b>	<b>\$56,795</b>	<b>\$1,064,225</b>	<b>\$31,677</b>
<b>Net Cash Provided by (Used by) Operating Activities</b>	<b>\$181,058</b>	<b>\$82,836</b>	<b>(\$209,047)</b>	<b>\$54,847</b>	<b>(\$97,059)</b>

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
 For the Year Ended June 30, 2013

	<u>Assets</u>	<u>Agency Funds</u>
Cash and Cash Equivalents		\$86,535
Due From Other Governments		86,013
		\$172,548
<b><u>Liabilities and Net Position</u></b>		
<i>Liabilities:</i>		
Intergovernmental Payable		\$172,548
<b>Total Liabilities</b>		<b>\$172,548</b>
 <i>Net Position:</i>		
Assets Held in Trust for Pension Benefits		-

Preliminary Draft

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

**GREENE COUNTY, NORTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS INDEX**

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**NOTE**

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Preliminary Draft

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. REPORTING ENTITY**

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

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Greene County Water & Sewer District I	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District.	None issued
Greene County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued
Greene County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Greene County ABC Board 217 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, 2013

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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.

*Intermediate School Capital Project Fund* – This fund is used to account for the construction of the new Intermediate School.

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 motor vehicle property taxes that are billed and collected by the County for the various municipalities within the County; the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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*Nonmajor Funds* – The County maintains ten legally budgeted funds. The Fire District Funds, the Property Revaluation Fund, the Emergency Telephone System Fund, the April 2011 Tornado Fund, the Hurricane Irene 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 and the Jail Construction / Courthouse Renovation Project Fund are reported as capital project funds.

**Measurement Focus, Basis of Accounting**

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

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

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

Proprietary funds distinguish operating revenues and expenses from 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 are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Greene County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For those motor vehicles registered under the staggered system and for vehicles newly registered under the annual system,

**GREENE COUNTY, NORTH CAROLINA**  
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property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2012 through February 2013 apply to the fiscal year ended June 30, 2013. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements and are offset by deferred inflows of resources.

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 April 2011 Tornado Fund, the Hurricane Irene Fund, 2011 NC Tomorrow CDBG Special revenue 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 2012 CDBG Special Revenue Fund, the 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 \$635,636 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased by \$20,000 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased by \$2,466,785. 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).

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

**2. Use of Estimates**

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

**3. Cash and Cash Equivalents**

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

**4. Restricted Assets**

There is \$5,851,595 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 is \$466,908 in unexpended Water Construction Project funds that is restricted to the purpose for which it was borrowed or received. Customer deposits in the amount of \$138,911 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 in the amount of \$12 is classified as restricted assets because its use is restricted per NC G.S. 153-A-150. Money in the School Capital Projects Fund in the amount of \$985 is classified as restricted assets because its use is restricted per NC G.S. 159-18 through 22. Money in the amounts of \$293,988 for Governmental Activities and \$147,948 for Business-type Activities are restricted for principal payments on loans with USDA that require reserves to be set aside.

**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, 2012. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

**6. Allowances for Doubtful Accounts**

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

**7. Inventories and Prepaid Items**

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

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

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**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.

**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

**GREENE COUNTY, NORTH CAROLINA**  
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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.

**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.

**Restricted for Sheriff Department** – portion of fund balance that is restricted by federal statute to Law Enforcement expenditures.

**Restricted for Emergency Telephone** – portion of fund balance that is restricted by revenue source to provide resources for Emergency Telephone / E911 operations.

**Restricted for Capital Outlay** – portion of fund balance that is restricted by revenue source for future capital projects.

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

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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**  
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**E. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net 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 (\$8,499,922) 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)	\$23,203,565
Less Accumulated Depreciation	6,066,078
<b>Net Capital Assets</b>	<b>\$17,137,487</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	81,202
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	
Taxes	424,307
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	(23,955,437)
Compensated absences	(398,052)
Net pension obligation for law enforcement officers' special separation allowance	(178,146)
Net other postemployment benefits	(1,087,169)
Accrued interest payable	(415,007)
Net loss of internal service fund determined to be governmental-type	(109,107)
<b>Total Adjustment</b>	<b><u>(\$8,499,922)</u></b>

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**GREENE COUNTY, NORTH CAROLINA**  
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**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 (\$15,641,321) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$1,659,355
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	(506,813)
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	(3,843,361)
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	515,843
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)	(74,983)
Value of Land Donated by County	(11,000)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	13,594
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(20,909)
Net other postemployment benefits obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(223,966)
Net loss of internal service fund determined to be governmental- type	(128,636)
Special Item - Greene County Intermediate School Donated Asset	(12,881,547)
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 7/01/12	(536,515)
Increase in deferred inflows of resources - taxes receivable - at end of year	424,307
Decrease in accrued interest on taxes receivable for year ended 6/30/13	(26,690)
<b>Total Adjustment</b>	<b>(\$15,641,321)</b>

**GREENE COUNTY, NORTH CAROLINA**  
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For the Fiscal Year Ended June 30, 2013

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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**

1. Due to certain deficiencies in its accounting system, the County is not in compliance with NCGS 159-25(a)(1) which requires units of government to maintain their financial statements in accordance with generally accepted principles of government accounting. The deficiencies include improper coding, lack of review and posting of transactions, inadequate and untimely reconciling of cash, lack of budget controls and insufficient general ledger account review and analysis.

The County is currently working with a consultant to improve the condition of the accounting records. With the aid of the consultant and outside classes, the County plans to invest the resources necessary to train the current Interim Finance Officer.

2. The County did not adopt the budget ordinance for the June 30, 2013 fiscal year until July 2, 2012. NCGS 159-13(a) requires that the budget be adopted no earlier than ten days after the budget is presented to the board and no later than July 1 of the upcoming fiscal year.

The County assumed that since July 1 was a Sunday, that they had until Monday, July 2 to adopt the budget. The County now understands this not to be the case and will ensure budget is adopted prior to the start of the new year in the future.

3. The County adopted and posted out-of-balance budget amendments for two funds. Once these budgets became out of balance, the County was in violation of NCGS 159-8(a). NCGS 159-8(a) requires each local government to operate under a balanced budget ordinance.

The County made budget amendments that went across several funds. The amendment balanced in total but not by fund. This oversight was not caught, resulting in two funds becoming out of balance. The County is aware to not make such entries across funds in the future.

**Other Matters**

4. The County's fixed asset accounting needs to be upgraded/improved. Currently the County uses a spreadsheet which contains a significant number of errors and makes fixed asset accounting cumbersome and error ridden.

The County has purchased the MUNIS fixed asset module and plans to have fixed asset information transferred to the system prior to the end of fiscal year ending June 30, 2014.

**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 \$363,628 as of June 30, 2013. 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	\$28,899,985
Landfill Fund	(655,798) *
Transportation Fund	247,758
	<u>\$28,491,945</u>

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

**GREENE COUNTY, NORTH CAROLINA**  
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**C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the fiscal year ended June 30, 2013, 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>			
Administration	\$199,434	\$204,754	(\$5,320)
Public Buildings	\$496,282	\$496,930	(\$648)
Recreation	\$268,681	\$271,407	(\$2,726)
Transfers Out	\$421,030	\$426,330	(\$5,300)
<b><u>Fire District Funds</u></b>	<b>\$623,935</b>	<b>\$671,429</b>	<b>(\$47,494)</b>
<b><u>Jail Construction / Court House Renovation Project Fund</u></b>			
Owner's Rep Contract	\$60,287	\$64,447	(\$4,160)
<b><u>Utility Fund</u></b>			
Transfers Out	\$746,659	\$780,385	(\$33,726)
<b><u>Utility Alternative Water Supply Capital Reserve Fund</u></b>			
Debt Service - Phase 1C Interest Payments	\$0	\$967	(\$967)
Professional Services	\$59,559	\$63,934	(\$4,375)
<b><u>Alternative Water Phase 1C Project Fund</u></b>			
Transfer to GC - Alternative Water Supply Fund	\$167,131	\$350,763	(\$183,632)

These over-expenditures occurred because budget amendments were not adopted in a timely manner for certain expenditures. The County has made several changes to its processes to insure that over-expenditures do not occur. The accounting system was allowing purchase orders to be issued even if appropriate funds were not available in the account. The software program has been changed so that only the Finance Officer would be allowed to override the system. All contracts and purchase orders now have the pre-audit certificate and available funds are being verified prior to issuance. The Interim County Manager and the Interim Finance Officer are closely monitoring the financials for potential problem areas. The County Manager has the authority to move funds within departmental budgets to line items that will need additional funds. Budget amendments are being submitted to the Board of Commissioners at each regular meeting. Department Heads have been instructed to closely monitor their budgets for potential problem areas and report those to the Finance Officer. Purchase orders are not issued until proper funding has been established. All County credit cards have been turned into the Finance Office to avoid purchases that are not pre-approved. All travel costs require County Manager approval. The County is also working with its consultant to develop and implement a complete set of Financial guidelines.

**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.

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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, 2013, the County's deposits had a carrying amount of \$3,636,567 and a bank balance of \$4,497,665. Of the bank balance, \$2,670,412 was covered by federal depository insurance and \$1,827,253 was covered by collateral held under the Pooling Method.

At June 30, 2013, Greene County had \$1,723 cash on hand.

At June 30, 2013, the carrying amount of deposits for Greene County ABC Board was \$169,730 and the bank balance was \$170,280. Of this balance, \$170,280 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2013, the ABC Board had \$600 cash on hand.

**2. Investments**

At June 30, 2013, the County's investment balances were as follows:

	<u>Reported Value</u>	<u>Fair Value</u>
NC Capital Management Trust - General Account	\$6,354,548	\$6,354,548
NC Capital Management Trust - Alternative Water Project Phase 1A	1,084,648	1,084,648
<b>Total Investments</b>	<b><u>\$7,439,196</u></b>	<b><u>\$7,439,196</u></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, 2013, 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.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2009	\$458,172	\$108,816	\$566,988
2010	460,087	67,863	527,950
2011	462,349	26,585	488,934
2012	463,184	26,633	489,817
<b>Total</b>	<b><u>\$1,843,792</u></b>	<b><u>\$229,897</u></b>	<b><u>\$2,073,689</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**4. Receivables**

Receivables at the government-wide level at June 30, 2013, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Due From Component Unit	Total
<b>Governmental Activities:</b>					
General	\$678,758	\$613,231	\$770,911	\$21,722	\$2,084,622
Other Governmental	22,035	41,164	113,780		176,979
<b>Total Receivables</b>	<b>\$700,793</b>	<b>\$654,395</b>	<b>\$884,691</b>	<b>\$21,722</b>	<b>\$2,261,601</b>
Allowance for Doubtful Accounts	(164,000)	(148,886)			(312,886)
<b>Total Governmental Activities</b>	<b>\$536,793</b>	<b>\$505,509</b>	<b>\$884,691</b>	<b>\$21,722</b>	<b>\$1,948,715</b>
<b>Business-type Activities:</b>					
Utility Fund	\$798,930		\$42,646		\$841,576
Landfill Fund	1,012	\$70,441	13,331		84,784
Nonmajor Enterprise Activities			20,897		20,897
<b>Total Receivables</b>	<b>\$799,942</b>	<b>\$70,441</b>	<b>\$76,874</b>	<b>\$0</b>	<b>\$947,257</b>
Allowance for Doubtful Accounts	(88,000)	(36,000)			(124,000)
<b>Total Business-type Activities</b>	<b>\$711,942</b>	<b>\$34,441</b>	<b>\$76,874</b>	<b>\$0</b>	<b>\$823,257</b>

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

Local Option Sales Tax	\$395,889
Sales Tax	180,257
Various Human Service Revenues	283,237
Homeland Security Generator Grant	22,607
Single Family Rehab	263
Video Programming Fees	2,438
<b>Total General Fund</b>	<b>\$884,691</b>
Scrap Tire Tax	\$7,104
White Goods	1,672
Solid Waste	2,129
Transportation Grants	20,637
Alternative Water Supply Fees	21,939
Joint Deposit - Town of Farmville	10,000
Sales Tax	13,393
<b>Total Enterprise Fund</b>	<b>\$76,874</b>
<b>Total Due</b>	<b>\$961,565</b>

**5. Notes Receivable**

The County has four 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 May 20, 2009 to Vandiford's Country Kitchen for \$100,000. Vandiford's operated a dining facility that relocated to Snow Hill from Hookerton. The terms of the loan call for 1 interest-only payment and 19 quarterly payments of principal and interest of \$5,875 for 4½ years, including interest at 4.50%. As of June 30, 2011, Vandiford's had made only one payment. Notice had been given to Vandiford's to bring the loan current by January 1, 2011. If the loan was not brought current by that date foreclosure proceedings would be initiated. On April 12, 2011, order to sale secured collateral was recorded in Lenoir County. The County received \$46,000 on April 8, 2013 as proceeds from the sale of foreclosed property held as collateral. The County wrote off the remaining balance of \$49,250 during the fiscal year June 30, 2013

The fourth 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:

Principal Amounts Due For the Year Ended June 30,	NWL Capacitators	Moore's Fiberglass	Ribeye's	Total
2014	17,433	\$22,711	\$9,606	\$49,750
2015	18,141	11,650	10,045	39,836
2016	18,878		10,505	29,383
2017	19,644		8,193	27,837
2018	20,442			20,442
2019-2020	32,228			32,228
	<b>\$126,766</b>	<b>\$34,361</b>	<b>\$38,349</b>	<b>\$199,476</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**6. Capital Assets**

Primary Government

Capital asset activity for the year ended June 30, 2013, 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	12,827,219	\$1,491,994	\$14,319,213	
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$13,456,201</b>	<b>\$1,491,994</b>	<b>\$14,319,213</b>	<b>\$628,982</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings & Land Improvements	\$18,125,560	\$1,437,666		\$19,563,226
Vehicles	1,214,075	110,711	\$21,403	1,303,383
Equipment	1,662,323	56,651	11,000	1,707,974
<b>Total Capital Assets Being Depreciated</b>	<b>\$21,001,958</b>	<b>\$1,605,028</b>	<b>\$32,403</b>	<b>\$22,574,583</b>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Land Improvements	\$3,209,993	\$379,651		\$3,589,644
Vehicles	1,002,410	65,114	\$21,403	1,046,121
Equipment	1,368,265	62,048		1,430,313
<b>Total Accumulated Depreciation</b>	<b>\$5,580,668</b>	<b>\$506,813</b>	<b>\$21,403</b>	<b>\$6,066,078</b>
<i>Total Capital Assets Being Depreciated, Net</i>	15,421,290			16,508,505
<b>Governmental Activity Capital Assets, Net</b>	<b>\$28,877,491</b>			<b>\$17,137,487</b>

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

General Government	\$324,118
Public Safety	92,294
Human Services	11,933
Cultural and Recreational	78,468
<b>Total Depreciation Expense</b>	<b>\$506,813</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

<i>Business Type Activities:</i>	Beginning			Ending
<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	\$178,948	\$22,500		\$201,448
Construction In Progress		114,933	\$90,910	24,023
<i>Total Capital Assets Not Being Depreciated</i>	<u>\$178,948</u>	<u>\$137,433</u>	<u>\$90,910</u>	<u>\$225,471</u>
<b>Capital Assets Being Depreciated:</b>				
Transfer Distribution Systems	\$45,372,148	\$90,910		\$45,463,058
Equipment	228,078			228,078
Vehicles	246,953	16,892		263,845
<b>Total Capital Assets Being Depreciated</b>	<u>\$45,847,179</u>	<u>\$107,802</u>	<u>\$0</u>	<u>\$45,954,981</u>
<b>Less Accumulated Depreciation for:</b>				
Transfer Distribution Systems	\$6,401,906	\$914,395		\$7,316,301
Equipment	190,096	8,569		198,665
Vehicles	221,625	11,787		233,412
<b>Total Accumulated Depreciation</b>	<u>\$6,813,627</u>	<u>\$934,751</u>	<u>\$0</u>	<u>\$7,748,378</u>
<i>Total Capital Assets Being Depreciated, Net</i>	39,033,552			38,206,603
<b>Greene County Utility Fund Capital Assets, Net</b>	<u>\$39,212,500</u>			<u>\$38,432,074</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
<b>Total Capital Assets Being Depreciated</b>	<u>\$934,337</u>	<u>\$0</u>	<u>\$0</u>	<u>\$934,337</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$107,322	\$780		\$108,102
Vehicles	229,975	20,066		250,041
Equipment	462,186	13,675		475,861
<b>Total Accumulated Depreciation</b>	<u>\$799,483</u>	<u>\$34,521</u>	<u>\$0</u>	<u>\$834,004</u>
<i>Total Capital Assets Being Depreciated, Net</i>	134,854			100,333
<b>Greene County Landfill Capital Assets, Net</b>	<u>\$293,288</u>			<u>\$258,767</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
<b>Total Capital Assets Being Depreciated</b>	<u>\$587,534</u>	<u>\$0</u>	<u>\$0</u>	<u>\$587,534</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$42,718	\$8,495		\$51,213
Vehicles	220,598	46,382		266,980
Equipment	11,465			11,465
<b>Total Accumulated Depreciation</b>	<u>\$274,781</u>	<u>\$54,877</u>	<u>\$0</u>	<u>\$329,658</u>
<i>Total Capital Assets Being Depreciated, Net</i>	312,753			257,876
<b>Greene County Transportation Fund Capital Assets, Net</b>	<u>\$312,753</u>			<u>\$257,876</u>
<b>Business-type Activities Capital Assets, Net</b>	<u>\$39,818,541</u>			<u>\$38,948,717</u>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**Construction Commitments**

The government has active construction projects as of June 30, 2013. The projects include the Intermediate School project and the Alternative Water Phase 1C, and 1G projects. At June 30, 2013, the Government's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Alternative Water Phase 1C	\$11,756,765	\$620,000
Alternative Water Phase 1G	47,633	9,944,367
<b>Total</b>	<b>\$11,804,398</b>	<b>\$10,564,367</b>

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2013 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$12,055			\$12,055
<b>Total Assets Not Being Depreciated</b>	<b>\$12,055</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,055</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$49,942	\$4,700		\$54,642
Equipment	51,917	735		52,652
<b>Total Capital Assets Being Depreciated</b>	<b>\$101,859</b>	<b>\$5,435</b>	<b>\$0</b>	<b>\$107,294</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$49,942	\$224		\$50,166
Equipment	38,296	3,161		41,457
<b>Total Accumulated Depreciation</b>	<b>\$88,238</b>	<b>\$3,385</b>	<b>\$0</b>	<b>\$91,623</b>
<i>Total Capital Assets Being Depreciated, Net</i>	13,621			15,671
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$25,676</b>			<b>\$27,726</b>

**B. LIABILITIES**

**1. Payables**

Payables at the government-wide level at June 30, 2013, were as follows:

	Vendors	Accrued Interest	Total
<b>Governmental Activities:</b>			
General	\$432,879	\$415,007	\$847,886
Other Governmental	59,454		59,454
<b>Total Governmental Activities</b>	<b>\$492,333</b>	<b>\$415,007</b>	<b>\$907,340</b>
<b>Business-type Activities:</b>			
Utility Fund	\$96,596	\$65,720	\$162,316
Landfill Fund	13,535		13,535
Nonmajor Enterprise Activities	8,818		8,818
<b>Total Business-type Activities</b>	<b>\$118,949</b>	<b>\$65,720</b>	<b>\$184,669</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

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

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

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

*Funding Policy.* Plan members are required to contribute six (6) percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.74% and 6.77%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 6.74% of annual covered payroll. The contribution requirements of members and of the County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2013, 2012, and 2011 were \$383,439, \$371,176, and \$390,020, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2013, 2012, and 2011 were \$1,283, \$1,426, and \$1,248, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

**b. Law Enforcement Officers' Special Separation Allowance**

**1. Plan Description**

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

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2011, 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	28
<b>Total</b>	<b>28</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**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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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, 2011 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, 2011 was 19 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	\$22,226
Interest on Net Pension Obligation	6,816
Adjustment to Annual Required Contribution	(8,133)
<b>Annual Pension Cost</b>	<b>\$20,909</b>
Contributions Made	_____
<b>Increase (Decrease) in Net Pension Obligation</b>	<b>\$20,909</b>
<i>Net Pension Obligation - Beginning of Year</i>	157,237
<b>Net Pension Obligation - End of Year</b>	<b>\$178,146</b>

**3 YEAR TREND INFORMATION**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/11	\$20,246	0.00%	\$136,328
6/30/12	\$20,909	0.00%	\$157,237
6/30/13	\$20,909	0.00%	\$178,146

4. Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$145,568 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$145,568. The covered payroll (annual payroll of active employees covered by the plan) was \$812,285, and the ratio of the UAAL to the covered payroll was 17.92 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**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

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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, 2013 were \$91,546, which consisted of \$48,533 from the County and \$43,013 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, 2013, the County's required and actual contributions were \$914.

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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Membership of the HCB Plan consisted of the following at December 31, 2010, 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	166
<b>Total</b>	<b>172</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 5.08% of the annual covered payroll. For the current year, the County contributed \$60,194 or .99% 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 .42% and .25% 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	\$306,587
Interest on OPEB Obligation	30,101
Adjustment to Annual Required Contribution	(28,756)
<b>Annual OPEB Cost (expense)</b>	<b>\$307,932</b>
Contributions Made	(60,194)
<b>Increase (Decrease) in Net OPEB Obligation</b>	<b>\$247,738</b>
<i>Net OPEB Obligation - Beginning of Year</i>	949,360
<b>Net OPEB Obligation - End of Year</b>	<b>\$1,197,098</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 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>
6/30/11	328,830	18.23%	752,542
6/30/12	307,932	36.08%	949,360
6/30/13	307,932	19.55%	1,197,098

*Funded Status and Funding Progress.* As of December 31, 2010, 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 \$2,222,489. The covered payroll (annual payroll of active employees covered by the plan) was \$6,037,747, and the ratio of the UAAL to the covered payroll was 36.81%.

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, 2010 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 10.5 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 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, 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, 2013

**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 \$1,089,255 reported as landfill closure and postclosure care liability at June 30, 2013 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	\$424,307	
Taxes Receivable (Net) - Fire Districts	41,677	
Prepaid Regular Property Taxes Not Yet Earned		\$28,429
Prepaid Vehicle Property Taxes Not Yet Earned		46,549
<b>Total</b>	<b>\$465,984</b>	<b>\$74,978</b>

The County does not have any deferred outflows of resources at June 30, 2013. 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, 2013

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, 2013, 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>
2014	\$12,580	\$7,420	\$20,000
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
2019-2022	75,362	10,296	85,658
	<b>\$145,035</b>	<b>\$40,623</b>	<b>\$185,658</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**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.

The first loan was drawn down on September 29, 2004 in the amount of \$250,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of \$5,373, beginning on December 1, 2004 and ending on September 1, 2019. The obligation carries interest at 3.5% and the June 30, 2013 balance was \$119,278.

The second loan was drawn down on November 9, 2008 in the amount of \$140,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of \$5,708, beginning on March 1, 2009 and ending on December 1, 2014. The obligation carries interest at 3.75% and the June 30, 2013 balance was \$33,537.

The third loan was drawn down on May 4, 2009 in the amount of \$100,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for one interest-only payment and quarterly payments of \$5,472, beginning on September 1, 2009 and ending on March 1, 2014. The obligation carries interest at 3.50% and the June 30, 2013 balance was \$21,417.

The fourth loan was drawn down on March 28, 2012 in the amount of \$50,000. The County's obligation under this agreement is limited to the amount of its annual appropriation for the payment of principal and interest. The obligation calls for quarterly payments of \$2,736, beginning on June 1, 2012 and ending on March 1, 2017. The obligation carries interest at 3.50% and the June 30, 2013 balance was \$38,134.

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

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$70,582	\$6,529	\$77,111
2015	39,909	4,353	44,262
2016	29,253	3,185	32,438
2017	27,358	2,149	29,507
2018	20,173	1,321	21,494
2019-2020	25,091	623	25,714
	<b>\$212,366</b>	<b>\$18,160</b>	<b>\$230,526</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**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%, is scheduled for semi-annual appropriations of \$19,716 beginning on December 14, 2007, with the remaining payments of \$19,716, including principal and interest, due in semi-annual installments through June 14, 2021. The unpaid installment purchase contract balance at June 30, 2013 was \$211,498.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$30,972	\$8,460	\$39,432
2015	32,272	7,160	39,432
2016	33,624	5,808	39,432
2017	35,034	4,398	39,432
2018	36,503	2,929	39,432
2019-2020	43,093	1,503	44,596
	<b>\$211,498</b>	<b>\$30,258</b>	<b>\$241,756</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, 2013 was \$90,000.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$17,335	\$1,679	\$19,014
2015	17,659	1,355	19,014
2016	17,988	1,026	19,014
2017	18,324	690	19,014
2018	18,694	320	19,014
	<b>\$90,000</b>	<b>\$5,070</b>	<b>\$95,070</b>

**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, 2013 were \$7,486,171, \$2,319,537, and \$483,397, respectively. During the refinancing process, \$771,686 went from Greene County back to the USDA. These funds were subsequently available for drawdown and have now been drawn down on the capital project related to courthouse renovations. The County reserved an additional \$51,697 for debt service during the current year. The total amount set aside for debt service is \$129,205 at June 30, 2013, which satisfies the USDA requirements.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**Loan 1 :**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$92,225	\$281,329	\$373,554
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
2019-2023	597,480	1,270,290	1,867,770
2024-2028	718,231	1,149,539	1,867,770
2029-2033	863,385	1,004,385	1,867,770
2034-2038	1,037,875	829,895	1,867,770
2039-2043	1,247,630	620,140	1,867,770
2044-2048	1,499,775	367,995	1,867,770
2049-2051	1,024,766	78,974	1,103,740
	<b>\$7,486,171</b>	<b>\$6,691,959</b>	<b>\$14,178,130</b>

**Loan 2:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$29,400	\$89,683	\$119,083
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
2019-2023	190,470	404,945	595,415
2024-2028	228,965	366,450	595,415
2029-2033	275,238	320,177	595,415
2034-2038	330,863	264,552	595,415
2039-2043	397,732	197,683	595,415
2044-2048	478,113	117,302	595,415
2049-2051	331,708	25,170	356,878
	<b>\$2,391,537</b>	<b>\$2,133,246</b>	<b>\$4,524,783</b>

**Loan 3:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$5,943	\$18,127	\$24,070
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
2019-2023	38,499	81,851	120,350
2024-2028	46,279	74,071	120,350
2029-2033	55,634	64,716	120,350
2034-2038	66,876	53,474	120,350
2039-2043	80,393	39,957	120,350
2044-2048	96,641	23,709	120,350
2049-2051	67,048	5,087	72,135
	<b>\$483,397</b>	<b>\$431,188</b>	<b>\$914,585</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**School Construction:**

As authorized by State law [G.S. 160A-20 and 153A-158.1], the County is financing 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 will eventually 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 will be recorded by the Board of Education after construction is complete. Construction in progress will be carried on the Government-wide Statement of Net Position until construction is complete. The County reserved an additional \$69,491 for debt service during the current year. The total amount set aside for debt service is \$164,783 at June 30, 2013, 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, 2013 the County had drawn only \$6,205,573 of principal funds.

**Loan 1:**

During the Year Ending June 30,	Principal	Interest	Total
2014	\$75,838	\$261,224	\$337,062
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
2019-2023	499,754	1,185,556	1,685,310
2024-2028	608,030	1,077,281	1,685,311
2029-2033	739,761	945,549	1,685,310
2034-2038	900,030	785,280	1,685,310
2039-2043	1,095,024	590,286	1,685,310
2044-2048	1,332,265	353,045	1,685,310
2049-2051	427,466	63,629	491,095
	<b>\$6,013,092</b>	<b>\$6,275,174</b>	<b>\$12,288,266</b>

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, 2013, the County will make forty annual payments of principal and interest of \$57,490, ending February 17, 2051. As of June 30, 2013 the County had drawn \$7,000,000 of principal funds.

**Loan 2:**

During the Year Ending June 30,	Principal	Interest	Total
2014	\$80,434	\$277,056	\$357,490
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
2019-2023	530,044	1,257,406	1,787,450
2024-2028	644,880	1,142,570	1,787,450
2029-2033	784,593	1,002,857	1,787,450
2034-2038	954,578	832,872	1,787,450
2039-2043	1,161,390	626,060	1,787,450
2044-2048	1,413,008	374,442	1,787,450
2049-2052	998,192	82,133	1,080,325
	<b>\$6,922,340</b>	<b>\$6,670,135</b>	<b>\$13,592,475</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**(Reported In Enterprise Funds)**

**Utility Fund**

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

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$188,018	\$43,982	\$232,000
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	225,734	6,266	232,000
	<b>\$1,238,498</b>	<b>\$153,502</b>	<b>\$1,392,000</b>

On May 29, 2008 the County entered into an installment purchase contract with First Citizens Bank and Trust Company for the purpose of installing water and sewer services to the new Cutter Creek Subdivision. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the repayment of principal and interest. The total advanced by the bank was \$1,800,000. During the year ended June 30, 2009, a special grant allowed for principal repayment of \$340,000 leaving a net loan of \$1,460,000. On April 29, 2010 the County amended its contract with First Citizens Bank and Trust Company, resulting in new payment terms. Beginning with the payment on May 29, 2010, the County will make 6 semi-annual payments of \$180,000 plus interest through November 29, 2012. There will be a final payment of \$115,650 plus interest due May 29, 2013. The loan carries an interest rate of 3.73%, and the June 30, 2013 balance was paid in full.

**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, 2013, the balance was \$1,772,324.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$172,232	\$92,549	\$264,781
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
2019-2023	861,164	168,271	1,029,435
	<b>\$1,722,324</b>	<b>\$546,881</b>	<b>\$2,269,205</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**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 \$63,820 for debt service during the current year. The total amount set aside for debt service is \$147,948 at June 30, 2013, which satisfies the USDA requirements.

The County's revenue bonds payable at June 30, 2013 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%.	\$4,153,000
\$2,000,000 Water Revenue Bonds Series 2010B issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	1,973,000
\$3,800,000 Water Revenue Bonds Series 2011A issued August 30, 2011; due in annual installments through June 1, 2050; interest at 4.125%.	3,800,000
\$2,737,000 Water Revenue Bonds Series 2011B issued August 30, 2011; due in annual installments through June 1, 2050; interest at 3.375%.	2,737,000
<b>Total</b>	<b>\$12,663,000</b>

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

**2010 Series:**

During the Year Ending June 30,	Principal	Interest	Total
2014	\$79,000	\$230,242	\$309,242
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
2019-2023	511,000	1,035,028	1,546,028
2024-2028	614,000	931,965	1,545,965
2029-2033	740,000	807,667	1,547,667
2034-2038	888,000	658,065	1,546,065
2039-2043	1,067,000	478,070	1,545,070
2044-2048	1,292,000	261,135	1,553,135
2049-2051	589,000	33,510	622,510
	<b>\$6,126,000</b>	<b>\$5,326,027</b>	<b>\$11,452,027</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**2011 Series:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$80,000	\$249,124	\$329,124
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
2019-2023	517,000	1,126,301	1,643,301
2024-2028	622,000	1,020,684	1,642,684
2029-2033	750,000	893,147	1,643,147
2034-2038	905,000	738,969	1,643,969
2039-2043	1,091,000	552,853	1,643,853
2044-2048	1,311,000	328,179	1,639,179
2049-2051	910,000	70,565	980,565
	<b>\$6,537,000</b>	<b>\$5,944,929</b>	<b>\$12,481,929</b>

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, 2013, is as follows:

Operating Revenues	\$2,274,321
Operating Expenses (excluding depreciation)	1,987,332
Operating Income	286,989
Nonoperating Revenues (Expenses)	1,142,668
Transfers Out	(327,520)
Income Available for Debt Service	1,102,137
Debt Service, Principal and Interest Paid (Revenue Bonds Only)	\$638,366
Debt Service Coverage Ratio	173%

**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 \$1,275,000 at June 30, 2013.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$75,000		\$75,000
2015	75,000		75,000
2016	75,000		75,000
2017	75,000		75,000
2018	75,000		75,000
2019-2023	375,000		375,000
2024-2028	375,000		375,000
2029-2030	150,000		150,000
	<b>\$1,275,000</b>	<b>\$0</b>	<b>\$1,275,000</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**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, 2013:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>					
Notes Payable	\$157,002		\$11,967	\$145,035	\$12,580
Global Transpark Development Zone Loans	280,479		68,113	212,366	70,582
Installment Purchase Contracts	20,190,437	\$3,843,361	435,763	23,598,035	332,147
Net Pension Obligation	157,237	20,909		178,146	
OPEB Obligation	863,203	284,161	60,194	1,087,170	
Compensated Absences	411,646	338,680	352,274	398,052	
<b>Total Governmental Activities</b>	<b>\$22,060,004</b>	<b>\$4,487,111</b>	<b>\$928,311</b>	<b>\$25,618,804</b>	<b>\$415,309</b>
<b>Business-type Activities:</b>					
Installment Purchase Contract	\$1,715,416		\$476,918	\$1,238,498	\$188,018
Clean Water Bond Loan	1,894,556		172,232	1,722,324	172,232
Revenue Bonds	12,739,000		76,000	12,663,000	159,000
DWSRF Revolving Loan	1,350,000		75,000	1,275,000	75,000
Accrued Landfill Closure and Postclosure Costs	996,343	\$92,912		1,089,255	
OPEB Obligation	86,157	23,771		109,928	
Compensated Absences	77,667	48,685	70,231	56,121	
<b>Total Business-type Activities</b>	<b>\$18,859,139</b>	<b>\$165,368</b>	<b>\$870,381</b>	<b>\$18,154,126</b>	<b>\$594,250</b>

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed only \$10,807,638 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$129,205.

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, 2013 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Utility Fund	\$255,880
Landfill Fund	General Fund	(17,533)
		<b>\$238,347</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 \$17,533 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, 2013

Operating and equity transfers to and from funds for the year ended June 30, 2013 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 Fund	\$307,804	
Utility Fund	19,716	
<b>Enterprise Fund</b>		
Alternative Water Supply Fund		\$307,804
Utility Fund		19,716
<b>Total Operating Transfers - Other Funds</b>	<b>\$327,520</b>	<b>\$327,520</b>

The transfer from the Alternative Water Supply Fund for \$307,804 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 \$19,716 was the Utility Fund's portion of debt service related to the industrial park loan.

**D. PRIOR PERIOD ADJUSTMENT**

The County performs water billing and collection procedures for South Greene Water Corporation, which is a local non-profit water corporation. During the current fiscal year, it was discovered that the County had overpaid South Greene Water Corporation \$177,143. Bank drafts were being included twice on the monthly summary turnover worksheet since the April 2011 service month. \$100,746 of this overpayment relates to services that took place prior to July 1, 2012. The remaining \$76,397 is for overpayments that relate to services provided during the current fiscal year. As a result of discovering this overpayment, a prior period adjustment of \$100,746 has been made in the Utility Fund. The spreadsheet error has been corrected on the monthly summary worksheet and South Greene Water Corporation repaid the County the \$177,143 on August 30, 2013.

The following shows the effect of this prior period adjustment both in the business-type activities and the Utility Fund:

	<b>Business-type Activities</b>	<b>Utility Fund</b>
	<b>Unrestricted Net Position</b>	<b>Unrestricted Net Position</b>
Net Position at beginning of year, as originally stated	\$29,026,629	\$29,272,353
Prior Period Adjustment	100,746	100,746
Net Position at beginning of year, as restated	<b>\$29,127,375</b>	<b>\$29,373,099</b>

**E. 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:

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

<b>Total Fund Balance - General Fund</b>	<b>\$4,276,234</b>
Less:	
Stabilization by State Statute	2,150,840
Register of Deeds	43,418
Health Department	386,745
Sheriff Department	35,999
Emergency Telephone	65,112
Capital Outlay	45,929
	\$1,548,191
<b>Remaining Fund Balance</b>	<b>\$1,548,191</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, 2013, and the Authority is not considered in determining the County's legal debt limit.

**V. JOINT VENTURES**

The County participates in a joint venture with Lenoir and 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, 2013. During the year ended June 30, 2013, the County appropriated \$121,183 to the Library. Complete financial statements for the Library can be obtained by contacting the Library's administrative offices at 510 North Queen Street, Kinston, North Carolina 28501.

The County, in conjunction with Wilson, Edgecombe, and Nash Counties, participates in a joint venture to operate The Beacon Center for Mental Health, Mental Retardation, and Substance Abuse Services. The County appoints five board members of the eighteen-member board. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' funding in conjunction with the State and federal governments. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2013. The County appropriated \$0 to the Center during the fiscal year ended June 30, 2013 which included \$0 received from the ABC Board designated for alcohol education. All Mental Health appropriations were suspended for the 2011-2012 fiscal year as well as the 2012-2013 fiscal year. This was done state-wide for all counties. The only appropriations expended during the year were for the alcohol education to the ABC Board. Complete financial statements for the Center can be obtained by contacting the Center's administrative offices at 500 Nash Medical Arts Mall, Rocky Mount, North Carolina 27804.

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 \$227,000 to the Community College during the fiscal year ended June 30, 2013. 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, 2013. 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2013

**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 \$6,844 during the fiscal year ended June 30, 2013.

**Global TrnsPark Development Commission**

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

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

The Commission is responsible for a nonexpendable trust fund consisting of an initial State appropriation of \$7.5 million and 85% of the quarterly distributions of the \$5 motor vehicle license fees collected by the North Carolina Department of Transportation. The motor vehicle tax was adopted by the legislature and the participating counties and was collected for a period of five years. The principal balance of the trust funds are nonexpendable and will revolve as loans are made and repaid to the Commission. At June 30, 2013, the portion of the trust available to be loaned exclusively to Greene County was \$651,397, calculated as follows:

Total Allocations for Loans	\$863,765
Loans Drawn Down	(1,535,000)
Principal Payments	1,322,632
<b>Funds Available</b>	<b>\$651,397</b>

**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	\$18,574,438	\$10,355,515
Women, Infants and Children	377,897	
Temporary Assistance For Needy Families	155,060	\$8
Other Programs	197,007	55,834
<b>Total</b>	<b>\$19,304,402</b>	<b>\$10,411,357</b>

**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. CUTTER CREEK**

On March 5, 2008, the County entered into an Infrastructure Financing Agreement with Mill Run Development Group, LLC. Mill Run Development Group, LLC is the entity that has been formed to own, develop and sell real property in the 400 plus acre development in Greene County known as the Cutter Creek Plantation Subdivision. The terms of the agreement state that the County will provide financing to construct the wastewater infrastructure required to convey wastewater from Cutter Creek to the City of Kinston's wastewater system. The County has undertaken this construction in anticipation that the County will collect sufficient additional ad valorem tax revenues from the development of Cutter Creek to amortize the project financing in full on or before December 31, 2013. Under the agreement, Mill Run Development Group, LLC placed \$1,425,000 with a third party Escrow Agent representing the principal of the financed amount plus one year's interest associated with the debt. The County may draw up to the full amount of the Escrow Fund in the event the tax revenues generated from Cutter Creek do not fulfill the obligation of the debt instrument. On June 20, 2013, the Greene County Board of Commissioners voted unanimously to release the Irrevocable Letter of Credit No. 1407220 that was provided by Mill Run Development Group, LLC for the Cutter Creek Project. The County's loan on the project was paid in full, thereby giving the County authorization to release the letter of credit. The last payment on the loan was made on May 20, 2013. As of report date, the entire \$1,425,000 of escrow funds had been released.

Since inception of Cutter Creek, there have been five phases of construction related to water and sewer infrastructure. As of report date, all phases are complete and the County anticipates taking over ownership of these assets in the coming year. The total estimated value of the infrastructure assets is approximately \$8,000,000.

**XI. SPECIAL ITEM – DONATED ASSET**

The County made a capital contribution to the Greene County Board of Education in the amount of \$12,881,547 which represents the cost of constructing 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.

**XII. 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, 2013. 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, 2013

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%

**GREENE COUNTY, NORTH CAROLINA**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 June 30, 2013

<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%

**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	12/31/11
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	19 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, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/2008	\$0	\$1,787,821	\$1,787,821	0.00%	\$5,667,378	31.55%
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%

**GREENE COUNTY, NORTH CAROLINA**  
**OTHER POSTEMPLOYMENT BENEFITS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 June 30, 2013

<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%

**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	12/31/10
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value OF Assets
<i>Actuarial Assumptions:</i>	
Investment Rate of Return*	4%
Projected Salary Increases*	10.5% to 5.0%
*Includes Inflation At	3%

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

Preliminary Draft

**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, 2013**

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<b>Ad Valorem Taxes:</b>			
Taxes	\$7,632,395	\$7,757,659	\$125,264
Penalties and Interest	177,300	180,157	2,857
<b>Total Ad Valorem Taxes</b>	<b>\$7,809,695</b>	<b>\$7,937,816</b>	<b>\$128,121</b>
<b>Local Option Sales Taxes:</b>			
Article 39 and 44	\$602,103	\$595,820	(\$6,283)
Article 40	1,104,400	1,114,334	9,934
Article 42	400,413	402,401	1,988
Article 46	42,318	25,944	(16,374)
<b>Total Local Option Sales Taxes</b>	<b>\$2,149,234</b>	<b>\$2,138,499</b>	<b>(\$10,735)</b>
<b>Other Taxes and Licenses:</b>			
Medicaid Hold Harmless Tax	\$318,500	\$318,841	\$341
Real Estate Transfer Tax	36,365	39,330	2,965
Privilege Licenses		140	140
<b>Total Other Taxes and Licenses</b>	<b>\$354,865</b>	<b>\$358,311</b>	<b>\$3,446</b>
<b>Unrestricted Intergovernmental Revenue:</b>			
Beer & Wine Tax	\$78,084	\$78,090	\$6
<b>Restricted Intergovernmental Revenue:</b>			
State and Federal Grants	\$3,538,280	\$3,694,237	\$155,957
GTP Loans & Loan Repayments	10,628	9,739	(889)
Controlled Substance Tax		496	496
Court Facility Fees	27,000	26,909	(91)
ABC - Bottle Tax	2,000	2,570	570
ABC - Law Enforcement		169	169
Inmate Fees & Reimbursements	114,532	126,413	11,881
Board of Education SRO Reimbursements	63,000	62,486	(514)
<b>Total Restricted Intergovernmental Revenue</b>	<b>\$3,755,440</b>	<b>\$3,923,019</b>	<b>\$167,579</b>
<b>Permits and Fees:</b>			
Building Inspection Fees	\$55,000	\$64,977	\$9,977
Concealed Weapon Fees & Gun Permits	30,000	33,485	3,485
Register of Deeds	61,000	60,976	(24)
Cable TV Fees	10,000	9,535	(465)
Building/Other Permits and Fees	165,818	168,251	2,433
<b>Total Permits &amp; Fees</b>	<b>\$321,818</b>	<b>\$337,224</b>	<b>\$15,406</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, 2013**

	<b>Budget</b>	<b>2013 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Sales and Services:</b>			
DHHS & Health Department Fees	\$630,766	\$613,248	(\$17,518)
Jail and Officer Fees	386,228	417,508	31,280
Ambulance and EMS Fees	705,000	860,581	155,581
Recreation Fees	90,876	92,650	1,774
Senior Center Meals	4,533	5,104	571
Municipal Tax Collection Fee	3,184	3,331	147
Copier and Vending Machines	4,299	4,956	657
Rents	9,100	9,513	413
<b>Total Sales &amp; Services</b>	<b>\$1,833,986</b>	<b>\$2,006,891</b>	<b>\$172,905</b>
<b>Total Investment Earnings</b>	<b>\$174</b>	<b>\$228</b>	<b>\$54</b>
<b>Other Revenues:</b>			
Gasoline Tax Refund	\$26,300	\$26,302	\$2
United Way Receipts - Senior Center	12,273	12,273	
Sweet Potato Festival		3,575	3,575
Golden Leaf - Elaney Woods	394,000	394,000	
Reynolds Civic Grant	23,540	23,540	
Agriculture Center Grant		26,970	26,970
Insurance Proceeds	26,000	25,566	(434)
Hurricane Floyd Repayment	25,000	25,000	
ABC Board Profit Distribution		21,343	21,343
Miscellaneous	38,709	33,570	(5,139)
<b>Total Other Revenues</b>	<b>\$545,822</b>	<b>\$592,139</b>	<b>\$46,317</b>
<b>TOTAL REVENUES</b>	<b>\$16,849,118</b>	<b>\$17,372,217</b>	<b>\$523,099</b>
<b>EXPENDITURES:</b>			
<b>General Government:</b>			
<b>Governing Body:</b>			
Salaries & Employee Benefits	\$23,046	\$22,399	\$647
Operating Expenses	53,725	44,232	9,493
Insurance Other Than Property	193,130	192,230	900
	<b>\$269,901</b>	<b>\$258,861</b>	<b>\$11,040</b>
<b>Administration:</b>			
Salaries and Employee Benefits	\$13,178	\$13,498	(\$320)
Operating Expenses	186,256	191,256	(5,000)
	<b>\$199,434</b>	<b>\$204,754</b>	<b>(\$5,320)</b>
<b>Elections:</b>			
Salaries & Employee Benefits	\$103,165	\$96,934	\$6,231
Operating Expenses	77,549	56,078	21,471
	<b>\$180,714</b>	<b>\$153,012</b>	<b>\$27,702</b>
<b>Finance:</b>			
Salaries & Employee Benefits	\$323,384	\$301,780	\$21,604
Operating Expenses	76,567	64,227	12,340
	<b>\$399,951</b>	<b>\$366,007</b>	<b>\$33,944</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, 2013

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>Taxes:</b>			
Salaries & Employee Benefits	\$301,032	\$290,612	\$10,420
Operating Expenses	160,840	133,946	26,894
Revaluation	76,320	76,046	274
	<b>\$538,192</b>	<b>\$500,604</b>	<b>\$37,588</b>
<b>Register of Deeds:</b>			
Salaries & Employee Benefits	\$137,022	\$135,734	\$1,288
Operating Expenses	78,925	54,539	24,386
	<b>\$215,947</b>	<b>\$190,273</b>	<b>\$25,674</b>
<b>Public Buildings:</b>			
Salaries & Employee Benefits	\$17,282	\$17,276	\$6
Operating Expenses	479,000	479,654	(654)
	<b>\$496,282</b>	<b>\$496,930</b>	<b>(\$648)</b>
<b>Court Facilities:</b>			
Operating Expenses	<b>\$21,044</b>	<b>\$16,479</b>	<b>\$4,565</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$2,321,465</b>	<b>\$2,186,920</b>	<b>\$134,545</b>
<b>Public Safety:</b>			
<b>Sheriff Department:</b>			
Salaries & Employee Benefits	\$1,408,225	\$1,387,088	\$21,137
Operating Expenses	325,870	318,026	7,844
	<b>\$1,734,095</b>	<b>\$1,705,114</b>	<b>\$28,981</b>
<b>County Jail:</b>			
Salaries & Employee Benefits	\$621,751	\$620,696	\$1,055
Operating Expenses	465,703	438,787	26,916
	<b>\$1,087,454</b>	<b>\$1,059,483</b>	<b>\$27,971</b>
<b>Inspections:</b>			
Salaries & Employee Benefits	\$154,831	\$154,458	\$373
Operating Expenses	16,577	15,521	1,056
Capital Outlay	16,903	16,903	
	<b>\$188,311</b>	<b>186,882</b>	<b>\$1,429</b>
<b>Emergency Management:</b>			
Salaries & Employee Benefits	\$68,737	\$67,266	\$1,471
Operating Expenses	50,860	49,392	1,468
Aid to Fire Districts	62,115	62,115	
Greene County Firemen's Association	5,000	5,000	
Capital Outlay/Homeland Security Grant	121,628	98,224	23,404
	<b>\$308,340</b>	<b>\$281,997</b>	<b>\$26,343</b>
<b>Emergency Medical Services:</b>			
Salaries & Employee Benefits	\$640,956	\$631,961	\$8,995
Operating Expenses	325,917	322,782	3,135
Aid to Rescue Districts	48,800	48,800	
Capital Outlay	94,000	93,808	192
	<b>\$1,109,673</b>	<b>\$1,097,351</b>	<b>\$12,322</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, 2013**

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Medical Examiner:</b>			
Operating Expenses	\$7,000	\$6,565	\$435
<b>TOTAL PUBLIC SAFETY</b>	<b>\$4,434,873</b>	<b>\$4,337,392</b>	<b>\$97,481</b>
<b>Environmental Protection:</b>			
<b>Forest Fire Prevention:</b>			
County Matching to State	\$50,000	\$46,969	\$3,031
<b>TOTAL ENVIRONMENTAL PROTECTION</b>	<b>\$50,000</b>	<b>\$46,969</b>	<b>\$3,031</b>
<b>Economic &amp; Physical Development:</b>			
<b>Agricultural Extension:</b>			
Salaries & Employee Benefits	\$151,000	\$148,521	\$2,479
Operating Expenses	23,215	21,969	1,246
Capital Outlay/E.W. Project	5,090	5,085	5
	<b>\$179,305</b>	<b>\$175,575</b>	<b>\$3,730</b>
<b>Soil Conservation Services:</b>			
Salaries & Employee Benefits	\$103,284	\$102,315	\$969
Operating Expenses	12,239	10,594	1,645
	<b>\$115,523</b>	<b>\$112,909</b>	<b>\$2,614</b>
<b>Economic Development:</b>			
Salaries & Employee Benefits	\$22,085	\$22,084	\$1
Operating Expenses	6,890	5,483	1,407
	<b>\$28,975</b>	<b>\$27,567</b>	<b>\$1,408</b>
<b>TOTAL ECONOMIC &amp; PHYSICAL DEVELOPMENT</b>	<b>\$323,803</b>	<b>\$316,051</b>	<b>\$7,752</b>
<b>Human Services:</b>			
<b>Public Health:</b>			
Administration:			
Salaries & Employee Benefits	\$1,392,908	\$1,314,733	\$78,175
Operating Expenses	325,249	225,042	100,207
Clinic and Consulting Fees	69,507	63,548	5,959
	<b>\$1,787,664</b>	<b>\$1,603,323</b>	<b>\$184,341</b>
<b>Mental Health:</b>			
ABC Funds - Addictions Program	\$4,800	\$4,800	
	<b>\$4,800</b>	<b>\$4,800</b>	<b>\$0</b>
<b>Social Services:</b>			
Administration:			
Salaries & Employee Benefits	\$1,901,759	\$1,819,433	\$82,326
Operating Expenses	145,041	128,017	17,024
	<b>\$2,046,800</b>	<b>\$1,947,450</b>	<b>\$99,350</b>
Adoption Assistance	\$58,296	\$56,553	\$1,743

**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, 2013**

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TANF Program:</b>			
Respite Care Family	\$9,476	\$4,852	\$4,624
Emergency Assistance	6,750	3,316	3,434
Foster Care	138,500	128,906	9,594
	<b>\$154,726</b>	<b>\$137,074</b>	<b>\$17,652</b>
<b>Blind Assistance</b>	<b>\$932</b>	<b>\$932</b>	<b>\$0</b>
<b>Energy:</b>			
Carolina Power and Light Crisis Fund	<b>\$3,210</b>	<b>\$1,712</b>	<b>\$1,498</b>
<b>Day Care:</b>			
County Participation	\$671,456	\$646,660	\$24,796
Smart Start	11,800		11,800
	<b>\$683,256</b>	<b>\$646,660</b>	<b>\$36,596</b>
<b>Adoption Incentive</b>	<b>\$1,500</b>	<b>\$870</b>	<b>\$630</b>
<b>Crisis LIEAP</b>	<b>\$230,968</b>	<b>\$225,973</b>	<b>\$4,995</b>
<b>Program Expenses</b>	<b>\$30,000</b>	<b>\$28,487</b>	<b>\$1,513</b>
<b>Child Support Enforcement</b>	<b>\$30,659</b>	<b>\$19,345</b>	<b>\$11,314</b>
<b>Food Stamps</b>	<b>\$8,250</b>	<b>\$6,996</b>	<b>\$1,254</b>
<b>General Assistance</b>	<b>\$9,000</b>	<b>\$6,514</b>	<b>\$2,486</b>
<b>Independent Living</b>	<b>\$2,675</b>	<b>\$2,675</b>	<b>\$0</b>
<b>Work First Job Program</b>	<b>\$49,250</b>	<b>\$44,571</b>	<b>\$4,679</b>
<b>Medical Assistance</b>	<b>\$165,000</b>	<b>\$175,503</b>	<b>(\$10,503)</b>
<b>Neuse River-In Home Care</b>	<b>\$60,278</b>	<b>\$59,117</b>	<b>\$1,161</b>
<b>Special Assistance-Adults</b>	<b>\$272,605</b>	<b>\$248,039</b>	<b>\$24,566</b>
<b>Title XX Legal Expense</b>	<b>\$50,000</b>	<b>\$34,233</b>	<b>\$15,767</b>
<b>Foster Care</b>	<b>\$137,500</b>	<b>\$135,477</b>	<b>\$2,023</b>
<b>Breast &amp; Cervical Cancer</b>	<b>\$2,199</b>	<b>\$479</b>	<b>\$1,720</b>
<b>Total Social Services</b>	<b>\$3,997,104</b>	<b>\$3,778,660</b>	<b>\$218,444</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, 2013**

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Veterans Service Officer:</b>			
Salaries & Employee Benefits	\$22,178	\$22,174	\$4
Operating Expenses	3,385	3,377	8
	<b>\$25,563</b>	<b>\$25,551</b>	<b>\$12</b>
<b>Youth Services:</b>			
Operating Expenses	\$80,785	\$80,698	\$87
	<b>\$80,785</b>	<b>\$80,698</b>	<b>\$87</b>
<b>Senior Services:</b>			
Salaries & Employee Benefits	\$105,972	\$99,612	\$6,360
Operating Expenses	141,923	127,127	14,796
	<b>\$247,895</b>	<b>\$226,739</b>	<b>\$21,156</b>
<b>TOTAL HUMAN SERVICES</b>	<b>\$6,143,811</b>	<b>\$5,719,771</b>	<b>\$424,040</b>
<b>Culture and Recreation:</b>			
<b>Regional Library:</b>			
County Matching Share	\$121,185	\$121,183	\$2
<b>Recreation:</b>			
Salaries & Employee Benefits	\$117,389	\$115,945	\$1,444
Operating Expenses	151,292	155,462	(4,170)
	<b>\$268,681</b>	<b>\$271,407</b>	<b>(\$2,726)</b>
<b>Farmers Market</b>	<b>\$27,946</b>	<b>\$4,449</b>	<b>\$23,497</b>
<b>TOTAL CULTURE AND RECREATION</b>	<b>\$417,812</b>	<b>\$397,039</b>	<b>\$20,773</b>
<b>Education:</b>			
<b>Public Schools:</b>			
Current Expense - Local	\$2,267,005	\$2,267,004	\$1
Capital Outlay - Local	505,000	486,286	18,714
	<b>\$2,772,005</b>	<b>\$2,753,290</b>	<b>\$18,715</b>
<b>Community College:</b>			
Local Appropriation	\$222,000	\$222,000	
Operating Expenses	5,000	5,000	
	<b>\$227,000</b>	<b>\$227,000</b>	<b>\$0</b>
<b>TOTAL EDUCATION</b>	<b>\$2,999,005</b>	<b>\$2,980,290</b>	<b>\$18,715</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, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>Debt Service:</b>			
Principal Retirement	\$223,505	\$236,733	(\$13,228)
Interest	409,803	396,565	13,238
<b>TOTAL DEBT SERVICE</b>	<b>\$633,308</b>	<b>\$633,298</b>	<b>\$10</b>
<b>TOTAL EXPENDITURES</b>	<b>\$17,324,077</b>	<b>\$16,617,730</b>	<b>\$706,347</b>
<b>Excess Revenues Over (Under) Expenditures</b>	<b>(\$474,959)</b>	<b>\$754,487</b>	<b>\$1,229,446</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers To Other Funds	(\$421,030)	(\$426,330)	(\$5,300)
Transfers From Other Funds	434,274	434,274	
Sale of Fixed Assets	46,000		(46,000)
Fund Balance Appropriated	325,715		(325,715)
Write Off of Uncollectible Economic Development Note		(49,250)	(49,250)
Loan Proceeds	90,000	90,000	
<b>Total Other Financing Sources (Uses)</b>	<b>\$474,959</b>	<b>\$48,694</b>	<b>(\$426,265)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$803,181</b>	<b>\$803,181</b>
<b>FUND BALANCES</b>			
Beginning of Year, July 1		3,473,053	
<b>FUND BALANCE, Ending</b>		<b>\$4,276,234</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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
<i>Restricted Intergovernmental:</i>					
Investment Earnings		\$134	\$79	\$213	\$213
<b>Total Revenues</b>	<b>\$0</b>	<b>\$134</b>	<b>\$79</b>	<b>\$213</b>	<b>\$213</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	778,390	\$14,110	792,500	
Construction	11,118,275	10,248,420	602,722	10,851,142	267,133
Capital Outlay	477,096	311,736	116,864	428,600	48,496
Interim Interest	100,874	100,874		100,874	
Construction Management	222,300	198,900	23,400	222,300	
Data Service Technology	699,273		313,242	313,242	386,031
LEED Submission Cost	3,542	3,542		3,542	
Special Inspections	117,277	108,512	8,765	117,277	
<b>Total Expenditures</b>	<b>\$13,584,148</b>	<b>\$11,802,446</b>	<b>\$1,079,103</b>	<b>\$12,881,549</b>	<b>\$702,599</b>
<b>Revenues Over Expenditures</b>	<b>(\$13,584,148)</b>	<b>(\$11,802,312)</b>	<b>(\$1,079,024)</b>	<b>(\$12,881,336)</b>	<b>\$702,812</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
<i>Temporary Financing Issued for USDA</i>					
Installment Purchase Obligations Issued	\$13,584,148	\$9,754,274	\$3,448,300	\$13,202,574	(\$381,574)
<b>Total Other Financing Sources</b>	<b>\$13,584,148</b>	<b>\$9,754,274</b>	<b>\$3,448,300</b>	<b>\$13,202,574</b>	<b>(\$381,574)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>(\$2,048,038)</b>	<b>\$2,369,276</b>	<b>\$321,238</b>	<b>\$321,238</b>
<b>FUND BALANCE, Beginning</b>			<b>(2,048,038)</b>		
<b>FUND BALANCE, Ending</b>			<b>\$321,238</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)			69,491		
Fund Balance, Beginning (Debt Service Fund)			95,292		
Fund Balance, Ending (Consolidated Intermediate School Fund)			<b>\$486,021</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
 June 30, 2013

	Special Revenue Funds					2012 CDBG Project Fund
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	April 2011 Tornado Fund	Hurricane Irene Fund	
<b>ASSETS</b>						
Cash and Investments	\$1,984		\$389,748	\$46,887	\$13,948	
Restricted Cash		\$12				
Accounts Receivable			22,035			
Due From Other Governments			1,336	161		\$263
Due From Other Funds	10,168					
Taxes Receivable, Net	41,164					
<b>TOTAL ASSETS</b>	<b>\$53,316</b>	<b>\$12</b>	<b>\$413,119</b>	<b>\$47,048</b>	<b>\$13,948</b>	<b>\$263</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$11,639	\$1	\$192			
Due to Other Funds				\$29,698		\$263
<b>Total Liabilities</b>	<b>\$11,639</b>	<b>\$1</b>	<b>\$192</b>	<b>\$29,698</b>	<b>\$0</b>	<b>\$263</b>
<b>Deferred Inflows of Resources:</b>						
Taxes Receivables	\$41,164					
Prepaid Taxes	513					
<b>Total Deferred Inflows of Resources</b>	<b>\$41,677</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fund Balances:</b>						
<b>Restricted:</b>						
Stabilization by State Statute			\$23,371	\$161		
USDA Loan Payments						
<b>Committed</b>						
Assigned		\$11	389,556	17,189	\$13,948	
<b>Total Fund Balances</b>	<b>\$0</b>	<b>\$11</b>	<b>\$412,927</b>	<b>\$17,350</b>	<b>\$13,948</b>	<b>\$0</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$53,316</b>	<b>\$12</b>	<b>\$413,119</b>	<b>\$47,048</b>	<b>\$13,948</b>	<b>\$263</b>

Total Non-major Special Revenue Funds	Capital Project Funds			Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
	School Capital Finance Fund	American Prawn Cooperative Project Fund	Jail Construction / Court House Renovation Project Fund		
\$452,567		\$34,426		\$34,426	\$486,993
12	\$985		\$129,205	130,190	130,202
22,035					22,035
1,760			2,256	2,256	4,016
10,168					10,168
41,164					41,164
<b>\$527,706</b>	<b>\$985</b>	<b>\$34,426</b>	<b>\$131,461</b>	<b>\$166,872</b>	<b>\$694,578</b>
\$11,832			\$5,945	\$5,945	\$17,777
29,961		\$29,727	359,939	389,666	419,627
<b>\$41,793</b>	<b>\$0</b>	<b>\$29,727</b>	<b>\$365,884</b>	<b>\$395,611</b>	<b>\$437,404</b>
\$41,164					\$41,164
513					513
<b>\$41,677</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$41,677</b>
\$23,532			\$2,256	\$2,256	\$25,788
			129,205	129,205	129,205
11					11
420,693	\$985	\$4,699	(365,884)	(360,200)	60,493
<b>\$444,236</b>	<b>\$985</b>	<b>\$4,699</b>	<b>(\$234,423)</b>	<b>(\$228,739)</b>	<b>\$215,497</b>
<b>\$527,706</b>	<b>\$985</b>	<b>\$34,426</b>	<b>\$131,461</b>	<b>\$166,872</b>	<b>\$694,578</b>

**GREENE COUNTY, NORTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For The Fiscal Year Ended June 30, 2013**

	Special Revenue Funds						
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	April 2011 Tornado Fund	Hurricane Irene Fund	2011 CDBG Project Fund	2012 CDBG Project Fund
<b>REVENUES:</b>							
Ad Valorem Taxes	\$671,429						
Restricted Intergovernmental			\$132,192			\$49,294	\$263
Investment Earnings		\$11	15				
<b>Total Revenues</b>	<b>\$671,429</b>	<b>\$11</b>	<b>\$132,207</b>	<b>\$0</b>	<b>\$0</b>	<b>\$49,294</b>	<b>\$263</b>
<b>EXPENDITURES:</b>							
Public Safety	\$671,429		\$169,040				
Economic Development				\$2,615	\$1,650	\$49,294	\$263
Debt Service - Principal							
Debt Service - Interest							
<b>Total Expenditures</b>	<b>\$671,429</b>	<b>\$0</b>	<b>\$169,040</b>	<b>\$2,615</b>	<b>\$1,650</b>	<b>\$49,294</b>	<b>\$263</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$11</b>	<b>(\$36,833)</b>	<b>(\$2,615)</b>	<b>(\$1,650)</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating Transfer In (Out)		(\$106,754)					
FEMA Adjustment				\$11,392			
Installment Purchase Obligations Issued							
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>(\$106,754)</b>	<b>\$0</b>	<b>\$11,392</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures</b>	<b>\$0</b>	<b>(\$106,743)</b>	<b>(\$36,833)</b>	<b>\$8,777</b>	<b>(\$1,650)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>							
<i>Beginning of Year, July 1</i>		\$106,754	\$449,760	\$8,573	\$15,598		
<b>End of Year, June 30</b>	<b>\$0</b>	<b>\$11</b>	<b>\$412,927</b>	<b>\$17,350</b>	<b>\$13,948</b>	<b>\$0</b>	<b>\$0</b>

Total Nonmajor Special Revenue Funds	Capital Project Funds			Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	School Capital Finance Fund	American Prawn Cooperative Project Fund	Jail Construction / Court House Renovation Project Fund		
\$671,429					\$671,429
181,749	\$559,350			\$559,350	741,099
26	102		\$6	108	134
<b>\$853,204</b>	<b>\$559,452</b>	<b>\$0</b>	<b>\$6</b>	<b>\$559,458</b>	<b>\$1,412,662</b>
\$840,469			\$407,807	\$407,807	\$1,248,276
53,822					53,822
	\$279,109			279,109	279,109
	435,443			435,443	435,443
<b>\$894,291</b>	<b>\$714,552</b>	<b>\$0</b>	<b>\$407,807</b>	<b>\$1,122,359</b>	<b>\$2,016,650</b>
<b>(\$41,087)</b>	<b>(\$155,100)</b>	<b>\$0</b>	<b>(\$407,801)</b>	<b>(\$562,901)</b>	<b>(\$603,988)</b>
(\$106,754)	\$155,204		\$201,697	\$356,901	\$250,147
11,392					11,392
			305,062	305,062	305,062
<b>(\$95,362)</b>	<b>\$155,204</b>	<b>\$0</b>	<b>\$506,759</b>	<b>\$661,963</b>	<b>\$566,601</b>
<b>(\$136,449)</b>	<b>\$104</b>	<b>\$0</b>	<b>\$98,958</b>	<b>\$99,062</b>	<b>(\$37,387)</b>
\$580,685	\$881	\$4,699	(\$333,381)	(\$327,801)	\$252,884
<b>\$444,236</b>	<b>\$985</b>	<b>\$4,699</b>	<b>(\$234,423)</b>	<b>(\$228,739)</b>	<b>\$215,497</b>

## 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.
- *2011 Community Development Block Grant Project Fund* – This fund accounts for the revenues and expenses associated with various community revitalization projects.
- *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.

**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, 2013**

	<b>Annual Budget</b>	<b>2013 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
Ad Valorem Taxes - Current Year	\$623,935	\$608,208	(\$15,727)
Ad Valorem Taxes - Prior Years		63,221	63,221
<b>Total Revenues</b>	<b>\$623,935</b>	<b>\$671,429</b>	<b>\$47,494</b>
<b>EXPENDITURES:</b>			
<i>Public Safety:</i>			
Rainbow Fire District	\$70,000	\$74,248	(\$4,248)
Bull Head Fire District	45,000	48,937	(3,937)
Maury Fire District	68,000	78,539	(10,539)
Arba Fire District	47,000	51,418	(4,418)
Shine Fire District	62,000	67,463	(5,463)
Little Creek Fire District	24,886	27,795	(2,909)
Contentnea Fire District	105,000	109,935	(4,935)
Fort Run Fire District	46,925	50,443	(3,518)
Jason Fire District	46,124	47,657	(1,533)
Castoria Fire District	54,000	57,168	(3,168)
Speight's Bridge Fire District	55,000	57,826	(2,826)
<b>Total Expenditures</b>	<b>\$623,935</b>	<b>\$671,429</b>	<b>(\$47,494)</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
FUND BALANCE, Beginning			
FUND BALANCE, Ending		\$0	

**GREENE COUNTY, NORTH CAROLINA**  
**PROPERTY REVALUATION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For The Fiscal Year Ended June 30, 2013**

	Annual Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$11	\$11
<b>Total Revenues</b>	<b>\$0</b>	<b>\$11</b>	<b>\$11</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>\$11</b>	<b>\$11</b>
<b>OTHER FINANCING SOURCES</b>			
Operating Transfers In			
Operating Transfers Out	(\$120,000)	(\$106,754)	\$13,246
Fund Balance Appropriated	120,000		(120,000)
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>(\$106,754)</b>	<b>(\$106,754)</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>(\$106,743)</b>	<b>(\$106,743)</b>
FUND BALANCE, Beginning		106,754	
<b>FUND BALANCE, Ending</b>		<b>\$11</b>	

**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, 2013**

	Annual Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Restricted Intergovernmental:			
PSAP Collections	\$132,192	\$132,192	
Investment Earnings		15	\$15
<b>Total Revenues</b>	<b>\$132,192</b>	<b>\$132,207</b>	<b>\$15</b>
<b>EXPENDITURES:</b>			
<i>Public Safety:</i>			
Operating Expenses	\$169,054	\$146,885	\$22,169
Equipment	97,610	22,155	75,455
<b>Total Expenditures</b>	<b>\$266,664</b>	<b>\$169,040</b>	<b>\$97,624</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$134,472)</b>	<b>(\$36,833)</b>	<b>\$97,639</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Fund Balance Appropriated	\$134,472		(\$134,472)
<b>Total Other Financing Sources (Uses)</b>	<b>\$134,472</b>	<b>\$0</b>	<b>(\$134,472)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$36,833)</b>	<b>(\$36,833)</b>
<i>Fund Balance, Beginning</i>		449,760	
<b>Fund Balance, Ending</b>		<b>\$412,927</b>	

## 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, 2013

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<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>\$232,582</b>	<b>\$2,615</b>	<b>\$235,197</b>	<b>\$5,958</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$8,573</b>	<b>(\$2,615)</b>	<b>\$5,958</b>	<b>\$5,958</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
FEMA Adjustment	\$0	\$0	\$11,392	\$11,392	\$11,392
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,392</b>	<b>\$11,392</b>	<b>\$11,392</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$8,573</b>	<b>\$8,777</b>	<b>\$17,350</b>	<b>\$17,350</b>
<b>FUND BALANCE, Beginning</b>			<b>8,573</b>		
<b>FUND BALANCE, Ending</b>				<b>\$17,350</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, 2013**

	<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>					
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	3,264	\$1,650	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>\$42,503</b>	<b>\$1,650</b>	<b>\$44,153</b>	<b>\$4,191</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$15,598</b>	<b>(\$1,650)</b>	<b>\$13,948</b>	<b>\$13,948</b>
<b>FUND BALANCE, Beginning</b>			<b>15,598</b>		
<b>FUND BALANCE, Ending</b>			<b>\$13,948</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**2011 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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Restricted Intergovernmental:					
2011 - 11-C-2274 NC Tomorrow Grant Program	\$50,000		\$49,294	\$49,294	(\$706)
<b>Total Revenues</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$49,294</b>	<b>\$49,294</b>	<b>(\$706)</b>
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
Planning	\$45,000		\$44,966	\$44,966	\$34
Administration	5,000		4,328	4,328	672
<b>Total Expenditures</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$49,294</b>	<b>\$49,294</b>	<b>\$706</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i>FUND BALANCE, Beginning</i>					
<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, 2013**

	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	\$263	(\$159,737)
<b>Total Revenues</b>	<b>\$160,000</b>	<b>\$0</b>	<b>\$263</b>	<b>\$263</b>	<b>(\$159,737)</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	\$263	14,282
<b>Total Expenditures</b>	<b>\$160,000</b>	<b>\$0</b>	<b>\$263</b>	<b>\$263</b>	<b>\$159,737</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i>FUND BALANCE, Beginning</i>					
<b>FUND BALANCE, Ending</b>			<b>\$0</b>		

**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, 2013**

	Annual Budget	2012 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<i>Reserved for Debt Service:</i>			
Public School Building			
Capital Fund - Lottery	\$559,348	\$559,350	\$2
Investment Earnings		102	102
<b>Total Revenues</b>	<b>\$559,348</b>	<b>\$559,452</b>	<b>\$104</b>
<b>EXPENDITURES:</b>			
Debt Service - Principal	\$161,937	\$279,109	(\$117,172)
Debt Service - Interest	552,615	435,443	117,172
<b>Total Expenditures</b>	<b>\$714,552</b>	<b>\$714,552</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>(\$155,204)</b>	<b>(\$155,100)</b>	<b>\$104</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from General Fund	\$155,204	\$155,204	
<b>Total Other Financing Sources</b>	<b>\$155,204</b>	<b>\$155,204</b>	<b>\$0</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$104</b>	<b>\$104</b>
<b>FUND BALANCE, Beginning</b>		<b>881</b>	
<b>FUND BALANCE, Ending</b>		<b>\$985</b>	

**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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<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>FUND BALANCE, Beginning</b>			<b>4,699</b>		
<b>FUND BALANCE, Ending</b>			<b>\$4,699</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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Investment Earnings		\$33,976	\$6	\$33,982	\$33,982
<b>Total Revenues</b>	<b>\$0</b>	<b>\$33,976</b>	<b>\$6</b>	<b>\$33,982</b>	<b>\$33,982</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	61,781	\$1,068	62,849	6,403
Construction	788,538	445,233	340,897	786,130	2,408
Equipment	42,000	10,064	25,091	35,155	6,845
Contingency	21,623				21,623
Owner's Rep Contract	60,287	39,363	25,084	64,447	(4,160)
Inspection	18,268	10,701	7,567	18,268	
Abatement Design Cost	8,100		8,100	8,100	
<b>Total Court House Renovation</b>	<b>\$1,018,068</b>	<b>\$570,086</b>	<b>\$407,807</b>	<b>\$977,893</b>	<b>\$40,175</b>
<b>Total Expenditures</b>	<b>\$11,518,068</b>	<b>\$10,639,803</b>	<b>\$407,807</b>	<b>\$11,047,610</b>	<b>\$470,458</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$11,518,068)</b>	<b>(\$10,605,827)</b>	<b>(\$407,801)</b>	<b>(\$11,013,628)</b>	<b>\$504,440</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	466,624	\$305,062	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>\$10,194,938</b>	<b>\$455,062</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>(\$410,889)</b>	<b>\$47,261</b>	<b>(\$363,628)</b>	<b>(\$363,628)</b>
<b>FUND BALANCE, Beginning</b>			<b>(410,889)</b>		
<b>FUND BALANCE, Ending</b>			<b>(\$363,628)</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)			51,697		
Fund Balance, Beginning (Debt Service Fund)			77,508		
Fund Balance, Ending (Consolidated Courthouse Renovations Fund)			<b>(\$234,423)</b>		

**DEBT SERVICE FUND**

Preliminary Draft

**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, 2013**

	<u>Annual Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings		\$62	\$62
<b>Total Revenues</b>	<b>\$0</b>	<b>\$62</b>	<b>\$62</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>\$62</b>	<b>\$62</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from General Fund	\$172,800	\$121,126	(\$51,674)
Reserve - Detention Center	(77,580)		77,580
Reserve - Intermediate School	(95,292)		95,292
<b>Total Other Financing Sources</b>	<b>(\$72)</b>	<b>\$121,126</b>	<b>\$121,198</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>(\$72)</b>	<b>\$121,188</b>	<b>\$121,260</b>
<b>FUND BALANCE, Beginning</b>		<b>172,800</b>	
<b>FUND BALANCE, Ending</b>		<b>\$293,988</b>	
<b>Supplementary Information</b>			
Fund Allocation of Debt Reserve	<b>Prior Years</b>	<b>Current Year</b>	<b>Year To Date</b>
Intermediate School Project Fund	\$95,292	\$69,491	\$164,783
Jail Construction/Court House Renovation Project Fund	77,508	51,697	129,205
	<b>\$172,800</b>	<b>\$121,188</b>	<b>\$293,988</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, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for Services:			
Water and Sewer Sales	\$1,899,123	\$1,979,601	\$80,478
South Greene Water Corporation Charges	144,174	203,005	58,831
Tap-on Fees and Service Charges	56,739	26,899	(29,840)
Penalties and Interest Charges	54,800	54,800	
Miscellaneous	9,014	10,016	1,002
<b>Total Operating Revenues</b>	<b>\$2,163,850</b>	<b>\$2,274,321</b>	<b>\$110,471</b>
Nonoperating Revenues:			
Investment Earnings	\$44	\$104	\$60
Alternative Water Supply Fees	667,522	729,390	61,868
<b>Total Nonoperating Revenues</b>	<b>\$667,566</b>	<b>\$729,494</b>	<b>\$61,928</b>
<b>Total Revenues</b>	<b>\$2,831,416</b>	<b>\$3,003,815</b>	<b>\$172,399</b>
<b>EXPENDITURES:</b>			
Operating:			
Salaries and Employee Benefits	\$459,037	\$457,289	\$1,748
Supplies	178,500	175,837	2,663
Water Purchases	402,963	426,868	(23,905)
Maintenance	122,600	110,731	11,869
Contracted Services	91,785	86,330	5,455
Utilities	158,045	151,172	6,873
Sewer Charges - Town of Farmville	210,000	191,995	18,005
Office Expense	62,600	60,630	1,970
Professional Services	67,600	66,253	1,347
Management Fee - County	164,128	164,128	
Insurance	20,700	20,610	90
Miscellaneous	500	303	197
<b>Total Operating Expenditures</b>	<b>\$1,938,458</b>	<b>\$1,912,146</b>	<b>\$26,312</b>
<b>DEBT SERVICE:</b>			
Interest on Long-Term Debt	\$716,591	\$641,570	\$75,021
Principal Payments	725,149	800,150	(75,001)
<b>Total Debt Service</b>	<b>\$1,441,740</b>	<b>\$1,441,720</b>	<b>\$20</b>
<b>CAPITAL OUTLAY:</b>			
Vehicles	\$20,000	\$16,892	\$3,108
<b>Total Capital Outlay</b>	<b>\$20,000</b>	<b>\$16,892</b>	<b>\$3,108</b>
<b>Total Expenditures</b>	<b>\$3,400,198</b>	<b>\$3,370,758</b>	<b>\$29,440</b>
<b>Revenues Over Expenditures</b>	<b>(\$568,782)</b>	<b>(\$366,943)</b>	<b>\$201,839</b>

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In:			
Alternative Water Supply Fund	\$717,333	\$717,332	(\$1)
Operating Transfers Out:			
Alternative Water Supply Fund	(746,659)	(780,385)	(33,726)
General Fund	(19,716)	(19,716)	
Fund Balance Appropriated	617,824		(617,824)
<b>Total Other Financing Sources (Uses)</b>	<b>\$568,782</b>	<b>(\$82,769)</b>	<b>(\$651,551)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures, Financing Uses, and Appropriated Fund Balance</b>	<b>\$0</b>	<b>(\$449,712)</b>	<b>(\$449,712)</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		(\$893,306)	
Principal Payments		800,150	
Capital Outlay		16,892	
Increase in Compensated Absences		7,914	
Increase in Other Postemployment Benefits		(16,166)	
Increase in Accrued Interest		2,037	
Net Income Capital Reserve Fund Excluding Transfers		18	
Investment Earnings from Alternative Water Supply Capital Reserve Fund		207	
Alternative Water Supply Meter Fees from Alternative Water Supply Capital Reserve Fund		412,704	
Interest Payments Made From Alternative Water Supply Fund		(967)	
Depreciation Water & Sewer District 1		(41,445)	
Administrative Expenses Water & Sewer District 1		(3,000)	
Transfer from Alternative Water Supply Fund to General Fund		(307,804)	
Transfer to Alternative Water Supply Fund		780,385	
Reimbursement to Water Fund From Alternative Water Supply Fund		(717,332)	
Alternative Water Supply Fund Expenditures Project Fund		170	
Investment Earnings on Alternative Water Phase 1C Project Fund		61	
Investment Earnings on Water Debt Service Fund		14	
<b>Total Reconciling Items</b>		<b>(\$23,402)</b>	
<b>Change in Net Position</b>		<b>(\$473,114)</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, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$18	\$18
<b>Total Revenues</b>	<b>\$0</b>	<b>\$18</b>	<b>\$18</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In (Out)			
Reserve			
<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>\$18</b>	<b>\$18</b>
FUND BALANCE, Beginning		504,365	
FUND BALANCE, Ending		<b>\$504,383</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, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$207	\$207
Per Meter AWS Fees	\$695,664	412,704	(282,960)
<b>Total Revenues</b>	<b>\$695,664</b>	<b>\$412,911</b>	<b>(\$282,753)</b>
<b>EXPENDITURES:</b>			
Debt Service - Phase 1C Interest Payments		\$967	(\$967)
Professional Services	\$59,559	63,934	(4,375)
<b>Total Expenditures</b>	<b>\$59,559</b>	<b>\$64,901</b>	<b>(\$5,342)</b>
<b>Revenues Over (Under) Other Expenditures</b>	<b>\$636,105</b>	<b>\$348,010</b>	<b>(\$288,095)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In	\$632,109	\$1,220,826	\$588,717
Operating Transfers Out	(967,521)	(941,008)	26,513
Reimbursement to Water Fund	(84,128)	(84,128)	
Debt Reserve - Phase 1A	(30,941)	(30,941)	
Debt Reserve - Phase 1C	(32,865)	(32,865)	
Reserve	(1,301,260)		1,301,260
Fund Balance Appropriated	1,175,014		(1,175,014)
<b>Total Other Financing Sources</b>	<b>(\$609,592)</b>	<b>\$131,884</b>	<b>\$741,476</b>
<b>Revenues Over (Under) Other Financing Sources</b>	<b>\$26,513</b>	<b>\$479,894</b>	<b>\$453,381</b>
FUND BALANCE, Beginning		5,368,026	
FUND BALANCE, Ending		<b>\$5,847,920</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, 2013**

	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)		(105,350)	(\$105,350)
<b>Total Other Financing Sources (Uses)</b>	<b>\$1,800,000</b>	<b>\$1,800,000</b>	<b>\$0</b>	<b>\$1,694,650</b>	<b>(\$105,350)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$137,580</b>	<b>\$0</b>	<b>\$32,230</b>	<b>\$32,230</b>
FUND BALANCE, Beginning			32,230		
FUND BALANCE, Ending			<b>\$32,230</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, 2013**

	Project Authorization	Prior Years	Actual		Variance Favorable (Unfavorable)
			Current Year	Total To Date	
<b>REVENUES:</b>					
Investment Earnings - (BAN Proceeds)	\$57,380	\$59,632	\$170	\$59,802	\$2,422
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>\$3,000,389</b>	<b>\$170</b>	<b>\$3,000,559</b>	<b>(\$253,376)</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>(\$5,880,385)</b>	<b>(\$6,053,902)</b>	<b>\$170</b>	<b>(\$6,053,732)</b>	<b>(\$173,347)</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 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>\$6,143,580</b>	<b>(\$89,678)</b>	<b>\$6,053,902</b>	<b>\$173,517</b>
<b>Revenues and Other Financing Over Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$89,678</b>	<b>(\$89,508)</b>	<b>\$170</b>	<b>\$170</b>
<b>FUND BALANCE, Beginning</b>			89,678		
<b>FUND BALANCE, Ending</b>			<b>\$170</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, 2013**

	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	1,184	\$61	1,245	384
Liquidated Damages	25,000	25,000		25,000	
USDA - RD Grant Income	52,668				(52,668)
Rural Center Grant Income	50,000				(50,000)
Sales Tax Refund - Restricted	172,131				(172,131)
<b>Total Revenues</b>	<b>\$6,007,841</b>	<b>\$5,574,926</b>	<b>\$61</b>	<b>\$5,574,987</b>	<b>(\$432,854)</b>
<b>EXPENDITURES:</b>					
Construction	\$10,220,172	\$9,893,444		\$9,893,444	\$326,728
Engineering	581,601	578,667		578,667	2,934
Temporary Financing Interest Expense	498,247	314,615		314,615	183,632
Inspection	555,745	555,747		555,747	(2)
Land/Easements	202,530	202,372	\$150	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	27,954	7,046	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	81,041				81,041
Basic Engineering Fees	7,000				7,000
Inspection	12,000				12,000
Legal	1,000				1,000
Administrative	1,000		874	874	126
Contingency	627				627
Project Administration	2,500				2,500
Grant Assistance	2,500				2,500
<b>Total Expenditures</b>	<b>\$12,377,710</b>	<b>\$11,748,695</b>	<b>\$8,070</b>	<b>\$11,756,765</b>	<b>\$620,945</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$6,369,869)</b>	<b>(\$6,173,769)</b>	<b>(\$8,009)</b>	<b>(\$6,181,778)</b>	<b>\$188,091</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 GC - Alternative Water Supply Fund	(167,131)		(\$350,763)	(350,763)	(183,632)
<b>Total Other Financing Sources (Uses)</b>	<b>\$6,369,869</b>	<b>\$6,537,000</b>	<b>(\$350,763)</b>	<b>\$6,186,237</b>	<b>(\$183,632)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$363,231</b>	<b>(\$358,772)</b>	<b>\$4,459</b>	<b>\$4,459</b>
<b>FUND BALANCE, Beginning</b>			<b>363,231</b>		
<b>FUND BALANCE, Ending</b>			<b>\$4,459</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, 2013**

	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)
Miscellaneous		101		101	101
<b>Total Revenues</b>	<b>\$1,590,167</b>	<b>\$1,500,101</b>	<b>\$0</b>	<b>\$1,500,101</b>	<b>(\$90,066)</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>\$3,116,680</b>	<b>\$3,026,614</b>	<b>\$0</b>	<b>\$3,026,614</b>	<b>\$90,066</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$1,526,513)</b>	<b>(\$1,526,513)</b>	<b>\$0</b>	<b>(\$1,526,513)</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
ARRA - DWSRF Debt Proceeds	\$1,500,000	\$1,500,000		\$1,500,000	
Due From GC - Alternative Water Supply Fund	26,513				(\$26,513)
<b>Total Other Financing Sources (Uses)</b>	<b>\$1,526,513</b>	<b>\$1,500,000</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>(\$26,513)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$26,513)</b>	<b>\$0</b>	<b>(\$26,513)</b>	<b>(\$26,513)</b>
<b>FUND BALANCE, Beginning</b>			<b>(26,513)</b>		
<b>FUND BALANCE, Ending</b>			<b>(\$26,513)</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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
USDA - RD Grant Income	\$2,138,000				(\$2,138,000)
Owner Contribution From Surcharge	100,000				(100,000)
Sales Tax Refund - Restricted	35,000				(35,000)
Sales Tax Refund - Unrestricted	165,000				(165,000)
<b>Total Revenues</b>	<b>\$2,438,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,438,000)</b>
<b>EXPENDITURES:</b>					
Construction	\$8,205,200				\$8,205,200
Engineering	536,600				536,600
Inspection	400,000				400,000
Legal	15,000		\$78	\$78	14,922
Land/Easements	140,000	\$9,180	22,500	31,680	108,320
Temporary Financing Interest	50,000				50,000
Funding Assistance	5,000				5,000
Project Administration	10,000				10,000
Buy American - ARRA	6,500				6,500
Job Creation - ARRA	5,000				5,000
DBE - ARRA	10,000				10,000
Davis Bacon - ARRA	10,000				10,000
Advertisement	2,000				2,000
Printing	10,000				10,000
Reimbursable	2,000		875	875	1,125
Repayment of Interim Financing Loan	100,000				100,000
Contingency	409,700				409,700
Funding Assistance - Non-USDA	20,000				20,000
Project Administration - Non-USDA	15,000				15,000
Grant Administration - Non-USDA	25,000				25,000
Water Board Coordination - Non-USDA	15,000		15,000	15,000	
Contingency - Non-USDA	125,000				125,000
<b>Total Expenditures</b>	<b>\$10,117,000</b>	<b>\$9,180</b>	<b>\$38,453</b>	<b>\$47,633</b>	<b>\$10,069,367</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$7,679,000)</b>	<b>(\$9,180)</b>	<b>(\$38,453)</b>	<b>(\$47,633)</b>	<b>\$7,631,367</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
USDA - RD Loan Income - (BAN Proceeds)	\$7,579,000				(\$7,579,000)
Interim Financing Loan From Surcharge	100,000				(100,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$7,679,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,679,000)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$9,180)</b>	<b>(\$38,453)</b>	<b>(\$47,633)</b>	<b>(\$47,633)</b>
FUND BALANCE, Beginning			(9,180)		
FUND BALANCE, Ending			(\$47,633)		

**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, 2013**

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Sales Tax Refund	\$2,987				(\$2,987)
<b>Total Revenues</b>	<b>\$2,987</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,987)</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>\$0</b>	<b>\$90,910</b>	<b>\$90,910</b>	<b>\$0</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$87,923)</b>	<b>\$0</b>	<b>(\$90,910)</b>	<b>(\$90,910)</b>	<b>(\$2,987)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Greene County	\$87,923				(\$87,923)
<b>Total Other Financing Sources (Uses)</b>	<b>\$87,923</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$87,923)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$90,910)</b>	<b>(\$90,910)</b>	<b>(\$90,910)</b>
<b>FUND BALANCE, Beginning</b>					
<b>FUND BALANCE, Ending</b>			<b>(\$90,910)</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, 2013**

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<i>Total Revenues</i>	\$3,000	\$0	(\$3,000)
<b>EXPENDITURES:</b>			
Administrative	\$3,000	\$3,000	
<i>Total Expenditures</i>	\$3,000	\$3,000	\$0
<i>Revenues Over (Under) Expenditures</i>	\$0	(\$3,000)	(\$3,000)
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		(\$41,445)	
<i>Total Reconciling Items</i>		(\$41,445)	
<i>Change in Net Position</i>		(\$44,445)	

**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, 2013**

	<u>Annual Budget</u>	<u>2013 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			\$0
Phase 1C Reserve			0
<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, 2013**

	Annual Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$14	
<b>Total Revenues</b>	<b>\$0</b>	<b>\$14</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>\$14</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from Utility Fund	\$63,806	\$63,806	
Phase 1A Reserve	(30,941)		\$30,941
Phase 1C Reserve	(32,865)		32,865
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$63,806</b>	<b>\$63,806</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$63,820</b>	<b>\$63,806</b>
<b>FUND BALANCE, Beginning</b>			
<b>FUND BALANCE, Ending</b>		<b>\$63,820</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**LANDFILL FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2013**

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Operating:</i>			
Landfill Fees	\$627,785	\$630,675	\$2,890
<b>Total Operating Revenues</b>	<b>\$627,785</b>	<b>\$630,675</b>	<b>\$2,890</b>
<i>Nonoperating:</i>			
Investment Earnings	\$30	\$105	\$75
Restitution		2,545	2,545
NCDOT Grinding		100	100
<b>Total Nonoperating Revenues</b>	<b>\$30</b>	<b>\$2,750</b>	<b>\$2,720</b>
<b>Total Revenues</b>	<b>\$627,815</b>	<b>\$633,425</b>	<b>\$5,610</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$179,846	\$179,838	\$8
Employee Training	1,500	1,465	35
Supplies	30,180	27,295	2,885
Maintenance	62,171	58,678	3,493
Contracted Services	171,788	151,980	19,808
Utilities	16,500	16,425	75
Professional Services	29,800	29,703	97
Insurance	8,000	8,000	
Site Improvements	3,000	1,889	1,111
Telephone and Postage	5,300	5,142	158
Travel	490	72	418
Disposal Fees	136,000	121,569	14,431
<b>Total Expenditures</b>	<b>\$644,575</b>	<b>\$602,056</b>	<b>\$42,519</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$16,760)</b>	<b>\$31,369</b>	<b>\$48,129</b>

GREENE COUNTY, NORTH CAROLINA  
LANDFILL FUND  
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2013

	<u>Budget</u>	<u>2013 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Fund Balance Appropriated	\$16,760		(\$16,760)
<b>Total Other Financing Sources (Uses)</b>	<u>\$16,760</u>	<u>\$0</u>	<u>(\$16,760)</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$0</u>	<u>\$31,369</u>	<u>\$31,369</u>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>Revenues Over (Under) Expenditures</b>	<u>\$0</u>	<u>\$31,369</u>	<u>\$31,369</u>
<b>RECONCILING ITEMS:</b>			
Decrease in Compensated Absences		\$8,276	
Increase in Other Postemployment Benefits		(5,235)	
Depreciation		(34,522)	
Increase in Accrued Landfill Closure and Postclosure Care Costs		(92,912)	
<b>Total Reconciling Items</b>		<u>(\$124,393)</u>	
<b>Change in Net Position</b>		<u>(\$93,024)</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, 2013

	Budget	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<i>Operating:</i>			
Transportation Fares	\$237,463	\$207,343	(\$30,120)
<b>Total Operating Revenues</b>	<b>\$237,463</b>	<b>\$207,343</b>	<b>(\$30,120)</b>
<i>Nonoperating:</i>			
Investment Earnings	\$26	\$30	\$4
ROAP - EMPL	8,660	8,660	
DOT Transportation Coordination Grant	92,000	87,783	(4,217)
ROAP - EDTAP	47,213	47,213	
ROAP - RGP	52,864	52,864	
<b>Total Nonoperating Revenues</b>	<b>\$200,763</b>	<b>\$196,550</b>	<b>(\$4,213)</b>
<b>Total Revenues</b>	<b>\$438,226</b>	<b>\$403,893</b>	<b>(\$34,333)</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$315,792	\$304,550	\$11,242
Supplies and Fuel	89,395	70,403	18,992
Maintenance	23,000	17,561	5,439
Utilities	2,500	1,986	514
Office Expense	13,750	9,712	4,038
Telephone and Postage	2,700	2,534	166
Travel	5,000	621	4,379
Miscellaneous Operating Expense	300	198	102
Rent	600	501	99
Indirect Costs	4,065	4,065	
Repayment of 2010 ROAP Funds	9,162	9,162	
<b>Total</b>	<b>\$466,264</b>	<b>\$421,293</b>	<b>\$44,971</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$28,038)</b>	<b>(\$17,400)</b>	<b>\$10,638</b>
<b>OTHER FINANCING SOURCES:</b>			
Fund Balance Appropriated	\$28,038		(\$28,038)
<b>Total Other Financing Sources</b>	<b>\$28,038</b>	<b>\$0</b>	<b>(\$28,038)</b>
<b>Revenues and Other Financing Sources (Uses) Over Expenditures</b>	<b>\$0</b>	<b>(\$17,400)</b>	<b>(\$17,400)</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Decrease in Compensated Absences		\$5,356	
Increase in Other Post Employment Benefits		(2,371)	
Depreciation		(54,877)	
<b>Total Reconciling Items</b>		<b>(\$51,892)</b>	
<b>Change in Net Position</b>		<b>(\$69,292)</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, 2013**

	Financial Plan	2013 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
<i>Operating:</i>			
County Contributions/Premiums	\$1,657,068	\$1,487,708	(\$169,360)
<b>Total Operating Revenues</b>	<b>\$1,657,068</b>	<b>\$1,487,708</b>	<b>(\$169,360)</b>
<i>Nonoperating:</i>			
Investment Earnings		\$100	\$100
<b>Total Nonoperating Revenues</b>	<b>\$0</b>	<b>\$100</b>	<b>\$100</b>
<b>Total Revenues</b>	<b>\$1,657,068</b>	<b>\$1,487,808</b>	<b>(\$169,260)</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Medical Claims and Fees	\$1,657,068	\$1,616,444	\$40,624
<b>Total</b>	<b>\$1,657,068</b>	<b>\$1,616,444</b>	<b>\$40,624</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>(\$128,636)</b>	<b>(\$128,636)</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, 2013**

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Municipal Tax Fund:</b>				
Assets:				
Cash	\$9,823	\$119,288	\$120,292	\$8,819
Due from Other Governments	1,412		1,412	
	<u>\$11,235</u>	<u>\$119,288</u>	<u>\$121,704</u>	<u>\$8,819</u>
Liabilities:				
3% DMV Interest		\$11,228	\$11,228	
Accounts Payable	\$11,235	105,644	108,060	\$8,819
	<u>\$11,235</u>	<u>\$116,872</u>	<u>\$119,288</u>	<u>\$8,819</u>
<b>Social Services Fund:</b>				
Assets, Cash				
	<u>\$112,754</u>	<u>\$151,747</u>	<u>\$145,626</u>	<u>\$118,875</u>
Liabilities, Accounts Payable				
	<u>\$112,754</u>	<u>\$151,747</u>	<u>\$145,626</u>	<u>\$118,875</u>
<b>Jail Inmate Fund:</b>				
Assets, Cash				
	<u>\$1,798</u>	<u>\$69,244</u>	<u>\$67,055</u>	<u>\$3,987</u>
Liabilities, Accounts Payable				
	<u>\$1,798</u>	<u>\$69,244</u>	<u>\$67,055</u>	<u>\$3,987</u>
<b>Fines and Forfeitures Fund:</b>				
Assets:				
Cash	\$6,526		\$6,519	\$7
Due from Other Governments	8,007	\$95,570	93,961	9,616
	<u>\$14,533</u>	<u>\$95,570</u>	<u>\$100,480</u>	<u>\$9,623</u>
Liabilities:				
Accounts Payable	\$14,533	\$89,051	\$93,961	\$9,623
	<u>\$14,533</u>	<u>\$89,051</u>	<u>\$93,961</u>	<u>\$9,623</u>
<b>Cooperative Extension Fund:</b>				
Assets, Cash				
	<u>\$16,732</u>	<u>\$20,129</u>	<u>\$16,241</u>	<u>\$20,620</u>
Liabilities, Accounts Payable				
	<u>\$16,732</u>	<u>\$20,129</u>	<u>\$16,241</u>	<u>\$20,620</u>
<b>South Greene Water Collection Fund:</b>				
Assets:				
Cash	\$19,208	\$408,218	\$493,199	(\$65,773)
Due from Other Governments		76,397		76,397
	<u>\$19,208</u>	<u>\$484,615</u>	<u>\$493,199</u>	<u>\$10,624</u>
Liabilities:				
Accounts Payable	\$19,208	\$93,182	\$101,766	\$10,624
	<u>\$19,208</u>	<u>\$93,182</u>	<u>\$101,766</u>	<u>\$10,624</u>
<b>TOTALS - ALL AGENCY FUNDS:</b>				
Assets, Cash and Due From Other Governments				
	<u>\$176,260</u>	<u>\$940,593</u>	<u>\$944,305</u>	<u>\$172,548</u>
Liabilities:				
Accounts Payable	\$176,260	\$540,225	\$543,937	\$172,548
	<u>\$176,260</u>	<u>\$540,225</u>	<u>\$543,937</u>	<u>\$172,548</u>
<b>Total Liabilities</b>				
	<u>\$176,260</u>	<u>\$540,225</u>	<u>\$543,937</u>	<u>\$172,548</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, 2013

Fiscal Year Ended June 30,	Uncollected Balance June 30, 2012	Additions	Collections and Credits	Uncollected Balance June 30, 2013
2012-13		\$7,759,575	\$7,475,545	\$284,030
2011-12	\$325,650		262,730	62,920
2010-11	129,918		83,754	46,164
2009-10	65,465		30,162	35,303
2008-09	34,032		6,205	27,827
2007-08	21,833		3,573	18,260
2006-07	17,204		2,107	15,097
2005-06	17,270		1,374	15,896
2004-05	14,701		1,348	13,353
2003-04	14,588		1,409	13,179
2002-03	37,251		37,251	
	<b>\$677,912</b>	<b>\$7,759,575</b>	<b>\$7,905,458</b>	<b>\$532,029</b>
Less Allowance for Uncollectible Ad Valorem Taxes Receivable:				107,722
<b>Ad Valorem Taxes Receivable, Net</b>				<b>\$424,307</b>
<b>Reconciliation with Revenues:</b>				
Ad Valorem Taxes - General Fund				\$7,757,659
Interest and Penalties Collected on Ad Valorem Taxes - General Fund				180,157
				<b>\$7,937,816</b>
<b>Reconciling Items:</b>				
Interest and Penalties Collected				(\$180,157)
Refunds				81,126
Dog Tax				(1,426)
Taxes Written Off				4,930
Prior Year Releases/Adjustments				63,169
<b>Total Reconciling Items</b>				<b>(\$32,358)</b>
<b>Total Collections and Credits</b>				<b>\$7,905,458</b>

**GREENE COUNTY, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE LEVY**  
For The Fiscal Year Ended June 30, 2013

	County-Wide		Total Levy		
			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles	
	Property Valuation	Rate	Amount of Levy		
<b>Original Levy:</b>					
Property Taxed at Current Year's Rate	\$1,025,447,619	0.756	\$7,752,384	\$6,771,127	\$981,257
<b>Total</b>	<b>\$1,025,447,619</b>		<b>\$7,752,384</b>	<b>\$6,771,127</b>	<b>\$981,257</b>
<b>Discoveries:</b>					
Current Years Taxes	\$3,027,646	0.756	\$22,889	\$22,889	
Penalties			25,361	25,361	
<b>Total Discoveries</b>	<b>\$3,027,646</b>		<b>\$48,250</b>	<b>\$48,250</b>	<b>\$0</b>
<b>Abatements</b>					
Releases	(\$5,431,085)	0.756	(\$41,059)	(\$6,493)	(\$34,566)
<b>Total Abatements</b>	<b>(\$5,431,085)</b>		<b>(\$41,059)</b>	<b>(\$6,493)</b>	<b>(\$34,566)</b>
<b>Total Property Valuation</b>	<b>\$1,023,044,180</b>				
<b>Net Levy</b>			<b>\$7,759,575</b>	<b>\$6,812,884</b>	<b>\$946,691</b>
Uncollected Taxes at June 30, 2013			284,030	170,632	113,398
<b>Current Year's Taxes Collected</b>			<b>\$7,475,545</b>	<b>\$6,642,252</b>	<b>\$833,293</b>
<b>Current Levy Collection Percentage</b>			<b>96.34%</b>	<b>97.50%</b>	<b>88.02%</b>

**GREENE COUNTY, NORTH CAROLINA**  
**TEN LARGEST TAXPAYERS**  
For The Fiscal Year Ended June 30, 2013

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2012 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Pitt-Greene EMC	Utility	\$17,452,495	1.71%
Ham Farms, Inc.	Agricultural	13,034,152	1.27%
Mill Run Development Group, LLC	Construction	12,843,910	1.26%
Progress Energy Carolinas	Utility	7,038,265	0.69%
Carolina Telephone	Telephone	5,420,749	0.53%
Cutter Creek Golf Club II, LLC	Country Club	5,158,121	0.50%
Piedmont Natural Gas Co., Inc.	Utility	5,070,867	0.50%
L.L. Murphrey Company, Inc.	Swine Producer	4,309,881	0.42%
Vanrack, Inc.	Construction	4,087,629	0.40%
Biotech Mills, Inc.	Environmental	3,740,280	0.37%
		<b>\$78,156,349</b>	<b>7.65%</b>

Preliminary Draft

COMPLIANCE SECTION



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

**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, 2013, and the related notes to the financial statements, which collectively comprises Greene County's basic financial statements, and have issued our report thereon dated January 9, 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 and significant deficiencies.

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 responses as Finding 13-1, Finding 13-2, Finding 13-3, Finding 13-4, Finding 13-5, and Finding 13-6 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as Finding 13-7 and Finding 13-8 to be significant deficiencies.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as Finding 13-2, Finding 13-6, Finding 13-7 and Finding 13-8.

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 responses. 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.  
KINSTON, NC

January 9, 2014



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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**

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**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, 2013. 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, 2013.

## 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 13-9, and Finding 13-10. 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 13-9 and Finding 13-10 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

January 9, 2014



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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**

**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, 2013. 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, 2013.

## 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

---

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

January 9, 2014

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2013

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   X
- Significant deficiency(s) identified that are not considered to be material weaknesses   X

Noncompliance material to financial statements noted   X         

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified          X
- Significant deficiency(s) identified that are not considered to be material weaknesses   X

Type of auditors' report issued on compliance for major federal programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133   X         

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Cluster</u>
10.766	Community Facilities Loan
93.778	Title XIX – Medicaid

Dollar threshold used to distinguish between Type A and Type B Programs   \$709,353

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2013

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

**State Awards**

Internal control over major State programs:

- Material weakness(es) identified \_\_\_\_\_X\_\_\_\_\_
- Significant deficiency(s) identified that are not considered to be material weaknesses \_\_\_\_\_X\_\_\_\_\_

Type of auditors' report issued on compliance for major State programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act \_\_\_\_\_X\_\_\_\_\_

Identification of major State programs:

**Program Name**

Title XIX - Medicaid – State Match

Public School Building Capital Fund - Lottery

**II. FINANCIAL STATEMENT FINDINGS**

**FINDING 13-1 – 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, 2013

*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 13-2 – REPORTING**

**MATERIAL WEAKNESS  
MATERIAL NONCOMPLIANCE**

*Criteria:* The North Carolina Budget and Fiscal Control Act (NCGS 159-25(a)(1)) requires units of governments to maintain their financial records in accordance with generally accepted principles of government accounting and in accordance with rules and regulations of the North Carolina Local Government Commission.

*Condition:* The County did not comply with NCGS 159-25(a)(1) due to significant deficiencies in its accounting system. The deficiencies include: improper coding, lack of review and posting of transactions, inadequate and untimely reconciling of cash, lack of budget controls and insufficient general ledger account review and analysis.

*Effect:* Material misstatements caused by error or fraud can occur and not be detected and corrected, by management, in a timely manner. Also, significant additional time was required to obtain information requested, analyze and adjust account balances to correct material account coding errors and prepare the financial statements in accordance with accounting principles generally accepted in the United States of America resulting in noncompliance with submission of audited financial statements to federal and state agencies by the respective deadlines.

*Cause:* The previous finance officer and current interim finance officer did not adequately perform the accounting functions relevant to the position to operate the County's accounting system in compliance with the Budget and Fiscal Control Act.

*Recommendation:* The County should have a qualified Finance Officer or hire a full-time County Manager with a strong background in finance and governmental accounting, who would be capable of adequately training current accounting personnel.

*Views of Responsible  
Officials and Planned  
Corrective Action:*

The County agrees with this finding and will continue to improve on the weaknesses mentioned. The County has hired a consultant to assist with the training and development of the Interim Finance Officer. This training and assistance will continue through the end of 2014. The consultant is also assisting the County staff with the development of a comprehensive set of Financial Policies and Guidelines. Upon completion within the next few months, these will be presented to the County Board of Commissioners for their approval. The consultant is also assisting the staff in establishing appropriate financial records based on generally accepted principles of government accounting and in accordance with the rules and regulations of the North Carolina Local Government Commission. Greene County has also continued to retain the services of Richard Hicks as the Interim County Manager through December 2014.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For The Year Ended June 30, 2013**

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His knowledge of the County will help the County commissioners in their review and adoption of the 2014-2015 budget, and he will continue his review of County finances. The County has advertised and interviewed twice for the position of County Manager, but was unable to find a suitable and qualified candidate for the position. This is partially the result of the large number of Counties and Cities that are currently recruiting managers. Plans are underway to begin a new selection process in the fall of 2014. All financial transactions are currently being reviewed by the Interim County Manager and the Interim Finance Officer, as well as with assistance from the consultant. With the conclusion of the 2012-2013 audit, the County has made progress in correcting the significant reduction in fund balance and is now in a better position to improve upon and monitor the conditions listed in this finding.

**FINDING 13-3 – 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, reserve for self-funded insurance liability, long-term debt, 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. 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 and has developed a checklist of documenting duties to be performed on all accounts to reflect appropriate year-end balances. The consultant will also provide assistance and guidance at the end of the fiscal year to ensure proper balances are maintained. It will be a priority of the finance office to make these adjustments accurately and in a timely manner.

**FINDING 13-4 – 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:

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2013

---

**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 13-5 – 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 spreadsheet used by the County to maintain the fixed asset records contained a significant number of errors. These included incorrect beginning balances, improper calculations of depreciation, and omissions of additions.

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

**Cause:** Since custom depreciation software is not being used to track fixed assets, the County should implement additional procedures to ensure that the spreadsheet used to depreciate fixed assets is accurate and complete.

**Recommendation:** The County should carefully test the calculations related to the depreciation schedule to ensure that calculations are correct and should also check them thoroughly for all additions. The County may choose to use custom depreciation software designed for governmental entities. This is a repeat finding.

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

The County agrees with this finding. County staff is becoming familiar with the fixed asset module in MUNIS and will begin the process of converting all fixed assets to the new system. The County plans to have all of the fixed asset information transferred to the MUNIS software system prior to the end of fiscal year ending June 30, 2014.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2013

**FINDING 13-6 – 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 10 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 13-7 – BUDGET ORDINANCE ADOPTED AFTER START OF FISCAL YEAR**

**SIGNIFICANT DEFICIENCY  
IMMATERIAL NONCOMPLIANCE**

*Criteria:* North Carolina General Statute 159-13(a) requires that the governing board shall adopt a budget ordinance no earlier than ten days after the day the budget is presented to the board and no later than July 1 for the upcoming fiscal year.

*Condition:* The County adopted the budget ordinance for the June 30, 2013 fiscal year on July 2, 2012.

*Effect:* The budget ordinance was adopted after the time frame that is allowed.

*Cause:* The County assumed that since July 1 occurred on Sunday, that they had until Monday, July 2 to adopt the budget. The County now understands this not to be the case, and will ensure that the budget is adopted prior to the start of the new year in the future.

*Recommendation:* The Board and County Management should work closely to ensure that budget ordinances are adopted within the allowed time frame in the future.

*Views of Responsible Officials and Planned Corrective Actions:* Management agrees with this finding and intends to monitor this requirement more closely in future years.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2013

**FINDING 13-8 – BUDGETS OUT OF BALANCE AT YEAR END**

**SIGNIFICANT DEFICIENCY  
IMMATERIAL NONCOMPLIANCE**

*Criteria:* North Carolina General Statute 159-8(a) requires each local government and public authority to operate under an annual balanced budget ordinance. The sum of estimated revenues and appropriated fund balances shall equal the sum of appropriations.

*Condition:* The final budgets for the Debt Service Fund (Governmental) and the Alternative Water Supply Fund (Enterprise) were out of balance.

*Effect:* The County did not ensure that budgets for these funds balanced at year-end.

*Cause:* The County made budget amendments to these funds during the year. The amendments did not balance. The County did not correct these errors before year-end.

*Recommendation:* The County should closely monitor all fund budgets to ensure that the sum of estimated revenues and appropriated fund balances equal the sum of appropriations.

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

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**FINDING 13-9**

**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.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For The Year Ended June 30, 2013

*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.

*Views of Responsible Officials and Planned Corrective Actions:* The County DSS agrees with this finding. The County plans to dedicate more meaningful time towards EPICS.

**FINDING 13-10**

**SIGNIFICANT DEFICIENCY  
 IMMATERIAL NONCOMPLIANCE**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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

*Program Name:* 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

**Reporting**

*Criteria:* Employee day sheets must account for 100% of employee time as required in the DSS Services Information System User's Manual. Program codes and activity codes must be summarized correctly and day sheet entries must be supported by documentation in case record files. Also, day sheet summaries must be transferred to the DSS-1571 accurately to an eligible fund source.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For The Year Ended June 30, 2013

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*Condition:* Of the three case workers tested, two did not provide adequate documentation in case record files to support summary on day sheets for time charged to Service Information System (SIS) codes.

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

*Context:* In our test of specific dates (the 3<sup>rd</sup> of both July 2012 and January 2013), one caseworker did not provide supporting documentation for SIS coded time in the case files as listed on the day sheet for 100% of the case files tested while another caseworker did not provide supporting documentation for SIS coded time in the case files as listed on the day sheet for 54% of the case files tested.

*Effect:* Time charged to SIS codes on the monthly 1571 report could have incorrect amounts or allocations of time.

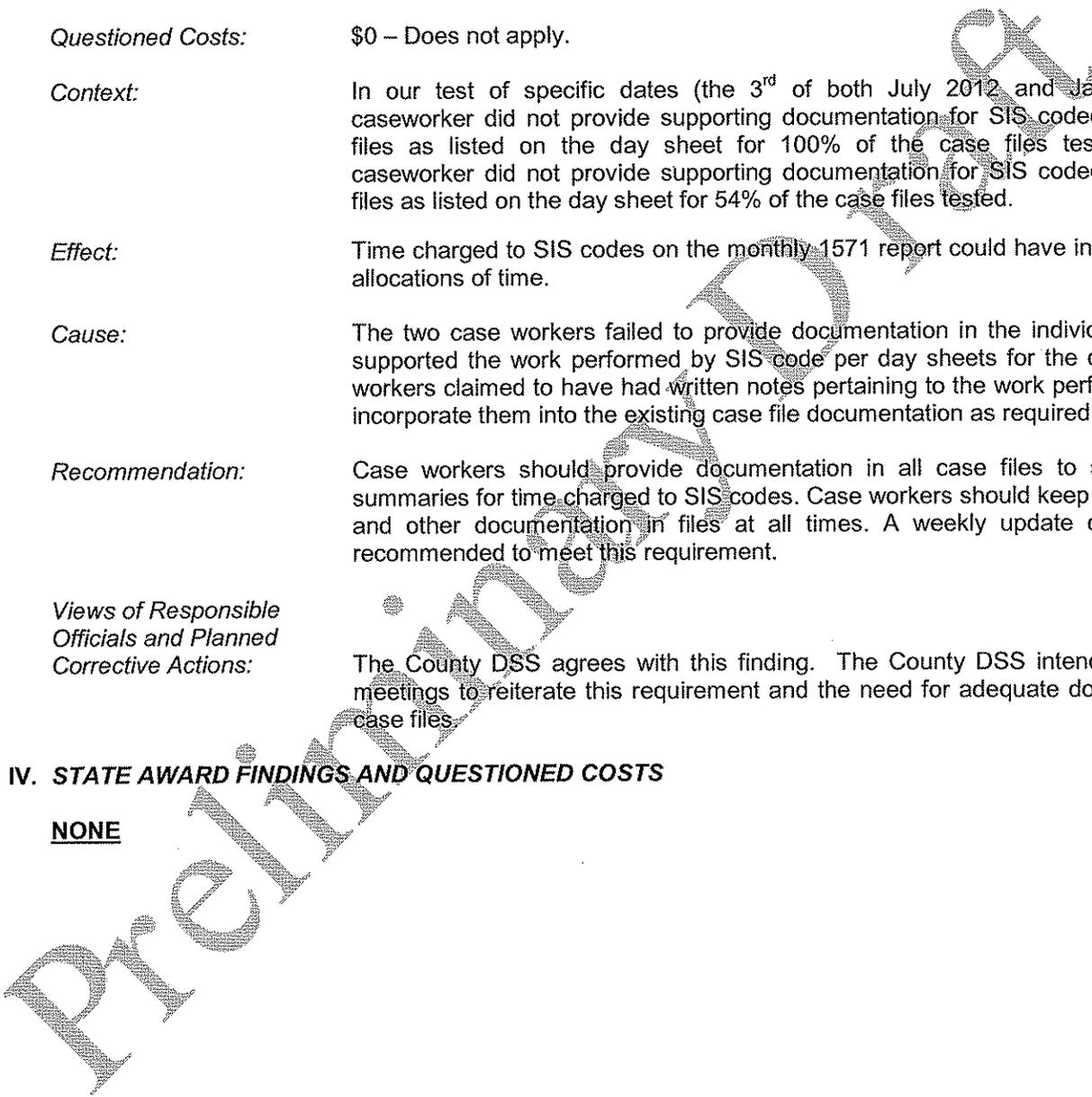
*Cause:* The two case workers failed to provide documentation in the individual case files that supported the work performed by SIS code per day sheets for the days tested. Case workers claimed to have had written notes pertaining to the work performed but failed to incorporate them into the existing case file documentation as required.

*Recommendation:* Case workers should provide documentation in all case files to support day sheet summaries for time charged to SIS codes. Case workers should keep updated narratives and other documentation in files at all times. A weekly update of all narratives is recommended to meet this requirement.

*Views of Responsible Officials and Planned Corrective Actions:* The County DSS agrees with this finding. The County DSS intends to conduct staff meetings to reiterate this requirement and the need for adequate documentation in the case files.

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

**NONE**



GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2013

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**FINANCIAL STATEMENT FINDINGS**

**FINDING: 13-1**

- 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: 13-2**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: The County is currently working with a consultant to improve the condition of the accounting records. With the aid of the consultant and outside classes, the County plans to invest the resources necessary to train the current Interim Finance Officer.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 13-3**

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer
- B. Corrective Action: The Interim Finance Officer and consultant have developed a checklist documenting duties to be performed on all accounts to reflect appropriate year-end balances. The consultant will also provide assistance and guidance at the end of the fiscal year to insure proper balances are maintained. It will be a priority of the finance staff to make these adjustments accurately and in a timely manner.
- C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 13-4**

- 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: 13-5**

- 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 will begin the process of converting all fixed assets to the new system. The County plans to have all of the fixed asset information transferred to the MUNIS software system prior to the end of 2014.

GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2013

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C. Proposed Completion Date: The County has already begun this process.

**FINDING: 13-6**

A. Name of Contact Person: Sandy Barss, Interim Finance Officer

B. Corrective Action: The 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: 13-7**

A. Name of Contact Person: Sandy Barss, Interim Finance Officer

B. Corrective Action: The County intends to adopt budget ordinances timely in future years.

C. Proposed Completion Date: The County has already implemented this as the June 30, 2014 fiscal year budget was adopted timely.

**FINDING: 13-8**

A. Name of Contact Person: Sandy Barss, Interim Finance Officer

B. Corrective Action: The Finance Officer will ensure that all proposed budget amendments balance before adoption.

C. Proposed Completion Date: The County plans to begin this process immediately.

**FINDING: 13-9**

A. Name of Contact Person: Christy Nash, 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: 13-10**

A. Name of Contact Person: Christy Nash, DSS Director

B. Corrective Action: Procedures will be implemented to ensure that proper documentation supporting work performed on day sheet summaries are in files.

C. Proposed Completion Date: The County plans to begin this process immediately.

**GREENE COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2013

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**FINDING: 12-1 Financial Reporting**

**STATUS:** Not corrected. See current year finding 13-1.

**FINDING: 12-2 Reporting**

**STATUS:** Not corrected. See current year finding 13-2.

**FINDING: 12-3 Segregation of Duties**

**STATUS:** Not corrected. Duties are being separated as much as possible and alternative controls are being implemented for lack of separation. See current year finding 13-3.

**FINDING: 12-4 Fixed Assets**

**STATUS:** Not corrected. Errors on the County's fixed asset depreciation schedule were noted during the current year. See current year finding 13-4.

**FINDING: 12-5 Budget Over-expenditures**

**STATUS:** Not corrected. Instances of budgetary over-expenditures noted during the current year. See current year finding 13-5.

**FINDING: 12-6 Budgeted Property Tax Collection Percentage**

**STATUS:** Corrected.

**FINDING: 12-7 Preaudit Certificate**

**STATUS:** Corrected.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2013

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>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<i>Administered by County Finance Department:</i>					
USDA Supplement Title III C-1	10.570	NC-15	\$4,152		
USDA Supplement Title III C-2	10.570	NC-15	6,954		
			<b>\$11,106</b>	<b>\$0</b>	<b>\$0</b>
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
Special Supplemental Nutrition Program for Women, Infants and Children:	10.557		\$191,858		
AGRI-SFP Food Program Meal	10.559		248		
Direct Benefit Payments:					
Special Supplemental Nutrition Program for WIC	10.557		377,897		
<b>Total Division of Public Health</b>			<b>\$570,003</b>	<b>\$0</b>	<b>\$0</b>
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Social Services:</b>					
<i>Administered by County Department of Social Services:</i>					
<b>Supplemental Nutrition Assistance Program Cluster:</b>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$169,901		\$169,901
<b>Total Supplemental Nutrition Assistance Program Cluster</b>			<b>\$169,901</b>	<b>\$0</b>	<b>\$169,901</b>
<b>Total NC Department of Health and Human Services</b>			<b>\$751,010</b>	<b>\$0</b>	<b>\$169,901</b>
<i>Passed Through Rural Development:</i>					
<i>Administered by County Finance Department:</i>					
Phase 1C System Improvement Grant	10.760		\$8,070		
Phase 1G System Improvement Grant	10.760		38,453		
<i>Administered by County Finance Department:</i>					
\$10,500,000 USDA Community Facilities Loan	10.766		305,062		
<i>Administered by County Finance Department:</i>					
\$6,600,000 Community Facilities Loan	10.766		1,079,103		
<b>Total Rural Development</b>			<b>\$1,430,688</b>	<b>\$0</b>	<b>\$0</b>
<b>Total U.S. Department of Agriculture</b>			<b>\$2,181,698</b>	<b>\$0</b>	<b>\$169,901</b>

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2013

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</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		\$9,500		
Homeland Security Grant Program	97.067		100,331		
Emergency Food and Shelter National Board Program	97.024		3,500		
Emergency Management Performance Grant	97.042		35,503		
<b>Total U.S. Department of Homeland Security</b>			<b>\$148,834</b>	<b>\$0</b>	<b>\$0</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>					
<i>Passed Through NC Department of Commerce:</i>					
<b>Division of Community Assistance:</b>					
<i>Administered by County Finance Department:</i>					
2011 Community Development Block Grant	14.228		\$49,294		
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$49,294</b>	<b>\$0</b>	<b>\$0</b>
<b>U.S. DEPARTMENT OF JUSTICE:</b>					
<i>Passed Through NC Department of Crime Control &amp; Public Safety:</i>					
<i>Administered by County Finance Department:</i>					
2009 Recovery Act	16.804		\$15,411		
<b>Total U.S. Department of Justice</b>			<b>\$15,411</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 90% State Funds	N/A	NC-15		\$16,954	\$1,884
Access Title III-B	93.044	NC-15	\$18,973	1,116	2,232
Title III C-1 Congregate Meals	93.045	NC-15	33,135	1,948	3,899
Title III C-2 90% State Funds	N/A	NC-15		26,640	2,960
Title III C-2 Home-Delivered Meals	93.045	NC-15	13,982	823	1,646

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
 For the Fiscal Year Ended June 30, 2013

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<i>Administered by County Department of Social Services and County Council on Aging:</i>					
<i>In Home Services:</i>					
In-Home 90% State Funds	N/A	NC-15		\$69,633	\$7,740
In-Home Title III-B	93.044	NC-15	\$5,090	299	599
Social Services Block Grant	93.667	NC-15	20,651	590	2,360
<b>Total Aging Cluster</b>			<b>\$91,831</b>	<b>\$118,003</b>	<b>\$23,320</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		\$3,107	\$183	\$366
<b>Total Administration for Community Living</b>			<b>\$3,107</b>	<b>\$183</b>	<b>\$366</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		\$44,216		
Immunization Program	93.268		7,635		
Prevention Investigations	93.283		5,715		
Cancer Early Detection	93.919		4,996	\$740	
Risk Reduction/Health Promotion	93.991		9,640		
State Health Access Program	93.256		2,199		
Healthy Start Communities	93.926		42,410		
Maternal and Child Health Services	93.994		58,853	44,145	
Family Planning Services	93.217		30,811		
<b>Total Division of Public Health</b>			<b>\$206,475</b>	<b>\$44,885</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		\$2,137	\$534	
<b>Total Administration for Children and Families</b>			<b>\$2,137</b>	<b>\$534</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		\$86,272		\$39,476
Workfirst Services	93.558		268,461		139,795
Social Services Block Grant	93.667			\$500	
Temporary Assistance for Needy Families	93.556		2,325		
<b>Direct Benefit Payments:</b>					
Benefit Payments	93.558		155,060	8	8
<b>Total TANF Cluster</b>			<b>\$512,118</b>	<b>\$508</b>	<b>\$179,279</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
 For the Fiscal Year Ended June 30, 2013

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
Title IV-D Administration	93.563		<b>\$212,230</b>		<b>\$109,369</b>
Low-Income Home Energy Assistance:					
Administration	93.568		\$15,007		
Crisis Intervention Payments	93.568		155,082		
Home Energy Assistance	93.568		70,700		
			<b>\$240,789</b>	<b>\$0</b>	<b>\$0</b>
Permanency Planning - Reg	93.645		<b>\$12,719</b>	<b>\$0</b>	<b>\$4,240</b>
<b>Foster Care and Adoption Cluster</b>					
Title IV-E CPS	93.658		\$17,483	\$5,481	\$12,002
Title IV-E Foster Care	93.658		61,167		61,102
Title IV-E Adoption	93.659		115		115
Direct Benefit Payments:					
Title IV-E Foster Care	93.658		79,661	24,488	27,505
Title IV-E Adoption Subsidy	93.659		117,346	31,346	32,798
<b>Total Foster Care and Adoption Cluster</b>			<b>\$275,772</b>	<b>\$61,315</b>	<b>\$133,522</b>
<b>Social Services Block Grant:</b>					
Other Services and Training	93.667		\$113,359	\$10,651	\$41,336
In Home Services Fund	93.667		702		100
<b>Total Social Services Block Grant</b>			<b>\$114,061</b>	<b>\$10,651</b>	<b>\$41,436</b>
<b>Total Division of Social Services</b>			<b>\$1,369,826</b>	<b>\$73,008</b>	<b>\$467,846</b>
<i>Administered by County Department of Social Services:</i>					
<b>Subsidized Child Care Cluster:</b>					
Division of Social Services:					
CCDF Administration	93.596		\$70,072		
Division of Child Development:					
CCDF Discretionary Subsidy	93.575		277,141		
CCDF Mandatory	93.596		125,064		
CCDF Match	93.596		28,735		
<b>Total Child Care Fund Cluster</b>			<b>\$501,012</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, 2013

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		\$156,459		
Foster Care Title IV-E	93.658		6,546	\$3,105	
Smart Start	93.658			(1,700)	
TANF MOE				23,332	
<b>Total Subsidized Child Care Cluster</b>			<b>\$163,005</b>	<b>\$24,737</b>	<b>\$0</b>
<b>Total Division of Child Development</b>			<b>\$664,017</b>	<b>\$24,737</b>	<b>\$0</b>
<b>Health Care Financing Administration:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Medical Assistance:</b>					
<i>Administered by County Department of Social Services:</i>					
Adult Care Home Special/Case Management	93.778		\$3,704	\$471	\$3,233
Medical Assistance	93.778		234,319	9,608	224,943
Direct Benefit Payments:					
Medical Assistance	93.778		18,574,438	10,355,515	
			<b>\$18,812,461</b>	<b>\$10,365,594</b>	<b>\$228,176</b>
<b>Division of Social Services:</b>					
<i>Administration:</i>					
State Children's Insurance Program - NC Health Choice	93.767		\$19,526	\$845	\$5,315
<b>Total U.S. Department of Health and Human Services</b>			<b>\$21,167,243</b>	<b>\$10,627,255</b>	<b>\$725,023</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>					
<b>Federal Transit Administration:</b>					
<i>Passed Through NC Department of Commerce:</i>					
<b>Division of Emergency Management:</b>					
<i>Administered by County Health Department:</i>					
Formula Grants for Rural Areas	20.509		\$82,620	\$5,163	
<b>Total U.S. Department of Transportation</b>			<b>\$82,620</b>	<b>\$5,163</b>	<b>\$0</b>
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$23,645,100</b>	<b>\$10,632,418</b>	<b>\$894,924</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
 For the Fiscal Year Ended June 30, 2013

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	\$1,452	\$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	\$22,343	\$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		47,605	5,500
<b>Total NC Department of Juvenile Justice &amp; Delinquency Prevention</b>			<b>\$0</b>	<b>\$80,688</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		\$1,712	
Direct Benefit Payment		N/A			
Foster Care at Risk Maximization		N/A		779	\$419
State Foster Home Fund Maximization		N/A		70,164	70,164
State Foster Home Fund		N/A		48,405	48,405
Child Welfare Services Adoption Assistance		N/A		61,633	6,778
SC/SA Domiciliary Care Payments		N/A		246,806	246,806
			<b>\$0</b>	<b>\$429,499</b>	<b>\$372,572</b>
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
Food & Lodging		N/A		\$2,938	
Environmental Health		N/A		4,000	
Mosquito-Public Health Pesticide		N/A		2,795	
General		N/A		99,470	
Communicable Disease		N/A		10,623	
Risk Reduction/Health Promotion		N/A		6,206	
Women's Health Service Fund		N/A		7,081	
Tuberculosis		N/A		3,578	
TB Medical Service		N/A		396	
Healthy Communities		N/A		2,832	
			<b>\$0</b>	<b>\$139,919</b>	<b>\$0</b>
<b>Total NC Department of Health and Human Services</b>			<b>\$0</b>	<b>\$569,418</b>	<b>\$372,572</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2013

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			\$2,750	\$2,750
<b>Total NC Department of Agriculture</b>			\$0	\$2,750	\$2,750
<b>NC STATE BOARD OF ELECTIONS:</b>					
<i>Administered by County Finance Department:</i>					
Help America Vote Act	N/A			\$5,446	
<b>Total NC State Board of Elections</b>			\$0	\$5,446	\$0
<b>NC DEPARTMENT OF INSURANCE:</b>					
<i>Administered by County Finance Department:</i>					
SHIIP Grant	N/A			\$5,191	
<b>Total NC Department of Insurance</b>			\$0	\$5,191	\$0
<b>NC DEPARTMENT OF TRANSPORTATION:</b>					
<i>Administered by County Finance Department:</i>					
ROAP Funds	N/A			\$112,737	
<b>Total NC Department of Transportation</b>			\$0	\$112,737	\$0
<b>NC DEPARTMENT OF PUBLIC INSTRUCTION:</b>					
<i>Administered by County Finance Department:</i>					
Public Schools Building Capital Fund - Lottery	N/A			\$559,350	
<b>Total NC Department of Public Instruction</b>			\$0	\$559,350	\$0
<b>EASTERN CAROLINA COUNCIL OF GOVERNMENTS</b>					
<i>Administered by County Finance Department:</i>					
Senior Center General	N/A			\$11,752	\$3,917
<b>Total Eastern Carolina Council of Governments</b>			\$0	\$11,752	\$3,917
<b>NC HOUSING FINANCING AGENCY:</b>					
<i>Administered by County Finance Department:</i>					
2012 Single Family Rehab Project	N/A			\$263	
<b>Total NC Housing Financing Agency</b>			\$0	\$263	\$0
<b>TOTAL STATE ASSISTANCE</b>			\$0	\$1,371,390	\$397,752
<b>TOTAL FEDERAL AND STATE ASSISTANCE</b>			\$23,645,100	\$12,003,808	\$1,292,676

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
 For the Fiscal Year Ended June 30, 2013

**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, 2013. The expended portion of these loan proceeds are included in the federal expenditures presented in the schedule.

Program Title	CFDA Number	Amount Outstanding
Community Facilities Loans & Grants Financing with USDA loans \$10,500,000 loan, \$10,500,000 Expenditures to date	10.766	\$10,361,106
Community Facilities Loans & Grants Financing with USDA loans \$6,600,000 loan, \$5,881,548 Expenditures to date	10.766	\$6,013,091

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.