

COUNTY OF GREENE
Snow Hill, North Carolina

FINANCIAL STATEMENTS

For The Fiscal Year Ended June 30, 2015

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

FINANCIAL STATEMENTS

For The Fiscal Year Ended June 30, 2015

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

GREENE COUNTY, NORTH CAROLINA

BOARD OF COMMISSIONERS

JERRY R. JONES
Chairman

BRAD N. FIELDS
Vice-Chairman

SUSAN M. BLIZZARD

BENNIE J. HEATH

JAMES T. SHACKELFORD, JR

COUNTY OFFICIALS

KYLE J. DEHAVEN
County Manager

SANDRA P. BARSS
Interim Finance Officer

FINANCIAL SECTION:

Independent Auditor’s Report 1 - 2
 Management’s Discussion and Analysis..... 3 - 11

BASIC FINANCIAL STATEMENTS:

EXHIBIT

Government-wide Financial Statements:

1 Statement of Net Position 12
 2 Statement of Activities..... 13 - 14

Fund Financial Statements:

3 Balance Sheet – Governmental Funds 15
 3 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 16
 4 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds..... 17
 5 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 In Fund Balances of Governmental Funds to the Statement of Activities 18
 6 Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – General Fund 19
 7 Statement of Net Position – Proprietary Funds..... 20
 8 Statement of Revenues, Expenses, and Changes in Fund Net Position –
 Proprietary Funds..... 21
 9 Statement of Cash Flows – Proprietary Funds 22 - 23
 10 Statement of Fiduciary Net Position – Fiduciary Funds 24
 Notes to the Financial Statements 25 - 66

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT

Law Enforcement Officers’ Special Separation Allowance:

1 Schedule of Funding Progress..... 67
 2 Schedule of Employer Contributions and Notes to the Required Schedules 68

Other Postemployment Benefits:

3 Schedule of Funding Progress..... 69
 4 Schedule of Employer Contributions and Notes to the Required Statements 70

Local Governmental Employees’ Retirement System:

5 Proportionate Share of the Net Pension Liability (Asset)-
 Local Governmental Employees’ Retirement System 71
 5 Schedule of County Contributions - Local Governmental Employees’ Retirement System 71

Register of Deeds' Supplemental Pension Fund:
 6 Proportionate Share of the Net Pension Liability (Asset)-
 Register of Deeds' Supplemental Pension Fund 72
 6 Schedule of County Contributions - Register of Deeds' Supplemental Pension Fund 72

SUPPLEMENTARY INFORMATION
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:

7 Statement of Revenues, Expenditures and Changes in Fund Balance –
 General Fund – Budget and Actual 73 - 79
 8 Combining Balance Sheet – Nonmajor Governmental Funds 80 - 81
 9 Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds 82 - 83
 10 Fire District Funds 84
 11 Property Revaluation Fund 85
 12 Emergency Telephone System Fund 86
 13 2012 Community Development Block Grant Project Fund 87
 14 School Capital Finance Fund 88
 15 Jail Construction / Court House Renovation Capital Project Fund 89
 16 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Intermediate School Capital Project Fund – Budget and Actual 90
 17 Debt Service Fund 91
 18 Utility Fund 92 - 93
 19 Utility Capital Reserve Fund 94
 20 Utility Alternative Water Supply Capital Reserve Fund 95
 21 Alternative Water Phase 1C Project Fund 96
 22 Alternative Water Phase 1G Project Fund 97
 23 Alternative Water Phase 1H Project Fund 98 - 99
 24 Automated Meter Solution Project Fund 100
 25 Water and Sewer District 1 Fund 101
 26 Water Debt Reserve Fund 102
 27 Water Debt Service Fund 103
 28 Landfill Fund 104 - 105
 29 Transportation System Fund 106

30 ASO-Self Funded Medical Insurance Internal Service Fund 107
31 Combining Statement of Changes in Assets and Liabilities – Agency Funds 108

STATISTICAL SECTION:

32 Statement of Ad Valorem Taxes Receivable 109
33 Analysis of Current Tax Levy – County-Wide Levy..... 110
34 Ten Largest Taxpayers 111

COMPLIANCE SECTION:

SCHEDULE

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*..... 112 - 113

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 114 - 115

Report on Compliance with Requirements Applicable to Each Major State Program and
Internal Control Over Compliance in Accordance with Applicable Sections of OMB
Circular A-133 and the State Single Audit Implementation Act 116 - 117

1 Schedule of Findings and Questioned Costs 118 - 127
2 Corrective Action Plan 128 - 130
3 Summary Schedule of Prior Audit Findings 131 - 132
4 Schedule of Expenditures of Federal and State Financial Awards 133 - 139

NOTE

I	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	25 - 34
II	STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY	35
III	DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS	35 - 65
IV	RELATED ORGANIZATIONS	65
V	JOINT VENTURES	65
VI	JOINTLY GOVERNED ORGANIZATIONS	66
VII	BENEFIT PAYMENTS ISSUED BY THE STATE	66
VIII	SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES	66
IX	MAJOR ENTERPRISE CUSTOMER	66
X	SPECIAL ITEM – FIRE INSURANCE PROCEEDS	66
XI	CHANGE IN ACCOUNTING PRINCIPLES/RESTATEMENT AND SUBSEQUENT EVENT	66
XII	SUBSEQUENT EVENT	66

FINANCIAL SECTION



EDWARD L. BARROW, CPA
JAY A. PARRIS, CPA
L. DOCK DAVENPORT II, CPA

BARROW, PARRIS & DAVENPORT, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
662 SUSSEX STREET
KINSTON, NORTH CAROLINA 28504-8319

MEMBERS
NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MAILING ADDRESS
POST OFFICE BOX 6069
KINSTON, NC 28501-0069
TELEPHONE: (252) 522-5200
FAX: (252) 523-6366

INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners
Greene County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina, as of and for the year then ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Greene County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina as of June 30, 2015, 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, the Law Enforcement Officers' Special Separation Allowance, the Other Postemployment Benefits Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System Schedules of the County's proportionate Share of Net Pension Asset and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's proportionate Share of the Net Pension Asset and Schedule of County Contributions on pages 3 through 11, 67-68, 69-70, 71 and 72, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Greene County, North Carolina. The combining and individual fund statements, budgetary schedules and other schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2016 on our consideration of Greene County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greene County's internal control over financial reporting and compliance.

Barrow, Parris & Davenport, P.A.

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

January 13, 2016

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, 2015. 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.

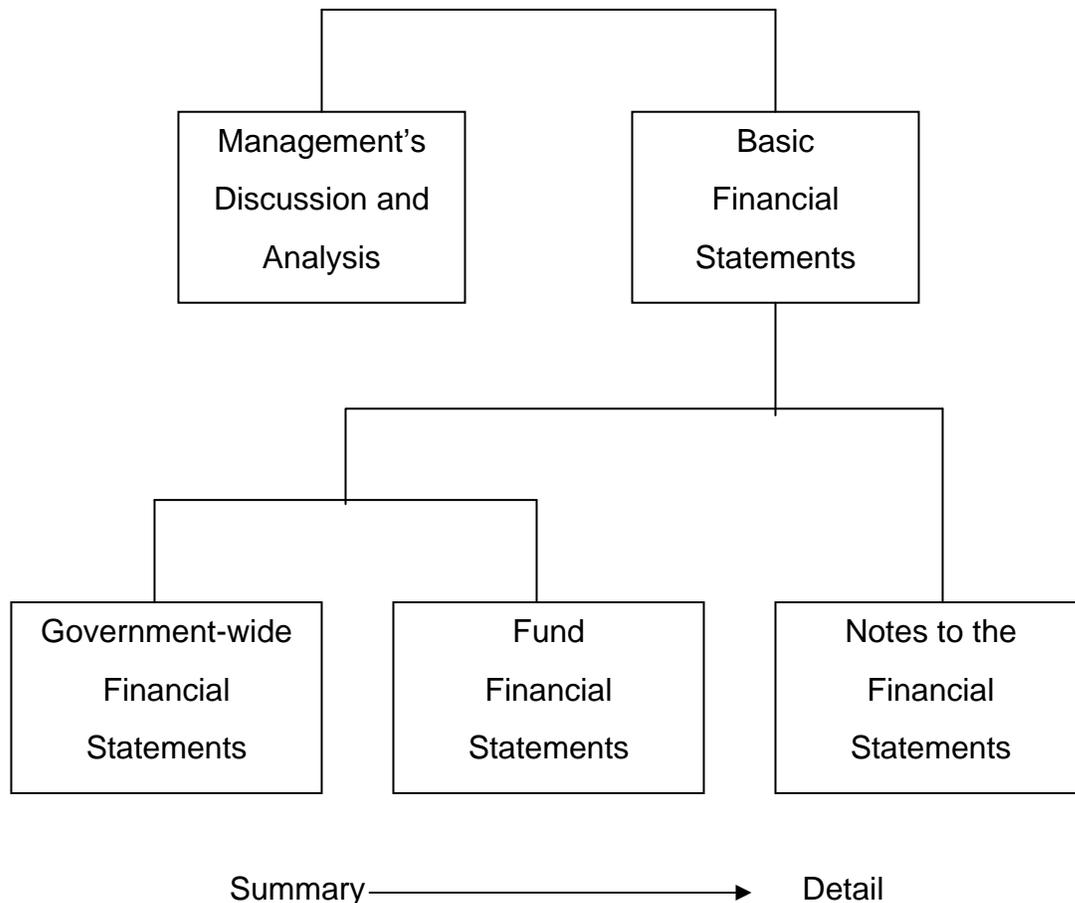
Financial Highlights

- The assets and deferred outflows of resources of Greene County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$27,879,723 (*net position*).
- The government's total net position increased by \$3,013,489, primarily due to management's focus on monitoring spending and maximizing revenue collection.
- As of the close of the current fiscal year, Greene County's governmental funds (which include the general, special revenue and capital projects funds) reported combined ending fund balances of \$8,027,493, after a net increase in fund balance of \$1,871,926. This compares to combined ending fund balances of \$6,155,567, after a net increase in fund balance of \$1,177,815 in 2014. Approximately 43.06% of this total amount, or \$3,456,795, is available for spending at the government's discretion (unassigned fund balance). In 2014, the unassigned fund balance was \$2,717,465, or 44.15% of combined ending fund balances.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$3,456,795, or 21.48% of total General Fund expenditures for the fiscal year. In 2014, unassigned fund balance in the General Fund was \$2,717,465, or 17.10% of total General Fund expenditures.
- Greene County's total debt increased by \$4,002,342, or 9.98% during the current fiscal year. New debt totaling \$4,992,626 was issued during the current fiscal year. Key factors in new issuances include 1) Funding from a local bank to finance an ambulance, 2) funding from a local bank to finance an HVAC for the County Complex, 3) Bond Anticipation Notes for a water system project, and 4) Drinking Water State Revolving Loan funds for a water system project. Principal payments of \$990,284 were made by the County during the year.

Overview of the Financial Statements

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

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

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

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

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

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

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 25 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 67.

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 \$27,879,723 as of June 30, 2015. The County's net position increased by \$3,013,489 for the fiscal year ended June 30, 2015. One of the largest portions, \$29,563,354 or 106.04%, 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 \$9,877,701 or 35.43% represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$11,561,405) or (41.47%) is unrestricted. In 2014, the amount of net position classified as net investment in capital assets was \$9,023,773 or 35.15%, with restricted assets standing at \$9,624,034. The remaining (\$12,115,557) or (47.20%) was unrestricted for that year.

Greene County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$9,346,666	\$7,180,671	\$11,214,076	\$8,220,691	\$20,560,742	\$15,401,362
Capital assets	17,034,801	16,899,606	40,886,773	38,814,005	57,921,574	55,713,611
Total assets	\$26,381,467	\$24,080,277	\$52,100,849	\$47,034,696	\$78,482,316	\$71,114,973
Total Deferred Outflows of Resources	\$329,786					
Long-term liabilities outstanding	25,708,834	\$25,605,072	\$21,873,384	\$17,675,746	\$47,582,218	\$43,280,818
Other liabilities	954,940	1,028,735	1,040,970	1,102,246	1,995,910	2,130,981
Total liabilities	\$26,663,774	\$26,633,807	\$22,914,354	\$18,777,992	\$49,578,128	\$45,411,799
Total deferred inflows of resources	\$1,256,808	\$35,846	\$134,139	\$0	\$1,390,947	\$35,846
Net position:						
Net investment in capital assets	\$6,290,184	\$6,249,844	\$23,273,170	\$22,509,268	\$29,563,354	\$28,759,112
Restricted	3,405,132	2,837,768	6,472,642	6,186,005	9,877,774	9,023,773
Unrestricted	(10,904,645)	(11,676,988)	(656,760)	(438,569)	(11,561,405)	(12,115,557)
Total net position	(\$1,209,329)	(\$2,589,376)	\$29,089,052	\$28,256,704	\$27,879,723	\$25,667,328

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

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

- Management's continued focus of cutting spending and maximizing revenue collections.
- Collection of the Registered Motor Vehicles increased to 100% primarily due to the new tax/tag system implemented by the State during the year.
- Change in net position for business-type activities increased by \$818,967 during the year compared to a decrease of \$235,241 in the prior year. Due in part, to management's proactive stance on monitoring spending across County departments to ensure compliance with the budget and also as a result of federal grants for water system improvements.

Greene County Changes in Net Position

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for Services	\$2,379,783	\$2,294,067	\$3,483,566	\$3,660,967	\$5,863,349	\$5,955,034
Operating Grants and Contributions	3,551,812	3,430,206	938,857	941,257	4,490,669	4,371,463
Capital Grants and Contributions	382,320	492,220	1,296,506	291,762	1,678,826	783,982
General Revenues:						
Property Taxes	9,310,187	9,482,479			9,310,187	9,482,479
Local Option Sales Tax	2,375,144	2,216,847			2,375,144	2,216,847
Other Taxes	834,617	350,346			834,617	350,346
Grants and Contributions not restricted						
to Specific Programs	89,927	83,981			89,927	83,981
Investment Earnings	1,231	5,502	1,011	1,166	2,242	6,668
Other	113,006	70,549	19,414		132,420	70,549
Total revenues	\$19,038,027	\$18,426,197	\$5,739,354	\$4,895,152	\$24,777,381	\$23,321,349
Expenses:						
General Government	\$2,446,650	\$2,282,985			\$2,446,650	\$2,282,985
Public Safety	4,831,672	4,774,422			4,831,672	4,774,422
Environmental Protection	50,637	43,297			50,637	43,297
Economic and Physical Development	584,677	289,442			584,677	289,442
Human Services	5,193,920	5,329,388			5,193,920	5,329,388
Cultural and Recreation	558,345	497,231			558,345	497,231
Education	2,920,495	2,835,267			2,920,495	2,835,267
Interest on Long-Term Debt	915,045	921,070			915,045	921,070
Utility			\$3,712,542	\$4,003,164	3,712,542	4,003,164
Landfill			676,945	693,706	676,945	693,706
Nonmajor Enterprise Activities			398,700	404,183	398,700	404,183
Total expenses	\$17,501,441	\$16,973,102	\$4,788,187	\$5,101,053	\$22,289,628	\$22,074,155
Increase (Decrease) in net position before transfers and special items	\$1,536,586	\$1,453,095	\$951,167	(\$205,901)	\$2,487,753	\$1,247,194
Transfers	36,200	29,340	(36,200)	(29,340)		
Special Item - Court House Ins	525,736	636			525,736	
Special Item - Donated Asset (See Note X)		(550,277)				(550,277)
Increase (Decrease) in net position	\$2,098,522	\$932,794	\$914,967	(\$235,241)	\$3,013,489	\$696,917
Net position, July 1 as originally reported	(2,589,376)	(3,522,170)	28,256,704	28,491,945	25,667,328	24,969,775
Restatement	(718,475)		(82,619)		(801,094)	
Net position, July 1 as Restated	(\$3,307,851)	(\$3,522,170)	\$28,174,085	\$28,491,945	\$24,866,234	\$24,969,775
Net position, June 30	(\$1,209,329)	(\$2,589,376)	\$29,089,052	\$28,256,704	\$27,879,723	\$25,667,328

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

Governmental activities. Governmental activities increased the County's net position by \$2,098,522, thereby accounting for 69.64% of the total growth in the net position of Greene County. This compares to an increase of \$932,794 in 2014. The key elements of this year's increase are as follows:

- Receipt of prior years Medicaid Hold Harmless Tax.
- Receipt of over \$500,000 of insurance proceeds from recent courthouse fires (which will be spent in 2015/2016).

Business-type activities. Business-type activities decreased Greene County's net position by \$914,967, accounting for (30.36%) of the total growth in the government's net position. Net position decreased by \$235,241 in 2014. The key elements of this year's increase are as follows:

- The County received capital contributions relating to a Water System Improvement Project.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Greene County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Greene County's financing requirements. Specifically, 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 \$3,456,795, while total fund balance reached \$6,663,194. The Governing Body of Greene County has determined that the County should maintain a minimum 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 21.48% of general fund expenditures, while total fund balance represents 41.41% of that same amount.

At June 30, 2015, the governmental funds of Greene County reported a combined fund balance of \$8,027,493, a 30.41% increase from last year. Of this increase, approximately 78.26% is directly related to the positive change in fund balance in the General Fund. Approximately 21.74% is directly related to the positive change in fund balance in the Other Governmental Funds.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. Several amendments to the General Fund increased revenues by \$486,575 and are explained as follows:

- The County's budget was amended to record an additional \$309,499 of loan proceeds pertaining to the purchase of an ambulance and replacing the HVAC at the County Complex.
- The County's budget was amended to record additional Medicaid Hold Harmless funds received for prior years.
- The County's budget was amended to account for appropriations to fund excess Jail Construction costs that were previously being carried in the Jail Construction Project Fund.

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

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 \$235,443, and those for the Landfill Fund equaled (\$955,693). The total increase and reduction in net position for both major funds was \$927,605 and (\$11,030), 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, 2015, totals \$57,901,574 (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 five new vehicles for public safety and one new ambulance.
- Purchased a new vehicle for the water department.
- Purchased a mower for the recreation department.
- Replaced the HVAC at the County Complex
- Purchased an excavator for the Utility Fund.
- Construction completed relating to the Arts and Historical Society Building.
- Additional amounts of construction in progress relating to the Phase 1H of the Greenville Utilities Commission Waterline Project.
- Additional amounts of construction in progress relating to the Automatic Meter Reading Project.

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

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$628,982	\$628,982	\$390,126	\$359,882	\$1,019,108	\$988,864
Buildings and System	15,564,304	15,577,315	37,593,010	37,456,315	53,157,314	53,033,630
Machinery and Equipment	332,063	258,749	97,397	78,014	429,460	336,763
Vehicles and Motorized Equipmer	509,452	350,002	91,274	139,933	600,726	489,935
Construction in Progress		84,558	2,694,966	779,861	2,694,966	864,419
	\$17,034,801	\$16,899,606	\$40,866,773	\$38,814,005	\$57,901,574	\$55,713,611

Additional information on the County's capital assets can be found in note III.A.6 on pages 38-39 of this audited financial report.

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

Long-term Debt. As of June 30, 2015, Greene County had total bonded debt outstanding of \$44,110,803 all of which is backed by the full faith and credit of the County.

Greene County's Outstanding Debt

Figure 5

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Notes Payable	\$132,455		\$13,223	\$119,232
Installment Purchase Contracts	23,671,269	\$309,499	369,816	23,610,952
Total Governmental Activities	\$23,803,724	\$309,499	\$383,039	\$23,730,184
Business-type Activities:				
Installment Purchase Contract	\$1,050,646		\$195,013	\$855,633
Clean Water Bond Loan	1,550,091		172,232	1,377,859
Revenue Bonds	12,504,000		165,000	12,339,000
Bond Anticipation Notes		\$2,787,000		2,787,000
DWSRF Revolving Loan	1,200,000	1,896,127	75,000	3,021,127
Total Business-type Activities	\$16,304,737	\$4,683,127	\$607,245	\$20,380,619

Greene County's total debt increased by \$4,002,342 or 9.98% during the past fiscal year. Two new loans were issued by First Citizens Bank for the purchase of an ambulance and the County Complex HVAC for \$89,999 and \$219,500, respectively. Bond Anticipation Notes of \$2,787,000 and DWSRF Loans were issued for continued improvements to the County water system.

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 \$86,286,421. The County has \$0 in bonds authorized but unissued at June 30, 2015.

Additional information regarding Greene County's long-term debt can be found in Note III.B.7 beginning on page 53 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

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

- The projected tax valuations for the 2015/2016 fiscal year were up by nearly 1% from the prior year, indicating that some growth is occurring in the County. Building permits in the 2015/2016 fiscal year remain strong and revenues from permits are anticipated to exceed revenues from the prior year.
- The economy of Greene County continues to be rural and agricultural based and this sector of the local economy appears to be doing well. Many other enterprises within the County are showing signs of strength in the same market.
- Work is continuing on the final phases of the Alternative Water Supply Project. This project allows the County to move water purchased from Greenville Utilities Commission throughout the County.
- The County's recreation program continues to grow as it sponsors and promotes many local, regional, and state tournaments in the County.
- The County has an aggressive Recreation Program that sponsors and promotes numerous local, regional and statewide tournaments and has been successful in drawing a lot of out of town visitors to the County.

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

- The County recently employed a part-time Economic Development Director to promote Greene County and develop an active Economic Development Action Plan. The County is nearing completion of an updated website to also promote Greene County.
- The County is working toward adding zoning throughout the County to create a "Road Map" for potential businesses as well as to protect residential communities in the County.
- The Division of Water Resources has approved a 5 year temporary permit that would allow Greene County to remain at the 25% reduction of withdrawals from the Upper Cape Fear Aquifer. This will result in significant savings on future capital costs. The permit can be renewed in additional 5 year increments and will need to be re-applied for and submitted at least 90 days before the expiration date of December 31, 2018.
- Sales tax revenues in the first quarter of the 2015/2016 fiscal year have shown a significant increase over the same time period for the prior fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2016

Governmental Activities: The expenditures in the General Fund are budgeted to increase approximately 5%. This was the result of various increases in state funding sources throughout the General Fund.

- The County's tax rate has remained the same at \$.786 per \$100 of assessed value. Collections remain strong and additional revenues have been realized from the new statewide tax/tag collections that is now in place.
- Health Insurance premiums for County employees remained the same and the County continued an aggressive health and wellness program to try and reduce future costs and improve the overall health of the employees.
- The County continues with the replacement of the vehicle fleet for all Departments.
- Employees were given 6 extra days of paid leave to show appreciation from the County Commissioners for their dedication through financial hardship. The furlough days at the employee's expense were eliminated.

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

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Greene County, 229 Kingold Blvd. Suite D, Snow Hill, NC 28580. You can also call (252)-747-3446 or visit our website www.co.greene.nc.us for more information.

BASIC FINANCIAL STATEMENTS

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
ASSETS				
Assets:				
Cash and Cash Equivalents	\$5,851,685	\$1,768,271	\$7,619,956	\$164,290
Receivables (Net)	1,105,572	500,461	1,606,033	
Due From Other Governments	929,785	302,588	1,232,373	
Due From Component Unit	20,661		20,661	
Internal Balances	229,932	(229,932)		
Inventories				132,400
Prepaid Items				3,151
Restricted Cash and Cash Equivalents	616,521	8,841,814	9,458,335	
Notes Receivable:				
Due within one year	29,983		29,983	
Due in more than one year	79,611		79,611	
Net Pension Asset	482,916	50,874	533,790	1,592
Capital Assets:				
Land, Improvements, and Construction in Progress	628,982	3,085,092	3,714,074	12,055
Other Capital Assets, Net of Depreciation	16,405,819	37,781,681	54,187,500	25,642
Total Capital Assets	\$17,034,801	\$40,866,773	\$57,901,574	\$37,697
Total Assets	\$26,381,467	\$52,100,849	\$78,482,316	\$339,130
Deferred Outflows of Resources	\$329,786	\$36,696	\$366,482	\$1,142
Liabilities:				
Accounts Payable and Accrued Expenses	\$549,442	\$814,818	\$1,364,260	\$49,564
Accrued Interest Payable	405,498	56,221	461,719	
Customer Deposits		169,931	169,931	
Due To Primary Government				20,661
Long-term Liabilities:				
Due within one year	448,037	726,795	1,174,832	
Due in more than one year	25,260,797	21,146,589	46,407,386	
Total Liabilities	\$26,663,774	\$22,914,354	\$49,578,128	\$70,225
Deferred Inflows of Resources	\$1,256,808	\$134,139	\$1,390,947	\$6,096
Net Position:				
Net Investment in Capital Assets	\$6,290,184	\$23,273,170	\$29,563,354	\$37,697
Restricted for:				
Stabilization by State Statute	2,073,284		2,073,284	
Register of Deeds	53,038		53,038	
Human Services	462,054		462,054	
Public Safety	8,810		8,810	
Economic Development	271,601		271,601	
Alternative Water Supply		5,595,357	5,595,357	
Capital Projects		585,051	585,051	
Loan Payments to USDA	536,345	292,234	828,579	
Working Capital				85,513
Unrestricted	(10,904,645)	(656,760)	(11,561,405)	140,741
Total Net Position	(\$1,209,329)	\$29,089,052	\$27,879,723	\$263,951

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$2,446,650	\$173,427	\$12,109	
Public Safety	4,831,672	1,404,328	381,439	\$37,336
Environmental Protection	50,637		23,532	
Economic and Physical Development	584,677		272,502	
Human Services	5,193,920	714,665	2,862,230	
Cultural and Recreation	558,345	87,363		134,482
Education	2,920,495			210,502
Interest on Long-Term Debt	915,045			
Total Governmental Activities	\$17,501,441	\$2,379,783	\$3,551,812	\$382,320
Business-type Activities:				
Utility Fund (Water and Sewer)	\$3,712,542	\$2,632,974	\$938,857	\$1,094,255
Landfill Fund	676,945	665,854		
Transportation Fund	398,700	184,738		202,251
Total Business-type Activities	\$4,788,187	\$3,483,566	\$938,857	\$1,296,506
	\$22,289,628	\$5,863,349	\$4,490,669	\$1,678,826
Component Unit:				
ABC Board	\$738,916	\$735,210		
Total Component Unit	\$738,916	\$735,210	\$0	\$0

General Revenues:

Taxes:

Property Taxes, Levied for General Purpose

Local Option Sales Taxes

Other Taxes and Licenses

Grants and Contributions Not Restricted to Specific Programs

Investment Earnings, Unrestricted

Miscellaneous, Unrestricted

Total General Revenues excluding Special Items and Transfers

Special Item - Fire Insurance Proceeds (See Note X)

Transfers

Total General Revenues, Special Items, and Transfers

Change in Net Position

Net Position, Beginning, Previously Reported

Restatement

Net Position, Beginning, Restated

NET POSITION, ENDING

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Greene County ABC Board
(\$2,261,114)		(\$2,261,114)	
(3,008,569)		(3,008,569)	
(27,105)		(27,105)	
(312,175)		(312,175)	
(1,617,025)		(1,617,025)	
(336,500)		(336,500)	
(2,709,993)		(2,709,993)	
(915,045)		(915,045)	
(\$11,187,526)	\$0	(\$11,187,526)	
	\$953,544	\$953,544	
	(11,091)	(11,091)	
	(11,711)	(11,711)	
\$0	\$930,742	\$930,742	
(\$11,187,526)	\$930,742	(\$10,256,784)	
			(\$3,706)
\$9,310,187		\$9,310,187	
2,375,144		2,375,144	
834,617		834,617	
89,927		89,927	
1,231	\$1,011	2,242	\$72
113,006	19,414	132,420	3,634
\$12,724,112	\$20,425	\$12,744,537	\$3,706
\$525,736		\$525,736	
36,200	(\$36,200)		
\$13,286,048	(\$15,775)	\$13,270,273	\$3,706
\$2,098,522	\$914,967	\$3,013,489	\$0
(\$2,589,376)	\$28,256,704	\$25,667,328	\$273,871
(718,475)	(82,619)	(801,094)	(4,960)
(3,307,851)	28,174,085	24,866,234	268,911
(\$1,209,329)	\$29,089,052	\$27,879,723	\$268,911

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

GREENE COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:			
Cash and Cash Equivalents	\$5,102,937	\$748,748	\$5,851,685
Restricted Cash and Cash Equivalents		616,521	616,521
Receivables, Net	1,021,554	45,239	1,066,793
Due From Other Governments	907,512	22,273	929,785
Due From Component Unit	20,661		20,661
Due From Other Funds	281,609	27,830	309,439
Current Portion - Notes Receivable	29,983		29,983
Notes Receivable	79,611		79,611
TOTAL ASSETS	<u>\$7,443,867</u>	<u>\$1,460,611</u>	<u>\$8,904,478</u>
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable and Accrued Liabilities	\$389,629	\$54,022	\$443,651
Due to Other Funds	53,778	9,577	63,355
Total Liabilities	<u>\$443,407</u>	<u>\$63,599</u>	<u>\$507,006</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>\$337,266</u>	<u>\$32,713</u>	<u>\$369,979</u>
<i>Fund Balances:</i>			
Restricted:			
Stabilization by State Statute	\$2,039,067	\$34,217	\$2,073,284
Register of Deeds	53,038		53,038
Health Department	462,054		462,054
Sheriff Department	8,810		8,810
Economic Development	271,601		271,601
USDA Loan Payments		536,345	536,345
Committed:			
Tax Revaluation		66,145	66,145
Assigned:			
Court House Fire Repairs	371,829		371,829
Special Revenue Funds		362,802	362,802
Capital Project Funds		364,790	364,790
Unassigned	3,456,795		3,456,795
Total Fund Balances	<u>\$6,663,194</u>	<u>\$1,364,299</u>	<u>\$8,027,493</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$7,443,867</u>	<u>\$1,460,611</u>	

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

GREENE COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

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.	\$17,034,801
Net Pension Asset	482,916
Contributions to pension plans in the current fiscal year that are deferred outflows of resources on the Statement of Net Position	329,538
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	71,492
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.	(121,943)
Deferred inflows of resources for taxes and special assessments receivable	285,733
Pension related deferrals	(1,205,027)
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).	(26,114,332)
Net Position of Governmental Activities	<u>(\$1,209,329)</u>

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2015

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Ad Valorem Taxes	\$8,604,851	\$786,311	\$9,391,162
Local Option Sales Taxes	2,375,144		2,375,144
Other Taxes and Licenses	834,617		834,617
Unrestricted Intergovernmental	89,927		89,927
Restricted Intergovernmental	3,333,545	618,092	3,951,637
Permits and Fees	504,394		504,394
Sales and Services	1,834,543		1,834,543
Investment Earnings	1,090	107	1,197
Miscellaneous	640,933		640,933
Total Revenues	\$18,219,044	\$1,404,510	\$19,623,554
EXPENDITURES:			
<i>Current:</i>			
General Government	\$2,471,454		\$2,471,454
Public Safety	4,094,183	\$881,182	4,975,365
Environmental Protection	55,949		55,949
Economic and Physical Development	321,208	257,369	578,577
Human Services	5,180,624		5,180,624
Cultural and Recreational	458,884		458,884
<i>Intergovernmental:</i>			
Education	2,920,495		2,920,495
Capital Outlay		174,665	174,665
<i>Debt Service:</i>			
Principal	201,422	181,617	383,039
Interest	385,576	532,935	918,511
Total Expenditures	\$16,089,795	\$2,027,768	\$18,117,563
Excess (Deficiency) of Revenues Over Expenditures	\$2,129,249	(\$623,258)	\$1,505,991
OTHER FINANCING SOURCES (USES):			
Transfers To Other Funds	(\$1,030,305)		(\$1,030,305)
Transfers From Other Funds	36,200	\$1,030,305	1,066,505
Installment Purchase Obligations Issued	309,499		309,499
Sale of Fixed Assets	20,236		20,236
Total Other Financing Sources (Uses)	(\$664,370)	\$1,030,305	\$365,935
Net Change in Fund Balance	\$1,464,879	\$407,047	\$1,871,926
<i>Fund Balances, Beginning</i>	5,198,315	957,252	6,155,567
FUND BALANCES, ENDING	\$6,663,194	\$1,364,299	\$8,027,493

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, 2015

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

Net changes in fund balances - total governmental funds		\$1,871,926
<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	\$635,551	
Depreciation expense for governmental assets	(501,287)	
Fair value of assets donated	7,500	
Cost of capital assets disposed of during year, not recognized on modified accrual basis	<u>(6,569)</u>	135,195
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		329,538
<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		(80,975)
<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	(\$309,499)	
Principal payments on long term debt	383,039	
Increase in accrued interest payable	<u>3,466</u>	77,006
<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	\$1,325	
Net pension obligation	(17,892)	
County's portion of collective pension expense	(3,636)	
Other postemployment benefits	<u>(160,735)</u>	(180,938)
Net income (loss) of internal service fund determined to be governmental-type		<u>(53,230)</u>
Total Changes in Net Position of Governmental Activities		<u>\$2,098,522</u>

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, 2015

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues:				
Ad Valorem Taxes	\$8,398,861	\$8,398,861	\$8,604,851	\$205,990
Local Option Sales Taxes	2,290,000	2,294,998	2,375,144	80,146
Other Taxes and Licenses	342,000	658,500	834,617	176,117
Unrestricted Intergovernmental	80,000	80,000	89,927	9,927
Restricted Intergovernmental	3,430,636	3,153,245	3,333,545	180,300
Permits and Fees	411,565	495,312	504,394	9,082
Sales and Services	1,711,589	1,672,589	1,834,543	161,954
Investment Earnings	250	250	1,090	840
Miscellaneous	34,833	123,055	640,933	517,878
Total Revenues	\$16,699,734	\$16,876,810	\$18,219,044	\$1,342,234
Expenditures:				
<i>Current:</i>				
General Government	\$2,436,332	\$2,625,623	\$2,471,454	\$154,169
Public Safety	4,445,821	4,295,644	4,094,183	201,461
Environmental Protection	56,352	56,352	55,949	403
Economic and Physical Development	434,266	473,317	321,208	152,109
Human Services	4,875,148	5,920,293	5,180,624	739,669
Cultural and Recreational	373,589	520,512	458,884	61,628
<i>Intergovernmental:</i>				
Education	2,943,000	2,973,544	2,920,495	53,049
<i>Debt Service:</i>				
Principal Retirement	203,709	203,709	201,422	2,287
Interest	383,294	383,294	385,576	(2,282)
Total Expenditures	\$16,151,511	\$17,452,288	\$16,089,795	\$1,362,493
Revenues Over (Under) Expenditures	\$548,223	(\$575,478)	\$2,129,249	\$2,704,727
Other Financing Sources (Uses):				
Transfers To Other Funds	(\$548,223)	(\$1,030,305)	(\$1,030,305)	
Transfers From Other Funds		254,334	36,200	(\$218,134)
Sale of Fixed Assets			20,236	20,236
Fund Balance Appropriated		1,041,950		(1,041,950)
Loan Proceeds		309,499	309,499	
Total Other Financing Sources (Uses)	(\$548,223)	\$575,478	(\$664,370)	(\$1,239,848)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$0	\$0	\$1,464,879	\$1,464,879
<i>Fund Balances:</i>				
<i>Beginning of Year, July 1</i>			5,198,315	
End of Year, June 30			\$6,663,194	

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

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Enterprise Funds			Internal Service Fund	
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		Totals
ASSETS					
<i>Current Assets:</i>					
Cash and Cash Equivalents	\$1,237,662	\$392,334	\$138,275	\$1,768,271	
Receivables, Net	469,436	31,025		500,461	
Due From Other Governments	256,422	12,578	33,588	302,588	
Due From Other Funds	149,526	25,948		175,474	
Total Current Assets	\$2,113,046	\$461,885	\$171,863	\$2,746,794	\$0
<i>Noncurrent Assets:</i>					
Restricted Cash and Cash Equivalents	\$8,841,814			\$8,841,814	
Net Pension Asset	28,528	\$11,148	\$11,198	50,874	
<i>Capital Assets:</i>					
Land, Improvements, and Construction in Progress	2,926,658	158,434		3,085,092	
Other Capital Assets, Net of Depreciation	37,590,032	43,924	147,725	37,781,681	
Total Capital Assets	\$40,516,690	\$202,358	\$147,725	\$40,866,773	\$0
Total Noncurrent Assets	\$49,387,032	\$213,506	\$158,923	\$49,759,461	\$0
TOTAL ASSETS	\$51,500,078	\$675,391	\$330,786	\$52,506,255	\$0
DEFERRED OUTFLOWS OF RESOURCES					
Contributions to Pension Plan	\$20,581	\$8,054	\$8,061	\$36,696	
LIABILITIES					
<i>Current Liabilities:</i>					
Accounts Payable and Accrued Liabilities	\$41,141	\$1,918	\$3,365	\$46,424	\$105,791
Due to Other Funds	255,880	90,767	58,759	405,406	16,152
Accrued Interest Payable	56,221			56,221	
Installment Purchase Contract Payable	202,282			202,282	
Clean Water Bond Loan Payable	172,232			172,232	
General Obligation Indebtedness	168,000			168,000	
DWSRF Revolving Loan	184,281			184,281	
Total Current Liabilities	\$1,080,037	\$92,685	\$62,124	\$1,234,846	\$121,943
<i>Noncurrent Liabilities:</i>					
<i>Liabilities Payable from Restricted Assets</i>					
Accounts Payable	\$768,394			\$768,394	
Customer Deposits	169,931			169,931	
Landfill Closure and Postclosure Care Costs		\$1,275,703		1,275,703	
Compensated Absences	\$36,026	6,941	\$15,418	58,385	
Other Postemployment Benefits	106,062	32,059	20,563	158,684	
Installment Purchase Contract Payable	653,344			653,344	
Clean Water Bond Loan Payable	1,205,627			1,205,627	
Bond Anticipation Notes	2,787,000			2,787,000	
General Obligation Indebtedness	12,171,000			12,171,000	
DWSRF Revolving Loan	2,836,846			2,836,846	
Total Noncurrent Liabilities	\$20,734,230	\$1,314,703	\$35,981	\$22,084,914	\$0
TOTAL LIABILITIES	\$21,814,267	\$1,407,388	\$98,105	\$23,319,760	\$121,943
DEFERRED INFLOWS OF RESOURCES					
Pension Deferrals	\$75,219	\$29,393	\$29,527	\$134,139	
NET POSITION					
Net Investment in Capital Assets	\$22,923,088	\$202,357	\$147,725	\$23,273,170	
Restricted for Alternative Water Supply	5,595,357			5,595,357	
Restricted for Capital Projects	585,051			585,051	
Restricted for USDA Loan Payments	292,234			292,234	
Unrestricted	235,443	(955,693)	63,490	(656,760)	(\$121,943)
Total Net Position	\$29,631,173	(\$753,336)	\$211,215	\$29,089,052	(\$121,943)

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, 2015

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
OPERATING REVENUES:					
Water and Sewer Sales	\$2,502,689			\$2,502,689	
Water and Sewer Tap Fees and Service Charges	26,695			26,695	
Landfill Fees		\$665,854		665,854	
County Contributions					\$1,329,014
Other Operating Revenues	103,590		\$184,738	288,328	
Total Operating Revenues	\$2,632,974	\$665,854	\$184,738	\$3,483,566	\$1,329,014
OPERATING EXPENSES					
Salaries and Employee Benefits	\$433,977	\$155,758	\$235,841	\$825,576	
Supplies and Fuel	168,901	10,680	47,451	227,032	
Maintenance	219,028	40,930	30,540	290,498	
Contracted Services	102,349	172,445	8,940	283,734	
Professional Services	32,847	21,173		54,020	
Water Purchased	421,421			421,421	
Management Fee - County	225,000			225,000	
Utilities	177,894	14,508	1,981	194,383	
Sewer Charges - Town of Farmville	153,151			153,151	
Office Expense	75,846		9,631	85,477	
Insurance	19,000	8,000		27,000	
Telephone and Postage		4,815	2,654	7,469	
Miscellaneous		3,380	7,196	10,576	
Disposal Fees		126,131		126,131	
Landfill Closure and Postclosure Care Costs		93,861		93,861	
Medical Claims					\$1,382,278
Depreciation	1,094,814	25,264	54,466	1,174,544	
Total Operating Expense	\$3,124,228	\$676,945	\$398,700	\$4,199,873	\$1,382,278
Operating Income (Loss)	(\$491,254)	(\$11,091)	(\$213,962)	(\$716,307)	(\$53,264)
NONOPERATING REVENUES (EXPENSES)					
Interest and Investment Revenue	\$937	\$61	\$13	\$1,011	\$34
Alternative Water Supply Fees - County	710,209			710,209	
Alternative Water Supply Fees - Towns & Districts	228,648			228,648	
Automated Meter Solutions - Maury Revenue	96,000			96,000	
Automated Meter Solutions - Maruy Expenses	(96,000)			(96,000)	
Sale of Capital Assets	9,324		10,090	19,414	
Interest on Long-Term Debt	(588,314)			(588,314)	
Total Nonoperating Revenue (Expenses)	\$360,804	\$61	\$10,103	\$370,968	\$34
Income (Loss) Before Contributions and Transfers	(\$130,450)	(\$11,030)	(\$203,859)	(\$345,339)	(\$53,230)
Transfers (To) From Other Funds	(36,200)			(36,200)	
Capital Contributions	1,094,255		202,251	1,296,506	
Change in Net Position	\$927,605	(\$11,030)	(\$1,608)	\$914,967	(\$53,230)
Total Net Position, Beginning	28,749,897	(724,202)	231,009	28,256,704	
Restatement	(46,329)	(18,104)	(18,186)	(82,619)	
Total Net Position, Beginning, Restated	28,703,568	(742,306)	212,823	28,174,085	(68,713)
Total Net Position, Ending	\$29,631,173	(\$753,336)	\$211,215	\$29,089,052	(\$121,943)

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, 2015

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received From Customers	\$2,632,329	\$665,854	\$184,738	\$3,482,921	\$1,329,014
Cash Paid for Goods and Services	(1,734,101)	(419,136)	(134,867)	(2,288,104)	(1,381,350)
Cash Paid to Employees for Services	(411,490)	(150,176)	(231,008)	(792,674)	
Customer Deposits Received	37,360			37,360	
Customer Deposits Returned	(19,665)			(19,665)	
Other Operating Revenues	103,590			103,590	
Net Cash Provided (Used) by Operating Activities	\$608,023	\$96,542	(\$181,137)	\$523,428	(\$52,336)
CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES					
Increase in (Repayment of) Due to Other Funds		(\$4,616)		(\$4,616)	
Alternative Water Supply Fees	\$923,680			923,680	
Transfers (To) From Other Funds	(36,200)			(36,200)	
Net Cash Provided by Noncapital Financing Activities	\$887,480	(\$4,616)	\$0	\$882,864	\$0
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Bond Anticipation Notes Issued	\$2,787,000			\$2,787,000	
DWSRF Revolving Loan Draws	1,896,127			1,896,127	
Acquisition and Construction of Capital Assets	(3,333,373)			(3,333,373)	
Sale of Capital Assets	9,324		\$10,090	19,414	
Interest Paid On Indebtedness	(594,509)			(594,509)	
Principal Paid On Indebtedness	(607,245)			(607,245)	
Capital Contributions-State and Federal Grants	1,094,255		202,251	1,296,506	
Net Cash Provided by (Used by) Capital and Related Financing Activities	\$1,251,579	\$0	\$212,341	\$1,463,920	\$0
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments	\$937	\$61	\$13	\$1,011	\$28
Net Increase (Decrease) in Cash and Cash Equivalents	\$2,748,019	\$91,987	\$31,217	\$2,871,223	(\$52,308)
Cash and Cash Equivalents, July 1	7,331,457	300,347	107,058	7,738,862	36,156
Cash and Cash Equivalents, June 30	\$10,079,476	\$392,334	\$138,275	\$10,610,085	(\$16,152)
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:					
Cash consists of the following:					
Unrestricted Cash and Cash Equivalents	\$1,237,662	\$392,334	\$138,275	\$1,768,271	
Restricted Cash and Cash Equivalents - Customer Deposits	169,931			169,931	
Restricted Cash and Cash Equivalents - Alternative Water Supply	5,557,079			5,557,079	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1C	24,629			24,629	
Restricted Cash and Cash Equivalents - USDA Loan Payments	292,234			292,234	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1H	2,787,010			2,787,010	
Restricted Cash and Cash Equivalents - Automated Meter Proj Fund	10,931			10,931	
Cash and Cash Equivalents, June 30	\$10,079,476	\$392,334	\$138,275	\$10,610,085	\$0

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, 2015

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided by</i>					
<i>Operating Activities</i>					
Operating Income (Loss)	(\$491,254)	(\$11,091)	(\$213,962)	(\$716,307)	(\$53,264)
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash</i>					
<i>Provided by Operating Activities:</i>					
Depreciation	\$1,094,814	\$25,264	\$54,466	\$1,174,544	
Pension Expense	363	142	142	647	
Landfill Closure and Postclosure Care Costs		93,861		93,861	
<i>Changes in Assets and Liabilities:</i>					
Decrease (Increase) in Accounts Receivable	102,945	9,480		112,425	
Decrease (Increase) in Due From Other Governments	(70,377)	109	(19,048)	(89,316)	
Decrease (Increase) in Deferred Outflows of Resources for Pensions	(20,581)	(8,054)	(8,061)	(36,696)	
Increase (Decrease) in Accounts Payable and Accrued Liabiliti	(48,069)	(15,499)	2,241	(61,327)	\$928
Increase (Decrease) in Customer Deposits	17,695			17,695	
Increase (Decrease) in Compensated Absences Payable	4,523	(966)	325	3,882	
Increase (Decrease) in Other Postemployment Benefits	17,964	3,296	2,760	24,020	
Total Adjustments	\$1,099,277	\$107,633	\$32,825	\$1,239,735	\$928
Net Cash Provided by (Used by) Operating Activities	\$608,023	\$96,542	(\$181,137)	\$523,428	(\$52,336)

GREENE COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2015

<u>Assets</u>	<u>Agency Funds</u>
Cash and Cash Equivalents	\$188,128
Due From Other Governments	11,834
	<u>\$199,962</u>
 <u>Liabilities and Net Position</u> 	
<i>Liabilities:</i>	
Intergovernmental Payable	\$199,962
Total Liabilities	<u>\$199,962</u>
 <i>Net Position:</i>	
Assets Held in Trust for Pension Benefits	<u>\$0</u>

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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, 2015

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

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

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

The County reports the following major governmental funds:

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

The County reports the following major enterprise funds:

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

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

The County reports the following non-major enterprise fund:

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

The County reports the following fund types:

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

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

Agency Funds - Agency Funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains six Agency Funds: the Municipal Tax Fund, which accounts for funds that are billed and collected by the County for the various municipalities within the County but that are not revenues to the County; the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Jail Inmate Fund which accounts for funds held on behalf of the inmates of the Greene County Jail; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Greene County Board of Education and the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; the South Greene Water Collection Fund which accounts for water funds collected and remitted under a contract basis on behalf of South Greene Water Corporation; and the Cooperative Extension Fund which accounts for funds received and expensed relating to agriculture-sponsored events.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

Nonmajor Funds – The County maintains seven legally budgeted funds. The Fire District Funds, the Property Revaluation Fund, the Emergency Telephone System Fund, and the 2012 Community Development Block Grant Project Fund are reported as non-major special revenue funds.

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

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

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

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

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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

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

C. BUDGETARY DATA

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Fire Districts Funds, Property Revaluation Fund, Emergency Telephone System Fund, the School Capital Finance Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Jail Construction/Courthouse Renovations 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 \$1,300,777 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased by \$110,000 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased by \$78,458. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY

1. Deposits and Investments

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

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

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Use of Estimates

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

3. Cash and Cash Equivalents

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

4. Restricted Assets

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

Greene County Restricted Cash

<i>Governmental Activities:</i>	
Tax Revaluation Fund - Tax Revaluation	\$66,147
2012 CDBG Project Fund	14,029
Jail Construction/Courthouse Renovation Project - Debt Service	232,623
Intermediate School Capital Project Fund - Debt Service	303,722
Total Governmental Activities	\$616,521
 <i>Business-Type Activities:</i>	
Utility Fund - Customer Deposits	\$169,931
Utility Fund - Alternative Water Supply	5,557,079
Utility Fund - Project Funds	2,822,570
Utility Fund - Debt Service	292,234
Total Business-Type Activities	\$8,841,814
 TOTAL RESTRICTED CASH	 \$9,458,335

5. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

6. Allowances for Doubtful Accounts

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

7. Inventories and Prepaid Items

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

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

8. Capital Assets

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

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

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

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

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

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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 has only two items that meet this criterion - pension related deferrals and contributions made to the pension plan in the current fiscal year. 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 three items that meet the criterion for this category – taxes receivable, prepaid taxes and other pension related deferrals.

10. Long-Term Obligations

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

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

11. Compensated Absences

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

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

12. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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

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

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

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

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

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

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

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

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

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

Assigned Fund Balance – portion of fund balance that the County governing board has budgeted or assigned for a specific purpose.

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.

Assigned for Court House Fire Repairs – portion of fund balance which represents unspent insurance proceeds from recent court house fires.

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.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

12. Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

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 (\$9,236,822) 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)	\$23,620,874
Less Accumulated Depreciation	<u>6,586,073</u>
Net Capital Assets	\$17,034,801
Net Pension Asset	482,916
Contributions to the pension plan in the current fiscal year	329,538
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	71,492
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	
Taxes	285,733
Pension related deferrals	(1,205,027)
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	(23,730,184)
Compensated absences	(367,340)
Net pension obligation for law enforcement officers' special separation allowance	(213,600)
Net other postemployment benefits	(1,397,710)
Accrued interest payable	(405,498)
Net loss of internal service fund determined to be governmental-type	(121,943)
Total Adjustment	<u>(\$9,236,822)</u>

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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 \$226,596 as follows:

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$635,551
Cost of disposed capital assets not recorded in fund statements	(6,569)
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	(501,287)
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	(309,499)
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	383,039
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities	329,538
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)	3,466
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	1,325
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(17,892)
Net other postemployment benefits obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(160,735)
Net income (loss) of internal service fund determined to be governmental- type	(53,230)
County's portion of collective pension expense	(3,636)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Fair value of assets donated that is not recorded in the fund statements but is recorded in the government-wide statements	7,500
Reversal of deferred tax revenue recorded at 7/01/14	(359,620)
Increase in deferred inflows of resources - taxes receivable - at end of year	285,733
Decrease in accrued interest on taxes receivable for year ended 6/30/14	(7,088)
Total Adjustment	\$226,596

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

Noncompliance with North Carolina General Statutes

None noted.

B. DEFICIT FUND BALANCE OR NET POSITION OF INDIVIDUAL FUNDS

The Enterprise Fund net position consists of the following individual fund net position balances:

Utility Fund	\$29,631,173
Landfill Fund	(753,336) *
Transportation Fund	211,215
	<u>\$29,089,052</u>

* Effective July 1, 2009, the County reduced the number of hours of service, thereby reducing the attendants' contracts. The 2015/2016 budget, if obtained, is scheduled to add just over \$54,000 back toward reserves.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

None noted.

III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. ASSETS

1. Deposits

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

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

At June 30, 2015, the County's deposits had a carrying amount of \$8,704,880 and a bank balance of \$9,061,170. Of the bank balance, \$1,454,088 was covered by federal depository insurance and \$7,607,082 was covered by collateral held under the Pooling Method.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

At June 30, 2015, Greene County had \$1,723 cash on hand.

At June 30, 2015, the carrying amount of deposits for Greene County ABC Board was \$163,290 and the bank balance was \$170,440. Of this balance, \$170,440 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2015, the ABC Board had \$600 cash on hand.

2. Investments

At June 30, 2015, the County's investment balances were as follows:

	Reported Value	Fair Value
NC Capital Management Trust - General Account	\$8,559,816	\$8,559,816
Total Investments	\$8,559,816	\$8,559,816

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, 2015, the ABC Board had no investments in the North Carolina Capital Management Trust.

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

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

Year Levied	Tax	Interest	Total
2012	\$461,250	\$109,547	\$570,797
2013	1,789,665	263,976	2,053,641
2014	1,813,987	104,304	1,918,291
2015	1,840,719		1,840,719
Total	\$5,905,621	\$477,827	\$6,383,448

This section intentionally left blank.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

4. Receivables

Receivables at the government-wide level at June 30, 2015, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Due From Component Unit	Total
Governmental Activities:					
General	\$870,821	\$459,790	\$907,512	\$20,661	\$2,258,784
Other Governmental	12,526	32,713	22,273		67,512
Total Receivables	\$883,347	\$492,503	\$929,785	\$20,661	\$2,326,296
Allowance for Doubtful Accounts	(135,000)	(135,278)			(270,278)
Total Governmental Activities	\$748,347	\$357,225	\$929,785	\$20,661	\$2,056,018
Business-type Activities:					
Utility Fund	\$580,436		\$256,422		\$836,858
Landfill Fund	670	\$64,355	12,578		77,603
Nonmajor Enterprise Activities			33,588		33,588
Total Receivables	\$581,106	\$64,355	\$302,588	\$0	\$948,049
Allowance for Doubtful Accounts	(111,000)	(34,000)			(145,000)
Total Business-type Activities	\$470,106	\$30,355	\$302,588	\$0	\$803,049

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

Local Option Sales Tax	\$375,999
Sales Tax	49,604
NCDMV - Vehicle Property Taxes	88,753
Various Human Service and Health Revenue	263,403
EMS Cost Settlement Funds	108,715
E911 Funds	10,875
Cable Transfer Fees	23,612
Wayne County Inmate Fees	3,100
Court Fees	2,307
CDBG	3,417
Total General Fund	\$929,785
Scrap Tire Tax	\$7,147
Solid Waste	3,426
Department of Corrections Sewer	45,981
Wholesale Water	9,770
Transportation Grants	32,762
Alternative Water Supply Fees	38,505
Joint Deposit - Town of Farmville	10,000
Sales Tax	154,997
Total Enterprise Fund	\$302,588
Total Due	\$1,232,373

5. Notes Receivable

The County has two 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.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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%.

The second 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		Total
	Capacitators	Ribeye's	
2016	\$18,878	\$10,505	\$29,383
2017	19,644	8,078	27,722
2018	20,442		20,442
2019	21,271		21,271
2020	10,776		10,776
	\$91,011	\$18,583	\$109,594

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2015, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$628,982			\$628,982
Construction in Progress	84,558	\$64,893	\$149,451	
Total Capital Assets Not Being Depreciated	\$713,540	\$64,893	\$149,451	\$628,982
Capital Assets Being Depreciated:				
Buildings & Land Improvements	\$19,585,366	\$383,006		\$19,968,372
Vehicles	1,419,412	191,083	\$457,030	1,153,465
Equipment	1,716,535	153,520		1,870,055
Total Capital Assets Being Depreciated	\$22,721,313	\$727,609	\$457,030	\$22,991,892
Less Accumulated Depreciation for:				
Buildings & Land Improvements	\$4,008,051	\$396,017		\$4,404,068
Vehicles	1,069,410	25,064	\$450,461	644,013
Equipment	1,457,786	80,206		1,537,992
Total Accumulated Depreciation	\$6,535,247	\$501,287	\$450,461	\$6,586,073
Total Capital Assets Being Depreciated, Net	16,186,066			16,405,819
Governmental Activity Capital Assets, Net	\$16,899,606			\$17,034,801

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

General Government	\$295,759
Public Safety	35,090
Human Services	60,154
Cultural and Recreational	110,284
Total Depreciation Expense	\$501,287

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

Business Type Activities:	Ending			Ending
Greene County Utility Fund:	Balances	Increases	Decreases	Balances
Capital Assets Not Being Depreciated:				
Land	\$201,446	\$30,246		\$231,692
Construction In Progress	779,861	3,130,703	\$1,215,598	2,694,966
<i>Total Capital Assets Not Being Depreciated</i>	\$981,309	\$3,160,949	\$1,215,598	\$2,926,658
Capital Assets Being Depreciated:				
Transfer Distribution Systems	\$45,578,663	\$1,215,598		\$46,794,261
Equipment	228,078	47,362		275,440
Vehicles	280,980	19,000	\$49,182	250,798
Total Capital Assets Being Depreciated	\$46,087,718	\$1,281,960	\$49,182	\$47,320,499
Less Accumulated Depreciation for:				
Transfer Distribution Systems	\$8,232,503	\$1,070,378		\$9,302,881
Equipment	205,066	11,838		216,904
Vehicles	247,266	12,598	\$49,182	210,682
Total Accumulated Depreciation	\$8,684,835	\$1,094,814	\$49,182	\$9,730,467
<i>Total Capital Assets Being Depreciated, Net</i>	37,402,883			37,590,032
Greene County Utility Fund Capital Assets, Net	\$38,384,192			\$40,516,690
Greene County Landfill Fund:				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$158,434			\$158,434
<i>Total Capital Assets Not Being Depreciated</i>	\$158,434	\$0	\$0	\$158,434
Capital Assets Being Depreciated:				
Buildings	\$108,102			\$108,102
Vehicles	279,245		\$68,640	210,605
Equipment	546,990			546,990
Total Capital Assets Being Depreciated	\$934,337	\$0	\$68,640	\$865,697
Less Accumulated Depreciation for:				
Buildings	\$108,102			\$108,102
Vehicles	265,058	\$9,123	\$68,640	205,541
Equipment	491,989	16,141		508,130
Total Accumulated Depreciation	\$865,149	\$25,264	\$68,640	\$821,773
<i>Total Capital Assets Being Depreciated, Net</i>	69,188			43,924
Greene County Landfill Capital Assets, Net	\$227,622			\$202,358
Greene County Transportation Fund:				
Capital Assets Being Depreciated:				
Buildings	\$169,900			\$169,900
Vehicles	406,168		\$64,718	341,450
Equipment	11,466			11,466
Total Capital Assets Being Depreciated	\$587,534	\$0	\$64,718	\$522,816
Less Accumulated Depreciation for:				
Buildings	\$59,742	\$8,528		\$68,270
Vehicles	314,136	45,938	\$64,718	295,356
Equipment	11,465			11,465
Total Accumulated Depreciation	\$385,343	\$54,466	\$64,718	\$375,091
<i>Total Capital Assets Being Depreciated, Net</i>	202,191			147,725
Greene County Transportation Fund Capital Assets, Net	\$202,191			\$147,725
Business-type Activities Capital Assets, Net	\$38,814,005			\$40,866,773

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

Construction Commitments

The government has an active construction project as of June 30, 2015, the Alternative Water Phase 1H project. At June 30, 2015, the Government's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Alternative Water Phase 1H	\$2,694,966	\$4,963,403
Total	\$2,694,966	\$4,963,403

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets Not Being Depreciated:				
Land	\$12,055			\$12,055
Total Assets Not Being Depreciated	\$12,055	\$0	\$0	\$12,055
Capital Assets Being Depreciated:				
Buildings	\$54,642	\$10,800	\$2,755	\$62,687
Equipment	52,653	7,005		59,658
Total Capital Assets Being Depreciated	\$107,295	\$17,805	\$2,755	\$122,345
Less Accumulated Depreciation for:				
Buildings	\$50,837	\$1,219	\$2,755	\$49,301
Equipment	44,726	2,676		47,402
Total Accumulated Depreciation	\$95,563	\$3,895	\$2,755	\$96,703
Total Capital Assets Being Depreciated, Net	11,732			25,642
Total Capital Assets Being Depreciated, Net	\$23,787			\$37,697

B. LIABILITIES

1. Payables

Payables at the government-wide level at June 30, 2015, were as follows:

	Vendors	Accrued Interest	Total
Governmental Activities:			
General	\$495,420	\$405,498	\$900,918
Other Governmental	54,022		54,022
Total Governmental Activities	\$549,442	\$405,498	\$954,940
Business-type Activities:			
Utility Fund	\$809,535	\$56,221	\$865,756
Landfill Fund	1,918		1,918
Nonmajor Enterprise Activities	3,365		3,365
Total Business-type Activities	\$814,818	\$56,221	\$871,039

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits

a. Local Governmental Employee's Retirement System

Plan Description. The County is a participating employer in 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 membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2015, was 7.41% of compensation for law enforcement officers and 7.07% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$358,200 for the year ended June 30, 2015.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported an asset of \$506,710 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2014, the County's proportion was 0.08592%, which was an increase of 0.09870% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expense of \$6,439. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$55,367
Net difference between projected and actual earnings on pension plan investments		1,179,609
Changes in proportion and differences between County contributions and proportionate share of contributions		101,065
County contributions subsequent to the measurement date	\$365,321	
Total	\$365,321	\$1,336,041

\$365,321 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended June 30:	
2016	(\$334,108)
2017	(334,108)
2018	(334,108)
2019	(333,717)
	(\$1,336,041)

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	4.25 to 8.55 percent, including inflation and productivity factor
Investment Rate of Return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate</u>
Fixed Income	36.0%	2.5%
Global Equity	40.5%	6.1%
Real Estate	8.0%	5.7%
Alternatives	6.5%	10.5%
Credit	4.5%	6.8%
Inflation Protection	4.5%	3.7%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

A new asset allocation policy was finalized during the fiscal year ended June 30, 2014 to be effective July 1, 2014. The new asset allocation policy utilizes different asset classes, changes in the structure of certain asset classes, and adopts new benchmarks. Using the asset class categories in the preceding table, the new long-term expected arithmetic real rates of return are: Fixed Income 2.2%, Global Equity 5.8%, Real Estate 5.2%, Alternatives 9.8%, Credit 6.8% and Inflation Protection 3.4%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.25 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension liability (asset)	\$1,719,993	(\$506,710)	(\$2,381,522)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description

Greene County administers a public employee retirement system (*the "Separation Allowance"*), a single employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. For reporting purposes, the Separation Allowance is presented as a pension trust fund; however, it does not meet the criteria for trust funds outlined in GASB Statement 68.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2014, 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	23
Total	23

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

2. Summary of Significant Accounting Policies:

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

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

3. Contributions

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

The annual required contribution for the current year was determined as part of the December 31, 2013 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2014 was 16 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	\$24,640
Interest on Net Pension Obligation	9,785
Adjustment to Annual Required Contribution	<u>(16,533)</u>
Annual Pension Cost	\$17,892
Contributions Made	<u> </u>
Increase (Decrease) in Net Pension Obligation	\$17,892
<i>Net Pension Obligation - Beginning of Year</i>	<u>195,708</u>
Net Pension Obligation - End of Year	<u><u>\$213,600</u></u>

3 YEAR TREND INFORMATION

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/13	21,080	0.00%	178,317
6/30/14	17,391	0.00%	195,708
6/30/15	17,892	0.00%	213,600

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

4. Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$153,927 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$153,927. The covered payroll (annual payroll of active employees covered by the plan) was \$709,266, and the ratio of the UAAL to the covered payroll was 21.71 percent.

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

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2015 were \$40,021, which consisted of \$34,376 from the County and \$5,645 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 (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF 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. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$913 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported an asset of \$27,079 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2014, the County's proportion was 0.11947%, which was a decrease of 0.09750% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expense of (\$2,154). At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$248	
Net difference between projected and actual earnings on pension plan investments		\$146
Changes in proportion and differences between County contributions and proportionate share of contributions		3,227
County contributions subsequent to the measurement date	913	
Total	\$1,161	\$3,373

\$913 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended June 30:	
2016	(\$1,390)
2017	(1,390)
2018	(307)
2019	(38)
	(\$3,125)

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	4.25 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	5.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2014 is 2.5%:

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 5.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	1% Decrease (4.75%)	Discount Rate (5.75%)	1% Increase (6.75%)
County's proportionate share of the net pension liability (asset)	(\$24,316)	(\$27,079)	(\$29,454)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

e. Other Post-Employment Benefit

1. Healthcare Benefits

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

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

Retirees and Dependents Receiving Benefits	6
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	155
Total	161

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

The current ARC rate is 4.97% of the annual covered payroll. For the current year, the County contributed \$28,551 or 0.61% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 4.97% and 3.34% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to the HCB Plan is established and may be amended by the Board of Commissioners.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

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

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

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

Annual Required Contribution	\$234,712
Interest on OPEB Obligation	54,866
Adjustment to Annual Required Contribution	<u>(76,271)</u>
Annual OPEB Cost (expense)	\$213,307
Contributions Made	<u>28,551</u>
Increase (Decrease) in Net OPEB Obligation	\$184,756
<i>Net OPEB Obligation - Beginning of Year</i>	<u>1,371,638</u>
Net OPEB Obligation - End of Year	<u><u>\$1,556,394</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 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>
6/30/13	307,932	19.6%	1,197,098
6/30/14	216,030	19.2%	1,371,638
6/30/15	213,307	13.4%	1,556,394

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. Pension Plan and Other Postemployment Benefits (continued)

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

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

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

f. **Other Employment Benefits**

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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 \$1,275,703 reported as landfill closure and postclosure care liability at June 30, 2015 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

	Unavailable Revenue	Unearned Revenue
Pensions - difference between expected and actual experience		
LGERS		\$55,367
Register of Deeds	\$248	
Pensions - difference between projected and actual investment earnings		1,179,755
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		104,292
Contributions to pension plan in 2014-2015 fiscal year	366,234	
Taxes Receivable (Net) - General		285,733
Prepaid Regular Property Taxes Not Yet Earned		51,533
Total	\$366,482	\$1,676,680

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, 2015

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, 2015, 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>
2016	\$13,900	\$6,100	\$20,000
2017	14,611	5,389	20,000
2018	15,359	4,641	20,000
2019	16,144	3,856	20,000
2020	16,970	3,030	20,000
2021-2022	42,248	3,410	45,658
	<u>\$119,232</u>	<u>\$26,426</u>	<u>\$145,658</u>

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

b. **Installment Purchase Contracts**

Industrial Park:

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

Repayment, including principal and interest at 4.15%, was scheduled for semi-annual appropriations of \$19,716 beginning on December 14, 2007, with the remaining payments of \$19,716, including principal and interest, due in semi-annual installments through June 14, 2021. The loan with Branch Banking & Trust Company has been refinanced through North Carolina's Eastern Region.

On April 8, 2015, the County entered into an unsecured installment purchase contract with North Carolina's Eastern Region for the purpose of refinancing the Branch Banking & Trust Company loan that was for the purpose the acquisition and/or construction of water & sewer utilities and a lift station for the Industrial Park site. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the payment of principal and interest. The total amount of the loan by North Carolina's Eastern Region totaled \$181,000. Session Law 2013, Senate Bill 402, Section 15.28(b), dissolved North Carolina's Eastern Region on June 30, 2015 and all active loan documents were turned over to the State Treasurer's office for collection.

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

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$36,200		\$36,200
2017	36,200		36,200
2018	36,200		36,200
2019	36,200		36,200
	<u>\$144,800</u>	<u>\$0</u>	<u>\$144,800</u>

Ambulances:

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, 2015, 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, 2015 was \$55,006.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$17,988	\$1,026	\$19,014
2017	18,324	690	19,014
2018	18,694	321	19,015
	<u>\$55,006</u>	<u>\$2,037</u>	<u>\$57,043</u>

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

On November 24, 2014, the County entered into an installment purchase contract with First Citizens Bank for the purpose of acquiring a 2015 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 \$89,999.

Repayment, including principal and interest at 2.08%, is scheduled for annual appropriations of \$19,138 beginning on November 24, 2015, with the remaining payments of \$19,138, including principal and interest, due in annual installments through November 24, 2019. The unpaid installment purchase contract balance at June 30, 2015 was \$89,999.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$17,266	\$1,872	\$19,138
2017	17,626	1,513	19,139
2018	17,992	1,146	19,138
2019	18,366	772	19,138
2020	18,749	390	19,139
	\$89,999	\$5,693	\$95,692

Vans:

On July 10, 2013, the County entered into an installment purchase contract with First Citizens Bank for the purpose of acquiring two 2013 Dodge Vans for use with the Department of Social Services. This contract is secured by a promissory note and deed of trust on the property and any improvements thereon. The County's obligation under this installment purchase contract is limited to the amount of its annual budgetary appropriation for the payment of principal and interest. The purchase price advanced by the bank totaled \$43,852.

Repayments, including principal and interest at 2.02%, is scheduled for 36 monthly payments of \$1,256 starting on August 10, 2013 with the final payment scheduled on or by July 1, 2016. The unpaid installment purchase contract balance at June 30, 2015 was \$16,143.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$14,888	\$189	\$15,077
2016	1,255	2	1,257
	\$16,143	\$191	\$16,334

THIS SPACE INTENTIONALLY LEFT BLANK

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

HVAC:

On October 2, 2014, the County entered into an installment purchase contract with First Citizens Bank for the purpose of acquiring an HVAC system for the County Complex. 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 \$219,500.

Repayment, including principal and interest at 2.08%, is scheduled for annual appropriations of \$46,688 beginning on October 2, 2015, with the remaining payments of \$46,688, including principal and interest, due in annual installments through September 2, 2019. The unpaid installment purchase contract balance at June 30, 2015 was \$219,500.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$42,079	\$4,609	\$46,688
2017	42,963	3,725	46,688
2018	43,865	2,823	46,688
2019	44,786	1,902	46,688
2020	45,807	881	46,688
	<u>\$219,500</u>	<u>\$13,940</u>	<u>\$233,440</u>

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, 2015 were \$7,297,013, \$2,331,634, and \$471,289, respectively. During the refinancing process, \$771,686 went from Greene County back to the USDA. During the year ended June 30, 2013, these funds were subsequently available for drawdown and were drawn down on for the capital project related to courthouse renovations. The County reserved an additional \$51,693 for debt service during the current year. The total amount set aside for debt service is \$232,623 at June 30, 2015, which satisfies the USDA requirements.

THIS SPACE INTENTIONALLY LEFT BLANK

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

Loan 1 :

During the Year Ending June 30,	Principal	Interest	Total
2016	\$98,649	\$274,283	\$372,932
2017	102,994	270,560	373,554
2018	106,856	266,698	373,554
2019	110,864	262,690	373,554
2020	115,021	258,533	373,554
2021-2025	643,131	1,224,640	1,867,771
2026-2030	773,108	1,094,662	1,867,770
2031-2035	929,353	938,417	1,867,770
2036-2040	1,117,175	750,595	1,867,770
2041-2045	1,342,957	524,813	1,867,770
2046-2050	1,614,367	253,403	1,867,770
2051	342,538	13,466	356,004
	\$7,297,013	\$6,132,760	\$13,429,773

Loan 2:

During the Year Ending June 30,	Principal	Interest	Total
2016	\$31,647	\$87,436	\$119,083
2017	32,833	86,250	119,083
2018	34,065	85,018	119,083
2019	35,342	83,741	119,083
2020	36,667	82,416	119,083
2021-2025	205,024	390,391	595,415
2026-2030	246,459	348,956	595,415
2031-2035	296,268	299,147	595,415
2036-2040	356,143	239,272	595,415
2041-2045	428,122	167,293	595,415
2046-2050	514,643	80,772	595,415
2051	114,421	4,291	118,712
	\$2,331,634	\$1,954,983	\$4,286,617

Loan 3:

During the Year Ending June 30,	Principal	Interest	Total
2016	\$6,397	\$17,673	\$24,070
2017	6,637	17,433	24,070
2018	6,885	17,185	24,070
2019	7,144	16,926	24,070
2020	7,411	16,659	24,070
2021-2025	41,440	78,910	120,350
2026-2030	49,816	70,534	120,350
2031-2035	59,884	60,466	120,350
2036-2040	71,986	48,364	120,350
2041-2045	86,536	33,814	120,350
2046-2050	104,025	16,325	120,350
2051	23,128	867	23,995
	\$471,289	\$395,156	\$866,445

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

School Construction:

As authorized by State law [G.S. 160A-20 and 153A-158.1], the County financed the construction of an intermediate school for use by the Greene County Board of Education. During the fiscal year ended June 30, 2011 the County entered into two installment purchase contracts which total \$13,600,000. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with the Greene County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation were recorded by the Board of Education after construction was complete during the year ended June 30, 2013. The County reserved an additional \$69,483 for debt service during the current year. The total amount set aside for debt service is \$303,722 at June 30, 2015, 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, 2015 the County had drawn \$6,600,000 of principal funds.

Loan 1:			
During the Year Ending June 30,	Principal	Interest	Total
2016	\$82,026	\$255,036	\$337,062
2017	85,307	251,755	337,062
2018	88,720	248,342	337,062
2019	92,268	244,794	337,062
2020	95,959	241,103	337,062
2021-2025	540,534	1,144,776	1,685,310
2026-2030	657,645	1,027,665	1,685,310
2031-2035	800,125	885,186	1,685,311
2036-2040	973,472	711,838	1,685,310
2041-2045	1,184,378	500,932	1,685,310
2046-2050	1,430,177	244,332	1,674,509
2051	197,033	12,465	209,498
	\$6,227,644	\$5,768,224	\$11,995,868

THIS SPACE INTENTIONALLY LEFT BLANK

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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, 2015, the County will make forty annual payments of principal and interest of \$357,490, ending February 17, 2052. As of June 30, 2015 the County had drawn \$7,000,000 of principal funds.

Loan 2:			
During the Year Ending June 30,	Principal	Interest	Total
2016	\$86,997	\$270,493	\$357,490
2017	90,477	267,013	357,490
2018	94,096	263,394	357,490
2019	97,860	259,630	357,490
2020	101,775	255,715	357,490
2021-2025	573,296	1,214,154	1,787,450
2026-2030	697,501	1,089,950	1,787,451
2031-2035	848,617	938,833	1,787,450
2036-2040	1,032,471	754,979	1,787,450
2041-2045	1,256,160	531,290	1,787,450
2046-2050	1,528,309	259,141	1,787,450
2051-2052	350,365	41,584	391,949
	\$6,757,924	\$6,146,176	\$12,904,100

(Reported In Enterprise Funds)

Utility Fund

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

During the Year Ending June 30,	Principal	Interest	Total
2016	\$202,282	\$29,718	\$232,000
2017	209,815	22,185	232,000
2018	217,629	14,371	232,000
2019	225,907	6,093	232,000
	\$855,633	\$72,367	\$928,000

THIS SPACE INTENTIONALLY LEFT BLANK

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

c. **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, 2015, the balance was \$1,377,859.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$172,232	\$75,722	\$247,954
2017	172,232	67,308	239,540
2018	172,232	58,895	231,127
2019	172,232	50,481	222,713
2020	172,232	42,068	214,300
2021-2023	516,699	75,722	592,421
	<u>\$1,377,859</u>	<u>\$370,196</u>	<u>\$1,748,055</u>

d. **Bond Anticipation Notes**

On June 18, 2015, the County secured interim financing through the issuance of Bond Anticipation Note proceeds for the purpose of extending and improving the water system. Upon completion, the County plans to refinance this interim financing with a loan from the USDA.

\$2,787,000 Water System Revenue Bond Anticipation Note, Series 2015 dated June 18, 2015 - maturing June 30, 2016. Interest at .87%. The notes will be repaid from a \$2,787,000 bond issuance expected to be sold in the next fiscal year.

\$2,787,000

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 \$75,000 for debt service during the current year. The total amount set aside for debt service is \$292,224 at June 30, 2015, which satisfies the USDA requirements.

The County's revenue bonds payable at June 30, 2015 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%.	\$4,049,000
\$2,000,000 Water Revenue Bonds Series 2010B issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	1,916,000
\$3,800,000 Water Revenue Bonds Series 2011A issued August 30, 2011; due in annual installments through June 1, 2050; interest at 4.125%.	3,712,000
\$2,737,000 Water Revenue Bonds Series 2011B issued August 30, 2011; due in annual installments through June 1, 2050; interest at 3.375%.	2,662,000
Total	<u>\$12,339,000</u>

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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

2010 Series:

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$85,000	\$224,230	\$309,230
2017	88,000	221,055	309,055
2018	91,000	217,767	308,767
2019	95,000	214,368	309,368
2020	98,000	210,815	308,815
2021-2025	550,000	996,072	1,546,072
2026-2030	662,000	885,043	1,547,043
2031-2035	796,000	751,107	1,547,107
2036-2040	956,000	590,063	1,546,063
2041-2045	1,149,000	396,177	1,545,177
2046-2050	1,395,000	161,795	1,556,795
	<u>\$5,965,000</u>	<u>\$4,868,492</u>	<u>\$10,833,492</u>

2011 Series:

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$86,000	\$242,963	\$328,963
2017	89,000	239,707	328,707
2018	93,000	236,336	329,336
2019	96,000	232,815	328,815
2020	100,000	229,178	329,178
2021-2025	556,000	1,086,390	1,642,390
2026-2030	670,000	972,527	1,642,527
2031-2035	809,000	834,973	1,643,973
2036-2040	975,000	668,687	1,643,687
2041-2045	1,175,000	467,960	1,642,960
2046-2050	1,410,000	226,104	1,636,104
2051	315,000	12,064	327,064
	<u>\$6,374,000</u>	<u>\$5,449,704</u>	<u>\$11,823,704</u>

The County has been in compliance with the covenants as to rates, fees, rentals and charges in Section 5 of the Bond Order, authorizing the issuance of the Water Revenue Bonds, Series 2010A, 2010B, 2011A and 2011B. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2015, is as follows:

Operating Revenues	\$2,632,974
Operating Expenses (excluding depreciation)	2,029,414
Operating Income	<u>603,560</u>
Nonoperating Revenues (Expenses)	949,118
Transfers Out	<u>(36,200)</u>
Income Available for Debt Service	1,516,478
Debt Service, Principal and Interest	
Paid (Revenue Bonds Only)	\$638,394
Debt Service Coverage Ratio	238%

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

f. **DWSRF Revolving Loans**

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 \$1,125,000 at June 30, 2015.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$75,000		\$75,000
2017	75,000		75,000
2018	75,000		75,000
2019	75,000		75,000
2020	75,000		75,000
2021-2025	375,000		375,000
2026-2030	375,000		375,000
	<u>\$1,125,000</u>	<u>\$0</u>	<u>\$1,125,000</u>

On May 14, 2014, 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, \$1,694,255 has been received by the County as of June 30, 2015. The agreement allows for \$2,400,000 of the loan to be forgiven. Once the entire \$3,000,000 has been received, \$600,000 of the loan will be paid back over 20 years with no interest. Annual principal payments in the amount of \$30,000 will begin during the year ended June 30, 2016. The County had a balance of \$600,000 at June 30, 2015.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$30,000		\$30,000
2017	30,000		30,000
2018	30,000		30,000
2019	30,000		30,000
2020	30,000		30,000
2021-2025	150,000		150,000
2026-2030	150,000		150,000
2031-2035	150,000		150,000
	<u>\$600,000</u>	<u>\$0</u>	<u>\$600,000</u>

THIS SPACE INTENTIONALLY LEFT BLANK

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

On May 14, 2014, 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 \$1,585,613 loan, \$1,296,127 has been received by the County as of June 30, 2015. Once the entire \$1,585,613 has been received, the loan will be paid back over 20 years with no interest. Annual principal payments in the amount of \$79,281 will begin during the year ended June 30, 2016. The County had a balance of \$1,296,127 at June 30, 2015.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$79,281		\$79,281
2017	79,281		79,281
2018	79,281		79,281
2019	79,281		79,281
2020	79,281		79,281
2021-2025	396,405		396,405
2026-2030	396,405		396,405
2031-2035	396,398		396,398
	\$1,585,613	\$0	\$1,585,613

Debt Related to Capital Activities – Of the total Governmental Activities debt listed only \$10,774,616 relates to assets the County holds title.

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, 2015:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental Activities:					
Notes Payable	\$132,455		\$13,223	\$119,232	\$13,900
Installment Purchase Contracts	23,671,269	\$309,499	369,816	23,610,952	434,137
Net Pension Obligation	195,708	17,892		213,600	
OPEB Obligation	1,236,975	189,286	28,551	1,397,710	
Compensated Absences	368,665	284,688	286,013	367,340	
Net Pension Liability (LGRS)	1,070,267		1,070,267		
Total Governmental Activities	\$26,675,339	\$801,365	\$1,767,870	\$25,708,834	\$448,037
Business-type Activities:					
Installment Purchase Contract	\$1,050,646		\$195,013	\$855,633	\$202,282
Clean Water Bond Loan	1,550,091		172,232	1,377,859	172,232
Revenue Bonds	12,504,000		165,000	12,339,000	168,000
Bond Anticipation Notes		\$2,787,000		2,787,000	
DWSRF Revolving Loan	1,200,000	1,896,127	75,000	3,021,127	184,281
Accrued Landfill Closure and Postclosure Costs	1,181,842	93,861		1,275,703	
OPEB Obligation	134,663	24,021		158,684	
Compensated Absences	54,503	37,374	33,492	58,385	
Net Pension Liability (LGRS)	119,447		119,447		
Total Business-type Activities	\$17,795,192	\$4,838,383	\$760,184	\$21,873,391	\$726,795

The LGRS plan had a net pension asset as of June 30, 2015; however, the plan had a net pension liability at the beginning of the fiscal year.

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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, 2015 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Utility Fund	\$255,880
	Internal Service Fund	16,152
Landfill Fund	General Fund	(25,948)
		\$246,084

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

The General Fund loaned the Internal Service Fund \$16,152 during the current year to cover the 2014/2015 shortfall. These funds will be repaid in the 2015/2016 fiscal year.

The interfund balance of \$25,949 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.

Operating and equity transfers to and from funds for the year ended June 30, 2015 are as follows:

Operating Transfers From/To Other Funds	TRANSFERS	
	FROM	TO
General Fund		
Utility Fund	\$36,200	
Enterprise Fund		
General Fund		\$36,200
Total Operating Transfers - Other Funds	\$36,200	\$36,200

The transfer from the Utility Fund for \$36,200 was the Utility Fund's portion of debt service related to the industrial park loan.

D. FUND BALANCE

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

GREENE COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

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

Total Fund Balance - General Fund	\$6,663,194
Less:	
Stabilization by State Statute	2,039,067
Register of Deeds	53,038
Health Department	462,054
Sheriff Department	8,810
Economic Development	271,601
Court House Fire Repairs	371,829
	371,829
Remaining Fund Balance	\$3,456,795

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, 2015, 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, 2015. During the year ended June 30, 2015, the County appropriated \$130,000 to the Library. Complete financial statements for the Library can be obtained by contacting the Library's administrative offices at 510 North Queen Street, Kinston, North Carolina 28501.

Greene County, as well as Bladen, Columbus, Duplin, Edgecombe, Lenoir, Nash, Robeson, Sampson, Scotland, Wayne and Wilson Counties are currently serviced by Eastpointe. Eastpointe is a newly formed Managed Care Organization that manages publicly-funded behavioral health care services under the 1915(b)(c) Medicaid Waiver. Eastpointe works together with families, individuals, providers and communities to achieve valued outcomes in the behavior healthcare system. Eastpointe receives their funding from the State and federal government, as well as annual contributions from the County governments in the region. Eastpointe is governed by a 23 member Area Board of Directors appointed by the 12 County Commissions in the service area. None of the participating governments have any equity interest in Eastpointe, so no equity interest has been reflected in the financial statements as of June 30, 2015. Greene County appropriated \$24,800 to Eastpointe during the fiscal year ending June 30, 2015, which included \$4,800 from the ABC Board designated for alcohol education. Information on Eastpointe can be obtained by contacting the CEO, Kenneth Jones, as 514 E. Main Street; Beulaville, N.C. 28518.

The County, in conjunction with the State of North Carolina and three other Local Governments, participates in a joint venture to operate Lenoir Community College. The County appoints two members of the sixteen member board of trustees of the community college. The College is included as a component unit of the State of North Carolina. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$225,000 to the Community College during the fiscal year ended June 30, 2015. 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, 2015. 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, 2015

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 \$7,567 during the fiscal year ended June 30, 2015.

VII. BENEFIT PAYMENTS ISSUED BY THE STATE

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

	Federal	State
Medicaid	\$18,999,429	\$10,435,454
Women, Infants and Children	373,036	
Temporary Assistance For Needy Families	124,154	
Foster Care & Adoption	204,449	52,930
Other Programs	141,900	
Total	\$19,842,968	\$10,488,384

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 47.33% of total billings.

X. SPECIAL ITEM – FIRE INSURANCE PROCEEDS

During the current year, the County experienced 4 separate fire events, each resulting in various amounts of damage. Two fires occurred in the Greene County Clerk of Courts office, causing significant damage, one occurred at the Probation/Parole building resulting in a total loss, and one was an arson attempt following a breaking and entering that damaged the interior courthouse doors resulting in minor damage. As a result, the County collected \$525,736 in insurance proceeds. These funds will be spent in 2015/2016 to repair or replace the damaged facilities.

XI. CHANGE IN ACCOUNTING PRINCIPLES/RESTATEMENT

The County implemented Governmental Accounting Standards Board (GASB) statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ending June 30, 2015. The implementation of the statement required the County to record beginning net pension liability and the effects on net position of contributions made by the County during the measurement period (fiscal year ending June 30, 2014). As a result, net position for the governmental and business-type activities decreased by \$718,474 and \$82,619, respectively.

XII. SUBSEQUENT EVENT

Effective December 30, 2015, Greene County terminated their self-funded insurance program to join the State Health Plan. Local Governments were allowed entry into the State Health Plan after ratification of House Bill 154 on June 22, 2014. Greene County is expected to save approximately \$200,000 from this change in providers.

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.**
- **Proportionate Share of the Net Pension Liability (Asset) – Local Governmental Employees' Retirement System**
- **Schedule of County Contributions – Local Governmental Employees' Retirement System**
- **Proportionate Share of the Net Pension Liability (Asset) – Register of Deeds' Supplemental Pension Fund**
- **Schedule of County Contributions – Register of Deeds' Supplemental Pension Fund**

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF FUNDING PROGRESS
 June 30, 2015

12/31/1998	\$0	\$41,666	\$41,666	0.00%	\$507,459	8.21%
12/31/1999	\$0	\$35,126	\$35,126	0.00%	\$492,016	7.14%
12/31/2000	\$0	\$44,921	\$44,921	0.00%	\$511,850	8.78%
12/31/2001	\$0	\$44,712	\$44,712	0.00%	\$477,967	9.35%
12/31/2002	\$0	\$50,488	\$50,488	0.00%	\$559,480	9.02%
12/31/2003	\$0	\$56,684	\$56,684	0.00%	\$593,731	9.55%
12/31/2004	\$0	\$48,867	\$48,867	0.00%	\$577,806	8.46%
12/31/2005	\$0	\$50,632	\$50,632	0.00%	\$703,682	7.20%
12/31/2006	\$0	\$57,121	\$57,121	0.00%	\$719,796	7.94%
12/31/2007	\$0	\$66,629	\$66,629	0.00%	\$697,283	9.56%
12/31/2008	\$0	\$77,583	\$77,583	0.00%	\$721,823	10.75%
12/31/2009	\$0	\$128,600	\$128,600	0.00%	\$722,011	17.81%
12/31/2010	\$0	\$138,018	\$138,018	0.00%	\$775,001	17.81%
12/31/2011	\$0	\$145,568	\$145,568	0.00%	\$812,285	17.92%
12/31/2012	\$0	\$145,568	\$145,568	0.00%	\$812,285	17.92%
12/31/2013	\$0	\$155,552	\$155,552	0.00%	\$688,858	22.58%
12/31/2014	\$0	\$153,927	\$153,927	0.00%	\$709,266	21.70%

GREENE COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 June 30, 2015

<u>Year Ending June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1998	\$9,706	0.00%
1999	\$9,495	0.00%
2000	\$7,858	0.00%
2001	\$7,017	0.00%
2002	\$8,552	0.00%
2003	\$8,619	0.00%
2004	\$9,918	0.00%
2005	\$11,069	0.00%
2006	\$9,948	0.00%
2007	\$10,432	0.00%
2008	\$10,913	0.00%
2009	\$11,822	0.00%
2010	\$13,262	0.00%
2011	\$20,657	0.00%
2012	\$22,226	0.00%
2013	\$22,226	0.00%
2014	\$23,003	0.00%
2015	\$24,640	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	12/31/14
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Closed
Remaining Amortization Period	16 Years
Asset Valuation Method	Market Value
<i>Actuarial Assumptions:</i>	
Investment Rate of Return*	5.00%
Projected Salary Increases*	4.25% - 7.85%
*Includes Inflation At	3.00%
Cost-of-Living Adjustments	N/A

GREENE COUNTY, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
 June 30, 2015

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%
12/31/2012	\$0	\$2,222,489	\$2,222,489	0.00%	\$6,037,746	36.81%
12/31/2013	\$0	\$1,700,744	\$1,700,744	0.00%	\$4,725,506	35.99%
12/31/2014	\$0	\$1,700,744	\$1,700,744	0.00%	\$4,725,506	35.99%

GREENE COUNTY, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 June 30, 2015

<u>Year Ending June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2009	\$272,070	11.54%
2010	273,391	11.13%
2011	328,830	18.23%
2012	306,587	36.08%
2013	306,587	19.55%
2014	234,712	19.21%
2015	234,712	13.39%

Notes to the Required Schedules:

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

Valuation Date	December 31, 2013
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Amount, Open
Remaining Amortization Period	30 Years
Amortization Factor	17.9837
Asset Valuation Method	Market Value OF Assets
<i>Actuarial Assumptions:</i>	
Investment Rate of Return*	4.00%
Medical Trend Assumptions	
Pre-Medicare Trend Rate	7.75% - 5.00%
Year of Ultimate Trend Rate	2019
*Includes Inflation At	3.00%

GREENE COUNTY, NORTH CAROLINA
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
Last Two Fiscal Years*

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.08592%	0.09870%
County's proportionate share of the net pension liability (asset) (\$)	(\$506,710)	\$1,189,714
County's covered-employee payroll	5,167,806	5,647,595
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(9.82)	21.07%
Plan fiduciary net position as a percentage of the total pension liability	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

SCHEDULE OF THE COUNTY CONTRIBUTIONS

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$365,321	\$368,352
Contributions in relation to the contractually required contribution	365,321	368,352
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>
County's covered-employee payroll	\$5,128,800	\$5,167,806
Contributions as a percentage of covered-employee payroll	7.12%	7.13%

GREENE COUNTY, NORTH CAROLINA
REGISTERS OF DEEDS' SUPPLEMENTAL PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION
Last Two Fiscal Years*

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.11947%	0.09750%
County's proportionate share of the net pension liability (asset) (\$)	(\$27,079)	(\$20,826)
County's covered-employee payroll	48,766	48,204
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-55.53%	-43.20%
Plan fiduciary net position as a percentage of the total pension liability	193.88%	190.50%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

SCHEDULE OF THE COUNTY CONTRIBUTIONS

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$913	\$975
Contributions in relation to the contractually required contribution	913	975
Contribution deficiency (excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>
County's covered-employee payroll	\$48,766	\$48,766
Contributions as a percentage of covered-employee payroll	1.87%	2.00%

SUPPLEMENTARY INFORMATION
Combining and Individual Fund Financial Statements and Schedules

GREENE COUNTY, NORTH CAROLINA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes:			
Taxes	\$8,228,861	\$8,489,890	\$261,029
Penalties and Interest	170,000	114,961	(55,039)
Total Ad Valorem Taxes	\$8,398,861	\$8,604,851	\$205,990
Local Option Sales Taxes:			
Article 39 and 44	\$604,998	\$593,190	(\$11,808)
Article 40	1,165,000	1,232,162	67,162
Article 42	400,000	408,649	8,649
Article 46	125,000	141,143	16,143
Total Local Option Sales Taxes	\$2,294,998	\$2,375,144	\$80,146
Other Taxes and Licenses:			
Medicaid Hold Harmless Tax	\$611,500	\$787,361	\$175,861
Real Estate Transfer Tax	47,000	46,501	(499)
Privilege Licenses		755	755
Total Other Taxes and Licenses	\$658,500	\$834,617	\$176,117
Unrestricted Intergovernmental Revenue:			
Beer & Wine Tax	\$80,000	\$89,927	\$9,927
Restricted Intergovernmental Revenue:			
State and Federal Grants	\$2,922,676	\$3,061,110	\$138,434
GTP Loans & Loan Repayments	10,067	10,791	724
Controlled Substance Tax	1,647	9,916	8,269
Court Facility Fees	27,000	28,114	1,114
ABC - Bottle Tax	2,200	2,312	112
ABC - Law Enforcement		146	146
Inmate Fees & Reimbursements	63,655	100,512	36,857
Board of Education SRO Reimbursements	126,000	120,644	(5,356)
Total Restricted Intergovernmental Revenue	\$3,153,245	\$3,333,545	\$180,300
Permits and Fees:			
Building Inspection Fees	\$90,414	\$100,299	\$9,885
Concealed Weapon Fees & Gun Permits	20,000	21,605	1,605
Register of Deeds	60,000	60,871	871
Cable TV Fees	95,633	94,553	(1,080)
Other Permits and Fees	229,265	227,066	(2,199)
Total Permits & Fees	\$495,312	\$504,394	\$9,082

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
Sales and Services:			
DHHS & Health Department Fees	\$631,539	\$714,665	\$83,126
Jail and Officer Fees	230,000	265,670	35,670
Ambulance and EMS Fees	715,500	761,592	46,092
Recreation Fees	72,000	74,613	2,613
Senior Center Meals	7,350	4,404	(2,946)
Municipal Tax Collection Fee	3,200	3,527	327
Copier and Vending Machines	4,500	3,886	(614)
Rents	8,500	6,186	(2,314)
Total Sales & Services	\$1,672,589	\$1,834,543	\$161,954
Total Investment Earnings	\$250	\$1,090	\$840
Other Revenues:			
United Way Receipts - Senior Center	\$12,500	\$12,750	\$250
Local Foods Grant	5,937	10,609	4,672
ABC Board Profit Distribution		20,514	20,514
Insurance Proceeds	26,355	539,059	512,704
Miscellaneous	78,263	58,001	(20,262)
Total Other Revenues	\$123,055	\$640,933	\$517,878
TOTAL REVENUES	\$16,876,810	\$18,219,044	\$1,342,234
EXPENDITURES:			
General Government:			
Governing Body:			
Salaries & Employee Benefits	\$23,818	\$21,290	\$2,528
Operating Expenses	59,554	59,669	(115)
Insurance Other Than Property	193,771	168,600	25,171
	\$277,143	\$249,559	\$27,584
Administration:			
Salaries and Employee Benefits	\$8,888	\$5,021	\$3,867
Operating Expenses	262,150	256,743	5,407
	\$271,038	\$261,764	\$9,274
Elections:			
Salaries & Employee Benefits	\$107,192	\$92,109	\$15,083
Operating Expenses	116,100	53,717	62,383
	\$223,292	\$145,826	\$77,466
Finance:			
Salaries & Employee Benefits	\$220,021	\$216,626	\$3,395
Operating Expenses	103,379	95,359	8,020
	\$323,400	\$311,985	\$11,415

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
Taxes:			
Salaries & Employee Benefits	\$300,209	\$274,565	\$25,644
Operating Expenses	162,715	109,238	53,477
	\$462,924	\$383,803	\$79,121
Register of Deeds:			
Salaries & Employee Benefits	\$138,938	\$138,861	\$77
Operating Expenses	67,844	55,307	12,537
	\$206,782	\$194,168	\$12,614
Public Buildings:			
Salaries & Employee Benefits	\$74,501	\$74,482	\$19
Operating Expenses	378,984	447,132	(68,148)
Capital Outlay	381,476	381,476	
	\$834,961	\$903,090	(\$68,129)
Court Facilities:			
Operating Expenses	\$26,083	\$21,259	\$4,824
TOTAL GENERAL GOVERNMENT	\$2,625,623	\$2,471,454	\$154,169
Public Safety:			
Sheriff Department:			
Salaries & Employee Benefits	\$1,369,322	\$1,341,249	\$28,073
Operating Expenses	336,761	259,169	77,592
Capital Outlay	69,800	69,714	86
	\$1,775,883	\$1,670,132	\$105,751
County Jail:			
Salaries & Employee Benefits	\$616,913	\$597,876	\$19,037
Operating Expenses	373,800	341,396	32,404
	\$990,713	\$939,272	\$51,441
Inspections:			
Salaries & Employee Benefits	\$137,029	\$134,420	\$2,609
Operating Expenses	17,214	15,729	1,485
	\$154,243	150,149	\$4,094
Emergency Management:			
Salaries & Employee Benefits	\$67,532	\$58,359	\$9,173
Operating Expenses	70,252	58,633	11,619
Aid to Fire Districts	55,000	55,000	
Greene County Firemen's Association	7,000	7,000	
	\$199,784	\$178,992	\$20,792
Emergency Medical Services:			
Salaries & Employee Benefits	\$658,658	\$656,434	\$2,224
Operating Expenses	336,495	321,481	15,014
Capital Outlay	118,989	118,245	744
Aid to Rescue Districts	48,000	48,000	
	\$1,162,142	\$1,144,160	\$17,982

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
Medical Examiner:			
Operating Expenses	\$12,879	\$11,478	\$1,401
TOTAL PUBLIC SAFETY	\$4,295,644	\$4,094,183	\$201,461
Environmental Protection:			
Forest Fire Prevention:			
County Matching to State	\$56,352	\$55,949	\$403
TOTAL ENVIRONMENTAL PROTECTION	\$56,352	\$55,949	\$403
Economic & Physical Development:			
Agricultural Extension:			
Salaries & Employee Benefits	\$155,132	\$148,728	\$6,404
Operating Expenses	22,334	18,181	4,153
	\$177,466	\$166,909	\$10,557
Soil Conservation Services:			
Salaries & Employee Benefits	\$103,894	\$103,719	\$175
Operating Expenses	11,709	10,794	915
	\$115,603	\$114,513	\$1,090
Economic Development:			
Salaries & Employee Benefits	\$24,850	\$19,894	\$4,956
Operating Expenses	155,398	19,892	135,506
	\$180,248	\$39,786	\$140,462
TOTAL ECONOMIC & PHYSICAL DEVELOPMENT	\$473,317	\$321,208	\$152,109
Human Services:			
Public Health:			
Administration:			
Salaries & Employee Benefits	\$1,244,597	\$1,170,732	\$73,865
Operating Expenses	289,215	215,034	74,181
Clinic and Consulting Fees	53,300	51,709	1,591
	\$1,587,112	\$1,437,475	\$149,637
Mental Health:			
ABC Funds - Addictions Program	\$4,800	\$4,800	
Current Expense	20,000	19,999	\$1
	\$24,800	\$24,799	\$1
Smart Start:			
Salaries & Employee Benefits	\$2,473		\$2,473
Operating Expenses	6,216		6,216
	\$8,689	\$0	\$8,689
Social Services:			
Administration:			
Salaries & Employee Benefits	\$1,835,387	\$1,671,107	\$164,280
Operating Expenses	153,010	126,179	26,831
	\$1,988,397	\$1,797,286	\$191,111
Adoption Assistance	\$89,729	\$61,175	\$28,554

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
TANF Program:			
Respite Care Family	\$6,800	\$5,000	\$1,800
Emergency Assistance	10,000	1,550	8,450
Foster Care	136,200	79,912	56,288
	\$153,000	\$86,462	\$66,538
Blind Assistance	\$697	\$679	\$18
Energy:			
Carolina Power and Light Crisis Fund	\$2,824	\$2,219	\$605
Day Care:			
County Participation	\$617,970	\$459,520	\$158,450
Adoption Incentive	\$3,000	\$0	\$3,000
Crisis LIEAP	\$236,414	\$236,112	\$302
Program Expenses	\$33,800	\$31,233	\$2,567
Child Support Enforcement	\$37,700	\$26,824	\$10,876
Food Stamps	\$8,250	\$5,975	\$2,275
General Assistance	\$7,000	\$4,117	\$2,883
Independent Living	\$4,855	\$4,791	\$64
Work First Job Program	\$33,000	\$7,005	\$25,995
Medical Assistance	\$172,303	\$155,589	\$16,714
Neuse River-In Home Care	\$58,490	\$58,490	\$0
Special Assistance-Adults	\$271,588	\$218,211	\$53,377
Title XX Legal Expense	\$50,000	\$54,575	(\$4,575)
Foster Care	\$176,850	\$169,795	\$7,055
Breast & Cervical Cancer	\$1,720	\$249	\$1,471
Vidant-Med Grant	\$7,965	\$3,640	\$4,325
Total Social Services	\$3,955,552	\$3,383,947	\$571,605

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
Veterans Service Officer:			
Salaries & Employee Benefits	\$22,149	\$22,148	\$1
Operating Expenses	3,127	787	2,340
	\$25,276	\$22,935	\$2,341
Youth Services:			
Operating Expenses	\$81,165	\$80,662	\$503
Senior Services:			
Salaries & Employee Benefits	\$108,626	\$104,259	\$4,367
Operating Expenses	129,073	126,547	2,526
	\$237,699	\$230,806	\$6,893
TOTAL HUMAN SERVICES	\$5,920,293	\$5,180,624	\$739,669
Culture and Recreation:			
Regional Library:			
County Matching Share	\$130,000	\$130,000	\$0
Recreation:			
Salaries & Employee Benefits	\$119,013	\$118,772	\$241
Operating Expenses	230,405	175,542	54,863
Capital Outlay	23,045	23,045	
	\$372,463	\$317,359	\$55,104
Farmers Market	\$18,049	\$11,525	\$6,524
TOTAL CULTURE AND RECREATION	\$520,512	\$458,884	\$61,628
Education:			
Public Schools:			
Current Expense - Local	\$2,168,000	\$2,168,000	
Capital Outlay - Local	580,544	527,495	\$53,049
	\$2,748,544	\$2,695,495	\$53,049
Community College:			
Local Appropriation	\$225,000	\$225,000	
	\$225,000	\$225,000	\$0
TOTAL EDUCATION	\$2,973,544	\$2,920,495	\$53,049

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, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Debt Service:</i>			
Principal Retirement	\$203,709	\$201,422	\$2,287
Interest	383,294	385,576	(2,282)
<i>TOTAL DEBT SERVICE</i>	<u>\$587,003</u>	<u>\$586,998</u>	<u>\$5</u>
<i>TOTAL EXPENDITURES</i>	<u>\$17,452,288</u>	<u>\$16,089,795</u>	<u>\$1,362,493</u>
<i>Excess Revenues Over (Under) Expenditures</i>	<u>(\$575,478)</u>	<u>\$2,129,249</u>	<u>\$2,704,727</u>
OTHER FINANCING SOURCES (USES)			
Transfers To Other Funds	(\$1,030,305)	(\$1,030,305)	
Transfers From Other Funds	254,334	36,200	(\$218,134)
Sale of Fixed Assets		20,236	20,236
Fund Balance Appropriated	1,041,950		(1,041,950)
Loan Proceeds	309,499	309,499	
<i>Total Other Financing Sources (Uses)</i>	<u>\$575,478</u>	<u>(\$664,370)</u>	<u>(\$1,239,848)</u>
<i>Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses</i>	<u>\$0</u>	<u>\$1,464,879</u>	<u>\$1,464,879</u>
FUND BALANCES			
<i>Beginning of Year, July 1</i>		<u>5,198,315</u>	
FUND BALANCE, Ending		<u>\$6,663,194</u>	

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.
- *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.
- *Jail Construction / Court House Renovation Project Fund* – The County uses this fund to account for the construction of the new County Jail and the renovations for the Greene County Courthouse.
- *Intermediate School Capital Project Fund* – The County uses this fund to account for the revenues for the construction of the Greene County Intermediate School.

GREENE COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2015

	Special Revenue Funds			
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	2012 CDBG Project Fund
<u>ASSETS</u>				
Cash and Investments	(\$696)		\$375,077	
Restricted Cash		\$66,147		\$14,029
Accounts Receivable			12,526	
Due From Other Governments	8,181		10,675	3,417
Due From Other Funds	16,814		11,016	
Taxes Receivable, Net	32,713			
TOTAL ASSETS	\$57,012	\$66,147	\$409,294	\$17,446
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$24,299	\$2	\$12,275	\$17,446
Due to Other Funds				
Total Liabilities	\$24,299	\$2	\$12,275	\$17,446
Deferred Inflows of Resources:				
Taxes Receivables	\$32,713			
Total Deferred Inflows of Resources	\$32,713	\$0	\$0	\$0
Fund Balances:				
Restricted:				
Stabilization by State Statute			\$34,217	
USDA Loan Payments				
Committed		\$66,145		
Assigned			362,802	
Total Fund Balances	\$0	\$66,145	\$397,019	\$0
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$57,012	\$66,147	\$409,294	\$17,446

Total Non-major Special Revenue Funds	Capital Project Funds			Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
	School Capital Finance Fund	Jail Construction / Court House Renovation Project Fund	Intermediate School Capital Project Fund		
\$374,381	\$9,773		\$364,594	\$374,367	\$748,748
80,176		\$232,623	303,722	536,345	616,521
12,526					12,526
22,273					22,273
27,830					27,830
32,713					32,713
\$549,899	\$9,773	\$232,623	\$668,316	\$910,712	\$1,460,611
\$54,022			\$9,577	\$9,577	\$54,022
\$54,022	\$0	\$0	\$9,577	\$9,577	\$63,599
\$32,713					\$32,713
\$32,713	\$0	\$0	\$0	\$0	\$32,713
\$34,217					\$34,217
		\$232,623	\$303,722	\$536,345	536,345
66,145					66,145
362,802	\$9,773		355,017	364,790	727,592
\$463,164	\$9,773	\$232,623	\$658,739	\$901,135	\$1,364,299
\$549,899	\$9,773	\$232,623	\$668,316	\$910,712	\$1,460,611

GREENE COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2015

	Special Revenue Funds			
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	2012 CDBG Project Fund
REVENUES:				
Ad Valorem Taxes	\$786,311			
Restricted Intergovernmental			\$150,221	\$257,369
Investment Earnings		\$3	54	
Total Revenues	\$786,311	\$3	\$150,275	\$257,369
EXPENDITURES:				
Public Safety	\$786,311		\$94,871	
Economic Development				\$257,369
Education				
Capital Outlay			174,665	
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	\$786,311	\$0	\$269,536	\$257,369
Revenues Over (Under) Expenditures	\$0	\$3	(\$119,261)	\$0
OTHER FINANCING SOURCES (USES):				
Operating Transfer In (Out)		\$33,000		
Installment Purchase Obligation Issued				
Total Other Financing Sources (Uses)	\$0	\$33,000	\$0	\$0
Revenues and Other Financing Sources Over (Under) Expenditures	\$0	\$33,003	(\$119,261)	\$0
FUND BALANCES:				
<i>Beginning of Year, July 1</i>		\$33,142	\$516,280	
End of Year, June 30	\$0	\$66,145	\$397,019	\$0

Total Nonmajor Special Revenue Funds	Capital Project Funds			Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	School Capital Finance Fund	Jail Construction / Court House Renovation Project Fund	Intermediate School Capital Project Fund		
\$786,311					\$786,311
407,590	\$210,502			\$210,502	618,092
57		\$22	\$28	50	107
\$1,193,958	\$210,502	\$22	\$28	\$210,552	\$1,404,510
\$881,182					\$881,182
257,369					257,369
174,665					174,665
	\$181,617			\$181,617	181,617
	532,935			532,935	532,935
\$1,313,216	\$714,552	\$0	\$0	\$714,552	\$2,027,768
(\$119,258)	(\$504,050)	\$22	\$28	(\$504,000)	(\$623,258)
\$33,000	\$512,552	\$415,298	\$69,455	\$997,305	\$1,030,305
\$33,000	\$512,552	\$415,298	\$69,455	\$997,305	\$1,030,305
(\$86,258)	\$8,502	\$415,320	\$69,483	\$493,305	\$407,047
\$549,422	\$1,271	(\$182,697)	\$589,256	\$407,830	\$957,252
\$463,164	\$9,773	\$232,623	\$658,739	\$901,135	\$1,364,299

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, 2015

	Annual Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Ad Valorem Taxes - Current Year	\$811,072	\$767,967	(\$43,105)
Ad Valorem Taxes - Prior Years	\$20,900	18,344	(2,556)
Total Revenues	\$831,972	\$786,311	(\$45,661)
EXPENDITURES:			
<i>Public Safety:</i>			
Rainbow Fire District	\$100,883	\$97,386	\$3,497
Bull Head Fire District	70,934	69,539	1,395
Maury Fire District	84,728	82,438	2,290
Arba Fire District	58,691	55,710	2,981
Shine Fire District	70,705	69,263	1,442
Little Creek Fire District	39,535	35,664	3,871
Contentnea Fire District	129,481	125,721	3,760
Fort Run Fire District	60,170	58,054	2,116
Jason Fire District	64,982	51,137	13,845
Castoria Fire District	80,522	75,681	4,841
Speight's Bridge Fire District	71,341	65,718	5,623
Total Expenditures	\$831,972	\$786,311	\$45,661
Revenues Over Expenditures	\$0	\$0	\$0
FUND BALANCE, Beginning			
FUND BALANCE, Ending		\$0	

GREENE COUNTY, NORTH CAROLINA

PROPERTY REVALUATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For The Fiscal Year Ended June 30, 2015

	Annual Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		\$3	\$3
Total Revenues	\$0	\$3	\$3
EXPENDITURES:			
<i>Current:</i>			
<i>General Government:</i>			
Total Expenditures	\$0	\$0	\$0
Revenues Over (Under) Expenditures	\$0	\$3	\$3
OTHER FINANCING SOURCES			
Operating Transfers In	\$33,000	\$33,000	
Reserve for Revaluation	(33,000)		(\$33,000)
Total Other Financing Sources	\$0	\$33,000	(\$33,000)
Revenues Over (Under) Expenditures and Other Financing Sources	\$0	\$33,003	\$33,003
FUND BALANCE, Beginning		33,142	
FUND BALANCE, Ending		\$66,145	

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, 2015

	Annual Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Restricted Intergovernmental:			
PSAP Collections	\$150,221	\$150,221	
Investment Earnings		54	\$54
Total Revenues	\$150,221	\$150,275	\$54
EXPENDITURES:			
<i>Public Safety:</i>			
Operating Expenses	\$116,148	\$94,871	\$21,277
Capital Outlay	152,282	145,033	7,249
Capital Outlay (Under Threshold)	29,632	29,632	
Total Expenditures	\$298,062	\$269,536	\$28,526
Revenues Over (Under) Expenditures	(\$147,841)	(\$119,261)	\$28,580
OTHER FINANCING SOURCES (USES):			
Fund Balance Appropriated	\$147,841		(\$147,841)
Total Other Financing Sources (Uses)	\$147,841	\$0	(\$147,841)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$0	(\$119,261)	(\$119,261)
<i>Fund Balance, Beginning</i>		516,280	
Fund Balance, Ending		\$397,019	

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, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
Restricted Intergovernmental:					
2012 Single Family Rehabilitation Program	\$160,000	\$3,949	\$148,125	\$152,074	(\$7,926)
Single Family Rehab Program	225,000		109,244	109,244	(115,756)
Total Revenues	\$385,000	\$3,949	\$257,369	\$261,318	(\$123,682)
EXPENDITURES:					
<i>Economic Development:</i>					
Rehabilitation Hard Costs	\$121,455		\$144,117	\$144,117	(\$22,662)
Rehabilitation Soft Costs	24,000		21,527	21,527	2,473
Administration	14,545	\$3,949	(3,949)		14,545
C-1 Rehabilitation	182,700		81,113	81,113	101,587
C-1 Administration	20,300		14,061	14,061	6,239
L-1 Rehabilitation	20,000		500	500	19,500
L-1 Administration	2,000				2,000
Total Expenditures	\$385,000	\$3,949	\$257,369	\$261,318	\$123,682
Revenues Over (Under) Expenditures	\$0	\$0	\$0	\$0	\$0
<i>FUND BALANCE, Beginning</i>					
FUND BALANCE, Ending			\$0		

GREENE COUNTY, NORTH CAROLINA

SCHOOL CAPITAL FINANCE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

For The Fiscal Year Ended June 30, 2015

	<u>Annual Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
<i>Reserved for Debt Service:</i>			
Public School Building Capital Fund - Lottery	\$202,000	\$210,502	\$8,502
Total Revenues	\$202,000	\$210,502	\$8,502
EXPENDITURES:			
Debt Service - Principal	\$182,573	\$181,617	\$956
Debt Service - Interest	531,979	532,935	(956)
Total Expenditures	\$714,552	\$714,552	\$0
Revenues Over Expenditures	(\$512,552)	(\$504,050)	\$8,502
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	\$512,552	\$512,552	
Total Other Financing Sources	\$512,552	\$512,552	\$0
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$0	\$8,502	\$8,502
<i>FUND BALANCE, Beginning</i>		1,271	
FUND BALANCE, Ending		\$9,773	

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, 2015

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
REVENUES:					
Investment Earnings		\$34,037	(\$54)	\$33,983	\$33,983
Total Revenues	\$0	\$34,037	(\$54)	\$33,983	\$33,983
EXPENDITURES:					
<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
Total Jail Construction	\$10,500,000	\$10,069,717	\$0	\$10,069,717	\$430,283
<i>Court House Renovation:</i>					
Administration & Legal	\$10,000	\$2,944		\$2,944	\$7,056
Architectural - Development & Design	69,252	62,849		62,849	6,403
Construction	788,538	786,130		786,130	2,408
Equipment	42,000	35,155		35,155	6,845
Contingency	21,623				21,623
Owner's Rep Contract	60,287	64,447		64,447	(4,160)
Inspection	18,268	18,268		18,268	
Abatement Design Cost	8,100	8,100		8,100	
Total Court House Renovation	\$1,018,068	\$977,893	\$0	\$977,893	\$40,175
Total Expenditures	\$11,518,068	\$11,047,610	\$0	\$11,047,610	\$470,458
Revenues Over (Under) Expenditures	(\$11,518,068)	(\$11,013,573)	(\$54)	(\$11,013,627)	\$504,441
OTHER FINANCING SOURCES (USES)					
Temporary Financing Issued for USDA					
Installment Purchase Obligations Issued	\$10,500,000	\$10,500,000		\$10,500,000	
Installment Purchase Obligation Repaid		(771,686)		(771,686)	(\$771,686)
Installment Purchase Obligations Re-issued	843,068	771,686		771,686	(71,382)
County Contribution	175,000	150,000		150,000	(25,000)
Transfer from General Fund			\$363,627	363,627	363,627
Total Other Financing Sources	\$11,518,068	\$10,650,000	\$363,627	\$11,013,627	(\$504,441)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$0	(\$363,573)	\$363,573	\$0	\$0
<i>FUND BALANCE, Beginning</i>			(363,573)		
FUND BALANCE, Ending			\$0		
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)			\$51,693		
Fund Balance, Beginning (Debt Service Fund)			180,930		
Fund Balance, Ending (Consolidated Courthouse Renovations Fund)			\$232,623		

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, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
<i>Restricted Intergovernmental:</i>					
USDA Grant		\$136,645		\$136,645	\$136,645
Investment Earnings		264		264	264
Total Revenues	\$0	\$136,909	\$0	\$136,909	\$136,909
EXPENDITURES:					
<i>Education:</i>					
Admin/Legal	\$21,000	\$20,061		\$20,061	\$939
Architectural Reimbursement	32,011	32,011		32,011	
Architectural/Engineering	792,500	792,500		792,500	
Construction	11,118,275	10,851,142		10,851,142	267,133
Capital Outlay	477,096	600,301		600,301	(123,205)
Interim Interest	100,874	100,874		100,874	
Construction Management	222,300	222,300		222,300	
Data Service Technology	699,273	641,884		641,884	57,389
LEED Submission Cost	3,542	3,542		3,542	
Special Inspections	117,277	117,277		117,277	
Total Expenditures	\$13,584,148	\$13,381,892	\$0	\$13,381,892	\$202,256
Revenues Over Expenditures	(\$13,584,148)	(\$13,244,983)	\$0	(\$13,244,983)	\$339,165
OTHER FINANCING SOURCES (USES)					
<i>Temporary Financing Issued for USDA</i>					
Installment Purchase Obligations Issued	\$13,584,148	\$13,600,000		\$13,600,000	\$15,852
Total Other Financing Sources	\$13,584,148	\$13,600,000	\$0	\$13,600,000	\$15,852
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$0	\$355,017	\$0	\$355,017	\$355,017
<i>FUND BALANCE, Beginning</i>			355,017		
FUND BALANCE, Ending			\$355,017		
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)			\$69,483		
Fund Balance, Beginning (Debt Service Fund)			234,239		
Fund Balance, Ending (Consolidated Intermediate School Fund)			\$658,739		

DEBT SERVICE FUND

GREENE COUNTY, NORTH CAROLINA

DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

From Inception and For the Fiscal Year Ended June 30, 2015

	Annual Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		\$50	\$50
Total Revenues	\$0	\$50	\$50
EXPENDITURES:			
Debt Service Expenditures			
Total Expenditures	\$0	\$0	\$0
Revenues Over Expenditures	\$0	\$50	\$50
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund - Jail	\$51,671	\$51,671	
Transfer from General Intermediate School	69,455	69,455	
Reserve - Jail	(51,671)		\$51,671
Reserve - Intermediate School	(69,455)		69,455
Total Other Financing Sources	\$0	\$121,126	\$121,126
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$0	\$121,176	\$121,176
<i>FUND BALANCE, Beginning</i>		415,169	
FUND BALANCE, Ending		\$536,345	
<u>Supplementary Information</u>			
Fund Allocation of Debt Reserve			
Jail Construction/Court House Renovation Project Fund	\$180,930	\$51,693	\$232,623
Intermediate School Project Fund	234,239	69,483	303,722
	\$415,169	\$121,176	\$536,345

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for Services:			
Water and Sewer Sales	\$2,450,000	\$2,292,496	(\$157,504)
South Greene Water Corporation Charges	210,000	210,193	193
Tap-on Fees and Service Charges	65,500	26,695	(38,805)
Penalties and Interest Charges	92,196	91,350	(846)
Miscellaneous	9,000	12,240	3,240
Total Operating Revenues	\$2,826,696	\$2,632,974	(\$193,722)
Nonoperating Revenues:			
Investment Earnings	\$500	\$259	(\$241)
Alternative Water Supply Fees	705,000	710,209	5,209
Sale of Fixed Assets		9,324	9,324
Total Nonoperating Revenues	\$705,500	\$719,792	\$14,292
Total Revenues	\$3,532,196	\$3,352,766	(\$179,430)
EXPENDITURES:			
Operating:			
Salaries and Employee Benefits	\$476,281	\$431,708	\$44,573
Supplies	198,670	168,901	29,769
Water Purchases	464,200	421,421	42,779
Maintenance	229,581	219,028	10,553
Contracted Services	119,256	102,349	16,907
Utilities	186,740	177,894	8,846
Sewer Charges - Town of Farmville	164,908	153,151	11,757
Office Expense	87,140	75,846	11,294
Professional Services	40,000	32,847	7,153
Management Fee - County	225,000	225,000	
Insurance	23,850	19,000	4,850
Total Operating Expenditures	\$2,215,626	\$2,027,145	\$188,481
DEBT SERVICE:			
Interest on Long-Term Debt	\$121,117	\$121,116	\$1
Principal Payments	367,253	367,252	1
Total Debt Service	\$488,370	\$488,368	\$2
CAPITAL OUTLAY:			
Capital Outlay	\$92,000	\$66,362	\$25,638
Total Capital Outlay	\$92,000	\$66,362	\$25,638
Total Expenditures	\$2,795,996	\$2,581,875	\$214,121
Revenues Over Expenditures	\$736,200	\$770,891	\$34,691

GREENE COUNTY, NORTH CAROLINA
UTILITY FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers In:			
Automated Meter Solution Fund		\$31,712	\$31,712
Operating Transfers Out:			
Alternative Water Supply Fund	(\$705,000)	(710,209)	(5,209)
General Fund	(36,200)	(36,200)	
Water Debt Service Fund	(75,000)	(75,000)	
Fund Balance Appropriated	80,000		(80,000)
Total Other Financing Sources (Uses)	(\$736,200)	(\$789,697)	(\$53,497)
 Revenues and Other Financing Sources Over (Under) Expenditures, Financing Uses, and Appropriated Fund Balance	 \$0	 (\$18,806)	 (\$18,806)
 RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Depreciation		(\$1,053,369)	
Principal Payments		367,252	
Capital Outlay		66,362	
Increase in Compensated Absences		(4,523)	
Increase in Other Postemployment Benefits		(17,964)	
Decrease in Accrued Interest		6,195	
Contributions made to pension plan in the current fiscal year		20,581	
Pension Expense		(363)	
Net Income Capital Reserve Fund Excluding Transfers			
Capital Reserve Fund		59	
Alternative Water Supply Meter Fees from Alternative Water Supply Capital Reserve Fund		228,648	
Debt Service Interest Paid From Alternative Water Supply		(473,393)	
Depreciation Water & Sewer District 1		(41,445)	
Transfer to Alternative Water Supply Fund		710,209	
Investment Earnings on Alternative Water Supply Capital Reserve		558	
Investment Earnings on Alternative Water Phase 1H		34	
Investment Earnings on Automated Meter Solution		4	
Investment Earnings on Debt Services Fund		13	
Investment Earnings on Debt Reserve Fund		10	
Transfer to Automated Meter Solutions Fund		(31,712)	
Transfer from Water Debt Service Fund		75,000	
Capital Contribution Alternative Water Phase 1H		1,094,255	
Capital Contribution Automated Meter Solution - Maury		96,000	
Automated Meter Solution - Maury Expenditures		(96,000)	
Total Reconciling Items		\$946,411	
Change in Net Position		\$927,605	

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, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
Investment Earnings		\$59	\$59
Total Revenues	\$0	\$59	59
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	(\$63,841)		\$63,841
Reserve	63,841		(63,841)
Total Other Financing Sources	\$0	\$0	\$0
Revenues Over (Under) Other Financing Sources	\$0	\$59	\$59
FUND BALANCE, Beginning		504,459	
FUND BALANCE, Ending		\$504,518	

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, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Investment Earnings		\$558	\$558
Per Meter AWS Fees	\$230,680	228,648	(2,032)
Total Revenues	\$230,680	\$229,206	(\$1,474)
EXPENDITURES:			
Debt Service - Principle	\$240,000	\$240,000	
Debt Service - Interest	473,395	473,393	\$2
Total Expenditures	\$713,395	\$713,393	\$2
Revenues Over (Under) Other Expenditures	(\$482,715)	(\$484,187)	(\$1,472)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$474,320	\$710,209	\$235,889
Contribution to Alternative Water Phase 1H Project Fund		(95,000)	(95,000)
Fund Balance Appropriated	8,395		(8,395)
Total Other Financing Sources	\$482,715	\$615,209	\$132,494
Revenues Over (Under) Other Financing Sources	\$0	\$131,022	\$131,022
FUND BALANCE, Beginning		5,464,335	
FUND BALANCE, Ending		\$5,595,357	

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, 2015

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

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, 2015

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
EXPENDITURES:					
Engineering	\$398,298	\$398,298		\$398,298	
Legal	3,276	3,276		3,276	
Land/Easements	60,680	31,680	\$30,246	61,926	(\$1,246)
Funding Assistance	5,000	5,000		5,000	
Advertisement	290	290		290	
Printing	3,549	3,549		3,549	
Reimbursable	875	875		875	
Funding Assistance - Non-USDA	20,000	20,000		20,000	
Project Administration - Non-USDA	15,000	15,000		15,000	
Water Board Coordination - Non-USDA	70,000	70,000		70,000	
Contingency - Non-USDA	8,032				8,032
Total Expenditures	\$585,000	\$547,968	\$30,246	\$578,214	\$6,786
Revenues Over (Under) Expenditures	(\$585,000)	(\$547,968)	(\$30,246)	(\$578,214)	\$6,786
OTHER FINANCING SOURCES (USES):					
Transfer from GC - Alternative Water Supply Fund	\$585,000	\$547,968		\$547,968	(\$37,032)
Total Other Financing Sources (Uses)	\$585,000	\$547,968	\$0	\$547,968	(\$37,032)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$0	\$0	(\$30,246)	(\$30,246)	(\$30,246)
FUND BALANCE, Beginning					
FUND BALANCE, Ending					
			(\$30,246)		

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
ALTERNATIVE WATER PHASE 1H PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2015

	Project Authorization	Actual		Total To Date	Variance Favorable (Unfavorable)
		Prior Years	Current Year		
REVENUES:					
USDA - RD Grant Income	\$1,276,000				(\$1,276,000)
Sales Tax	210,000				(210,000)
Investment Earnings			\$34	\$34	34
Total Revenues	\$1,486,000	\$0	\$34	\$34	(\$1,485,966)
EXPENDITURES:					
Contract No. 14 - Water Transmission Lines	\$2,707,845		\$2,011,171	\$2,011,171	\$696,674
Basic Engineering Fees (Prior to Construction)	251,442	\$197,524		197,524	53,918
Advertisement	1,500	990	366	1,356	144
Printing	10,000		2,030	2,030	7,970
Permit Application Fees	1,370				1,370
Construction Administration	296,157	17,311	196,565	213,876	82,281
Additional Services by Engineer	5,940		5,940	5,940	
Legal	5,000				5,000
Land/Easement Acquisition	4,100				4,100
Contingency	41,646				41,646
Funding Assistance	25,000		25,000	25,000	
Contract No. 14 - Water Transmission Lines	95,369				95,369
Contract No. 15 - Water Transmission Lines & Station	3,680,027				3,680,027
Preliminary Engineering Report	15,000		15,000	15,000	
Basic Engineering Fees	140,840		112,672	112,672	28,168
Inspection	100,000				100,000
Advertisement	1,000		385	385	615
Reimbursable (Permit Fees)	1,000		426	426	574
Environmental Report	5,000		5,000	5,000	
Survey	4,250		7,957	7,957	(3,707)
Land Acquisition Negotiation	10,750		7,033	7,033	3,717
Coordination with USACOE	1,000				1,000
Geotechnical	15,000				15,000
Funding Assistance	25,000	25,000		25,000	
Project Administration	25,000		15,000	15,000	10,000
Grant Administration	25,000		9,000	9,000	16,000
Legal	30,000		2,206	2,206	27,794
Land/Easements	55,000		38,390	38,390	16,610
Interest Expense	5,533				5,533
Contingency	73,600				73,600
Total Expenditures	\$7,658,369	\$240,825	\$2,454,141	\$2,694,966	\$4,963,403
Revenues Over (Under) Expenditures	(\$6,172,369)	(\$240,825)	(\$2,454,107)	(\$2,694,932)	\$3,477,437

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
ALTERNATIVE WATER PHASE 1H PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES):

PWS DWSRF Loan	\$890,000		\$600,000	\$600,000	(\$290,000)
PWS DWSRF Loan Forgiveness	2,400,000		1,094,255	1,094,255	(1,305,745)
Owner Contribution from AWS Fund	95,369		95,000	95,000	(369)
USDA - RD Loan Income - (BAN Proceeds)	2,787,000		2,787,000	2,787,000	
Total Other Financing Sources (Uses)	\$6,172,369	\$0	\$4,576,255	\$4,576,255	(\$1,596,114)

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

\$0	(\$240,825)	\$2,122,148	\$1,881,323	\$1,881,323
------------	--------------------	--------------------	--------------------	--------------------

FUND BALANCE, Beginning

(240,825)

FUND BALANCE, Ending

\$1,881,323

GREENE COUNTY, NORTH CAROLINA
UTILITY CAPITAL PROJECT
AUTOMATED METER SOLUTION PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
Investment Earnings			\$4	\$4	\$4
Total Revenues	\$0	\$0	\$4	\$4	\$4
EXPENDITURES:					
Contract No. 1 - Automated Metering Solution	\$1,171,146	\$410,868	\$532,418	\$943,286	\$227,860
Tyler Technologies, Inc.	14,000		3,300	3,300	10,700
CenturyLink, Inc.	750				750
Utility Service Company, Inc.	14,000				14,000
Basic Engineering Fees (Prior to Construction)	90,712	79,829		79,829	10,883
Construction Administration/Observation	165,946	13,581	126,158	139,739	26,207
Other	205,235	3,046		3,046	202,189
Legal Costs	5,000		1,067	1,067	3,933
Closing Fee	35,328	31,712		31,712	3,616
Contingency	64,303		13,619	13,619	50,684
Total Expenditures	\$1,766,420	\$539,036	\$676,562	\$1,215,598	\$550,822
Revenues Over (Under) Expenditures	(\$1,766,420)	(\$539,036)	(\$676,558)	(\$1,215,594)	\$550,826
OTHER FINANCING SOURCES (USES):					
PWS DWSRF Loan	\$1,766,420		\$1,296,127	\$1,296,127	(\$470,293)
Maury Water Association Contribution	96,000		96,000	96,000	
Maury Water Association Costs	(96,000)		(96,000)	(96,000)	
Interim Financing Greene County	175,000				(175,000)
Repay Interim Financing Greene County	(175,000)				175,000
Transfer to Utility Fund			(31,712)	(31,712)	(31,712)
Transfer from Utility Fund		\$31,712		31,712	31,712
Total Other Financing Sources (Uses)	\$1,766,420	\$31,712	\$1,264,415	\$1,296,127	(\$470,293)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$0	(\$507,324)	\$587,857	\$80,533	\$80,533
FUND BALANCE, Beginning			(507,324)		
FUND BALANCE, Ending			\$80,533		

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, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
<i>Total Revenues</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
EXPENDITURES:			
<i>Total Expenditures</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<i>Revenues Over (Under) Expenditures</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Depreciation		(\$41,445)	
<i>Total Reconciling Items</i>		<u>(\$41,445)</u>	
 <i>Change in Net Position</i>		 <u>(\$41,445)</u>	

GREENE COUNTY, NORTH CAROLINA
WATER DEBT RESERVE FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year End June 30, 2015

	<u>Annual Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Investment Earnings		\$10	\$10
<i>Total Revenues</i>	<u>\$0</u>	<u>\$10</u>	<u>\$10</u>
EXPENDITURES:			
Debt Service Expenditures			
<i>Total Expenditures</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<i>Revenues Over Expenditures</i>	<u>\$0</u>	<u>\$10</u>	<u>\$10</u>
OTHER FINANCING SOURCES (USES)			
Transfer from Utility Fund			
Phase 1A Reserve			
Phase 1C Reserve			
<i>Total Other Financing Sources</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<i>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</i>	<u>\$0</u>	<u>\$10</u>	<u>\$10</u>
<i>FUND BALANCE, Beginning</i>		<u>84,128</u>	
FUND BALANCE, Ending		<u><u>\$84,138</u></u>	

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, 2015

	<u>Annual Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Investment Earnings		\$13	\$13
Total Revenues	\$0	\$13	\$13
EXPENDITURES:			
Debt Service Expenditures			
Total Expenditures	\$0	\$0	\$0
Revenues Over Expenditures	\$0	\$13	\$13
OTHER FINANCING SOURCES (USES)			
Transfer from Utility Fund	\$75,000	\$75,000	
Phase 1A Reserve	(35,000)		\$35,000
Phase 1C Reserve	(40,000)		40,000
Total Other Financing Sources	0	\$75,000	\$75,000
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$0	\$75,013	\$75,013
<i>FUND BALANCE, Beginning</i>		133,083	
FUND BALANCE, Ending		\$208,096	

GREENE COUNTY, NORTH CAROLINA
LANDFILL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
<i>Operating:</i>			
Landfill Fees	\$605,542	\$665,854	\$60,312
Total Operating Revenues	\$605,542	\$665,854	\$60,312
<i>Nonoperating:</i>			
Investment Earnings	\$100	\$61	(\$39)
Total Nonoperating Revenues	\$100	\$61	(\$39)
Total Revenues	\$605,642	\$665,915	\$60,273
EXPENDITURES:			
<i>Operating:</i>			
Salaries and Employee Benefits	\$161,578	\$161,340	\$238
Contracted Services	182,478	172,445	10,033
Disposal Fees	143,851	126,131	17,720
Maintenance	45,802	40,930	4,872
Professional Services	23,500	21,173	2,327
Utilities	16,000	14,508	1,492
Supplies	15,371	10,680	4,691
Insurance	8,000	8,000	
Telephone and Postage	4,830	4,815	15
Site Improvements	3,500	3,180	320
Employee Training	642	200	442
Travel	90		90
Total Expenditures	\$605,642	\$563,402	\$42,240
Revenues Over (Under) Expenditures	\$0	\$102,513	\$102,513

GREENE COUNTY, NORTH CAROLINA
LANDFILL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2015

	<u>Budget</u>	<u>2015 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$0	\$102,513	\$102,513
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
Revenues Over (Under) Expenditures	\$0	\$102,513	\$102,513
RECONCILING ITEMS:			
Increase in Accrued Landfill Closure and Postclosure Care Costs		(\$93,861)	
Depreciation		(25,264)	
Increase in Other Postemployment Benefits		(3,296)	
Pension Expense		(142)	
Decrease in Compensated Absences		966	
Contributions made to pension plan in the current fiscal year		8,054	
Total Reconciling Items		(\$113,543)	
Change in Net Position		(\$11,030)	

GREENE COUNTY, NORTH CAROLINA
TRANSPORTATION SYSTEM FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2015

	Budget	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
<i>Operating:</i>			
Transportation Fares	\$186,710	\$184,738	(\$1,972)
Total Operating Revenues	\$186,710	\$184,738	(\$1,972)
<i>Nonoperating:</i>			
Investment Earnings	\$30	\$13	(\$17)
DOT Transportation Coordination Grant	94,000	99,049	5,049
ROAP - RGP	47,424	47,424	
ROAP - EDTAP	49,778	47,120	(2,658)
ROAP - EMPL	6,000	8,658	2,658
Total Nonoperating Revenues	\$197,232	\$202,264	\$5,032
Total Revenues	\$383,942	\$387,002	\$3,060
EXPENDITURES:			
<i>Operating:</i>			
Salaries and Employee Benefits	\$249,932	\$240,675	\$9,257
Supplies and Fuel	54,914	47,451	7,463
Maintenance	45,388	30,540	14,848
Office Expense	10,675	9,631	1,044
Contracted Services	8,941	8,940	1
Indirect Costs	4,065	4,065	
Telephone and Postage	2,655	2,654	1
Travel	3,698	2,014	1,684
Utilities	2,500	1,981	519
Rent	700	643	57
Miscellaneous Operating Expense	474	474	
Total Expenditures	\$383,942	\$349,068	\$34,874
Revenues Over (Under) Expenditures	\$0	\$37,934	\$37,934
OTHER FINANCING SOURCES:			
Sale of Capital Assets		\$10,090	\$10,090
Total Other Financing Sources	\$0	\$10,090	\$10,090
Revenues and Other Financing Sources (Uses) Over Expenditures	\$0	\$48,024	\$48,024
RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:			
RECONCILING ITEMS:			
Depreciation		(\$54,466)	
Contributions made to pension plan in the current fiscal year		8,061	
Increase in Compensated Absences		(325)	
Increase in Other Post Employment Benefits		(2,760)	
Pension Expense		(142)	
Total Reconciling Items		(\$49,632)	
Change in Net Position		(\$1,608)	

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, 2015

	Financial Plan	2015 Actual	Variance Favorable (Unfavorable)
REVENUES:			
<i>Operating:</i>			
County Contributions/Premiums	\$1,298,200	\$1,329,014	\$30,814
Total Operating Revenues	\$1,298,200	\$1,329,014	\$30,814
<i>Nonoperating:</i>			
Investment Earnings		\$34	\$34
Total Nonoperating Revenues	\$0	\$34	\$34
Total Revenues	\$1,298,200	\$1,329,048	\$30,848
EXPENDITURES:			
<i>Operating:</i>			
Medical Claims and Fees	\$1,298,200	\$1,382,278	(\$84,078)
Total	\$1,298,200	\$1,382,278	(\$84,078)
Revenues Over (Under) Expenditures	\$0	(\$53,230)	(\$53,230)

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, 2015

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<i>Municipal Tax Fund:</i>				
Assets:				
Cash	\$6,109	\$121,721	\$127,243	\$587
Due from Other Governments	5,595	5,772	5,595	5,772
	<u>\$11,704</u>	<u>\$127,493</u>	<u>\$132,838</u>	<u>\$6,359</u>
Liabilities:				
Accounts Payable	\$11,704	\$127,493	\$132,838	\$6,359
	<u>\$11,704</u>	<u>\$127,493</u>	<u>\$132,838</u>	<u>\$6,359</u>
<i>Social Services Fund:</i>				
Assets, Cash	<u>\$130,017</u>	<u>\$197,832</u>	<u>\$196,740</u>	<u>\$131,109</u>
Liabilities, Accounts Payable	<u>\$130,017</u>	<u>\$197,832</u>	<u>\$196,740</u>	<u>\$131,109</u>
<i>Jail Inmate Fund:</i>				
Assets, Cash	<u>\$2,431</u>	<u>\$49,931</u>	<u>\$43,933</u>	<u>\$8,429</u>
Liabilities, Accounts Payable	<u>\$2,431</u>	<u>\$49,931</u>	<u>\$43,933</u>	<u>\$8,429</u>
<i>Fines and Forfeitures Fund:</i>				
Assets:				
Due from Other Governments	\$4,679	\$76,573	\$75,190	\$6,062
	<u>\$4,679</u>	<u>\$76,573</u>	<u>\$75,190</u>	<u>\$6,062</u>
Liabilities:				
Accounts Payable	\$4,679	\$76,573	\$75,190	\$6,062
	<u>\$4,679</u>	<u>\$76,573</u>	<u>\$75,190</u>	<u>\$6,062</u>
<i>Cooperative Extension Fund:</i>				
Assets, Cash	<u>\$29,893</u>	<u>\$28,846</u>	<u>\$26,802</u>	<u>\$31,937</u>
Liabilities, Accounts Payable	<u>\$29,893</u>	<u>\$28,846</u>	<u>\$26,802</u>	<u>\$31,937</u>
<i>South Greene Water Collection Fund:</i>				
Assets:				
Cash	\$23,551	\$480,487	\$487,972	\$16,066
	<u>\$23,551</u>	<u>\$480,487</u>	<u>\$487,972</u>	<u>\$16,066</u>
Liabilities:				
Accounts Payable	\$23,551	\$480,487	\$487,972	\$16,066
	<u>\$23,551</u>	<u>\$480,487</u>	<u>\$487,972</u>	<u>\$16,066</u>
TOTALS - ALL AGENCY FUNDS:				
Assets, Cash and Due From Other Governments	<u>\$202,275</u>	<u>\$961,162</u>	<u>\$963,475</u>	<u>\$199,962</u>
Liabilities:				
Accounts Payable	\$202,275	\$961,162	\$963,475	\$199,962
Total Liabilities	<u>\$202,275</u>	<u>\$961,162</u>	<u>\$963,475</u>	<u>\$199,962</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, 2015

Fiscal Year Ended June 30,	Uncollected Balance June 30, 2014	Additions	Collections and Credits	Uncollected Balance June 30, 2015
2014-15		\$8,504,182	\$8,345,304	\$158,878
2013-14	\$222,508		158,537	63,971
2012-13	69,794		33,321	36,473
2011-12	37,358		11,607	25,751
2010-11	28,225		6,058	22,167
2009-10	28,804		6,368	22,436
2008-09	24,179		2,630	21,549
2007-08	15,189		1,281	13,908
2006-07	12,134		1,715	10,419
2005-06	14,006		1,260	12,746
2004-05	11,566		11,566	
	\$463,763	\$8,504,182	\$8,579,647	\$388,298
Less Allowance for Uncollectible Ad Valorem Taxes Receivable:				102,565
Ad Valorem Taxes Receivable, Net				\$285,733
Reconciliation with Revenues:				
Ad Valorem Taxes - General Fund				\$8,489,890
Interest and Penalties Collected on Ad Valorem Taxes - General Fund				114,961
				\$8,604,851
Reconciling Items:				
Interest and Penalties Collected				(\$114,961)
Refunds				30,692
Dog Tax				(1,489)
Taxes Written Off				15,362
NCVTS Fees				45,192
Total Reconciling Items				(\$25,204)
Total Collections and Credits				\$8,579,647

GREENE COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For The Fiscal Year Ended June 30, 2015

	County-Wide		Total Levy		
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property Taxed at Current Year's Rate	\$1,081,571,247	0.786	\$8,501,150	\$7,428,700	\$1,072,450
Motor Vehicles Taxed at Prior Year's Rates	56,217	0.756	425		425
Total	\$1,081,627,464		\$8,501,575	\$7,428,700	\$1,072,875
Discoveries:					
Current Year Taxes	\$2,369,466	0.786	\$18,624	\$18,624	
Prior Year Taxes					
Penalties			26,558	26,558	
Total Discoveries	\$2,369,466		\$45,182	\$45,182	\$0
Abatements					
Releases	(\$5,416,667)	0.786	(\$42,575)	(\$42,575)	
Total Abatements	(\$5,416,667)		(\$42,575)	(\$42,575)	\$0
Total Property Valuation	\$1,078,580,263				
Net Levy			\$8,504,182	\$7,431,307	\$1,072,875
Uncollected Taxes at June 30, 2015			158,878	158,878	
Current Year's Taxes Collected			\$8,345,304	\$7,272,429	\$1,072,875
Current Levy Collection Percentage			98.13%	97.86%	100.00%

GREENE COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
For The Fiscal Year Ended June 30, 2015

Taxpayer	Type of Business	2014 Assessed Valuation	Percentage of Total Assessed Valuation
Pitt-Greene EMC	Utility	\$18,573,500	1.72%
Ham Farms, Inc.	Agricultural	13,776,221	1.28%
Piedmont Natural Gas Co., Inc.	Utility	10,073,905	0.93%
Duke Energy Center	Utility	7,205,407	0.67%
Carolina Telephone	Telephone	4,450,657	0.41%
Mill Run Development Group, LLC	Construction	4,395,788	0.41%
Vanrack, Inc.	Construction	3,381,013	0.31%
Hillco, Ltd.	Nursing Home	3,228,120	0.30%
Cutter Creek Golf Club II, LLC	Country Club	3,038,771	0.28%
Dialysis Care of NC, Inc.	Medical	2,976,610	0.28%
		\$71,099,992	6.59%

COMPLIANCE SECTION



BARROW, PARRIS & DAVENPORT, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
662 SUSSEX STREET
KINSTON, NORTH CAROLINA 28504-8319

EDWARD L. BARROW, CPA
JAY A. PARRIS, CPA
L. DOCK DAVENPORT II, CPA

MEMBERS
NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MAILING ADDRESS
POST OFFICE BOX 6069
KINSTON, NC 28501-0069
TELEPHONE: (252) 522-5200
FAX: (252) 523-6366

**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, 2015, 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 13, 2016.

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 questioned costs, 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 questioned costs as Finding 15-1, Finding 15-2, Finding 15-3, Finding 15-4, and Finding 15-7 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 questioned costs as Finding 15-5 and Finding 15-6 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County of Greene’s Response to Findings

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

Purpose of this Report

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

Barrow, Parris & Davenport, P.A.

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

January 13, 2016



EDWARD L. BARROW, CPA
JAY A. PARRIS, CPA
L. DOCK DAVENPORT II, CPA

BARROW, PARRIS & DAVENPORT, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
662 SUSSEX STREET
KINSTON, NORTH CAROLINA 28504-8319

MEMBERS
NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MAILING ADDRESS
POST OFFICE BOX 6069
KINSTON, NC 28501-0069
TELEPHONE: (252) 522-5200
FAX: (252) 523-6366

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

INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Greene County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Greene County, North Carolina's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2015. 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, 2015.

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 15-8, Finding 15-9, Finding 15-10, and Finding 15-11. 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 15-10 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 15-8, Finding 15-9, and Finding 15-11 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.

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

January 13, 2016



EDWARD L. BARROW, CPA
JAY A. PARRIS, CPA
L. DOCK DAVENPORT II, CPA

BARROW, PARRIS & DAVENPORT, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
662 SUSSEX STREET
KINSTON, NORTH CAROLINA 28504-8319

MEMBERS
NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MAILING ADDRESS
POST OFFICE BOX 6069
KINSTON, NC 28501-0069
TELEPHONE: (252) 522-5200
FAX: (252) 523-6366

**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, 2015. 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, 2015.

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 as described in the *Audit Manual for Governmental Auditors in North Carolina* and which is described in the accompanying schedule of findings and questioned costs as Finding 15-12 and Finding 15-13. Our opinion on each major state 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 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 15-13 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 15-12 to be a significant deficiency.

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

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

Barrow, Parris & Davenport, P.A.

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

January 13, 2016

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

I. SUMMARY OF AUDITORS' RESULTS

	<u>YES</u>	<u>NO</u>
<u>Financial Statements</u>		
Type of auditors' report issued: Unmodified		
Internal control over financial reporting:		
• Material weakness(es) identified	<u> X </u>	<u> </u>
• Significant deficiency(s) identified that are not considered to be material weaknesses	<u> X </u>	<u> </u>
Noncompliance material to financial statements noted	<u> </u>	<u> X </u>
<u>Federal Awards</u>		
Internal control over major federal programs:		
• Material weakness(es) identified	<u> X </u>	<u> </u>
• Significant deficiency(s) identified that are not considered to be material weaknesses	<u> X </u>	<u> </u>
Type of auditors' report issued on compliance for major federal programs: Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	<u> X </u>	<u> </u>
Identification of major federal programs:		
<u>CFDA Numbers</u>	<u>Name of Federal Programs or Cluster</u>	
66.468	Drinking Water State Revolving Loan Fund	
93.778	Title XIX – Medicaid	
Dollar threshold used to distinguish between Type A and Type B Programs	<u> \$785,914 </u>	

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

	<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

II. FINANCIAL STATEMENT FINDINGS

FINDING 15-1 – 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, 2015

*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 15-2 – REPORTING

MATERIAL WEAKNESS

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

Condition: Some accounts had not been adjusted to reflect appropriate year-end balances. Some of the accounts not appropriately adjusted included general accounts receivable, project payables and receivables, landfill liability closure costs, capital outlay, depreciation expense, customer deposits and transfers. Some of these unrecorded adjustments were, in our judgment, material to the financial statements

Effect: The financial statements could include material misstatements.

Cause: The County has procedures in place which require and expect that accounts will be adjusted to reflect appropriate year-end balances in a timely manner. Not all accounts were adjusted to appropriate year-end balances.

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

*Views of Responsible
Officials and Planned
Corrective Action:*

The County agrees with this finding. The County Manager hired an outside accounting firm to assist with making year-end adjustments. However, at the time the firm came in, some areas of the books and records were not in good order or lacked sufficient supporting information to allow the adjustments to be made at that time.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

FINDING 15-3 – SEGREGATION OF DUTIES

MATERIAL WEAKNESS

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

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

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

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

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

Effect: Transactions could be mishandled.

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

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 15-4 – 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 software and reports used by the County to maintain the fixed asset records were not accurate. These included incorrect beginning balances, incorrect calculations of depreciation, and inadequate accounting for additions and disposals.

Effect: The depreciation schedule could include material misstatements.

Cause: The County does not have a working understanding of the MUNIS software and has not devoted the time necessary to get it working properly.

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

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

*Views of Responsible
Officials and Planned
Corrective Action:*

The County agrees with this finding. While the County has initialized the use of depreciation software to track fixed assets and received some initial training, they are not yet proficient in utilizing the software for the depreciation calculation or for producing appropriate reports and reconciliations. The County intends to continue to gain an understanding of the program and the proper accounting for fixed assets.

FINDING 15-5 – RECONCILIATION OF CASH BALANCES

SIGNIFICANT DEFICIENCY

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

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

Effect The bank accounts for the main checking account and the Jail Inmates Account were not reconciled in a timely manner. Funds could be mishandled or errors could occur and not be detected in a timely manner.

Cause: Responsible personnel did not perform their duties.

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

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County agrees with this finding. The County hired a consultant to assist with reconciling the main checking account and was still unable to reconcile completely. Continued emphasis will be placed on getting this account reconciled. The Interim Finance Officer and jail personnel were charged with reconciling the Jail Inmate Account and neither party performed their duties. This has been addressed and procedures are now in place.

FINDING 15-6 – ACCURATE COMPLETION OF LGC FORM 203

SIGNIFICANT DEFICIENCY

Criteria: G.S. 159-33.1 requires that the LGC-203 report be filed twice each year. The purpose of the form is to report the book balance of cash and investments as of June 30 and December 31 of each year

Condition: The LGC-203 report for June 30, 2015 was prepared using bank balances instead of book balances and multiple accounts were omitted.

Effect The County's deposits and investments were, as reported to the LGC, materially incorrect.

Cause: Responsible personnel did not follow the instructions for proper completion of LGC Form-203.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

Recommendation: Responsible personnel should follow the instructions for proper completion of the form so that accurate information and correct cash and investment balances are reported in accordance with State Statute.

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County agrees with this finding. The staff charged with completion of the LGC-203 will place emphasis on properly completing the form going forwards.

FINDING 15-7 – UTILITY BILLING PROCEDURES

MATERIAL WEAKNESS

Criteria: The County should have a system of checks and balances in place that facilitates accurate and timely billing of all water and sewer revenues.

Condition: The County failed to bill the prison for sewer for the month of October 2014, in the amount of \$45,981. This was discovered by the auditor when investigating a decrease in revenue based on analytical procedures. The County also failed to bill and collect 9 months of Alternative Water Fees and 6 months of wholesale water to the Town of Walstonburg. The amounts totaled \$13,440 and \$8,101, respectively. The Town of Walstonburg's auditor brought this to the County's attention.

Effect The County did not collect approximately \$67,000 of revenue timely and may not have collected some of it at all had it not been discovered.

Cause: The prison's bill is a computer generated bill that failed to total down properly in October and the sewer portion of the bill did not generate. The Alternative Water Fees and wholesale water billing for the Town of Walstonburg were not generated as a result of being overlooked by County personnel.

Recommendation: The County should have procedures in place to make sure that all billings, especially major customers, are billed accurately and timely. Normal review procedures should also be put in place to look for and inquire of significant fluctuations in revenues. Manually billed Alternative Water Fees and wholesale customers should be reviewed every month to make sure all customers are billed timely for both Alternative Water Fees and wholesale water.

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County agrees with this finding. The Utility Department has already implemented procedures whereby billing is being reviewed monthly by multiple billing clerks as well as being reviewed by the Utility Director and Interim Finance Officer.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 15-8

U.S. 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 – Temporary Assistance for Needy Families, Child Care and Development Fund, Child Care and Development Fund – Discretionary, Child Care and Development Fund – Mandatory/Match, Foster Care Title IV-E; Medicaid

CFDA #'s: 93.575, 93.596, 93.558, 93.658, 93.778

**IMMATERIAL NONCOMPLIANCE
SIGNIFICANT DEFICIENCY**

Special Tests & Provisions - Contracts

Criteria: The Division of Social Services or a county department of social services must have a written contract in place for all services, elements or components of a service provided by an agency, individual, etc. and reimbursed by the county department of social services utilizing federal and/or State funds administered through the Division of Social Services. Any service purchased by a County DSS must have a contract unless a purchased service is covered in a specific program which does not require use of the updated contract guidance and has Federal and/or State funding. Examples include but not limited to Crisis Intervention Program (CIP), Day Care, and Family Foster Homes.

Condition: For six out of the twelve months during the fiscal year, no contract for services was in existence for computer maintenance and email services.

Questioned Costs: None. It was determined that costs were allowable even though not supported by a contract.

Context: In our test of 1571 reports for the specific months (November 2014 and March 2015), one report included expenses for computer services that were not supported by a contract. Upon further examination, contract services for computer maintenance and email was not supported by a contract from July 1, 2014 – December 31, 2014.

Effect: Costs charged for reimbursement on the monthly 1571 report could not have been enforced as to the terms of the contract, scope of work, rate, etc.

Cause: The Administrative Officer for DSS nor the Finance Officer was able to provide substantiation for contracted computer and email services.

Recommendation: The County/DSS should have a written contract in place for all services, elements or components of a service provided by an agency, individual, etc. and reimbursed by the county department of social services utilizing federal and/or State funds administered through the Division of Social Services.

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County DSS agrees with this finding. The County DSS intends to obtain contracts for all services, elements or components of a service provided by an agency, individual, etc. and reimbursed by the county department of social services utilizing federal and/or State funds administered through the Division of Social Services. A contract for computer services and email was in place starting January 1, 2015.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

FINDING 15-9

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

Program Name: Medicaid

CFDA #'s: 93.778

**IMMATERIAL NONCOMPLIANCE
SIGNIFICANT DEFICIENCY**

Eligibility

- Criteria:* Counties should have a case file for each recipient. As part of the financial requirements of the program, the client files should contain income verifications and computations of monthly earned and unearned income. For certain programs, client records should contain documentation of real property verification and verification of liquid assets.
- Condition:* Nine (9) case files examined contained documentation or income calculation errors with some case files containing multiple errors.
- Questioned Costs:* Unable to determine as this is a direct benefit payment and the County does not have access to sufficient information to calculate the potential questioned cost.
- Context:* In our test of 60 client files, we noted the following deficiencies:
- 1 case file did not have a budget computed correctly, however, case remained eligible
 - 5 case files did not contain documentation of real property verification
 - 4 case files did not contain documentation of verification of liquid assets
 - 1 case file contained a NC Fast system error and was certified for one extra month
- Effect:* Clients who are potentially ineligible may be receiving services.
- Cause:* Responsible personnel are not properly documenting and analyzing client files. In addition, a lack of supervisory review attributed to additional errors.
- Recommendation:* The County should ensure that policies and procedures are implemented and that supervisory reviews are performed in a timely manner.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County agrees with this finding. Procedures will be implemented to ensure that proper documentation is included in each client file and that accurate income calculations are performed. It should be noted that upon subsequent evaluation of several of the client files noted above, the County was able to access information to support that the recipients were in fact eligible for the benefits received.

FINDING 15-10

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

Program Name: Medicaid

CFDA #'s: 93.778

**IMMATERIAL NONCOMPLIANCE
MATERIAL WEAKNESS**

Eligibility/Supervisory Review

Criteria: Supervisory review is a key component of strong internal controls over the functions of the Medicaid program. The County's internal control policies require the supervisory review be conducted on one to two client files per month per program type.

Condition: No evidence of supervisory review was found in the client files tested.

Effect: By not following supervisory review procedures that are in place, client files could contain incorrect documentation thereby allowing ineligible recipients to receive Medicaid services.

Cause: Technical issues related to NCFASST resulted in a backlog of client files that were due for redetermination. Supervisors that were responsible for client file reviews indicated that they were forced to assist personnel with processing their caseloads leaving insufficient time for client file reviews.

Recommendation: The County should ensure that the internal control policies related to supervisory reviews be followed allowing for timely client file reviews.

*Views of Responsible
Officials and Planned
Corrective Actions:*

The County agrees with this finding. Internal control policies and procedures relating to supervisory review will be analyzed and the importance of timely reviews will be stressed to supervisory personnel.

FINDING 15-11

DRINKING WATER STATE REVOLVING LOAN FUND

Passed through NC Department of Environment and Natural Resources: Division of Water Infrastructure.

CFDA #'s: 66.468 Drinking Water State Revolving Loan Fund

**IMMATERIAL NONCOMPLIANCE
SIGNIFICANT DEFICIENCY**

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2015

<i>Criteria:</i>	In accordance with requirement of Drinking Water State Revolving Loan Fund, all DWSRF funds must be disbursed by the grantee within three business days upon receipt of DWSRF funds.
<i>Condition:</i>	The County received its first request in one fund for \$491,770 on 8/14/14, but did not disburse it until 9/10/14. In another fund, the County received \$214,835 on 8/28/14, but did not disburse it until 9/10/14.
<i>Questioned Costs:</i>	None. It was determined that costs were allowable.
<i>Context:</i>	We examined all Drinking Water State Revolving Loan Fund expenditures.
<i>Effect:</i>	The County was not in compliance with the grantor's three-day disbursement rule.
<i>Cause:</i>	It was early in the life of the grant, and the County was unaware of the requirement for DWSRF funds. After this particular instance, the County was made aware and complied with future draws.
<i>Recommendation:</i>	We recommend the County strictly follow cash management guidelines in the future.
<i>Views of Responsible Officials and Planned Corrective Actions:</i>	The County agrees with this finding. We will comply with cash management requirements in the future.

IV. STATE AWARD FINDINGS AND QUESTIONED COSTS

FINDING 15-12

N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program Name: Medicaid

REFER TO FEDERAL FINDING 15-9

FINDING 15-13

N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program Name: Medicaid

REFER TO FEDERAL FINDING 15-10

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2015

FINANCIAL STATEMENT FINDINGS

FINDING: 15-1

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: Management is willing to accept the risks associated with this control deficiency and no corrective action will be taken at this time.
- C. Proposed Completion Date: No corrective action will be taken at this time.

FINDING: 15-2

- A. Name of Contact Person: County Commissioners
- B. Corrective Action: The County is currently searching for a Finance Officer.
- C. Proposed Completion Date: The County has advertised and interviewed unsuccessfully twice during 2015 and will continue to advertise for a qualified full-time candidate. A part-time consultant will be contracted to assist the unit until the position is filled.

FINDING: 15-3

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- 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: 15-4

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: County staff has received training on the fixed asset module of MUNIS and has converted all fixed assets to the new system. Further training will take place on the proper use and understanding of the software.
- C. Proposed Completion Date: The County plans to get the training in the 2015/2016 fiscal year.

FINDING: 15-5

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: All bank accounts will be reconciled monthly in a timely manner
- C. Proposed Completion Date: The reconciliation process will take first priority as soon as a consultant or full-time Finance Officer is hired in the 2015/2016 fiscal year.

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2015

FINDING: 15-6

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: LGC Form 203 will be prepared correctly using reconciled cash balances and including all accounts.
- C. Proposed Completion Date: This will be corrected starting with the next filed LGC 203.

FINDING: 15-7

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / David Jones, Utility Director / Kyle DeHaven, County Manager
- B. Corrective Action: Procedures will be implemented in which all utility billings will be reviewed by the billing clerk and one other utility department staff. The total billing will be reviewed monthly by the Utility Director and the Interim Finance Officer will monitor for variances in total billings.
- C. Proposed Completion Date: This process has already begun this process.

FEDERAL AWARD FINDINGS

FINDING: 15-8

- A. Name of Contact Person: Angela Ellis, DSS Director / Kyle DeHaven, County Manager
- B. Corrective Action: The County DSS intends to obtain contracts for all services provided by an agency, individual, etc. that are reimbursed utilizing federal and/or State funds. The DSS Director will provide copies of all contracts to the County Manager.
- C. Proposed Completion Date: The County has already begun this process

FINDING: 15-9

- A. Name of Contact Person: Angela Ellis, DSS Director / Kyle DeHaven, County Manager
- B. Corrective Action: Procedures will be implemented to ensure that proper documentation is included in each client file and that accurate income calculations are performed. Supervisory reviews will also be increased to assist in monitoring.
- C. Proposed Completion Date: The County plans to begin this process immediately

FINDING: 15-10

- A. Name of Contact Person: Angela Ellis, DSS Director / Kyle DeHaven, County Manager
- B. Corrective Action: Internal control policies and procedures relating to supervisory review will be analyzed and the importance of timely reviews will be stressed to supervisory personnel.
- C. Proposed Completion Date: The County plans to begin this process immediately

GREENE COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2015

FINDING: 15-11

- A. Name of Contact Person: Sandy Barss, Interim Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: Procedures will be implemented that require all DWSRF funds be spent within the required three-day requirement.
- C. Proposed Completion Date: This procedure has already been implemented

STATE AWARD FINDINGS

FINDING 15-12

REFER TO FEDERAL FINDING 15-9

FINDING 15-13

REFER TO FEDERAL FINDING 15-10

GREENE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2015

FINDING:	14-1 Reporting
STATUS:	Not corrected. See current year finding 15-1.
FINDING:	14-2 Lack of Overall Internal Controls
STATUS:	Corrected.
FINDING:	14-3 Reporting
STATUS:	Not Corrected. See current year finding 15-2
FINDING:	14-4 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 15-3.
FINDING:	14-5 Fixed Assets
STATUS:	Not corrected. Errors on the County's fixed asset depreciation schedule were noted during the current year, and system is not being used properly. See current year finding 15-4.
FINDING:	14-6 Budget Over-expenditures
STATUS:	Corrected.
FINDING:	14-7 Financial Plan for Internal Service Fund
STATUS:	Corrected.
FINDING:	14-8 Reconciliations of Cash Balances
STATUS:	Not corrected. Main checking account and Jail Inmate account not reconciled. See current year finding 15-5.
FINDING:	14-9 Sales Tax Refund
STATUS:	Corrected.
FINDING:	14-10 EPICS
STATUS:	Corrected.

GREENE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2015

FINDING: **14-11 Medicaid Transportation**

STATUS: Corrected.

FINDING: **14-12 Medicaid Transportation**

STATUS: Corrected.

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>					
<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	\$3,311		
USDA Supplement Title III C-2	10.570	NC-15	2,466		
			\$5,777	\$0	\$0
<i>Passed Through NC Department of Health and Human Services:</i>					
Division of Public Health:					
<i>Administered by County Health Department:</i>					
Special Supplemental Nutrition Program for Women, Infants and Children:	10.557	15405405	\$155,473		
AGRI-SFP Food Program Meal	10.559		111		
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		371,571		
Women, Infants and Children Grants to States	10.578		1,465		
Total Division of Public Health			\$528,620	\$0	\$0
<i>Passed Through NC Department of Health and Human Services:</i>					
Division of Social Services:					
<i>Administered by County Department of Social Services:</i>					
Supplemental Nutrition Assistance Program Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$198,392		\$198,392
Total Supplemental Nutrition Assistance Program Cluster			\$198,392	\$0	\$198,392
Total U.S. Department of Agriculture			\$732,789	\$0	\$198,392
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>					
<i>Passed Through NC Department of Environment and Natural Resources:</i>					
Division of Water Infrastructure:					
<i>Administered by County Finance Department:</i>					
Drinking Water State Revolving Fund - Project 1H	66.468		\$1,694,255		
Drinking Water State Revolving Fund - Automated Meter Prc	66.468		1,296,127		
Total U.S. Environmental Protection Agency			\$2,990,382	\$0	\$0
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>					
<i>Passed Through NC Department of Transportation:</i>					
<i>Administered by County Finance Department:</i>					
ARRA - Formula Grant - Other than Urbanized Areas	20.509		\$77,315	\$4,382	
Total U.S. Department of Transportation			\$77,315	\$4,382	\$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>					
<i>Passed Through NC Department of Commerce:</i>					
Division of Community Assistance:					
<i>Administered by County Finance Department:</i>					
2012 Community Development Block Grant	14.228		\$109,244		
<i>Passed Through NC Housing Finance Agency:</i>					
<i>Administered by County Finance Department:</i>					
Single Family Rehab Program	14.239		148,125		
Total U.S. Department of Housing & Urban Development			\$257,369	\$0	\$0
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>					
<i>Passed Through NC Department of Crime Control and Public Safety:</i>					
Division of Emergency Management:					
<i>Administered by County Finance Department:</i>					
Emergency Management Performance Grant	97.042		\$37,336		
FEMA-1969-DR-NC	97.036		134,482		
FEMA-1969-DR-NC Repayment	97.036		(3,460)		
Total U.S. Department of Homeland Security			\$168,358	\$0	\$0
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>					
<u>Administration on Aging:</u>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<i>Aging Cluster:</i>					
<i>Administered by County Finance Department:</i>					
Access 90% State Funds	N/A	NC-15		\$89,559	\$9,951
Access Title III-B	93.044	NC-15	\$35,311	2,077	4,154
Title III C-1 Congregate Meals	93.045	NC-15	41,220	2,425	4,849
Title III C-2 90% State Funds	N/A	NC-15			
Title III C-2 Home-Delivered Meals	93.045	NC-15	13,259	780	1,560
ARRA Congregate Nutrition	93.053		14,651		
<i>Administered by County Department of Social Services and County Council on Aging:</i>					
<i>In Home Services:</i>					
Social Services Block Grant	93.667	NC-15	12,107	345	1,384
Operation Fan	N/A	N/A		280	
Total Aging Cluster			\$116,548	\$95,466	\$21,898
<u>Administration for Community Living:</u>					
<i>Passed Through Eastern Carolina Council of Governments:</i>					
Title III-D Disease Prevention and Health Promotion	93.043		\$2,151		
Family Caregiver Title III-E	93.052		7,144		
Total Administration for Community Living			\$9,295	\$0	\$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
Division of Public Health:					
Passed Through NC Department of Health and Human Services:					
<i>Administered by County Health Department:</i>					
Tuberculosis	93.116		\$28		
Bioterrorism	93.074		29,728		
Breat/Cervical Cancer	93.919		2,456		
Risk Reduction/Health Promotion	93.991		3,013		
HIV Prevention Activities - Health Department Based	93.940		1,000		
HHS - Preventive Health Services Block Grant	93.758		15,098		
Women's Preventative Health	93.994		26,447	\$19,837	
Maternal and Child Health Services	93.994		6,851	5,139	
Child Care Coordination	93.994		854	640	
Child Health	93.994		19,141	14,357	
Women's Preventative Health - TANF	93.558		2,320		
Family Planning Services	93.217		36,691		
Total Division of Public Health			\$143,627	\$39,973	\$0
Administration for Children and Families:					
Passed Through NC Department of Health and Human Services:					
Division of Social Services:					
Temporary Assistance for Needy Families Cluster:					
<i>Administered by County Department of Social Services:</i>					
Workfirst Administration	93.558		\$89,182		\$53,175
Workfirst Services	93.558		251,543		95,575
Family Preservation	93.556		2,050		
TANF Domestic Violence	93.558		147,624		
CCDF Administration	93.596		38,248		
Foster Care	N/A		13,942		1,431
Direct Benefit Payments:					
Benefit Payments	93.558		124,154		
Total TANF Cluster			\$666,743	\$0	\$150,181
Title IV-D Administration	93.563		\$211,038		\$108,717
Low-Income Home Energy Assistance:					
Administration	93.568		\$20,597		
Crisis Intervention Payments	93.568		94,714		
Direct Benefit Payments:					
Home Energy Assistance	93.568		141,900		
			\$257,211	\$0	\$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
Permanency Planning - Spec	93.645		\$7,357		\$2,452
Foster Care and Adoption Cluster					
Title IV-E CPS	93.658		\$13,593	\$19,092	\$6,568
Title IV-E Foster Care	93.658		18,383		18,383
Title IV-E Administration	93.658		8,740	4,370	4,370
Title IV-E Foster Care	93.658		22,933		22,933
Direct Benefit Payments:					
Title IV-E Foster Care	93.658		11,908	3,087	3,087
Title IV-E Adoption Subsidy	93.659		192,541	49,843	50,134
Total Foster Care and Adoption Cluster			\$268,098	\$76,392	\$105,475
Social Services Block Grant:					
Other Services and Training	93.667		\$138,110	\$10,651	\$49,587
In Home Services Fund	93.667		4,704		672
Total Social Services Block Grant			\$142,814	\$10,651	\$50,259
Total Division of Social Services			\$1,429,107	\$87,043	\$417,084
<i>Administered by County Department of Social Services:</i>					
Subsidized Child Care					
Child Care Development Fund Cluster:					
Division of Child Development:					
CCDF Discretionary Subsidy	93.575		\$237,041		
CCDF Mandatory	93.596		83,524		
CCDF Match	93.596		25,236		
Total Child Care Development Fund Cluster			\$345,801	\$0	\$0
Temporary Assistance for Needy Families	93.558		\$65,123		
Foster Care Title IV-E	93.658		5,185	\$2,685	
Smart Start	N/A			26,421	
Smart Start - TANF MOE	N/A			4,919	
Total Subsidized Child Care Cluster			\$70,308	\$34,025	\$0
Total Division of Child Development			\$416,109	\$34,025	\$0

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
Health Care Financing Administration:					
Passed Through NC Department of Health and Human Services:					
Division of Medical Assistance:					
<i>Administered by County Department of Social Services:</i>					
Medical Assistance Administration	93.778		\$394,619		\$140,415
Medical Assistance Expansion	93.778		4,629		4,629
Adult Care Home Special/Case Management	93.778		3,190	\$1,595	1,595
Medical Transportation Administration	93.778		38,251		38,251
State County Special Assistance	93.778		7,990		2,953
DMA Equipment County	93.778		6,600		2,200
Direct Benefit Payments:					
Medical Assistance	93.778		18,999,429	10,435,454	(9,070)
			\$19,454,708	\$10,437,049	\$180,973
Division of Social Services:					
<i>Administration:</i>					
State Children's Insurance Program - NC Health Choice	93.767		\$270,056	\$84,783	
			\$270,056	\$84,783	\$0
Health Resources and Services Administration:					
Passed Through NC Department of Health and Human Services:					
Division of Public Health:					
<i>Administered by County Health Department:</i>					
Immunization Cluster:					
Immunization Grants	93.268		\$7,310		
Total Immunization Cluster:			\$7,310	\$0	\$0
Total U.S. Department of Health and Human Services			\$21,970,914	\$10,778,339	\$619,955
TOTAL FEDERAL ASSISTANCE			\$26,197,127	\$10,782,721	\$818,347

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
STATE PROGRAMS					
NC DEPARTMENT OF ENVIRONMENTAL AND NATURAL RESOURCES:					
Division of Waste Management:					
<i>Administered by County Finance Department:</i>					
Soil Conservation Grant	N/A		\$0	\$22,428	\$0
NC DEPARTMENT OF JUVENILE JUSTICE & DELINQUENCY PREVENTION:					
<i>Administered by County Finance Department:</i>					
Juvenile Crime Prevention:					
Juvenile Crime Prevention Administration	N/A			\$7,000	
Family Preservation	N/A			26,083	
Juvenile Restitution	N/A			47,605	
Total NC Department of Juvenile Justice & Delinquency Prevention			\$0	\$80,688	\$0
NC DEPARTMENT OF HEALTH & HUMAN SERVICES:					
Division of Social Services:					
<i>Administered by County Department of Social Services:</i>					
State Aid to Counties	N/A				\$350,249
Energy Neighborhood	N/A			\$2,479	
AFDC Incentive/Program Integrity	N/A			692	
Direct Benefit Payment:					
State Foster Home Fund Maximization	N/A			46,985	46,985
State Foster Home Fund	N/A			47,727	47,727
Child Welfare Services Adoption Assistance	N/A			99,754	12,267
SC/SA Domiciliary Care Payments	N/A			252,506	252,506
			\$0	\$450,143	\$709,734
Division of Public Health:					
<i>Administered by County Health Department:</i>					
Food & Lodging	N/A			\$4,000	
Breast & Cervical Cancer Program	N/A			1,275	
AIDS - State	N/A			400	
General	N/A			99,470	
Communicable Disease	N/A			10,623	
Risk Reduction/Health Promotion	N/A			6,285	
Maternal Health (HMHC)	N/A			1,390	
Women's Health Service Fund	N/A			7,116	
Child Health Training	N/A			1,635	
Sexually Transmitted Diseases	N/A			406	
Family Strengthening Initiative	N/A			3,062	
Tuberculosis	N/A			3,578	
TB Medical Service	N/A			26	
			\$0	\$139,266	\$0
Total NC Department of Health and Human Services			\$0	\$589,409	\$709,734

GREENE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS
For the Fiscal Year Ended June 30, 2015

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
STATE PROGRAMS					
<u>NC DEPARTMENT OF PUBLIC INSTRUCTION:</u>					
<i>Administered by County Finance Department:</i>					
Public School Building Capital Fund - Lottery	N/A			\$210,502	
Total NC Department of Public Instruction			\$0	\$210,502	\$0
<u>NC DEPARTMENT OF INSURANCE:</u>					
<i>Administered by County Finance Department:</i>					
SHIIP Grant	N/A			\$4,342	
Total NC Department of Insurance			\$0	\$4,342	\$0
<u>NC DEPARTMENT OF TRANSPORTATION:</u>					
<i>Administered by County Finance Department:</i>					
ROAP Funds	N/A			\$120,104	
Total NC Department of Transportation			\$0	\$120,104	\$0
<u>EASTERN CAROLINA COUNCIL OF GOVERNMENTS</u>					
<i>Administered by County Finance Department:</i>					
Senior Center General	N/A			\$11,663	
Total Eastern Carolina Council of Governments			\$0	\$11,663	\$0
TOTAL STATE ASSISTANCE			\$0	\$1,039,136	\$709,734
TOTAL FEDERAL AND STATE ASSISTANCE			\$26,197,127	\$11,821,857	\$1,528,081

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Greene County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2015. The information in this SEFSA is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Greene County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Greene County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or cost principles contained in the Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

3. CLUSTER OF PROGRAMS

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.