

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

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2016**

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Snow Hill, North Carolina**

**FINANCIAL STATEMENTS**

**For The Fiscal Year Ended June 30, 2016**

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

**GREENE COUNTY, NORTH CAROLINA**

**BOARD OF COMMISSIONERS**

**Brad N. Fields**  
Chairman

**Susan M. Blizzard**  
Vice-Chairman

**Bennie J. Heath**

**Jerry R. Jones**

**James T. Shackelford, Jr.**

**COUNTY OFFICIALS**

**Kyle J. DeHaven**  
County Manager

**Becky R. Sutton**  
Tax Administrator

**Landon Price**  
Finance Officer

**Nancy T. Murphy**  
Register of Deeds

**Angela C. Ellis**  
Social Services Director

**Lemmie Smith**  
Sheriff

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**FINANCIAL SECTION**





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

**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, 2016, 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, 2016, 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 the 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 Liability 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, cost Principles and Audit Requirements for Federal Awards 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 has 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 24, 2017, 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 24, 2017

## 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, 2016. 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.

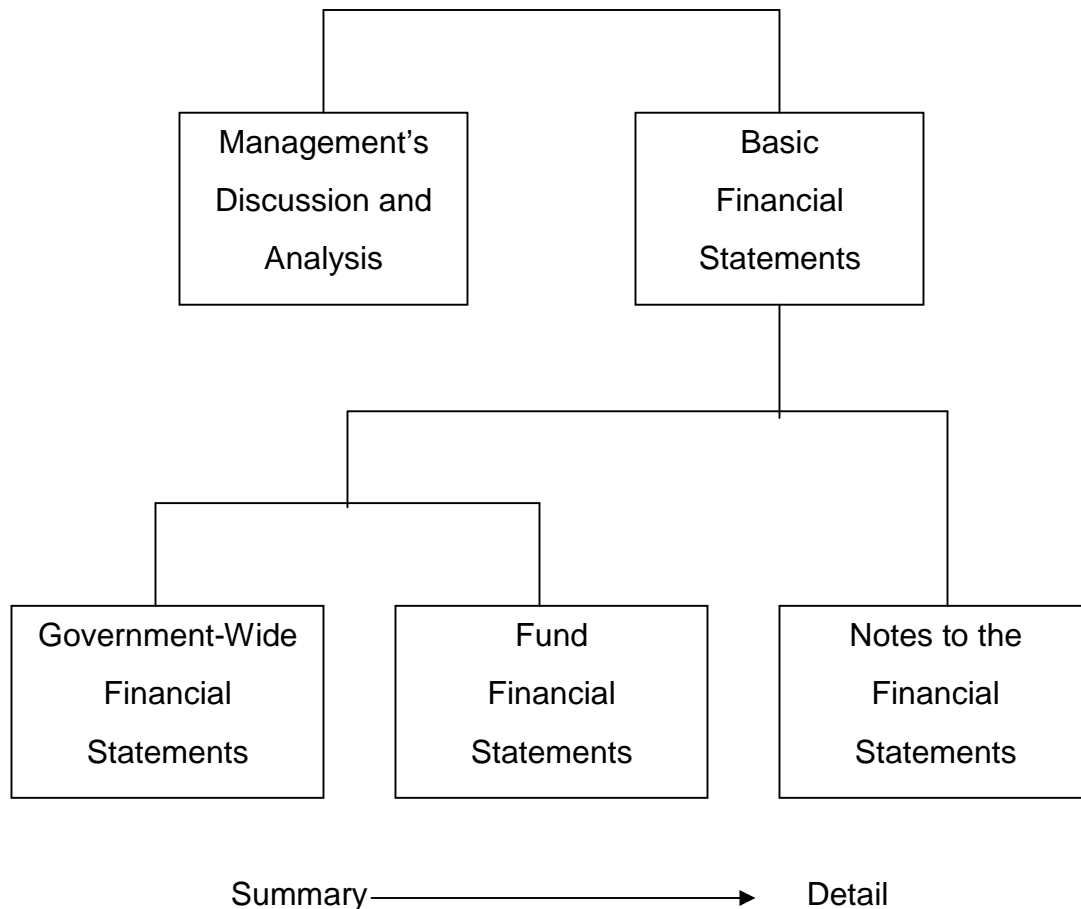
### Financial Highlights

- 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 \$30,530,792 (*net position*).
- The government's total net position increased by \$2,499,651 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 \$8,858,978 after a net increase in fund balance of \$680,067. This compares to combined ending fund balances of \$8,027,493, after a net increase in fund balance of \$1,871,926 in 2015. Approximately 53.04% of this total amount, or \$4,698,991, is available for spending at the government's discretion (unassigned fund balance). In 2015, the unassigned fund balance was \$3,456,795, or 43.06% of combined ending fund balances.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$4,698,991 or 28.05% of total General Fund expenditures for the fiscal year. In 2015, unassigned fund balance in the General Fund was \$3,456,795, or 21.48% of total General Fund expenditures.
- Greene County's total debt decreased by \$1,126,650, or 2.55% during the current fiscal year. There was no new debt issued. However, \$58,548 of additional DWSRF loan funds were drawn down on an existing loan and \$2,787,000 of Bond Anticipation Notes were refinanced with the Bonds not yet being issued. Principal payments of \$1,085,198 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 resource 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** – These 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. Effective January 1, 2016, the Internal Service Fund was closed.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Greene County has seven 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 \$30,530,792 as of June 30, 2016. The County's net position increased by \$2,499,651 for the fiscal year ended June 30, 2016. One of the largest portions, \$30,384,212 or 99.52% 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 \$9,511,462 or 31.15% represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$9,364,882) or (30.67%) is unrestricted. In 2015, the amount of net position classified as net investment in capital assets was \$29,563,354 or 106.04%, with restricted assets standing at \$9,877,701. The remaining (\$11,561,405) or (41.47%) was unrestricted for that year.

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

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$9,784,243	\$9,346,666	\$9,391,233	\$11,214,076	\$19,175,476	\$20,560,742
Capital assets	16,694,212	17,034,801	43,747,567	40,886,773	60,441,779	57,921,574
<b>Total assets</b>	<b>\$26,478,455</b>	<b>\$26,381,467</b>	<b>\$53,138,800</b>	<b>\$52,100,849</b>	<b>\$79,617,255</b>	<b>\$78,482,316</b>
Total Deferred Outflows of Resources	\$325,335	\$329,786	\$35,988	\$36,696	\$361,323	\$366,482
Long-term liabilities outstanding	25,789,017	25,708,834	21,345,978	21,873,384	47,134,995	47,582,218
Other liabilities	971,591	954,940	1,022,997	1,040,970	1,994,588	1,995,910
<b>Total liabilities</b>	<b>\$26,760,608</b>	<b>\$26,663,774</b>	<b>\$22,368,975</b>	<b>\$22,914,354</b>	<b>\$49,129,583</b>	<b>\$49,578,128</b>
<b>Total deferred inflows of resources</b>	<b>\$287,694</b>	<b>\$1,256,808</b>	<b>\$30,509</b>	<b>\$134,139</b>	<b>\$318,203</b>	<b>\$1,390,947</b>
Net position:						
Net investment in capital assets	\$6,229,876	\$6,290,184	\$24,154,336	\$23,273,170	\$30,384,212	\$29,563,354
Restricted	3,185,766	3,405,132	6,325,696	6,472,642	9,511,462	9,877,774
Unrestricted	(9,660,154)	(10,904,645)	295,272	(656,760)	(9,364,882)	(11,561,405)
<b>Total net position</b>	<b>(\$244,512)</b>	<b>(\$1,209,329)</b>	<b>\$30,775,304</b>	<b>\$29,089,052</b>	<b>\$30,530,792</b>	<b>\$27,879,723</b>

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

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

- Management's continued focus of cutting spending and maximizing revenue collections.
- Change in net position for business-type activities increased by \$1,686,252 during the year compared to an increase of \$914,967 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 as well as the receipt of federal grants for water system improvements.

**Greene County Changes in Net Position**

**Figure 3**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$2,633,513	\$2,379,783	\$3,641,029	\$3,483,566	\$6,274,542	\$5,863,349
Operating Grants and Contributions	3,556,140	3,551,812	942,468	938,857	4,498,608	4,490,669
Capital Grants and Contributions	37,658	382,320	1,786,356	1,296,506	1,824,014	1,678,826
General Revenues:						
Property Taxes	9,490,981	9,310,187			9,490,981	9,310,187
Local Option Sales Tax	2,590,165	2,375,144			2,590,165	2,375,144
Other Taxes	461,664	834,617			461,664	834,617
Grants and Contributions not restricted to Specific Programs	84,318	89,927			84,318	89,927
Investment Earnings	11,032	1,231	12,583	1,011	23,615	2,242
Other	127,546	113,006	5,278	19,414	132,824	132,420
<b>Total revenues</b>	<b>\$18,993,017</b>	<b>\$19,038,027</b>	<b>\$6,387,714</b>	<b>\$5,739,354</b>	<b>\$25,380,731</b>	<b>\$24,777,381</b>
<b>Expenses:</b>						
General Government	\$2,677,137	\$2,446,650			\$2,677,137	\$2,446,650
Public Safety	5,108,271	4,831,672			5,108,271	4,831,672
Environmental Protection	56,657	50,637			56,657	50,637
Economic and Physical Development	490,383	584,677			490,383	584,677
Human Services	5,426,765	5,193,920			5,426,765	5,193,920
Cultural and Recreation	525,080	558,345			525,080	558,345
Education	3,131,271	2,920,495			3,131,271	2,920,495
Capital Outlay	27,353				27,353	
Interest on Long-Term Debt	907,845	915,045			907,845	915,045
Utility			\$3,554,468	\$3,712,542	3,554,468	3,712,542
Landfill			744,243	676,945	744,243	676,945
Nonmajor Enterprise Activities			366,551	398,700	366,551	398,700
<b>Total expenses</b>	<b>\$18,350,762</b>	<b>\$17,501,441</b>	<b>\$4,665,262</b>	<b>\$4,788,187</b>	<b>\$23,016,024</b>	<b>\$22,289,628</b>
<b>Increase (Decrease) in net position before transfers and special items</b>	<b>\$642,255</b>	<b>\$1,536,586</b>	<b>\$1,722,452</b>	<b>\$951,167</b>	<b>\$2,364,707</b>	<b>\$2,487,753</b>
Transfers	36,200	36,200	(36,200)	(36,200)		
Special Item - Court House Ins	134,944	525,736			134,944	
<b>Increase (Decrease) in net position</b>	<b>\$813,399</b>	<b>\$2,098,522</b>	<b>\$1,686,252</b>	<b>\$914,967</b>	<b>\$2,499,651</b>	<b>\$2,487,753</b>
Net position, July 1 as originally reported	(1,209,329)	(2,589,376)	29,089,052	28,256,704	27,879,723	25,667,328
Restatement	151,418	(718,475)		(82,619)	151,418	
Net position, July 1 as Restated	(\$1,057,911)	(\$3,307,851)	\$29,089,052	\$28,174,085	\$28,031,141	\$24,866,234
<b>Net position, June 30</b>	<b>(\$244,512)</b>	<b>(\$1,209,329)</b>	<b>\$30,775,304</b>	<b>\$29,089,052</b>	<b>\$30,530,792</b>	<b>\$27,879,723</b>

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

**Governmental activities.** Governmental activities increased the County's net position by \$813,399, which accounts for 32.54% of the total growth in the net position of Greene County. This compares to an increase of \$2,098,522 in 2015. The key element of this year's increase is as follows:

- Receipt of over \$150,000 of insurance proceeds from recent courthouse fires.

**Business-type activities.** Business-type activities increased Greene County's net position by \$1,686,252 accounting for 67.46% of the total growth in the government's net position. Net position increased by \$914,967 in 2015. The key element of this year's increase is as follows:

- The County received capital contributions relating to a Water System Improvement Project of over \$1.5 million.

### **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 \$4,698,991 while total fund balance reached \$7,291,421. The Governing Body of Greene County has determined that the County should maintain a minimum available fund balance of 24% 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 28.05% of general fund expenditures, while total fund balance represents 43.53% of that same amount.

At June 30, 2016, the governmental funds of Greene County reported a combined fund balance of \$8,858,978, an 8.47% increase from last year. Of this increase, approximately 70.11% is directly related to the positive change in fund balance in the General Fund. Approximately 29.89% 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 decreased revenues by \$330,036.



**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 \$1,227,013 and those for the Landfill Fund equaled (\$1,012,479). The total increase and reduction in net position for both major funds were \$1,733,016 and (\$48,908), 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, 2016, totaled \$60,441,779 (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 four new vehicles and one used ambulance for public safety.
- Purchased a new vehicle for the water department.
- Purchased a new van for the Transportation department.
- Purchased two compactors for Public Works.
- 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	
	2016	2015	2016	2015	2016	2015
Land	\$657,640	\$628,982	\$390,126	\$390,126	\$1,047,766	\$1,019,108
Buildings and System	15,253,223	15,564,304	36,835,107	37,593,010	52,088,330	53,157,314
Machinery and Equipment	313,636	332,063	224,546	97,397	538,182	429,460
Vehicles and Motorized Equipment	469,713	509,452	93,974	91,274	563,687	600,726
Construction in Progress			6,203,814	2,694,966	6,203,814	2,694,966
	<b>\$16,694,212</b>	<b>\$17,034,801</b>	<b>\$43,747,567</b>	<b>\$40,866,773</b>	<b>\$60,441,779</b>	<b>\$57,901,574</b>

Additional information on the County's capital assets can be found in Note III.A.6 on pages 39-41 of this audited financial report.

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

**Long-term Debt.** As of June 30, 2016, Greene County had total bonded debt outstanding of \$42,984,153 all of which is backed by the full faith and credit of the County.

**Greene County's Outstanding Debt**

**Figure 5**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
Notes Payable	\$119,232		\$13,900	\$105,332
Installment Purchase Contracts	23,610,952		441,509	23,169,443
<b>Total Governmental Activities</b>	<b>\$23,803,724</b>	<b>\$0</b>	<b>\$455,409</b>	<b>\$23,274,775</b>
<b>Business-type Activities:</b>				
Installment Purchase Contract	\$855,633		\$202,276	\$653,357
Clean Water Bond Loan	1,377,859		172,232	1,205,627
Revenue Bonds	12,339,000		171,000	12,168,000
Bond Anticipation Notes	2,787,000	\$2,787,000	2,787,000	2,787,000
DWSRF Revolving Loan	3,021,127	58,548	184,281	2,895,394
<b>Total Business-type Activities</b>	<b>\$16,304,737</b>	<b>\$2,845,548</b>	<b>\$3,516,789</b>	<b>\$19,709,378</b>

Greene County's total debt increased by \$1,126,650 or 2.55% during the past fiscal year and Bond Anticipation Notes of \$2,787,000 were refinanced.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Greene County is \$87,427,484. The County has \$0 in bonds authorized but unissued at June 30, 2016.

Additional information regarding Greene County's long-term debt can be found in Note III.B.7 beginning on page 54 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 2016/2017 fiscal year were up by nearly 2% from the prior year, indicating that some growth is occurring in the County. Building permits in the 2016/2017 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. This sector of the economy is growing with additional agri-businesses which will positively affect the ad valorem and Sales tax base. Other enterprises in the County are showing signs of strength as companies are taking advantage of available grants.
- 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 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 was able to give a 5% pay raise to employees due to the savings realized by changing the County from a self-insured plan to the State Health plan.
- The County has completed an updated website that better promotes the County. The website was intended to better market the County and to develop an active Economic Development Action Plan.
- 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 2016/2017 fiscal year are slightly lower than the previous fiscal year. The addition of the Sales and Use tax expansion compromised dollars, to be used on Schools, Community College, and Economic Development, are allowing for Capital Outlay and the supplanting of County dollars.

***Budget Highlights for the Fiscal Year Ending June 30, 2017***

**Governmental Activities:** The expenditures in the General Fund are budgeted to increase approximately 4%. 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 while continuing to improve and additional revenues have been realized from the new statewide tax/tag collections that is now in place.
- The County Health Insurance Plan changed midyear to take advantage of the NC State Legislatures decision to allow Local Governments to join the State Health Plan. The County changed from being self-insured, to a fully-insured health insurance plan. Premiums for Employees were reduced to the State Health Plans required premiums for the coverage selected by the employee. Premiums for the County were drastically reduced, allowing for savings to the County.
- The County continues with the replacement of the vehicle fleet for all Departments.

**Business-type Activities:** Revenues in the Utility Funds remain strong. A 5% rate increase was passed for both the Water and Sewer Funds due to the increased cost of water from Greenville Utilities Corporation and increased costs of operation. An increase in the Landfill Fees of \$2 for unincorporated citizens, and \$1 for incorporated citizens was passed to aid in the rising cost of municipal solid waste services.

***Requests for Information***

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

**BASIC FINANCIAL STATEMENTS**

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
June 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Greene County ABC Board
<b>ASSETS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$7,040,460	\$2,140,309	\$9,180,769	\$177,259
Receivables (Net)	521,129	448,564	969,693	
Due From Other Governments	1,100,830	646,329	1,747,159	
Internal Balances	255,880	(255,880)		
Inventories				115,719
Prepaid Items				9,509
Restricted Cash and Cash Equivalents	759,477	6,411,911	7,171,388	
Notes Receivable:				
Due within one year	27,723		27,723	
Due in more than one year	52,300		52,300	
Net Pension Asset - ROD	26,444		26,444	
Capital Assets:				
Land, Improvements, and Construction in Progress	657,640	6,593,940	7,251,580	12,055
Other Capital Assets, Net of Depreciation	16,036,572	37,153,627	53,190,199	22,127
Total Capital Assets	<b>\$16,694,212</b>	<b>\$43,747,567</b>	<b>\$60,441,779</b>	<b>\$34,182</b>
<b>Total Assets</b>	<b>\$26,478,455</b>	<b>\$53,138,800</b>	<b>\$79,617,255</b>	<b>\$336,669</b>
<b>Deferred Outflows of Resources</b>	<b>\$325,335</b>	<b>\$35,988</b>	<b>\$361,323</b>	<b>\$2,801</b>
<b>Liabilities:</b>				
Accounts Payable and Accrued Expenses	\$570,216	\$791,439	\$1,361,655	\$54,755
Accrued Interest Payable	401,375	52,178	453,553	
Customer Deposits		179,380	179,380	
Long-term Liabilities:				
Net Pension Liability - LGERS	333,045	34,158	367,203	985
Net Pension Liability - LEO	232,387		232,387	
Due within one year	449,894	743,328	1,193,222	
Due in more than one year	24,773,691	20,568,492	45,342,183	
<b>Total Liabilities</b>	<b>\$26,760,608</b>	<b>\$22,368,975</b>	<b>\$49,129,583</b>	<b>\$55,740</b>
<b>Deferred Inflows of Resources</b>	<b>\$287,694</b>	<b>\$30,509</b>	<b>\$318,203</b>	<b>\$2,332</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$6,229,876	\$24,154,336	\$30,384,212	\$34,182
Restricted for:				
Stabilization by State Statute	1,809,469		1,809,469	
Register of Deeds	56,059		56,059	
Human Services	442,947		442,947	
Public Safety	3,929		3,929	
Economic Development	214,096		214,096	
Cultural & Recreation	1,000		1,000	
Alternative Water Supply		5,767,315	5,767,315	
Capital Projects		196,666	196,666	
Loan Payments to USDA	658,266	361,715	1,019,981	
Working Capital				85,627
Unrestricted	(9,660,154)	295,272	(9,364,882)	161,589
<b>Total Net Position</b>	<b>(\$244,512)</b>	<b>\$30,775,304</b>	<b>\$30,530,792</b>	<b>\$281,398</b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2016

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$2,677,137	\$171,279	\$2,405	
Public Safety	5,108,271	1,725,625	345,914	\$37,658
Environmental Protection	56,657		24,788	
Economic and Physical Development	490,383		123,610	
Human Services	5,426,765	631,368	3,059,423	
Cultural and Recreation	525,080	105,241		
Education	3,131,271			
Capital Outlay	27,353			
Interest on Long-Term Debt	907,845			
<b>Total Governmental Activities</b>	<b>\$18,350,762</b>	<b>\$2,633,513</b>	<b>\$3,556,140</b>	<b>\$37,658</b>
Business-type Activities:				
Utility Fund (Water and Sewer)	\$3,554,468	\$2,777,681	\$942,468	\$1,591,830
Landfill Fund	744,243	689,389		
Transportation Fund	366,551	173,959		194,526
<b>Total Business-type Activities</b>	<b>\$4,665,262</b>	<b>\$3,641,029</b>	<b>\$942,468</b>	<b>\$1,786,356</b>
	<b>\$23,016,024</b>	<b>\$6,274,542</b>	<b>\$4,498,608</b>	<b>\$1,824,014</b>
Component Unit:				
ABC Board	\$730,027	\$737,199		\$9,990
<b>Total Component Unit</b>	<b>\$730,027</b>	<b>\$737,199</b>	<b>\$0</b>	<b>\$9,990</b>
<i>General Revenues:</i>				
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				
ABC Profit Refund - Greene County				
Miscellaneous, Unrestricted				
<b>Total General Revenues excluding Special Items and Transfers</b>				
Special Item - Fire Insurance Proceeds (See Note X)				
Transfers				
<b>Total General Revenues, Special Items, and Transfers</b>				
<b>Change in Net Position</b>				
Net Position, Beginning, Previously Reported				
Prior Period Adjustment				
<i>Net Position, Beginning, Adjusted</i>				
<b>NET POSITION, ENDING</b>				

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2016

<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Greene County ABC Board</b>
(\$2,503,453)		(\$2,503,453)	
(2,999,074)		(2,999,074)	
(31,869)		(31,869)	
(366,773)		(366,773)	
(1,735,974)		(1,735,974)	
(419,839)		(419,839)	
(3,131,271)		(3,131,271)	
(27,353)		(27,353)	
(907,845)		(907,845)	
<b>(\$12,123,451)</b>	<b>\$0</b>	<b>(\$12,123,451)</b>	
	\$1,757,511	\$1,757,511	
	(54,854)	(54,854)	
	1,934	1,934	
<b>\$0</b>	<b>\$1,704,591</b>	<b>\$1,704,591</b>	
<b>(\$12,123,451)</b>	<b>\$1,704,591</b>	<b>(\$10,418,860)</b>	
			<b>\$17,162</b>
\$9,490,981		\$9,490,981	
2,590,165		2,590,165	
461,664		461,664	
84,318		84,318	
11,032	\$12,583	23,615	\$96
127,546	5,278	132,824	189
<b>\$12,765,706</b>	<b>\$17,861</b>	<b>\$12,783,567</b>	<b>\$285</b>
\$134,944		\$134,944	
36,200	(\$36,200)		
<b>\$12,936,850</b>	<b>(\$18,339)</b>	<b>\$12,918,511</b>	<b>\$285</b>
<b>\$813,399</b>	<b>\$1,686,252</b>	<b>\$2,499,651</b>	<b>\$17,447</b>
<b>(\$1,209,329)</b>	<b>\$29,089,052</b>	<b>\$27,879,723</b>	<b>\$263,951</b>
151,418		151,418	
(1,057,911)	29,089,052	28,031,141	263,951
<b>(\$244,512)</b>	<b>\$30,775,304</b>	<b>\$30,530,792</b>	<b>\$281,398</b>

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

GREENE COUNTY, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2016

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$6,017,099	\$1,023,361	\$7,040,460
Restricted Cash and Cash Equivalents		759,477	759,477
Receivables, Net	449,957	36,260	486,217
Due From Other Governments	1,005,787	95,043	1,100,830
Due From Other Funds	465,684	11,016	476,700
Current Portion - Notes Receivable	27,722		27,722
Notes Receivable	52,301		52,301
<b>TOTAL ASSETS</b>	<b><u>\$8,018,550</u></b>	<b><u>\$1,925,157</u></b>	<b><u>\$9,943,707</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<i>Liabilities:</i>			
Accounts Payable and Accrued Liabilities	\$449,332	\$120,884	\$570,216
Due to Other Funds	11,016	209,804	220,820
<b>Total Liabilities</b>	<b><u>\$460,348</u></b>	<b><u>\$330,688</u></b>	<b><u>\$791,036</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b><u>\$266,781</u></b>	<b><u>\$26,912</u></b>	<b><u>\$293,693</u></b>
<i>Fund Balances:</i>			
Restricted:			
Stabilization by State Statute	\$1,779,696	\$29,773	\$1,809,469
Register of Deeds	56,059		56,059
Health Department	442,947		442,947
Sheriff Department	3,929		3,929
Economic Development	214,096		214,096
Cultural and Recreation	1,000		1,000
USDA Loan Payments		658,266	658,266
Committed:			
Tax Revaluation		101,310	101,310
Assigned:			
Court House Fire Repairs	94,703		94,703
Special Revenue Funds		373,355	373,355
Capital Project Funds		404,853	404,853
Unassigned	4,698,991		4,698,991
<b>Total Fund Balances</b>	<b><u>\$7,291,421</u></b>	<b><u>\$1,567,557</u></b>	<b><u>\$8,858,978</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$8,018,550</u></b>	<b><u>\$1,925,157</u></b>	

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



GREENE COUNTY, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2016

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	\$16,694,212
Net Pension Asset	26,444
Contributions to pension plans in the current fiscal year that are deferred outflows of resources on the Statement of Net Position	323,064
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	61,824
Deferred inflows of resources for taxes and special assessments receivable	221,755
Pension related deferrals	(240,397)
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).	(26,190,392)
<b>Net Position of Governmental Activities</b>	<b><u>(\$244,512)</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
For The Fiscal Year Ended June 30, 2016

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>			
Ad Valorem Taxes	\$8,746,977	\$817,650	\$9,564,627
Local Option Sales Taxes	2,590,165		2,590,165
Other Taxes and Licenses	461,664		461,664
Unrestricted Intergovernmental	84,318		84,318
Restricted Intergovernmental	3,395,096	224,883	3,619,979
Permits and Fees	569,437		569,437
Sales and Services	2,025,784		2,025,784
Investment Earnings	9,558	1,383	10,941
Miscellaneous	270,000		270,000
<b>Total Revenues</b>	<b>\$18,152,999</b>	<b>\$1,043,916</b>	<b>\$19,196,915</b>
<b>EXPENDITURES:</b>			
<i>Current:</i>			
General Government	\$2,501,242		\$2,501,242
Public Safety	4,220,222	\$952,833	5,173,055
Environmental Protection	59,378		59,378
Economic and Physical Development	373,808	114,521	488,329
Human Services	5,418,720		5,418,720
Cultural and Recreation	393,139		393,139
<i>Intergovernmental:</i>			
Education	3,131,271		3,131,271
Capital Outlay		27,353	27,353
<i>Debt Service:</i>			
Principal	266,380	189,029	455,409
Interest	386,445	525,523	911,968
<b>Total Expenditures</b>	<b>\$16,750,605</b>	<b>\$1,809,259</b>	<b>\$18,559,864</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$1,402,394</b>	<b>(\$765,343)</b>	<b>\$637,051</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers To Other Funds	(\$968,601)		(\$968,601)
Transfers From Other Funds	36,200	\$968,601	1,004,801
Sale of Fixed Assets	6,816		6,816
<b>Total Other Financing Sources (Uses)</b>	<b>(\$925,585)</b>	<b>\$968,601</b>	<b>\$43,016</b>
<b>Net Change in Fund Balance</b>	<b>\$476,809</b>	<b>\$203,258</b>	<b>\$680,067</b>
<i>Fund Balances, Beginning</i>	6,663,194	1,364,299	8,027,493
<i>Prior Period Adjustment</i>	151,418		151,418
<b>Fund Balance, Beginning, Adjusted</b>	<b>6,814,612</b>	<b>1,364,299</b>	<b>8,178,911</b>
<b>FUND BALANCES, ENDING</b>	<b>\$7,291,421</b>	<b>\$1,567,557</b>	<b>\$8,858,978</b>

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

**GREENE COUNTY, NORTH CAROLINA**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For The Fiscal Year Ended June 30, 2016

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

Net changes in fund balances - total governmental funds		\$680,067
<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	\$259,866	
Depreciation expense for governmental assets	(599,673)	
Cost of capital assets disposed of during year, not recognized on modified accrual basis	<u>(782)</u>	(340,589)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		323,064
<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		(73,646)
<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>		
Principal payments on long term debt	455,409	
Increase in accrued interest payable	<u>4,123</u>	459,532
<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	(17,841)	
Net pension obligation	(18,787)	
County's portion of collective pension expense	(154,425)	
Other postemployment benefits	<u>(165,919)</u>	(356,972)
Net income (loss) of internal service fund determined to be governmental-type		121,943
<b>Total Changes in Net Position of Governmental Activities</b>		<b><u>\$813,399</u></b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
<b>Revenues:</b>				
Ad Valorem Taxes	\$8,511,031	\$8,511,031	\$8,746,977	\$235,946
Local Option Sales Taxes	2,608,740	2,528,740	2,590,165	61,425
Other Taxes and Licenses	392,000	402,000	461,664	59,664
Unrestricted Intergovernmental	80,000	80,000	84,318	4,318
Restricted Intergovernmental	3,629,607	3,076,598	3,395,096	318,498
Permits and Fees	507,800	609,550	569,437	(40,113)
Sales and Services	1,581,196	1,871,095	2,025,784	154,689
Investment Earnings	250	250	9,558	9,308
Miscellaneous	394,750	296,074	270,000	(26,074)
<b>Total Revenues</b>	<b>\$17,705,374</b>	<b>\$17,375,338</b>	<b>\$18,152,999</b>	<b>\$777,661</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government	\$2,540,444	\$2,587,920	\$2,501,242	\$86,678
Public Safety	4,615,329	4,229,537	4,220,222	9,315
Environmental Protection	66,973	66,973	59,378	7,595
Economic and Physical Development	416,616	546,619	373,808	172,811
Human Services	5,409,591	5,704,457	5,418,720	285,737
Cultural and Recreational	391,234	394,439	393,139	1,300
<i>Intergovernmental:</i>				
Education	3,107,000	3,037,544	3,131,271	(93,727)
<i>Debt Service:</i>				
Principal Retirement	233,864	270,064	266,380	3,684
Interest	384,100	384,100	386,445	(2,345)
<b>Total Expenditures</b>	<b>\$17,165,151</b>	<b>\$17,221,653</b>	<b>\$16,750,605</b>	<b>\$471,048</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$540,223</b>	<b>\$153,685</b>	<b>\$1,402,394</b>	<b>\$1,248,709</b>
<b>Other Financing Sources (Uses):</b>				
Transfers To Other Funds	(\$540,223)	(\$968,601)	(\$968,601)	
Transfers From Other Funds		179,136	36,200	(\$142,936)
Sale of Fixed Assets			6,816	6,816
Fund Balance Appropriated		635,780		(635,780)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$540,223)</b>	<b>(\$153,685)</b>	<b>(\$925,585)</b>	<b>(\$771,900)</b>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$476,809</b>	<b>\$476,809</b>
<i>Fund Balances:</i>				
Beginning of Year, July 1			6,663,194	
Prior Period Adjustment			151,418	
Beginning of year, July 1, Adjusted			6,814,612	
<b>End of Year, June 30</b>			<b>\$7,291,421</b>	

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
June 30, 2016

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<b>ASSETS</b>					
<i>Current Assets:</i>					
Cash and Cash Equivalents	\$1,514,135	\$472,191	\$153,983	\$2,140,309	
Receivables, Net	414,072	34,492		448,564	
Due From Other Governments	606,563	12,086	27,680	646,329	
Due From Other Funds	149,526			149,526	
<b>Total Current Assets</b>	<b>\$2,684,296</b>	<b>\$518,769</b>	<b>\$181,663</b>	<b>\$3,384,728</b>	<b>\$0</b>
<i>Noncurrent Assets:</i>					
Restricted Cash and Cash Equivalents	\$6,411,911			\$6,411,911	
<i>Capital Assets:</i>					
Land, Improvements, and Construction in Progress	6,435,506	\$158,434		6,593,940	
Other Capital Assets, Net of Depreciation	36,969,205	51,801	\$132,621	37,153,627	
<b>Total Capital Assets</b>	<b>\$43,404,711</b>	<b>\$210,235</b>	<b>\$132,621</b>	<b>\$43,747,567</b>	<b>\$0</b>
<b>Total Noncurrent Assets</b>	<b>\$49,816,622</b>	<b>\$210,235</b>	<b>\$132,621</b>	<b>\$50,159,478</b>	<b>\$0</b>
<b>TOTAL ASSETS</b>	<b>\$52,500,918</b>	<b>\$729,004</b>	<b>\$314,284</b>	<b>\$53,544,206</b>	<b>\$0</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Contributions to Pension Plan	\$20,163	\$7,924	\$7,901	\$35,988	
<b>LIABILITIES</b>					
<i>Current Liabilities:</i>					
Accounts Payable and Accrued Liabilities	\$47,482	\$24,244	\$641	\$72,367	
Due to Other Funds	255,880	90,767	58,759	405,406	
Accrued Interest Payable	52,178			52,178	
Installment Purchase Contract Payable	209,815			209,815	
Clean Water Bond Loan Payable	172,232			172,232	
General Obligation Indebtedness	177,000			177,000	
DWSRF Revolving Loan	184,281			184,281	
<b>Total Current Liabilities</b>	<b>\$1,098,868</b>	<b>\$115,011</b>	<b>\$59,400</b>	<b>\$1,273,279</b>	<b>\$0</b>
<i>Noncurrent Liabilities:</i>					
Liabilities Payable from Restricted Assets					
Accounts Payable	\$719,072			\$719,072	
Customer Deposits	179,380			179,380	
Landfill Closure and Postclosure Care Costs		\$1,366,549		1,366,549	
Compensated Absences	38,256	8,873	\$12,876	60,005	
Net Pension Liability	21,635	4,495	8,028	34,158	
Other Postemployment Benefits	119,547	33,915	22,426	175,888	
Installment Purchase Contract Payable	443,542			443,542	
Clean Water Bond Loan Payable	1,033,395			1,033,395	
Bond Anticipation Notes	2,787,000			2,787,000	
General Obligation Indebtedness	11,991,000			11,991,000	
DWSRF Revolving Loan	2,711,113			2,711,113	
<b>Total Noncurrent Liabilities</b>	<b>\$20,043,940</b>	<b>\$1,413,832</b>	<b>\$43,330</b>	<b>\$21,501,102</b>	<b>\$0</b>
<b>TOTAL LIABILITIES</b>	<b>\$21,142,808</b>	<b>\$1,528,843</b>	<b>\$102,730</b>	<b>\$22,774,381</b>	<b>\$0</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension Deferrals	\$14,084	\$10,329	\$6,096	\$30,509	
<b>NET POSITION</b>					
Net Investment in Capital Assets	\$23,811,480	\$210,235	\$132,621	\$24,154,336	
Restricted for Alternative Water Supply	5,767,315			5,767,315	
Restricted for Capital Projects	196,666			196,666	
Restricted for USDA Loan Payments	361,715			361,715	
Unrestricted	1,227,013	(1,012,479)	80,738	295,272	
<b>Total Net Position</b>	<b>\$31,364,189</b>	<b>(\$802,244)</b>	<b>\$213,359</b>	<b>\$30,775,304</b>	<b>\$0</b>

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

**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
For the Fiscal Year Ended June 30, 2016

	Enterprise Funds				Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation	Totals	
<b>OPERATING REVENUES:</b>					
Water and Sewer Sales	\$2,636,623			\$2,636,623	
Water and Sewer Tap Fees and Service Charges	40,532			40,532	
Landfill Fees		\$689,389		689,389	
County Contributions					\$1,162,180
Other Operating Revenues	100,526		\$173,959	274,485	
<b>Total Operating Revenues</b>	<b>\$2,777,681</b>	<b>\$689,389</b>	<b>\$173,959</b>	<b>\$3,641,029</b>	<b>\$1,162,180</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Employee Benefits	\$482,250	\$143,935	\$246,201	\$872,386	\$1,040,328
Supplies and Fuel	137,269	5,847	35,997	179,113	
Maintenance	136,008	17,289	24,388	177,685	
Contracted Services	116,240	285,318		401,558	
Professional Services	37,202	22,243		59,445	
Water Purchased	453,653			453,653	
Management Fee - County	225,000			225,000	
Utilities	161,067	14,746	2,155	177,968	
Sewer Charges - Town of Farmville	188,397			188,397	
Office Expense	51,402		10,347	61,749	
Insurance	27,220	8,000		35,220	
Telephone and Postage		4,868	2,616	7,484	
Miscellaneous		4,218	3,342	7,560	
Disposal Fees		130,586		130,586	
Landfill Closure and Postclosure Care Costs		90,846		90,846	
Medical Claims					
Capital Outlay (Under Threshold)		4,225		4,225	
Depreciation	945,170	12,122	41,505	998,797	
<b>Total Operating Expense</b>	<b>\$2,960,878</b>	<b>\$744,243</b>	<b>\$366,551</b>	<b>\$4,071,672</b>	<b>\$1,040,328</b>
<b>Operating Income (Loss)</b>	<b>(\$183,197)</b>	<b>(\$54,854)</b>	<b>(\$192,592)</b>	<b>(\$430,643)</b>	<b>\$121,852</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Interest and Investment Revenue	\$11,705	\$668	\$210	\$12,583	\$91
Alternative Water Supply Fees - County	714,804			714,804	
Alternative Water Supply Fees - Towns & Districts	227,664			227,664	
Sale of Capital Assets		5,278		5,278	
Interest on Long-Term Debt	(593,590)			(593,590)	
<b>Total Nonoperating Revenue (Expenses)</b>	<b>\$360,583</b>	<b>\$5,946</b>	<b>\$210</b>	<b>\$366,739</b>	<b>\$91</b>
Income (Loss) Before Contributions and Transfers	\$177,386	(\$48,908)	(\$192,382)	(\$63,904)	\$121,943
Transfers (To) From Other Funds	(36,200)			(36,200)	
Capital Contributions	1,591,830		194,526	1,786,356	
<b>Change in Net Position</b>	<b>\$1,733,016</b>	<b>(\$48,908)</b>	<b>\$2,144</b>	<b>\$1,686,252</b>	<b>\$121,943</b>
Total Net Position, Beginning	29,631,173	(753,336)	211,215	29,089,052	(121,943)
<b>Total Net Position, Ending</b>	<b>\$31,364,189</b>	<b>(\$802,244)</b>	<b>\$213,359</b>	<b>\$30,775,304</b>	<b>\$0</b>

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

GREENE COUNTY, NORTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2016

	Enterprise Funds			Totals	Internal Service Fund
	Major Fund Utility	Major Fund Landfill	Non-major Fund Transportation		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received From Customers	\$2,788,325	\$685,922	\$173,959	\$3,648,206	\$1,162,180
Cash Paid for Goods and Services	(1,527,117)	(474,521)	(81,607)	(2,083,245)	(1,146,119)
Cash Paid to Employees for Services	(477,089)	(143,438)	(244,979)	(865,506)	
Customer Deposits Received	26,700			26,700	
Customer Deposits Returned	(17,251)			(17,251)	
Other Operating Revenues	100,526			100,526	
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$894,094</b>	<b>\$67,963</b>	<b>(\$152,627)</b>	<b>\$809,430</b>	<b>\$16,061</b>
<b>CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>					
Increase in (Repayment of) Due to Other Funds		\$25,948		\$25,948	
Alternative Water Supply Fees	\$943,527			943,527	
Transfers (To) From Other Funds	(36,200)			(36,200)	
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$907,327</b>	<b>\$25,948</b>	<b>\$0</b>	<b>\$933,275</b>	<b>\$0</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
DWSRF Revolving Loan Draws	\$58,548			\$58,548	
Acquisition and Construction of Capital Assets	(4,159,571)	(\$20,000)	(\$26,400)	(4,205,971)	
Sale of Capital Assets		5,278		5,278	
Interest Paid On Indebtedness	(597,633)			(597,633)	
Principal Paid On Indebtedness	(453,783)			(453,783)	
Capital Contributions-State and Federal Grants	1,185,883		194,525	1,380,408	
<b>Net Cash Provided by (Used by) Capital and Related Financing Activities</b>	<b>(\$3,966,556)</b>	<b>(\$14,722)</b>	<b>\$168,125</b>	<b>(\$3,813,153)</b>	<b>\$0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	\$11,705	\$668	\$210	\$12,583	\$91
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$2,153,430)</b>	<b>\$79,857</b>	<b>\$15,708</b>	<b>(\$2,057,865)</b>	<b>\$16,152</b>
Cash and Cash Equivalents, July 1	10,079,476	392,334	138,275	10,610,085	(16,152)
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,926,046</b>	<b>\$472,191</b>	<b>\$153,983</b>	<b>\$8,552,220</b>	<b>\$0</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:</b>					
<b>Cash consists of the following:</b>					
Unrestricted Cash and Cash Equivalents	\$1,514,135	\$472,191	\$153,983	\$2,140,309	
Restricted Cash and Cash Equivalents - Customer Deposits	179,380			179,380	
Restricted Cash and Cash Equivalents - Alternative Water Supply	5,730,040			5,730,040	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1C	24,629			24,629	
Restricted Cash and Cash Equivalents - USDA Loan Payments	361,715			361,715	
Restricted Cash and Cash Equivalents - GUC Waterline Phase 1H	116,147			116,147	
<b>Cash and Cash Equivalents, June 30</b>	<b>\$7,926,046</b>	<b>\$472,191</b>	<b>\$153,983</b>	<b>\$8,552,220</b>	<b>\$0</b>

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

GREENE COUNTY, NORTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2016

	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 Operating Activities:</i>					
Operating Income (Loss)	<b>(\$183,197)</b>	<b>(\$54,854)</b>	<b>(\$192,592)</b>	<b>(\$430,643)</b>	<b>\$121,852</b>
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</i>					
Depreciation	\$945,170	\$12,122	\$41,505	\$998,797	
Landfill Closure and Postclosure Care Costs		90,846		90,846	
<i>Changes in Assets and Liabilities:</i>					
Decrease (Increase) in Accounts Receivable	55,364	(3,467)		51,897	\$6
Decrease (Increase) in Due From Other Governments	55,806	492	5,908	62,206	
Decrease (Increase) in Net Pension Asset	28,528	11,148	11,198	50,874	
Decrease (Increase) in Deferred Outflows of Resources for Pensions	418	130	160	708	
Increase (Decrease) in Deferred Inflows of Resources - Pensions	(61,135)	(19,064)	(23,431)	(103,630)	
Increase (Decrease) in Accounts Payable and Accrued Liabilities	6,341	22,327	(2,724)	25,944	(105,797)
Increase (Decrease) in Customer Deposits	9,449			9,449	
Increase (Decrease) in Compensated Absences Payable	2,230	1,932	(2,542)	1,620	
Increase (Decrease) in Net Pension Liability	21,635	4,495	8,028	34,158	
Increase (Decrease) in Other Postemployment Benefits	13,485	1,856	1,863	17,204	
<b>Total Adjustments</b>	<b>\$1,077,291</b>	<b>\$122,817</b>	<b>\$39,965</b>	<b>\$1,240,073</b>	<b>(\$105,791)</b>
<b>Net Cash Provided by (Used by) Operating Activities</b>	<b>\$894,094</b>	<b>\$67,963</b>	<b>(\$152,627)</b>	<b>\$809,430</b>	<b>\$16,061</b>

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



**GREENE COUNTY, NORTH CAROLINA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
For the Year Ended June 30, 2016

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<u>Assets</u>	<u>Agency Funds</u>
Cash and Cash Equivalents	\$218,248
Due From Other Governments	131,267
	<b>\$349,515</b>
 <b><u>Liabilities and Net Position</u></b>  	
<i>Liabilities:</i>	
Intergovernmental Payable	\$349,515
<b>Total Liabilities</b>	<b>\$349,515</b>
 <i>Net Position:</i>	
Assets Held in Trust for Pension Benefits	<b>\$0</b>

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, 2016

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. REPORTING ENTITY**

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

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

**B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING**

**Basis of Presentation, Measurement Focus – Basis of Accounting**

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

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

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

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

The County reports the following major governmental funds:

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

The County reports the following major enterprise funds:

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

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

The County reports the following non-major enterprise fund:

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

The County reports the following fund types:

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

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

*Agency Funds* - Agency Funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains seven 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; the Cooperative Extension Fund which accounts for funds received and expensed relating to agriculture-sponsored events; and the NCVTS Fund which accounts for funds received and expensed relating to the NC Vehicle Tax System.

**GREENE COUNTY, NORTH CAROLINA**  
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*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 Capital Projects Fund, and the Intermediate School Capital Project Fund are reported as capital project funds.

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

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

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

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

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

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

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

**GREENE COUNTY, NORTH CAROLINA**  
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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 apply cost-reimbursement grant resources to such programs first, 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 were decreased by \$330,036 and expenditures were increased by \$56,502 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased by \$85,550 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased by \$3,427. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

**1. Deposits and Investments**

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

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

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

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

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

**3. Cash and Cash Equivalents**

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

**4. Restricted Assets**

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

**Greene County Restricted Cash**

<i>Governmental Activities:</i>	
Tax Revaluation Fund - Tax Revaluation	\$101,239
2012 CDBG Project Fund	58
Jail Construction/Courthouse Renovation Project - Debt Service	284,547
Intermediate School Capital Project Fund - Debt Service	373,633
<b>Total Governmental Activities</b>	<b>\$759,477</b>
 <i>Business-Type Activities:</i>	
Utility Fund - Customer Deposits	\$179,380
Utility Fund - Alternative Water Supply	5,730,040
Utility Fund - Project Funds	140,776
Utility Fund - Debt Service	361,715
<b>Total Business-Type Activities</b>	<b>\$6,411,911</b>
 <b>TOTAL RESTRICTED CASH</b>	 <b>\$7,171,388</b>

**5. Ad Valorem Taxes Receivable**

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

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**6. Allowances for Doubtful Accounts**

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

**7. Inventories and Prepaid Items**

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

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

**8. Capital Assets**

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

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

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

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

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

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

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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 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 deemed not 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**  
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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 Court House Fire Repairs – portion of fund balance which represents unspent insurance proceeds from recent court house fires.

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

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

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

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

**GREENE COUNTY, NORTH CAROLINA**  
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**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 (\$9,103,490) 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)	\$23,780,031
Less Accumulated Depreciation	7,085,819
<b>Net Capital Assets</b>	<b>\$16,694,212</b>
Net Pension Asset -ROD	26,444
Contributions to the pension plan in the current fiscal year	323,064
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	61,824
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	
Taxes	221,755
Pension related deferrals	(240,397)
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	(23,274,775)
Compensated absences	(385,181)
Net pension liability - LEO	(232,387)
Net pension liability - LGERS	(333,045)
Net other postemployment benefits	(1,563,629)
Accrued interest payable	(401,375)
<b>Total Adjustment</b>	<b><u>(\$9,103,490)</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$133,332 as follows:

<b>Description</b>	<b>Amount</b>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$259,866
Cost of disposed capital assets not recorded in fund statements	(782)
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	(599,673)
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	455,409
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities	323,064
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	4,123
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(17,841)
Net pension obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(18,787)
Net other postemployment benefits obligation is accrued in the government-wide statements but not the fund statements because it does not use current resources	(165,919)
Net income (loss) of internal service fund determined to be governmental- type	121,943
County's portion of collective pension expense	(154,425)
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	
Reversal of deferred tax revenue recorded at 7/01/15	(285,733)
Increase in deferred inflows of resources - taxes receivable - at end of year	221,755
Decrease in accrued interest on taxes receivable for year ended 6/30/15	(9,668)
<b>Total Adjustment</b>	<b>\$133,332</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

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

**Noncompliance with North Carolina General Statutes**

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	\$31,364,189
Landfill Fund	(802,244) *
Transportation Fund	213,359
	<b><u>\$30,775,304</u></b>

\* Effective July 1, 2009, the County reduced the number of hours of service, thereby reducing the attendants' contracts. For 2016/2017, landfill rates have been increased.

**C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the fiscal year ended June 30, 2016, the County's expenditures have exceeded amounts budgeted in the following funds and departments:

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>General:</b>			
Education	\$3,037,544	\$3,131,271	(\$93,727)
<b>Fire District Fund:</b>	806,624	817,650	(11,026)
<b>Landfill:</b>			
Operating	639,274	640,778	(1,504)

The over-expenditures occurred due to the pre-audit process not being followed properly. Management will more closely review the budget reports and follow the pre-audit approval process in the future to ensure compliance.

**D. CONTINGENCY APPROPRIATION**

The County budgeted \$81,418 in Contingency in the Transportation Fund and purchased a vehicle from this account. The \$81,418 was in excess of the maximum 5% contingency allowance, and an amendment should have been made to move funds from contingency to capital outlay prior to purchasing the vehicle. The vehicle should have been purchased from capital outlay rather than contingency.

The county budgeted \$64,303 in Contingency in the Automated Meter Solution Project Fund and has spent \$136,188 in project expenditures from this account. Amendments should have been made to move contingency items to a specific account prior to incurring the expenditures, and the expenditures should have been charged to the specific expenditures instead of contingency.

Management was not aware of the rules regarding contingencies but has now familiarized themselves with the statutory requirements.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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, 2016, the County's deposits had a carrying amount of \$7,496,964 and a bank balance of \$7,736,853. Of the bank balance, \$1,323,543 was covered by federal depository insurance and \$6,413,310 was covered by collateral held under the Pooling Method.

At June 30, 2016, Greene County had \$1,723 cash on hand.

At June 30, 2016, the carrying amount of deposits for Greene County ABC Board was \$177,259 and the bank balance was \$177,542. Of this balance, \$177,542 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2016, the ABC Board had \$1,000 cash on hand.

**2. Investments**

At June 30, 2016, the County's investment balances were as follows:

	<b>Reported Value</b>	<b>Fair Value</b>
NC Capital Management Trust - General Account	\$9,071,718	\$9,071,718
<b>Total Investments</b>	<b>\$9,071,718</b>	<b>\$9,071,718</b>

The NC Capital Management Trust's cash portfolio carries a credit rating of AAAM by Standard and Poor's. The County has no policy regarding credit risk. At June 30, 2016, the ABC Board had no investments in the North Carolina Capital Management Trust.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

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

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2013	\$1,786,177	\$424,217	\$2,210,394
2014	1,810,501	267,049	2,077,550
2015	1,837,746	105,670	1,943,416
2016	1,846,746		1,846,746
<b>Total</b>	<b>\$7,281,170</b>	<b>\$796,936</b>	<b>\$8,078,106</b>

**4. Receivables**

Receivables at the government-wide level at June 30, 2016, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due From Other Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$509,202	\$376,732	\$1,005,787	\$1,891,721
Other Governmental	9,348	26,912	95,043	131,303
<b>Total Receivables</b>	<b>\$518,550</b>	<b>\$403,644</b>	<b>\$1,100,830</b>	<b>\$2,023,024</b>
Allowance for Doubtful Accounts	(281,000)	(120,065)		(401,065)
<b>Total Governmental Activities</b>	<b>\$237,550</b>	<b>\$283,579</b>	<b>\$1,100,830</b>	<b>\$1,621,959</b>
<b>Business-type Activities:</b>				
Utility Fund	\$534,072		\$606,563	\$1,140,635
Landfill Fund	651	\$53,841	12,086	66,578
Nonmajor Enterprise Activities			27,680	27,680
<b>Total Receivables</b>	<b>\$534,723</b>	<b>\$53,841</b>	<b>\$646,329</b>	<b>\$1,234,893</b>
Allowance for Doubtful Accounts	(120,000)	(20,000)		(140,000)
<b>Total Business-type Activities</b>	<b>\$414,723</b>	<b>\$33,841</b>	<b>\$646,329</b>	<b>\$1,094,893</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

Local Option Sales Tax	\$427,257
Sales Tax	45,251
NCDMV - Vehicle Property Taxes	101,621
Various Human Service and Health Revenues	413,259
E911 Funds	9,512
Cable Transfer Fees	23,284
Wayne County Inmate Fees	2,500
Court Fees	1,735
CDBG	76,411
<b>Total General Fund</b>	<b>\$1,100,830</b>
Scrap Tire Tax	\$7,284
Solid Waste	3,773
Wholesale Water	7,262
Transportation Grants	26,817
Alternative Water Supply Fees	37,456
Joint Deposit - Town of Farmville	10,000
DWSRF Forgiveness Loan Proceeds	369,132
Sales Tax	184,605
<b>Total Enterprise Fund</b>	<b>\$646,329</b>
<b>Total Due</b>	<b>\$1,747,159</b>

**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.

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:

<b>Principal Amounts Due For the Year Ended June 30,</b>	<b>NWL Capacitators</b>	<b>Ribeye's</b>	<b>Total</b>
2017	\$19,644	\$8,078	\$27,722
2018	20,442		20,442
2019	21,271		21,271
2020	10,588		10,588
	<b>\$71,945</b>	<b>\$8,078</b>	<b>\$80,023</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**6. Capital Assets**

Primary Government

Capital asset activity for the year ended June 30, 2016, was as follows:

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Governmental Activities:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$628,982	\$28,658		\$657,640
Total Capital Assets Not Being Depreciated	<b>\$628,982</b>	<b>\$28,658</b>	<b>\$0</b>	<b>\$657,640</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings & Land Improvements	\$19,968,372	\$130,552		\$20,098,924
Vehicles	1,153,465	73,302	\$93,509	1,133,258
Equipment	1,870,055	27,354	7,200	1,890,209
Total Capital Assets Being Depreciated	<b>\$22,991,892</b>	<b>\$231,208</b>	<b>\$100,709</b>	<b>\$23,122,391</b>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Land Improvements	\$4,404,068	\$441,633		\$4,845,701
Vehicles	644,013	113,041	\$93,509	663,545
Equipment	1,537,992	44,999	6,418	1,576,573
Total Accumulated Depreciation	<b>\$6,586,073</b>	<b>\$599,673</b>	<b>\$99,927</b>	<b>\$7,085,819</b>
Total Capital Assets Being Depreciated, Net	16,405,819			16,036,572
<b>Governmental Activity Capital Assets, Net</b>	<b>\$17,034,801</b>			<b>\$16,694,212</b>

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

General Government	\$353,807
Public Safety	41,977
Human Services	71,961
Cultural and Recreational	131,928
<b>Total Depreciation Expense</b>	<b>\$599,673</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

<b>Business Type Activities:</b>	<b>Ending Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Greene County Utility Fund:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$231,692			\$231,692
Construction In Progress	2,694,966	\$3,805,388	\$296,540	6,203,814
<i>Total Capital Assets Not Being Depreciated</i>	<b>\$2,926,658</b>	<b>\$3,805,388</b>	<b>\$296,540</b>	<b>\$6,435,506</b>
<b>Capital Assets Being Depreciated:</b>				
Transfer Distribution Systems	\$46,794,261	\$160,353		\$46,954,614
Equipment	275,440	136,188		411,628
Vehicles	250,798	27,803	\$19,734	258,867
<i>Total Capital Assets Being Depreciated</i>	<b>\$47,320,499</b>	<b>\$324,344</b>	<b>\$19,734</b>	<b>\$47,625,109</b>
<b>Less Accumulated Depreciation for:</b>				
Transfer Distribution Systems	\$9,302,881	\$909,727		\$10,212,608
Equipment	216,904	21,579		238,483
Vehicles	210,682	13,865	\$19,734	204,813
<b>Total Accumulated Depreciation</b>	<b>\$9,730,467</b>	<b>\$945,171</b>	<b>\$19,734</b>	<b>\$10,655,904</b>
<i>Total Capital Assets Being Depreciated, Net</i>	37,590,032			36,969,205
<b>Greene County Utility Fund Capital Assets, Net</b>	<b>\$40,516,690</b>			<b>\$43,404,711</b>
<b>Greene County Landfill Fund:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land and Improvements	\$158,434			\$158,434
<i>Total Capital Assets Not Being Depreciated</i>	<b>\$158,434</b>	<b>\$0</b>	<b>\$0</b>	<b>\$158,434</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$108,102			\$108,102
Vehicles	210,605			210,605
Equipment	546,990	\$20,000	\$56,000	510,990
<i>Total Capital Assets Being Depreciated</i>	<b>\$865,697</b>	<b>\$20,000</b>	<b>\$56,000</b>	<b>\$829,697</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$108,103			\$108,103
Vehicles	205,541	\$4,660		210,201
Equipment	508,130	7,462	\$56,000	459,592
<b>Total Accumulated Depreciation</b>	<b>\$821,774</b>	<b>\$12,122</b>	<b>\$56,000</b>	<b>\$777,896</b>
<i>Total Capital Assets Being Depreciated, Net</i>	43,923			51,801
<b>Greene County Landfill Capital Assets, Net</b>	<b>\$202,357</b>			<b>\$210,235</b>
<b>Greene County Transportation Fund:</b>				
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$169,900			\$169,900
Vehicles	341,450	\$26,400		367,850
Equipment	11,466			11,466
<i>Total Capital Assets Being Depreciated</i>	<b>\$522,816</b>	<b>\$26,400</b>	<b>\$0</b>	<b>\$549,216</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$68,270	\$8,528		\$76,798
Vehicles	295,357	32,977		328,334
Equipment	11,463			11,463
<b>Total Accumulated Depreciation</b>	<b>\$375,090</b>	<b>\$41,505</b>	<b>\$0</b>	<b>\$416,595</b>
<i>Total Capital Assets Being Depreciated, Net</i>	147,726			132,621
<b>Greene County Transportation Fund Capital Assets, Net</b>	<b>\$147,726</b>			<b>\$132,621</b>
<b>Business-type Activities Capital Assets, Net</b>	<b>\$40,866,773</b>			<b>\$43,747,567</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**Construction Commitments**

The government has an active construction project as of June 30, 2016, the Alternative Water Phase 1H project. At June 30, 2016, the Government's commitments with contractors are as follows:

	<b>Spent to Date</b>	<b>Remaining Commitment</b>
Alternative Water Phase 1H	\$6,203,814	\$1,454,555
<b>Total</b>	<b>\$6,203,814</b>	<b>\$1,454,555</b>

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2016, was as follows:

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$12,055			\$12,055
Total Assets Not Being Depreciated	<b>\$12,055</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,055</b>
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$62,687			\$62,687
Equipment	59,658	\$1,000		60,658
Total Capital Assets Being Depreciated	<b>\$122,345</b>	<b>\$1,000</b>	<b>\$0</b>	<b>\$123,345</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$50,738			\$50,738
Equipment	47,402			47,402
Total Accumulated Depreciation	<b>\$98,140</b>	<b>\$0</b>	<b>\$0</b>	<b>\$98,140</b>
Total Capital Assets Being Depreciated, Net	25,642			22,127
<b>Total Capital Assets Being Depreciated, Net</b>	<b>\$37,697</b>			<b>\$34,182</b>

**B. LIABILITIES**

**1. Payables**

Payables at the government-wide level at June 30, 2016, were as follows:

	<b>Vendors</b>	<b>Accrued Interest</b>	<b>Total</b>
<b>Governmental Activities:</b>			
General	\$449,332	\$401,375	\$850,707
Other Governmental	120,884		120,884
<b>Total Governmental Activities</b>	<b>\$570,216</b>	<b>\$401,375</b>	<b>\$971,591</b>
<b>Business-type Activities:</b>			
Utility Fund	\$766,554	\$52,178	\$818,732
Landfill Fund	24,244		24,244
Nonmajor Enterprise Activities	641		641
<b>Total Business-type Activities</b>	<b>\$791,439</b>	<b>\$52,178</b>	<b>\$843,617</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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](http://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, 2016, was 7.15% of compensation for law enforcement officers and 6.82% 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 \$368,310 for the year ended June 30, 2016.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**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, 2016, the County reported a liability of \$367,203 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. 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, 2015, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability 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, 2016, the County's proportion was 0.08182%, which was a decrease of 0.00410% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the County recognized pension expense of \$141,172. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience		\$86,314
Net difference between projected and actual earnings on pension plan investments		104,542
Changes in proportion and differences between County contributions and proportionate share of contributions		80,127
County contributions subsequent to the measurement date	\$358,045	
Total	<b>\$358,045</b>	<b>\$270,983</b>

\$358,045 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an decrease of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Years ended June 30:</b>	
2017	(\$148,289)
2018	(148,289)
2019	(147,903)
2020	173,498
	<b>(\$270,983)</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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, 2015, are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	29.0%	2.2%
Global Equity	42.0%	5.8%
Real Estate	8.0%	5.2%
Alternatives	8.0%	9.8%
Credit	7.0%	6.8%
Inflation Protection	6.0%	3.4%
Total	<b>100%</b>	

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 3.00%. All rates of return and inflation are annualized.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**2. Pension Plan and Other Postemployment Benefits (continued)**

*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:

	<b>1% Decrease (6.25%)</b>	<b>Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
County's proportionate share of the net pension liability (asset)	\$2,560,558	\$367,203	(\$1,480,650)

*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.

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
<b>Total</b>	<b>23</b>

**2. Summary of Significant Accounting Policies:**

*Basis of Accounting.* The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**2. Pension Plan and Other Postemployment Benefits (continued)**

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statements 67 and 68:

- Contributions to the pension plan and earnings on those contributions are irrevocable
- Pension plan assets are dedicated to providing benefits to plan members
- Pension plan assets are legally protected from the creditors or employers

**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 amounts necessary to cover the benefits earned 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. Administration costs of the Separation Allowance are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2014 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	10,680
Adjustment to Annual Required Contribution	(16,533)
	<b>\$18,787</b>
<b>Annual Pension Cost</b>	<b>\$18,787</b>
Contributions Made	-
	<b>\$18,787</b>
<b>Increase (Decrease) in Net Pension Obligation</b>	<b>\$18,787</b>
<i>Net Pension Obligation - Beginning of Year</i>	213,600
	<b>\$232,387</b>
<b>Net Pension Obligation - End of Year</b>	<b>\$232,387</b>

**3 YEAR TREND INFORMATION**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/14	17,391	0.00%	195,708
6/30/15	17,892	0.00%	213,600
6/30/16	18,787	0.00%	232,387

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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% 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 \$586,100, and the ratio of the UAAL to the covered payroll was 26.26%.

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, 2016 were \$40,460, which consisted of \$34,610 from the County and \$5,850 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](http://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, 2016

**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 \$1,007 for the year ended June 30, 2016.

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

At June 30, 2016, the County reported an asset of \$26,444 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2015. 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, 2015, 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, 2016, the County's proportion was 0.11411%, which was a decrease of 0.00531% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the County recognized pension expense of (\$1,657). At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$129	\$439
Net difference between projected and actual earnings on pension plan investments	1311	
Changes in proportion and differences between County contributions and proportionate share of contributions	831	1,755
County contributions subsequent to the measurement date	1,007	
Total	<b>\$3,278</b>	<b>\$2,194</b>

\$1,007 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, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Years ended June 30:</b>	
2017	(\$858)
2018	227
2019	355
2020	353
	<b>\$77</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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 2.2%.

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, 2016

**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%, 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%) or 1-percentage-point higher (6.75 %) than the current rate:

	<b>1% Decrease (4.75%)</b>	<b>Discount Rate (5.75%)</b>	<b>1% Increase (6.75%)</b>
County's proportionate share of the net pension liability (asset)	(\$23,858)	(\$26,444)	(\$28,669)

*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
<b>Total</b>	<b>161</b>

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

The current ARC rate is 4.97% of the annual covered payroll. For the current year, the County contributed \$37,574 or 0.79% 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 5.54% and 2.30% 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, 2016

**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 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	62,256
Adjustment to Annual Required Contribution	(76,271)
	<b>\$220,697</b>
<b>Annual OPEB Cost (expense)</b>	
Contributions Made	37,574
	<b>\$183,123</b>
<b>Increase (Decrease) in Net OPEB Obligation</b>	
<i>Net OPEB Obligation - Beginning of Year</i>	1,556,394
	<b>\$1,739,517</b>
<b>Net OPEB Obligation - End of Year</b>	<b>\$1,739,517</b>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 were as follows:

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6/30/14	216,030	19.2%	1,371,638
6/30/15	213,307	13.4%	1,556,394
6/30/16	220,697	17.0%	1,739,517

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

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

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**2. Pension Plan and Other Postemployment Benefits (continued)**

*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% annually. The investment rate included a 3% 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.

**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 \$1,366,549 reported as landfill closure and postclosure care liability at June 30, 2016, 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

	<b>Unavailable Revenue</b>	<b>Unearned Revenue</b>
Pensions - difference between expected and actual experience		
LGERS		\$86,314
Register of Deeds	\$129	439
Pensions - difference between projected and actual investment earnings	1,311	104,542
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions	831	81,882
Contributions to pension plan in 2015-2016 fiscal year	359,052	
Taxes Receivable (Net) - General		221,755
Prepaid Regular Property Taxes Not Yet Earned		45,026
<b>Total</b>	<b>\$361,323</b>	<b>\$539,958</b>

**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.

Prior to January 2016, the County maintained 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 was purchased to supplement the plan, which reimbursed 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. Effective January 1, 2016 the County discontinued its self-insurance plan and joined the State Health Plan.

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, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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, 2016, 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>
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	17,839	2,161	20,000
2022	24,409	1,249	25,658
	<b><u>\$105,332</u></b>	<b><u>\$20,326</u></b>	<b><u>\$125,658</u></b>

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, 2016, 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.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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>
2017	\$36,200		\$36,200
2018	36,200		36,200
2019	36,200		36,200
	<b>\$108,600</b>	<b>\$0</b>	<b>\$108,600</b>

**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, 2016, 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, 2016, was \$37,018.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$18,324	\$690	\$19,014
2018	18,694	320	19,014
	<b>\$37,018</b>	<b>\$1,010</b>	<b>\$38,028</b>

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, 2016, was \$72,733.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$17,626	\$1,512	\$19,138
2018	17,992	1,146	19,138
2019	18,366	772	19,138
2020	18,749	389	19,138
	<b>\$72,733</b>	<b>\$3,819</b>	<b>\$76,552</b>



**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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, 2016 was \$1,254.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$1,254	\$2	\$1,256
	<b>\$1,254</b>	<b>\$2</b>	<b>\$1,256</b>

**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, 2016 was \$177,421.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
	<b>\$177,421</b>	<b>\$9,331</b>	<b>\$186,752</b>

**Jail Construction:**

On December 9, 2010, the County refinanced \$10,500,000 interim financing for the Jail Construction with three loans from USDA. The terms of each agreement call 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, 2016 were \$7,197,098, \$2,299,987, and \$464,892, 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 draw down and were drawn down on for the capital project related to courthouse renovations. The County reserved an additional \$52,010 for debt service during the year ended June 30, 2016. The total amount set aside for debt service is \$284,633 at June 30, 2016, which satisfies the USDA requirements.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

<b>Loan 1 :</b>			
<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$103,662	\$269,892	\$373,554
2018	107,549	266,005	373,554
2019	111,582	261,972	373,554
2020	115,766	257,789	373,555
2021	120,108	253,446	373,554
2022-2026	671,573	1,196,197	1,867,770
2027-2031	807,297	1,060,473	1,867,770
2032-2036	970,452	897,318	1,867,770
2037-2041	1,166,580	701,190	1,867,770
2042-2046	1,402,346	465,424	1,867,770
2047-2051	1,620,183	182,010	1,802,193
	<b>\$7,197,098</b>	<b>\$5,811,716</b>	<b>\$13,008,814</b>

<b>Loan 2:</b>			
<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	38,043	81,040	119,083
2022-2026	212,712	382,703	595,415
2027-2031	255,701	339,714	595,415
2032-2036	307,378	288,037	595,415
2037-2041	369,499	225,916	595,415
2042-2046	444,176	151,239	595,415
2047-2051	533,571	61,473	595,044
	<b>\$2,299,987</b>	<b>\$1,867,547</b>	<b>\$4,167,534</b>

<b>Loan 3:</b>			
<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	7,689	16,381	24,070
2022-2026	42,994	77,356	120,350
2027-2031	51,685	68,665	120,350
2032-2036	62,129	58,221	120,350
2037-2041	74,686	45,664	120,350
2042-2046	89,781	30,569	120,350
2047-2051	107,851	12,424	120,275
	<b>\$464,892</b>	<b>\$377,483</b>	<b>\$842,375</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**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 \$69,911 for debt service during the current year. The total amount set aside for debt service is \$373,633 at June 30, 2016, 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.

**Loan 1:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	99,797	237,265	337,062
2022-2026	562,156	1,123,154	1,685,310
2027-2031	683,951	1,001,359	1,685,310
2032-2036	832,129	853,182	1,685,311
2037-2041	1,012,411	672,899	1,685,310
2042-2046	1,231,754	453,556	1,685,310
2047-2051	1,355,236	185,779	1,541,015
	<b><u>\$6,139,688</u></b>	<b><u>\$5,513,188</u></b>	<b><u>\$11,652,876</u></b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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.

<b>Loan 2:</b>			
<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	105,846	251,644	357,490
2022-2026	596,228	1,191,223	1,787,451
2027-2031	725,401	1,062,049	1,787,450
2032-2036	882,561	904,889	1,787,450
2037-2041	1,073,770	713,680	1,787,450
2042-2046	1,306,406	481,044	1,787,450
2047-2051	1,589,442	198,008	1,787,450
2052	6,888	458	7,346
	<b>\$6,670,750</b>	<b>\$5,848,747</b>	<b>\$12,519,497</b>

*(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 of 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.

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$209,815	\$22,185	\$232,000
2018	217,629	14,371	232,000
2019	225,913	6,087	232,000
	<b>\$653,357</b>	<b>\$42,643</b>	<b>\$696,000</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**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, 2016, the balance was \$1,205,627.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	172,232	33,654	205,886
2022-2023	344,467	42,068	386,535
	<b><u>\$1,205,627</u></b>	<b><u>\$294,474</u></b>	<b><u>\$1,500,101</u></b>

**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%. This note was refinanced for another year with a new interest rate of 1.5%. The note 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 \$69,481 for debt service during the current year. The total amount set aside for debt service is \$361,715 at June 30, 2016, which satisfies the USDA requirements.

The County's revenue bonds payable at June 30, 2016, 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%.	\$3,994,000
\$2,000,000 Water Revenue Bonds Series 2010B issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	1,886,000
\$3,800,000 Water Revenue Bonds Series 2011A issued August 30, 2011; due in annual installments through June 1, 2050; interest at 4.125%.	3,665,000
\$2,737,000 Water Revenue Bonds Series 2011B issued August 30, 2011; due in annual installments through June 1, 2050; interest at 3.375%.	2,623,000
<b>Total</b>	<b><u>\$12,168,000</u></b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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

**2010 Series:**

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	102,000	207,150	309,150
2022-2026	570,000	975,482	1,545,482
2027-2031	688,000	860,220	1,548,220
2032-2036	825,000	721,218	1,546,218
2037-2041	992,000	554,110	1,546,110
2042-2046	1,193,000	352,895	1,545,895
2047-2050	1,138,000	109,182	1,247,182
	<b>\$5,880,000</b>	<b>\$4,644,262</b>	<b>\$10,524,262</b>

**2011 Series:**

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	103,000	225,390	328,390
2022-2026	577,000	1,065,308	1,642,308
2027-2031	696,000	947,064	1,643,064
2032-2036	840,000	804,175	1,644,175
2037-2041	1,011,000	631,512	1,642,512
2042-2046	1,220,000	423,084	1,643,084
2047-2051	1,463,000	172,172	1,635,172
	<b>\$6,288,000</b>	<b>\$5,206,741</b>	<b>\$11,494,741</b>

The County has been in compliance with the covenants as to rates, fees, rentals and charges in Section 5 of the Bond Order, authorizing the issuance of the Water Revenue Bonds, Series 2010A, 2010B, 2011A and 2011B. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2016, is as follows:

Operating Revenues	\$2,777,681
Operating Expenses (excluding depreciation)	2,015,708
Operating Income	<u>761,973</u>
Nonoperating Revenues (Expenses)	954,173
Transfers Out	<u>(36,200)</u>
Income Available for Debt Service	1,679,946
Debt Service, Principal and Interest	
Paid (Revenue Bonds Only)	\$638,193
Debt Service Coverage Ratio	263%

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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 \$1,050,000 at June 30, 2016.

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$75,000		\$75,000
2018	75,000		75,000
2019	75,000		75,000
2020	75,000		75,000
2021	75,000		75,000
2022-2026	375,000		375,000
2027-2030	300,000		300,000
	<b>\$1,050,000</b>	<b>\$0</b>	<b>\$1,050,000</b>

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 \$3,290,000 loan, \$3,249,270 has been received by the County as of June 30, 2016. The agreement allows for \$2,400,000 of the loan to be forgiven. Once the entire \$3,290,000 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 began during the year ended June 30, 2016. The County had a balance of \$570,000 at June 30, 2016.

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2017	\$30,000		\$30,000
2018	30,000		30,000
2019	30,000		30,000
2020	30,000		30,000
2021	30,000		30,000
2022-2026	150,000		150,000
2027-2031	150,000		150,000
2032-2035	120,000		120,000
	<b>\$570,000</b>	<b>\$0</b>	<b>\$570,000</b>

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**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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, \$1,354,675 has been received by the County as of June 30, 2016. 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 began during the year ended June 30, 2016. The County had a balance of \$1,275,394 at June 30, 2016.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$79,281		\$79,281
2018	79,281		79,281
2019	79,281		79,281
2020	79,281		79,281
2021	79,281		79,281
2022-2026	396,405		396,405
2027-2031	396,405		396,405
2032-2035	317,124		317,124
	<b>\$1,506,339</b>	<b>\$0</b>	<b>\$1,506,339</b>

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed only \$10,464,336 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, 2016:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>					
Notes Payable	\$119,232		\$13,900	\$105,332	\$14,611
Installment Purchase Contracts	23,610,952		441,509	23,169,443	435,283
OPEB Obligation	1,397,710	\$203,493	37,574	1,563,629	
Compensated Absences	367,340	298,773	280,932	385,181	
Net Pension Liability (LEO)	213,600	\$18,787		232,387	
Net Pension Liability (LGERS)		333,045		333,045	
<b>Total Governmental Activities</b>	<b>\$25,708,834</b>	<b>\$854,098</b>	<b>\$773,915</b>	<b>\$25,789,017</b>	<b>\$449,894</b>
<b>Business-type Activities:</b>					
Installment Purchase Contract	\$855,633		\$202,276	\$653,357	\$209,815
Clean Water Bond Loan	1,377,859		172,232	1,205,627	172,232
Revenue Bonds	12,339,000		171,000	12,168,000	177,000
Bond Anticipation Notes	2,787,000	\$2,787,000	2,787,000	2,787,000	
DWSRF Revolving Loan	3,021,127	58,548	184,281	2,895,394	184,281
Accrued Landfill Closure and Postclosure Costs	1,275,703	90,846		1,366,549	
OPEB Obligation	158,684	17,204		175,888	
Compensated Absences	58,385	38,310	36,690	60,005	
Net Pension Liability (LGERS)		34,158		34,158	
<b>Total Business-type Activities</b>	<b>\$21,873,391</b>	<b>\$3,026,066</b>	<b>\$3,553,479</b>	<b>\$21,345,978</b>	<b>\$743,328</b>

The LGERS plan had a net pension liability as of June 30, 2016; however, the plan had a net pension liability at the beginning of the fiscal year.

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.



**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**C. INTERFUND BALANCES AND ACTIVITY**

The composition of interfund balances at June 30, 2016, are as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General Fund	Utility Fund	\$255,880
		<b>\$255,880</b>

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

Operating and equity transfers to and from funds for the year ended June 30, 2016, are as follows:

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

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.

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

<b>Total Fund Balance - General Fund</b>	<b>\$7,291,421</b>
Less:	
Stabilization by State Statute	1,779,696
Register of Deeds	56,059
Health Department	442,947
Sheriff Department	3,929
Economic Development	214,096
Cultural and Recreation	1,000
Court House Fire Repairs	94,703
<b>Remaining Fund Balance</b>	<b>\$4,698,991</b>

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

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**IV. RELATED ORGANIZATIONS**

The County's governing board is also responsible for appointing the members of the board of the Greene County Housing Authority, but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to provide housing assistance for low-income County residents from funding provided by federal and State resources. The County did not appropriate any funds to the Authority during the year ended June 30, 2016, 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, 2016. During the year ended June 30, 2016, the County appropriated \$131,000 to the Library. Complete financial statements for the Library can be obtained by contacting the Library's administrative offices at 510 North Queen Street, Kinston, North Carolina 28501.

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, 2016. Greene County appropriated \$20,000 to Eastpointe during the fiscal year ending June 30, 2016, 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 \$240,000 to the Community College during the fiscal year ended June 30, 2016. 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, 2016. Complete financial statements for the community college may be obtained from the community college's administrative offices at PO Box 188, Highway 70 and 58, Kinston, North Carolina 28502.

**VI. JOINTLY GOVERNED ORGANIZATIONS**

**East Carolina Council of Governments**

The County, in conjunction with eight other counties and fifty municipalities, established the East Carolina Council of Governments ("Council"). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$12,440 during the fiscal year ended June 30, 2016.

**GREENE COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

**VII. BENEFIT PAYMENTS ISSUED BY THE STATE**

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

	<b>Federal</b>	<b>State</b>
Medicaid	\$18,482,803	\$10,007,113
Women, Infants and Children	356,073	
Temporary Assistance For Needy Families	111,896	
Foster Care & Adoption	171,401	43,794
Other Programs	540,562	22,895
<b>Total</b>	<b>\$19,662,735</b>	<b>\$10,073,802</b>

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

**FEDERAL AND STATE ASSISTED PROGRAMS**

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

**IX. MAJOR ENTERPRISE CUSTOMER**

The County's Utility Fund has one industrial customer who provides a substantial amount of the fund's sales. Billings to this customer comprised 47.48% of total billings.

**X. SPECIAL ITEM – FIRE INSURANCE PROCEEDS**

During the June 30, 2015, fiscal 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 in the June 30, 2015 fiscal year and another \$134,944 in the June 30, 2016 fiscal year. These funds were spent in 2015/2016 to repair or replace the damaged facilities.

**XI. PRIOR PERIOD ADJUSTMENT**

The County failed to record June 30, 2015 General Fund receivables for DSS Administration, IV-E, and State Foster Care in the amounts of \$139,237, \$7,250, and \$4,931, respectively. The total combined amount of \$151,418 has been recorded as a prior period adjustment in both the General Fund and the Governmental Activities of the unit-wide Statement of Activities. This prior period adjustment results in a \$151,418 increase in net position and General Fund Fund Balance.

## **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, 2016

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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%
12/31/2015	\$0	\$153,927	\$153,927	0.00%	\$586,100	26.26%

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**GREENE COUNTY, NORTH CAROLINA**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 June 30, 2016

<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%
2016	\$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, 2016

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%
12/31/2015	\$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, 2016

<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%
2016	234,712	17.00%

**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	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>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.08182%	0.08592%	0.09870%
County's proportionate share of the net pension liability (asset) (\$)	\$367,203	(\$506,710)	\$1,189,714
County's covered-employee payroll	5,128,800	5,167,806	5,647,595
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	7.16%	(9.82%)	21.07%
Plan fiduciary net position as a percentage of the total pension liability	98.09%	102.64%	94.35%

**SCHEDULE OF THE COUNTY CONTRIBUTIONS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$368,131	\$365,321	\$368,352
Contributions in relation to the contractually required contribution	368,131	365,321	368,352
Contribution deficiency (excess)	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
County's covered-employee payroll	\$5,313,183	\$5,128,800	\$5,167,806
Contributions as a percentage of covered-employee payroll	6.93%	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>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.11411%	0.11947%	0.09750%
County's proportionate share of the net pension liability (asset) (\$)	(\$26,444)	(\$27,079)	(\$20,826)
County's covered-employee payroll	48,766	48,766	48,204
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-54.23%	-55.53%	-43.20%
Plan fiduciary net position as a percentage of the total pension liability	197.29%	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>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$1,007	\$913	\$975
Contributions in relation to the contractually required contribution	1,007	913	975
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County's covered-employee payroll	\$48,766	\$48,766	\$48,766
Contributions as a percentage of covered-employee payroll	2.06%	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, 2016

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
<b>Ad Valorem Taxes:</b>			
Taxes	\$8,411,031	\$8,635,852	\$224,821
Penalties and Interest	100,000	111,125	11,125
<b>Total Ad Valorem Taxes</b>	<b>\$8,511,031</b>	<b>\$8,746,977</b>	<b>\$235,946</b>
<b>Local Option Sales Taxes:</b>			
Article 39 and 44	\$668,933	\$678,576	\$9,643
Article 40	1,261,062	1,304,043	42,981
Article 42	445,650	453,944	8,294
Article 46	153,095	153,602	507
<b>Total Local Option Sales Taxes</b>	<b>\$2,528,740</b>	<b>\$2,590,165</b>	<b>\$61,425</b>
<b>Other Taxes and Licenses:</b>			
Medicaid Hold Harmless Tax	\$350,000	\$394,718	\$44,718
Real Estate Transfer Tax	52,000	66,756	14,756
Privilege Licenses		190	190
<b>Total Other Taxes and Licenses</b>	<b>\$402,000</b>	<b>\$461,664</b>	<b>\$59,664</b>
<b>Unrestricted Intergovernmental Revenue:</b>			
Beer & Wine Tax	<b>\$80,000</b>	<b>\$84,318</b>	<b>\$4,318</b>
<b>Restricted Intergovernmental Revenue:</b>			
State and Federal Grants	\$2,838,465	\$3,129,649	\$291,184
GTP Loans & Loan Repayments	32,986	4,438	(28,548)
Controlled Substance Tax	1,647	4,119	2,472
Court Facility Fees	25,000	26,167	1,167
ABC - Bottle Tax	2,500	2,636	136
Inmate Fees & Reimbursements	50,000	118,122	68,122
Board of Education SRO Reimbursements	126,000	109,965	(16,035)
<b>Total Restricted Intergovernmental Revenue</b>	<b>\$3,076,598</b>	<b>\$3,395,096</b>	<b>\$318,498</b>
<b>Permits and Fees:</b>			
Building Inspection Fees	\$190,000	\$143,800	(\$46,200)
Concealed Weapon Fees & Gun Permits	22,000	26,510	4,510
Register of Deeds	60,000	67,332	7,332
Cable TV Fees	95,800	92,805	(2,995)
Other Permits and Fees	241,750	238,990	(2,760)
<b>Total Permits &amp; Fees</b>	<b>\$609,550</b>	<b>\$569,437</b>	<b>(\$40,113)</b>

**GREENE COUNTY, NORTH CAROLINA**  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For The Fiscal Year Ended June 30, 2016

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Sales and Services:</b>			
DHHS & Health Department Fees	\$646,945	\$631,368	(\$15,577)
Jail and Officer Fees	299,000	365,027	66,027
Ambulance and EMS Fees	840,500	925,131	84,631
Recreation Fees	64,050	93,116	29,066
Senior Center Meals	800	133	(667)
Municipal Tax Collection Fee	3,300	2,879	(421)
Copier and Vending Machines	4,500	4,384	(116)
Rents	12,000	3,746	(8,254)
<b>Total Sales &amp; Services</b>	<b>\$1,871,095</b>	<b>\$2,025,784</b>	<b>\$154,689</b>
<b>Total Investment Earnings</b>	<b>\$250</b>	<b>\$9,558</b>	<b>\$9,308</b>
<b>Other Revenues:</b>			
United Way Receipts - Senior Center	\$12,350	\$12,125	(\$225)
Insurance Proceeds	131,990	134,944	2,954
Miscellaneous	151,734	122,931	(28,803)
<b>Total Other Revenues</b>	<b>\$296,074</b>	<b>\$270,000</b>	<b>(\$26,074)</b>
<b>TOTAL REVENUES</b>	<b>\$17,375,338</b>	<b>\$18,152,999</b>	<b>\$777,661</b>
<b>EXPENDITURES:</b>			
<b>General Government:</b>			
<b>Governing Body:</b>			
Salaries & Employee Benefits	\$22,444	\$20,686	\$1,758
Operating Expenses	88,377	87,563	814
Insurance Other Than Property	164,279	155,357	8,922
	<b>\$275,100</b>	<b>\$263,606</b>	<b>\$11,494</b>
<b>Administration:</b>			
Salaries and Employee Benefits	\$12,354	\$14,999	(\$2,645)
Operating Expenses	243,197	244,043	(846)
	<b>\$255,551</b>	<b>\$259,042</b>	<b>(\$3,491)</b>
<b>Elections:</b>			
Salaries & Employee Benefits	\$103,562	\$103,766	(\$204)
Operating Expenses	85,749	78,791	6,958
	<b>\$189,311</b>	<b>\$182,557</b>	<b>\$6,754</b>
<b>Finance:</b>			
Salaries & Employee Benefits	\$240,054	\$237,747	\$2,307
Operating Expenses	95,543	99,821	(4,278)
	<b>\$335,597</b>	<b>\$337,568</b>	<b>(\$1,971)</b>

**GREENE COUNTY, NORTH CAROLINA**  
**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For The Fiscal Year Ended June 30, 2016**

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Taxes:</b>			
Salaries & Employee Benefits	\$307,873	\$318,510	(\$10,637)
Operating Expenses	129,021	126,861	2,160
	<b>\$436,894</b>	<b>\$445,371</b>	<b>(\$8,477)</b>
<b>Register of Deeds:</b>			
Salaries & Employee Benefits	\$138,449	\$140,528	(\$2,079)
Operating Expenses	74,450	68,246	6,204
	<b>\$212,899</b>	<b>\$208,774</b>	<b>\$4,125</b>
<b>Public Buildings:</b>			
Salaries & Employee Benefits	\$80,733	\$82,411	(\$1,678)
Operating Expenses	624,265	545,041	79,224
Capital Outlay	159,210	159,210	
	<b>\$864,208</b>	<b>\$786,662</b>	<b>\$77,546</b>
<b>Court Facilities:</b>			
Operating Expenses	<b>\$18,360</b>	<b>\$17,662</b>	<b>\$698</b>
<b>TOTAL GENERAL GOVERNMENT</b>			
	<b>\$2,587,920</b>	<b>\$2,501,242</b>	<b>\$86,678</b>
<b>Public Safety:</b>			
<b>Sheriff Department:</b>			
Salaries & Employee Benefits	\$1,337,193	\$1,383,374	(\$46,181)
Operating Expenses	274,631	240,226	34,405
Capital Outlay	59,948	59,948	
	<b>\$1,671,772</b>	<b>\$1,683,548</b>	<b>(\$11,776)</b>
<b>County Jail:</b>			
Salaries & Employee Benefits	\$601,710	\$620,495	(\$18,785)
Operating Expenses	351,924	337,549	14,375
	<b>\$953,634</b>	<b>\$958,044</b>	<b>(\$4,410)</b>
<b>Inspections:</b>			
Salaries & Employee Benefits	\$138,041	\$140,918	(\$2,877)
Operating Expenses	19,626	15,989	3,637
	<b>\$157,667</b>	<b>156,907</b>	<b>\$760</b>
<b>Emergency Management:</b>			
Salaries & Employee Benefits	\$66,604	\$56,734	\$9,870
Operating Expenses	64,242	51,024	13,218
Aid to Fire Districts	55,000	55,000	
Greene County Firemen's Association	7,000	7,000	
	<b>\$192,846</b>	<b>\$169,758</b>	<b>\$23,088</b>
<b>Emergency Medical Services:</b>			
Salaries & Employee Benefits	\$653,796	\$657,093	(\$3,297)
Operating Expenses	437,184	443,003	(5,819)
Capital Outlay	25,934	22,993	2,941
Aid to Rescue Districts	48,000	45,000	3,000
	<b>\$1,164,914</b>	<b>\$1,168,089</b>	<b>(\$3,175)</b>

**GREENE COUNTY, NORTH CAROLINA  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For The Fiscal Year Ended June 30, 2016**

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Medical Examiner:</b>			
Operating Expenses	\$12,450	\$14,400	(\$1,950)
<b>Animal Control:</b>			
Salaries & Employee Benefits	\$52,038	\$52,030	\$8
Operating Expenses	24,216	17,446	6,770
	<b>\$76,254</b>	<b>\$69,476</b>	<b>\$6,778</b>
<b>TOTAL PUBLIC SAFETY</b>	<b>\$4,229,537</b>	<b>\$4,220,222</b>	<b>\$9,315</b>
<b>Environmental Protection:</b>			
<b>Forest Fire Prevention:</b>			
County Matching to State	\$66,973	\$59,378	\$7,595
<b>TOTAL ENVIRONMENTAL PROTECTION</b>	<b>\$66,973</b>	<b>\$59,378</b>	<b>\$7,595</b>
<b>Economic &amp; Physical Development:</b>			
<b>Agricultural Extension:</b>			
Salaries & Employee Benefits	\$150,000	\$151,164	(\$1,164)
Operating Expenses	20,660	17,117	3,543
	<b>\$170,660</b>	<b>\$168,281</b>	<b>\$2,379</b>
<b>Soil Conservation Services:</b>			
Salaries & Employee Benefits	\$102,906	\$105,976	(\$3,070)
Operating Expenses	13,736	12,475	1,261
	<b>\$116,642</b>	<b>\$118,451</b>	<b>(\$1,809)</b>
<b>Economic Development:</b>			
Salaries & Employee Benefits	\$45,709	\$45,708	\$1
Operating Expenses	213,608	41,368	172,240
	<b>\$259,317</b>	<b>\$87,076</b>	<b>\$172,241</b>
<b>TOTAL ECONOMIC &amp; PHYSICAL DEVELOPMENT</b>	<b>\$546,619</b>	<b>\$373,808</b>	<b>\$172,811</b>
<b>Human Services:</b>			
<b>Public Health:</b>			
Administration:			
Salaries & Employee Benefits	\$1,237,677	\$1,202,079	\$35,598
Operating Expenses	297,076	212,686	84,390
Clinic and Consulting Fees	68,375	49,458	18,917
	<b>\$1,603,128</b>	<b>\$1,464,223</b>	<b>\$138,905</b>
<b>Mental Health:</b>			
ABC Funds - Addictions Program	\$4,800	\$4,800	
Current Expense	20,000	19,999	\$1
	<b>\$24,800</b>	<b>\$24,799</b>	<b>\$1</b>
<b>Administration:</b>			
Salaries & Employee Benefits	\$1,756,168	\$1,817,823	(\$61,655)
Operating Expenses	180,365	128,794	51,571
	<b>\$1,936,533</b>	<b>\$1,946,617</b>	<b>(\$10,084)</b>
<b>Adoption Assistance</b>	<b>\$82,425</b>	<b>\$65,952</b>	<b>\$16,473</b>

GREENE COUNTY, NORTH CAROLINA  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For The Fiscal Year Ended June 30, 2016

	Budget	2016 Actual	Variance Favorable (Unfavorable)
<b>TANF Program:</b>			
Respite Care Family	\$9,320	\$6,400	\$2,920
Emergency Assistance	10,000	567	9,433
Foster Care	220,000	217,279	2,721
	<b>\$239,320</b>	<b>\$224,246</b>	<b>\$15,074</b>
<b>Blind Assistance</b>	<b>\$1,117</b>	<b>\$790</b>	<b>\$327</b>
<b>Energy:</b>			
Carolina Power and Light Crisis Fund	<b>\$2,832</b>	<b>\$1,950</b>	<b>\$882</b>
<b>Day Care:</b>			
County Participation	<b>\$476,358</b>	<b>\$476,357</b>	<b>\$1</b>
<b>Adoption Incentive</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$6,000</b>
<b>Crisis LIEAP</b>	<b>\$211,790</b>	<b>\$211,604</b>	<b>\$186</b>
<b>Program Expenses</b>	<b>\$33,500</b>	<b>\$29,189</b>	<b>\$4,311</b>
<b>Child Support Enforcement</b>	<b>\$37,700</b>	<b>\$21,997</b>	<b>\$15,703</b>
<b>Food Stamps</b>	<b>\$10,250</b>	<b>\$5,990</b>	<b>\$4,260</b>
<b>General Assistance</b>	<b>\$9,500</b>	<b>\$4,399</b>	<b>\$5,101</b>
<b>Independent Living</b>	<b>\$4,300</b>	<b>\$2,093</b>	<b>\$2,207</b>
<b>Work First Job Program</b>	<b>\$32,500</b>	<b>\$4,324</b>	<b>\$28,176</b>
<b>Medical Assistance</b>	<b>\$201,732</b>	<b>\$177,463</b>	<b>\$24,269</b>
<b>Neuse River-In Home Care</b>	<b>\$63,672</b>	<b>\$51,482</b>	<b>\$12,190</b>
<b>Special Assistance-Adults</b>	<b>\$195,005</b>	<b>\$197,374</b>	<b>(\$2,369)</b>
<b>Title XX Legal Expense</b>	<b>\$45,000</b>	<b>\$37,394</b>	<b>\$7,606</b>
<b>Foster Care</b>	<b>\$126,850</b>	<b>\$133,110</b>	<b>(\$6,260)</b>
<b>Breast &amp; Cervical Cancer</b>	<b>\$223</b>	<b>\$223</b>	<b>\$0</b>
<b>Vidant-Med Grant</b>	<b>\$4,325</b>	<b>\$4,136</b>	<b>\$189</b>
<b>Total Social Services</b>	<b>\$3,720,932</b>	<b>\$3,596,690</b>	<b>\$124,242</b>



**GREENE COUNTY, NORTH CAROLINA  
GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For The Fiscal Year Ended June 30, 2016

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Veterans Service Officer:</b>			
Salaries & Employee Benefits	\$22,427	\$22,221	\$206
Operating Expenses	2,935	1,043	1,892
	<b>\$25,362</b>	<b>\$23,264</b>	<b>\$2,098</b>
<b>Youth Services:</b>			
Operating Expenses	<b>\$82,403</b>	<b>\$82,620</b>	<b>(\$217)</b>
<b>Senior Services:</b>			
Salaries & Employee Benefits	\$128,882	\$113,386	\$15,496
Operating Expenses	118,950	113,738	5,212
	<b>\$247,832</b>	<b>\$227,124</b>	<b>\$20,708</b>
<b>TOTAL HUMAN SERVICES</b>	<b>\$5,704,457</b>	<b>\$5,418,720</b>	<b>\$285,737</b>
<b>Culture and Recreation:</b>			
<b>Regional Library:</b>			
County Matching Share	<b>\$131,000</b>	<b>\$131,000</b>	<b>\$0</b>
<b>Recreation:</b>			
Salaries & Employee Benefits	\$109,183	\$108,545	\$638
Operating Expenses	139,956	141,116	(1,160)
Capital Outlay	1,000		1,000
	<b>\$250,139</b>	<b>\$249,661</b>	<b>\$478</b>
<b>Farmers Market</b>	<b>\$13,300</b>	<b>\$12,478</b>	<b>\$822</b>
<b>TOTAL CULTURE AND RECREATION</b>	<b>\$394,439</b>	<b>\$393,139</b>	<b>\$1,300</b>
<b>Education:</b>			
<b>Public Schools:</b>			
Current Expense - Local	\$2,317,000	\$2,317,000	
Capital Outlay - Local	480,544	574,271	(\$93,727)
	<b>\$2,797,544</b>	<b>\$2,891,271</b>	<b>(\$93,727)</b>
<b>Community College:</b>			
Local Appropriation	\$240,000	\$240,000	
	<b>\$240,000</b>	<b>\$240,000</b>	<b>\$0</b>
<b>TOTAL EDUCATION</b>	<b>\$3,037,544</b>	<b>\$3,131,271</b>	<b>(\$93,727)</b>

GREENE COUNTY, NORTH CAROLINA  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For The Fiscal Year Ended June 30, 2016

	Budget	2016 Actual	Variance Favorable (Unfavorable)
<b>Debt Service:</b>			
Principal Retirement	\$270,064	\$266,380	\$3,684
Interest	384,100	386,445	(2,345)
<b>TOTAL DEBT SERVICE</b>	<b>\$654,164</b>	<b>\$652,825</b>	<b>\$1,339</b>
<b>TOTAL EXPENDITURES</b>	<b>\$17,221,653</b>	<b>\$16,750,605</b>	<b>\$471,048</b>
<b>Excess Revenues Over (Under) Expenditures</b>	<b>\$153,685</b>	<b>\$1,402,394</b>	<b>\$1,248,709</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers To Other Funds	(\$968,601)	(\$968,601)	
Transfers From Other Funds	179,136	36,200	(\$142,936)
Sale of Fixed Assets		6,816	6,816
Fund Balance Appropriated	635,780		(635,780)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$153,685)</b>	<b>(\$925,585)</b>	<b>(\$771,900)</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$476,809</b>	<b>\$476,809</b>
<b>FUND BALANCES</b>			
Beginning of Year, July 1		6,663,194	
Prior Period Adjustment		151,418	
Beginning of Year, July 1, Adjustd		6,814,612	
<b>FUND BALANCE, Ending</b>		<b>\$7,291,421</b>	

## **COMBINING STATEMENTS FOR NON-MAJOR FUNDS**

### **Special Revenue Funds**

- *Fire District Funds* – These funds account for the County's collection of tax revenue and related expenditures for each of the eleven fire districts.
- *Property Revaluation Fund* – The County uses this fund to set aside money each year to pay for the revaluation for tax purposes of real property every eight years.
- *Emergency Telephone System Fund* – This fund accounts for the 911 revenues collected by the telephone industry to fund the 911 emergency system.
- *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, 2016

	<b>Special Revenue Funds</b>			
	<b>Fire District Funds</b>	<b>Property Revaluation Fund</b>	<b>Emergency Telephone System Fund</b>	<b>2012 CDBG Project Fund</b>
<b><u>ASSETS</u></b>				
Cash and Investments	\$35,150		\$373,554	
Restricted Cash		\$101,239		\$58
Accounts Receivable		17	9,245	
Due From Other Governments	9,120		9,512	76,411
Due From Other Funds			11,016	
Taxes Receivable, Net	26,912			
<b>TOTAL ASSETS</b>	<b><u>\$71,182</u></b>	<b><u>\$101,256</u></b>	<b><u>\$403,327</u></b>	<b><u>\$76,469</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities:</b>				
Accounts Payable	\$44,270	\$4	\$199	\$76,411
Due to Other Funds				
<b>Total Liabilities</b>	<b><u>\$44,270</u></b>	<b><u>\$4</u></b>	<b><u>\$199</u></b>	<b><u>\$76,411</u></b>
<b>Deferred Inflows of Resources:</b>				
Taxes Receivables	\$26,912			
<b>Total Deferred Inflows of Resources</b>	<b><u>\$26,912</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State Statute			\$29,773	
USDA Loan Payments				
Committed		\$101,252		\$58
Assigned			373,355	
<b>Total Fund Balances</b>	<b><u>\$0</u></b>	<b><u>\$101,252</u></b>	<b><u>\$403,128</u></b>	<b><u>\$58</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$71,182</u></b>	<b><u>\$101,256</u></b>	<b><u>\$403,327</u></b>	<b><u>\$76,469</u></b>

Total Non-major Special Revenue Funds	Capital Project Funds			Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
	School Capital Finance Fund	Capital Project Fund	Intermediate School Capital Project Fund		
\$408,704		\$250,063	\$364,594	\$614,657	\$1,023,361
101,297		284,547	373,633	658,180	759,477
9,262		86		86	9,348
95,043					95,043
11,016					11,016
26,912					26,912
<b>\$652,234</b>	<b>\$0</b>	<b>\$534,696</b>	<b>\$738,227</b>	<b>\$1,272,923</b>	<b>\$1,925,157</b>
\$120,884					\$120,884
	\$200,227		\$9,577	\$209,804	209,804
<b>\$120,884</b>	<b>\$200,227</b>	<b>\$0</b>	<b>\$9,577</b>	<b>\$209,804</b>	<b>\$330,688</b>
\$26,912					\$26,912
<b>\$26,912</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,912</b>
\$29,773					\$29,773
		\$284,633	\$373,633	\$658,266	658,266
101,310					101,310
373,355	(\$200,227)	250,063	355,017	404,853	778,208
<b>\$504,438</b>	<b>(\$200,227)</b>	<b>\$534,696</b>	<b>\$728,650</b>	<b>\$1,063,119</b>	<b>\$1,567,557</b>
<b>\$652,234</b>	<b>\$0</b>	<b>\$534,696</b>	<b>\$738,227</b>	<b>\$1,272,923</b>	<b>\$1,925,157</b>

**GREENE COUNTY, NORTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For The Fiscal Year Ended June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Fire District Funds</b>	<b>Property Revaluation Fund</b>	<b>Emergency Telephone System Fund</b>	<b>2012 CDBG Project Fund</b>
<b>REVENUES:</b>				
Ad Valorem Taxes	\$817,650			
Restricted Intergovernmental			\$110,304	\$114,579
Investment Earnings		\$107	481	
<b>Total Revenues</b>	<b>\$817,650</b>	<b>\$107</b>	<b>\$110,785</b>	<b>\$114,579</b>
<b>EXPENDITURES:</b>				
Public Safety	\$817,650		\$135,183	
Economic Development				\$114,521
Capital Outlay			27,353	
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<b>\$817,650</b>	<b>\$0</b>	<b>\$162,536</b>	<b>\$114,521</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$107</b>	<b>(\$51,751)</b>	<b>\$58</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfer In (Out)		\$35,000	\$57,860	
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$57,860</b>	<b>\$0</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$35,107</b>	<b>\$6,109</b>	<b>\$58</b>
<b>FUND BALANCES:</b>				
<i>Beginning of Year, July 1</i>		\$66,145	\$397,019	
<b>End of Year, June 30</b>	<b>\$0</b>	<b>\$101,252</b>	<b>\$403,128</b>	<b>\$58</b>

Total Nonmajor Special Revenue Funds	Capital Project Funds			Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	School Capital Finance Fund	Capital Projects Fund	Intermediate School Capital Project Fund		
\$817,650					\$817,650
224,883					224,883
588		\$339	\$456	\$795	1,383
<b>\$1,043,121</b>	<b>\$0</b>	<b>\$339</b>	<b>\$456</b>	<b>\$795</b>	<b>\$1,043,916</b>
\$952,833					\$952,833
114,521					114,521
27,353					27,353
	\$189,029			\$189,029	189,029
	525,523			525,523	525,523
<b>\$1,094,707</b>	<b>\$714,552</b>	<b>\$0</b>	<b>\$0</b>	<b>\$714,552</b>	<b>\$1,809,259</b>
<b>(\$51,586)</b>	<b>(\$714,552)</b>	<b>\$339</b>	<b>\$456</b>	<b>(\$713,757)</b>	<b>(\$765,343)</b>
\$92,860	\$504,552	\$301,734	\$69,455	\$875,741	\$968,601
<b>\$92,860</b>	<b>\$504,552</b>	<b>\$301,734</b>	<b>\$69,455</b>	<b>\$875,741</b>	<b>\$968,601</b>
<b>\$41,274</b>	<b>(\$210,000)</b>	<b>\$302,073</b>	<b>\$69,911</b>	<b>\$161,984</b>	<b>\$203,258</b>
\$463,164	\$9,773	\$232,623	\$658,739	\$901,135	\$1,364,299
<b>\$504,438</b>	<b>(\$200,227)</b>	<b>\$534,696</b>	<b>\$728,650</b>	<b>\$1,063,119</b>	<b>\$1,567,557</b>

## 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, 2016

	Annual Budget	2016 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Ad Valorem Taxes - Current Year	\$790,824	\$802,610	\$11,786
Ad Valorem Taxes - Prior Years	15,800	15,040	(760)
<b>Total Revenues</b>	<b>\$806,624</b>	<b>\$817,650</b>	<b>\$11,026</b>
<b>EXPENDITURES:</b>			
<i>Public Safety:</i>			
Rainbow Fire District	\$110,225	\$113,796	(\$3,571)
Bull Head Fire District	72,563	71,989	574
Maury Fire District	85,428	88,230	(2,802)
Arba Fire District	60,179	60,592	(413)
Shine Fire District	65,385	67,799	(2,414)
Little Creek Fire District	37,171	36,941	230
Contentnea Fire District	125,955	128,072	(2,117)
Fort Run Fire District	59,172	58,972	200
Jason Fire District	51,765	50,956	809
Castoria Fire District	73,805	75,699	(1,894)
Speight's Bridge Fire District	64,976	64,605	371
<b>Total Expenditures</b>	<b>\$806,624</b>	<b>\$817,650</b>	<b>(\$11,026)</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>
FUND BALANCE, Beginning			
<b>FUND BALANCE, Ending</b>		<b>(\$0)</b>	



## GREENE COUNTY, NORTH CAROLINA

## PROPERTY REVALUATION FUND

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

For The Fiscal Year Ended June 30, 2016

	<u>Annual Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings		\$107	\$107
<b>Total Revenues</b>	<b>\$0</b>	<b>\$107</b>	<b>\$107</b>
<b>EXPENDITURES:</b>			
<i>Current:</i>			
<i>General Government:</i>			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$107</b>	<b>\$107</b>
<b>OTHER FINANCING SOURCES:</b>			
Operating Transfers In	\$35,000	\$35,000	
Reserve for Revaluation	(35,000)		(\$35,000)
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$35,000</b>	<b>(\$35,000)</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$35,107</b>	<b>\$35,107</b>
FUND BALANCE, Beginning		66,145	
<b>FUND BALANCE, Ending</b>		<b>\$101,252</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**EMERGENCY TELEPHONE SYSTEM FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For The Fiscal Year Ended June 30, 2016**

	<b>Annual Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
Restricted Intergovernmental:			
PSAP Collections	\$150,221	\$110,304	(\$39,917)
Investment Earnings		481	481
<b>Total Revenues</b>	<b>\$150,221</b>	<b>\$110,785</b>	<b>(\$39,436)</b>
<b>EXPENDITURES:</b>			
<i>Public Safety:</i>			
Operating Expenses	\$141,148	\$135,183	\$5,965
Capital Outlay	156,914	27,354	129,560
Capital Outlay (Under Threshold)	57,860		57,860
<b>Total Expenditures</b>	<b>\$355,922</b>	<b>\$162,536</b>	<b>\$193,386</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$205,701)</b>	<b>(\$51,751)</b>	<b>\$153,950</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers from Other Funds	\$57,860	\$57,860	
Fund Balance Appropriated	147,841		(\$147,841)
<b>Total Other Financing Sources (Uses)</b>	<b>\$205,701</b>	<b>\$57,860</b>	<b>(\$147,841)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$6,109</b>	<b>\$6,109</b>
<i>Fund Balance, Beginning</i>		397,019	
<b>Fund Balance, Ending</b>		<b>\$403,128</b>	

GREENE COUNTY, NORTH CAROLINA

2012 COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FUND

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

From Inception and for The Fiscal Year Ended June 30, 2016

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Restricted Intergovernmental:					
2012 Single Family Rehabilitation Program	\$160,000	\$152,074	\$5,065	\$157,139	(\$2,861)
Single Family Rehab Program	225,000	109,244	109,514	218,758	(6,242)
<b>Total Revenues</b>	<b>\$385,000</b>	<b>\$261,318</b>	<b>\$114,579</b>	<b>\$375,897</b>	<b>(\$9,103)</b>
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
Rehabilitation Hard Costs	\$121,455	\$144,117	(\$4,055)	\$140,062	(\$18,607)
Rehabilitation Soft Costs	24,000	21,527	1,625	23,152	848
Administration	14,545		7,082	7,082	7,463
C-1 Rehabilitation	182,700	81,113	87,514	168,627	14,073
C-1 Administration	20,300	14,061	6,565	20,626	(326)
L-1 Rehabilitation	20,000	\$500	15,790	16,290	3,710
L-1 Administration	2,000				2,000
<b>Total Expenditures</b>	<b>\$385,000</b>	<b>\$261,318</b>	<b>\$114,521</b>	<b>\$375,839</b>	<b>\$9,161</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>
<i>FUND BALANCE, Beginning</i>					
<b>FUND BALANCE, Ending</b>			<b>\$58</b>		

## GREENE COUNTY, NORTH CAROLINA

## SCHOOL CAPITAL FINANCE FUND

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

For The Fiscal Year Ended June 30, 2016

	<u>Annual Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Reserved for Debt Service:</i>			
Public School Building Capital Fund - Lottery	\$210,000		(\$210,000)
<b>Total Revenues</b>	<b><u>\$210,000</u></b>	<b><u>\$0</u></b>	<b><u>(\$210,000)</u></b>
<b>EXPENDITURES:</b>			
Debt Service - Principal	\$190,024	\$189,029	\$995
Debt Service - Interest	524,528	525,523	(995)
<b>Total Expenditures</b>	<b><u>\$714,552</u></b>	<b><u>\$714,552</u></b>	<b><u>\$0</u></b>
<b>Revenues Over Expenditures</b>	<b><u>(\$504,552)</u></b>	<b><u>(\$714,552)</u></b>	<b><u>(\$210,000)</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer from General Fund	\$504,552	\$504,552	
<b>Total Other Financing Sources</b>	<b><u>\$504,552</u></b>	<b><u>\$504,552</u></b>	<b><u>\$0</u></b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b><u>\$0</u></b>	<b><u>(\$210,000)</u></b>	<b><u>(\$210,000)</u></b>
<i>FUND BALANCE, Beginning</i>		<u>9,773</u>	
<b>FUND BALANCE, Ending</b>		<b><u>(\$200,227)</u></b>	

## GREENE COUNTY, NORTH CAROLINA

## 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, 2016

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Investment Earnings					
<b>Total Revenues</b>	\$0	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>					
<i>Recreation Project:</i>					
<b>Total Total Recreation</b>	0	0	0	0	0
<b>Total Expenditures</b>	0	0	0	0	0
<b>Revenues Over (Under) Expenditures</b>	\$0	\$0	\$0	\$0	\$0
<b>OTHER FINANCING SOURCES (USES):</b>					
Recreation Project Reserve	(\$250,063)				\$250,063
Transfer from General Fund	250,063		\$250,063	\$250,063	
<b>Total Other Financing Sources</b>	\$0	\$0	\$250,063	\$250,063	\$250,063
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	\$0	\$0	\$250,063	\$250,063	\$250,063
<i>FUND BALANCE, Beginning</i>					
<b>FUND BALANCE, Ending</b>			\$250,063		
Amounts reported for Revenue, Expenditures and Changes in Fund Balance are Different from the Budget/Actual Statements due to consolidation of Debt Service Fund:					
Transfers In (Out)			\$51,671		
Investment Earnings			339		
Fund Balance, Beginning (Debt Service Fund)			232,623		
Fund Balance, Ending (Consolidated Courthouse Renovations Fund)			\$534,696		

**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, 2016**

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>					
<i>Restricted Intergovernmental:</i>					
USDA Grant		\$136,645		\$136,645	\$136,645
Investment Earnings		264		264	264
<b>Total Revenues</b>	<b>\$0</b>	<b>\$136,909</b>	<b>\$0</b>	<b>\$136,909</b>	<b>\$136,909</b>
<b>EXPENDITURES:</b>					
<i>Education:</i>					
Admin/Legal	\$21,000	\$20,061		\$20,061	\$939
Architectural Reimbursement	32,011	32,011		32,011	
Architectural/Engineering	792,500	792,500		792,500	
Construction	11,118,275	10,851,142		10,851,142	267,133
Capital Outlay	477,096	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	
<b>Total Expenditures</b>	<b>\$13,584,148</b>	<b>\$13,381,892</b>	<b>\$0</b>	<b>\$13,381,892</b>	<b>\$202,256</b>
<b>Revenues Over Expenditures</b>	<b>(\$13,584,148)</b>	<b>(\$13,244,983)</b>	<b>\$0</b>	<b>(\$13,244,983)</b>	<b>\$339,165</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
<i>Temporary Financing Issued for USDA</i>					
Installment Purchase Obligations Issued	\$13,584,148	\$13,600,000		\$13,600,000	\$15,852
<b>Total Other Financing Sources</b>	<b>\$13,584,148</b>	<b>\$13,600,000</b>	<b>\$0</b>	<b>\$13,600,000</b>	<b>\$15,852</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$355,017</b>	<b>\$0</b>	<b>\$355,017</b>	<b>\$355,017</b>
<i>FUND BALANCE, Beginning</i>			355,017		
<b>FUND BALANCE, Ending</b>			<b>\$355,017</b>		
Amounts reported for Revenue, Expenditures and Changes in Fund Balance are different from the Budget/Actual Statements due to consolidation of Debt Service Fund:					
Transfers In (Out)			\$69,455		
Investment Earnings			456		
Fund Balance, Beginning (Debt Service Fund)			303,722		
Fund Balance, Ending (Consolidated Intermediate School Fund)			<b>\$728,650</b>		

**DEBT SERVICE FUND**

## GREENE COUNTY, NORTH CAROLINA

## DEBT SERVICE FUND

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

From Inception and For the Fiscal Year Ended June 30, 2016

	Annual Budget	2016 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings - Intermediate School	\$339	\$339	
Investment Earnings - Jail Reserve	456	456	
<b>Total Revenues</b>	<b>\$795</b>	<b>\$795</b>	<b>\$0</b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>\$795</b>	<b>\$795</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer from General Fund - Jail	\$51,671	\$51,671	
Transfer from General Intermediate School Reserve - Jail	69,455	69,455	
Reserve - Jail	(51,671)		\$51,671
Reserve - Intermediate School	(69,455)		69,455
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$121,126</b>	<b>\$121,126</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$795</b>	<b>\$121,921</b>	<b>\$121,126</b>
<i>FUND BALANCE, Beginning</i>		536,345	
<b>FUND BALANCE, Ending</b>		<b>\$658,266</b>	
<b><u>Supplementary Information</u></b>			
Fund Allocation of Debt Reserve	<b>Prior Years</b>	<b>Current Year</b>	<b>Year To Date</b>
Jail Construction/Court House Renovation Project Fund	\$232,623	\$52,010	\$284,633
Intermediate School Project Fund	303,722	69,911	373,633
	<b>\$536,345</b>	<b>\$121,921</b>	<b>\$658,266</b>



## **ENTERPRISE FUNDS**

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

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

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

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

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Charges for Services:			
Water and Sewer Sales	\$2,470,000	\$2,394,784	(\$75,216)
South Greene Water Corporation Charges	185,000	241,839	56,839
Tap-on Fees and Service Charges	65,500	40,532	(24,968)
Penalties and Interest Charges	92,196	85,520	(6,676)
Miscellaneous	9,000	15,006	6,006
<b>Total Operating Revenues</b>	<b>\$2,821,696</b>	<b>\$2,777,681</b>	<b>(\$44,015)</b>
Nonoperating Revenues:			
Investment Earnings	\$500	\$2,780	\$2,280
Alternative Water Supply Fees	705,000	714,804	9,804
<b>Total Nonoperating Revenues</b>	<b>\$705,500</b>	<b>\$717,584</b>	<b>\$12,084</b>
<b>Total Revenues</b>	<b>\$3,527,196</b>	<b>\$3,495,265</b>	<b>(\$31,931)</b>
<b>EXPENDITURES:</b>			
Operating:			
Salaries and Employee Benefits	\$445,067	\$477,089	(\$32,022)
Supplies	146,772	137,269	9,503
Water Purchases	427,550	453,653	(26,103)
Maintenance	198,152	136,008	62,144
Contracted Services	197,234	116,240	80,994
Utilities	184,459	161,067	23,392
Sewer Charges - Town of Farmville	171,754	188,397	(16,643)
Office Expense	65,162	50,421	14,741
Professional Services	43,000	37,202	5,798
Management Fee - County	225,000	225,000	
Insurance	25,000	27,220	(2,220)
<b>Total Operating Expenditures</b>	<b>\$2,129,150</b>	<b>\$2,009,566</b>	<b>\$119,584</b>
<b>DEBT SERVICE:</b>			
Interest on Long-Term Debt	\$117,455	\$105,453	\$12,002
Principal Payments	499,038	453,783	45,255
<b>Total Debt Service</b>	<b>\$616,493</b>	<b>\$559,236</b>	<b>\$57,257</b>
<b>CAPITAL OUTLAY:</b>			
Capital Outlay	\$41,500	\$27,803	\$13,697
<b>Total Capital Outlay</b>	<b>\$41,500</b>	<b>\$27,803</b>	<b>\$13,697</b>
<b>Total Expenditures</b>	<b>\$2,787,143</b>	<b>\$2,596,605</b>	<b>\$190,538</b>
<b>Revenues Over Expenditures</b>	<b>\$740,053</b>	<b>\$898,660</b>	<b>\$158,607</b>

**GREENE COUNTY, NORTH CAROLINA**  
UTILITY FUND  
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
For the Fiscal Year Ended June 30, 2016

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers Out:			
Alternative Water Supply Fund	(\$705,000)	(\$705,000)	
General Fund	(36,200)	(36,200)	
Water Debt Service Fund	(69,481)	(69,481)	
Fund Balance Appropriated	70,628		(\$70,628)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$740,053)</b>	<b>(\$810,681)</b>	<b>(\$70,628)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures, Financing Uses, and Appropriated Fund Balance</b>	<b>\$0</b>	<b>\$87,979</b>	<b>\$87,979</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		(\$903,657)	
Principal Payments		453,783	
Capital Outlay		27,803	
Increase in Compensated Absences		(2,230)	
Increase in Other Postemployment Benefits		(13,485)	
Decrease in Accrued Interest		4,043	
Contributions made to pension plan in the current fiscal year		418	
Pension Expense		10,136	
Alternative Water Supply Meter Fees from Alternative Water Supply Capital Reserve Fund		227,664	
Debt Service Interest Paid From Alternative Water Supply		(492,180)	
Depreciation Water & Sewer District 1		(41,513)	
Transfer to Alternative Water Supply Fund		705,000	
Alternative Water Phase 1G Expenses		(981)	
Investment Earnings Capital Reserve Fund		716	
Investment Earnings on Alternative Water Supply Capital Reserve		7,474	
Investment Earnings on Alternative Water Phase 1H		684	
Investment Earnings on Automated Meter Solution		50	
Investment Earnings on Alternative Water Phase 1C		1	
Capital Contributions Automated Meter Solution Project (Damages)		36,815	
Transfer from Water Debt Service Fund		69,481	
Capital Contribution Alternative Water Phase 1H		1,555,015	
<b>Total Reconciling Items</b>		<b>\$1,645,037</b>	
<b>Change in Net Position</b>		<b>\$1,733,016</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL RESERVE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET**  
**AND ACTUAL (NON –GAAP)**  
**For the Fiscal Year Ended June 30, 2016**

	<b>Budget</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
Investment Earnings		\$716	\$716
<b><i>Total Revenues</i></b>	<b>\$0</b>	<b>\$716</b>	<b>716</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In (Out)	(\$69,480)		\$69,480
Reserve	69,480		(69,480)
<b><i>Total Other Financing Sources</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><i>Revenues Over (Under) Other Financing Sources</i></b>	<b>\$0</b>	<b>\$716</b>	<b>\$716</b>
FUND BALANCE, Beginning		504,518	
FUND BALANCE, Ending		<b>\$505,234</b>	

**GREENE COUNTY, NORTH CAROLINA**  
 UTILITY ALTERNATIVE WATER SUPPLY CAPITAL RESERVE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET  
 AND ACTUAL (NON-GAAP)  
 For the Fiscal Year Ended June 30, 2016

	Budget	2016 Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Investment Earnings		\$7,474	\$7,474
Reimbursement	\$12,015		(12,015)
Per Meter AWS Fees	230,680	227,664	(3,016)
<b>Total Revenues</b>	<b>\$242,695</b>	<b>\$235,138</b>	<b>(\$7,557)</b>
<b>EXPENDITURES:</b>			
Debt Service - Principle	\$290,500	\$276,000	\$14,500
Debt Service - Interest	492,193	492,180	13
<b>Total Expenditures</b>	<b>\$782,693</b>	<b>\$768,180</b>	<b>\$14,513</b>
<b>Revenues Over (Under) Other Expenditures</b>	<b>(\$539,998)</b>	<b>(\$533,042)</b>	<b>\$6,956</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In	\$474,320	\$705,000	\$230,680
Fund Balance Appropriated	65,678		(65,678)
<b>Total Other Financing Sources</b>	<b>\$539,998</b>	<b>\$705,000</b>	<b>\$165,002</b>
<b>Revenues Over (Under) Other Financing Sources</b>	<b>\$0</b>	<b>\$171,958</b>	<b>\$171,958</b>
FUND BALANCE, Beginning		5,595,357	
<b>FUND BALANCE, Ending</b>		<b>\$5,767,315</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1C PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2016**

	Project Authorization	Prior Years	Actual		Variance Favorable (Unfavorable)
			Current Year	Total To Date	
<b>REVENUES:</b>					
USDA - RD Grant Income	\$1,547,332	\$1,543,486		\$1,543,486	(\$3,846)
USDA - RD Transfer from Farmville	200,000	200,000		200,000	
USDA - RD Supplemental Grant	2,000,000	2,000,000		2,000,000	
Rural Center Grant Income	1,800,000	1,800,000		1,800,000	
Sales Tax Refund - Restricted	154,595				(154,595)
Investment Earnings - (BAN Proceeds)	5,254	5,256		5,256	2
Investment Earnings	861	1,284	\$1	1,285	424
Liquidated Damages	25,000	25,000		25,000	
USDA - RD Grant Income	52,668	56,363		56,363	3,695
Rural Center Grant Income	50,000	46,931		46,931	(3,069)
Sales Tax Refund - Restricted	172,131				(172,131)
<b>Total Revenues</b>	<b>\$6,007,841</b>	<b>\$5,678,320</b>	<b>\$1</b>	<b>\$5,678,321</b>	<b>(\$329,520)</b>
<b>EXPENDITURES:</b>					
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	
<b>Total Expenditures</b>	<b>\$12,377,710</b>	<b>\$11,864,298</b>	<b>\$0</b>	<b>\$11,864,298</b>	<b>\$513,412</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$6,369,869)</b>	<b>(\$6,185,978)</b>	<b>\$1</b>	<b>(\$6,185,977)</b>	<b>\$183,892</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
USDA - RD Loan Income - (BAN Proceeds)	\$3,800,000	\$3,800,000		\$3,800,000	
USDA - Supplemental Loan	2,737,000	2,737,000		2,737,000	
Interim Financing Loan	113,000				(\$113,000)
Repayment of Interim Financing Loan	(113,000)				113,000
Transfer (to) from GC - Alternative Water Supply Fund	(167,131)	(330,202)		(330,202)	(163,071)
<b>Total Other Financing Sources (Uses)</b>	<b>\$6,369,869</b>	<b>\$6,206,798</b>	<b>\$0</b>	<b>\$6,206,798</b>	<b>(\$163,071)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$20,820</b>	<b>\$1</b>	<b>\$20,821</b>	<b>\$20,821</b>
<b>FUND BALANCE, Beginning</b>			20,820		
<b>FUND BALANCE, Ending</b>			<b>\$20,821</b>		

**GREENE COUNTY, NORTH CAROLINA**  
 UTILITY CAPITAL PROJECT  
 ALTERNATIVE WATER PHASE 1G PROJECT FUND  
 STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES:</b>					
Engineering	\$398,298	\$398,298		\$398,298	
Legal	3,276	3,276		3,276	
Land/Easements	60,680	61,926		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		\$981	981	7,051
<b>Total Expenditures</b>	<b>\$585,000</b>	<b>\$578,214</b>	<b>\$981</b>	<b>\$579,195</b>	<b>\$5,805</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$585,000)</b>	<b>(\$578,214)</b>	<b>(\$981)</b>	<b>(\$579,195)</b>	<b>\$5,805</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer from GC - Alternative Water Supply Fund	\$585,000	\$547,968		\$547,968	(\$37,032)
<b>Total Other Financing Sources (Uses)</b>	<b>\$585,000</b>	<b>\$547,968</b>	<b>\$0</b>	<b>\$547,968</b>	<b>(\$37,032)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>(\$30,246)</b>	<b>(\$981)</b>	<b>(\$31,227)</b>	<b>(\$31,227)</b>
<b>FUND BALANCE, Beginning</b>			<b>(30,246)</b>		
<b>FUND BALANCE, Ending</b>			<b>(\$31,227)</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1H PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2016**

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>					
USDA - RD Grant Income	\$1,276,000				(\$1,276,000)
Sales Tax	210,000				(210,000)
Investment Earnings		\$34	\$684	\$718	718
<b>Total Revenues</b>	<b>\$1,486,000</b>	<b>\$34</b>	<b>\$684</b>	<b>\$718</b>	<b>(\$1,485,282)</b>
<b>EXPENDITURES:</b>					
Contract No. 14 - Water Transmission Lines	\$2,707,845	\$2,011,171	\$368,755	\$2,379,926	\$327,919
Basic Engineering Fees (Prior to Construction)	251,442	197,524	28,528	226,052	25,390
Advertisement	1,500	1,356		1,356	144
Printing	10,000	2,030	1,772	3,802	6,198
Permit Application Fees	1,370				1,370
Construction Administration	296,157	213,876	82,281	296,157	
Additional Services by Engineer	5,940	5,940		5,940	
Legal	5,000				5,000
Land/Easement Acquisition	4,100		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		2,837,124	2,837,124	842,903
Preliminary Engineering Report	15,000	15,000		15,000	
Basic Engineering Fees	140,840	112,672	13,943	126,615	14,225
Inspection	100,000		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		6,545	6,545	8,455
Funding Assistance	25,000	25,000		25,000	
Project Administration	25,000	15,000	5,000	20,000	5,000
Grant Administration	25,000	9,000	20,000	29,000	(4,000)
Legal	30,000	2,206	4,800	7,006	22,994
Land/Easements	55,000	38,390		38,390	16,610
Interest Expense	30,000				30,000
PWS Non Elig Portion of 12'			36,000	36,000	(36,000)
Contingency	49,133				49,133
<b>Total Expenditures</b>	<b>\$7,658,369</b>	<b>\$2,694,966</b>	<b>\$3,508,848</b>	<b>\$6,203,814</b>	<b>\$1,454,555</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$6,172,369)</b>	<b>(\$2,694,932)</b>	<b>(\$3,508,164)</b>	<b>(\$6,203,096)</b>	<b>(\$30,727)</b>



**GREENE COUNTY, NORTH CAROLINA**  
**UTILITY CAPITAL PROJECT**  
**ALTERNATIVE WATER PHASE 1H PROJECT FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2016**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
PWS DWSRF Loan	\$890,000	\$600,000		\$600,000	(\$290,000)
PWS DWSRF Loan Forgiveness	2,400,000	1,094,255	\$1,555,015	2,649,270	249,270
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	
<b>Total Other Financing Sources (Uses)</b>	<b>\$6,172,369</b>	<b>\$4,576,255</b>	<b>\$1,555,015</b>	<b>\$6,131,270</b>	<b>(\$41,099)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>					
	<b>\$0</b>	<b>\$1,881,323</b>	<b>(\$1,953,149)</b>	<b>(\$71,826)</b>	<b>(\$71,826)</b>
<b>FUND BALANCE, Beginning</b>			<u>1,881,323</u>		
<b>FUND BALANCE, Ending</b>			<u><b>(\$71,826)</b></u>		

**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, 2016**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>					
Investment Earnings		\$4	\$50	\$54	\$54
<b>Total Revenues</b>	<b>\$0</b>	<b>\$4</b>	<b>\$50</b>	<b>\$54</b>	<b>\$54</b>
<b>EXPENDITURES:</b>					
Contract No. 1 - Automated Metering Solution	\$1,171,146	\$943,286	\$91,567	\$1,034,853	\$136,293
Tyler Technologies, Inc.	14,000	3,300	3,300	6,600	7,400
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	139,739	67,134	206,873	(40,927)
Other	205,235	3,046	11,971	15,017	190,218
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	122,569	136,188	(71,885)
<b>Total Expenditures</b>	<b>\$1,766,420</b>	<b>\$1,215,598</b>	<b>\$296,541</b>	<b>\$1,512,139</b>	<b>\$254,281</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(\$1,766,420)</b>	<b>(\$1,215,598)</b>	<b>(\$296,491)</b>	<b>(\$1,512,085)</b>	<b>\$254,335</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
PWS DWSRF Loan	\$1,766,420	\$1,296,127	\$58,548	\$1,354,675	(\$411,745)
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
Liquidated Damages			36,815	36,815	36,815
Transfer to Utility Fund		(31,712)		(31,712)	(31,712)
Transfer from Utility Fund		31,712		31,712	31,712
<b>Total Other Financing Sources (Uses)</b>	<b>\$1,766,420</b>	<b>\$1,296,127</b>	<b>\$95,363</b>	<b>\$1,391,490</b>	<b>(\$374,930)</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$0</b>	<b>\$80,529</b>	<b>(\$201,128)</b>	<b>(\$120,595)</b>	<b>(\$120,595)</b>
<b>FUND BALANCE, Beginning</b>			<b>80,533</b>		
<b>FUND BALANCE, Ending</b>			<b>(\$120,595)</b>		

**GREENE COUNTY, NORTH CAROLINA**  
**WATER & SEWER DISTRICT 1 FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year End June 30, 2016**

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Total Revenues</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>EXPENDITURES:</b>			
<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>
<b>RECONCILIATION FROM BUDGETARY BASIS</b>			
<b>(MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Depreciation		\$41,513	
<i>Total Reconciling Items</i>		<u>\$41,513</u>	
<i>Change in Net Position</i>		<u>\$41,513</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, 2016**

	<u>Annual Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings			
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues Over Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer from Utility Fund			
Phase 1A Reserve			
Phase 1C Reserve			
<b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i>FUND BALANCE, Beginning</i>		84,138	
<b>FUND BALANCE, Ending</b>		<b>\$84,138</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**WATER DEBT SERVICE FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year End June 30, 2016**

	<u>Annual Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Investment Earnings			
<b><i>Total Revenues</i></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>EXPENDITURES:</b>			
Debt Service Expenditures			
<b><i>Total Expenditures</i></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b><i>Revenues Over Expenditures</i></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer from Utility Fund	\$69,481	\$69,481	
Phase 1A and 1C Reserve	(69,481)		\$69,481
<b><i>Total Other Financing Sources</i></b>	<b><u>\$0</u></b>	<b><u>\$69,481</u></b>	<b><u>\$69,481</u></b>
<b><i>Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources</i></b>	<b><u>\$0</u></b>	<b><u>\$69,481</u></b>	<b><u>\$69,481</u></b>
<i>FUND BALANCE, Beginning</i>		<u>208,096</u>	
<b>FUND BALANCE, Ending</b>		<b><u>\$277,577</u></b>	

**GREENE COUNTY, NORTH CAROLINA**  
**LANDFILL FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Operating:</i>			
Landfill Fees	\$689,243	\$689,389	\$146
<b>Total Operating Revenues</b>	<b>\$689,243</b>	<b>\$689,389</b>	<b>\$146</b>
<i>Nonoperating:</i>			
Investment Earnings	\$100	\$668	\$568
Sale of Assets		5,278	5,278
<b>Total Nonoperating Revenues</b>	<b>\$100</b>	<b>\$5,946</b>	<b>\$5,846</b>
<b>Total Revenues</b>	<b>\$689,343</b>	<b>\$695,335</b>	<b>\$5,992</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$134,197	\$143,438	(\$9,241)
Contracted Services	282,756	285,318	(2,562)
Disposal Fees	124,000	130,586	(6,586)
Maintenance	25,220	17,289	7,931
Professional Services	22,500	22,243	257
Utilities	18,811	14,746	4,065
Supplies	7,355	5,847	1,508
Insurance	8,000	8,000	
Telephone and Postage	5,010	4,868	142
Site Improvements	5,200	3,711	1,489
Employee Training	1,250	507	743
Travel	750		750
Capital Outlay (Under Threshold)	4,225	4,225	
<b>Total Operating Expenditures</b>	<b>\$639,274</b>	<b>\$640,778</b>	<b>(\$1,504)</b>
<i>Capital Outlay:</i>			
Equipment	\$25,775	\$20,000	\$5,775
<b>Total Capital Outlay</b>	<b>\$25,775</b>	<b>\$20,000</b>	<b>\$5,775</b>
<b>Total Expenditures</b>	<b>\$665,049</b>	<b>\$660,778</b>	<b>\$4,271</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$24,294</b>	<b>\$34,557</b>	<b>\$10,263</b>
<b>Other Financing Sources (Uses):</b>			
Landfill Closure & Post Closure Reserve	(\$54,294)		\$54,294
Fund Balance	30,000		(30,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$24,294)</b>	<b>\$0</b>	<b>\$24,294</b>

**GREENE COUNTY, NORTH CAROLINA**  
**LANDFILL FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$0</b>	<b>\$34,557</b>	<b>\$34,557</b>
<b>RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$34,557</b>	<b>\$34,557</b>
<b>RECONCILING ITEMS:</b>			
Capital Outlay		\$20,000	
Increase in Accrued Landfill Closure and Postclosure Care Costs		(90,846)	
Depreciation		(12,122)	
Increase in Other Postemployment Benefits		(1,856)	
Pension Expense		3,161	
Decrease in Compensated Absences		(1,932)	
Contributions made to pension plan in the current fiscal year		130	
<b>Total Reconciling Items</b>		<b>(\$83,465)</b>	
<b>Change in Net Position</b>		<b>(\$48,908)</b>	

**GREENE COUNTY, NORTH CAROLINA**  
**TRANSPORTATION SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
For the Fiscal Year Ended June 30, 2016

	<u>Budget</u>	<u>2016 Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<i>Operating:</i>			
Transportation Fares	\$163,946	\$173,959	\$10,013
<b>Total Operating Revenues</b>	<b>\$163,946</b>	<b>\$173,959</b>	<b>\$10,013</b>
<i>Nonoperating:</i>			
Investment Earnings		\$210	\$210
DOT Transportation Coordination Grant	\$53,000	65,959	12,959
NCDOT Capital Grant	76,950	23,760	(53,190)
ROAP - RGP	50,510	50,510	
ROAP - EDTAP	47,278	47,278	
ROAP - EMPL	7,019	7,019	
<b>Total Nonoperating Revenues</b>	<b>\$234,757</b>	<b>\$194,736</b>	<b>(\$40,021)</b>
<b>Total Revenues</b>	<b>\$398,703</b>	<b>\$368,695</b>	<b>(\$30,008)</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Salaries and Employee Benefits	\$241,537	\$250,925	(\$9,388)
Supplies and Fuel	33,852	35,997	(2,145)
Maintenance	23,564	24,388	(824)
Office Expense	10,348	10,347	1
Telephone and Postage	2,515	2,616	(101)
Travel	2,508	2,538	(30)
Utilities	2,156	2,155	1
Rent	505	504	1
Contingency	81,418	26,400	55,018
Miscellaneous Operating Expense	300	300	
<b>Total Operating Expenditures</b>	<b>\$398,703</b>	<b>\$356,170</b>	<b>\$42,533</b>
<i>Capital Outlay:</i>			
Equipment			
<b>Total Capital Outlay</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Operating Expenditures</b>	<b>\$398,703</b>	<b>\$356,170</b>	<b>\$42,533</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$0</b>	<b>\$12,525</b>	<b>\$12,525</b>
<b>RECONCILIATION FROM BUDGETARY BASIS</b>			
<b>(MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:</b>			
<b>RECONCILING ITEMS:</b>			
Capital Outlay		\$26,400	
Depreciation		(41,505)	
Decrease in Compensated Absences		2,542	
Decrease in Other Post Employment Benefits		(1,863)	
Pension Expense		4,045	
<b>Total Reconciling Items</b>		<b>(\$10,381)</b>	
<b>Change in Net Position</b>		<b>\$2,144</b>	



## **INTERNAL SERVICE FUND**

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

**GREENE COUNTY, NORTH CAROLINA**  
 ASO-SELF FUNDED MEDICAL INSURANCE INTERNAL SERVICE FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES – FINANCIAL PLAN AND ACTUAL (NON-GAAP)  
 For The Fiscal Year Ended June 30, 2016

	<b>Financial Plan</b>	<b>2016 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
<i>Operating:</i>			
County Contributions/Premiums	\$1,298,200	\$1,162,180	(\$136,020)
<b><i>Total Operating Revenues</i></b>	<b>\$1,298,200</b>	<b>\$1,162,180</b>	<b>(\$136,020)</b>
<i>Nonoperating:</i>			
Investment Earnings		\$91	\$91
<b><i>Total Nonoperating Revenues</i></b>	<b>\$0</b>	<b>\$91</b>	<b>\$91</b>
<b><i>Total Revenues</i></b>	<b>\$1,298,200</b>	<b>\$1,162,271</b>	<b>(\$135,929)</b>
<b>EXPENDITURES:</b>			
<i>Operating:</i>			
Medical Claims and Fees	\$1,298,200	\$1,040,328	\$257,872
<b><i>Total</i></b>	<b>\$1,298,200</b>	<b>\$1,040,328</b>	<b>\$257,872</b>
<b><i>Revenues Over (Under) Expenditures</i></b>	<b>\$0</b>	<b>\$121,943</b>	<b>\$121,943</b>

## **AGENCY FUNDS**

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

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

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

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

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

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

***NCVTS Fund*** – The North Carolina Vehicle Tag System (NCVTS) Fund is used by the County to receive and disburse to the county, municipalities, and to rural fire departments the taxes for all vehicles located in Greene County that are now billed and collected through the N.C. Department of Motor Vehicles.

***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, 2016**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b><i>Municipal Tax Fund:</i></b>				
Assets:				
Cash	\$587	\$123,331	\$114,593	\$9,325
Due from Other Governments	5,772	7,746	5,772	7,746
	<u>\$6,359</u>	<u>\$131,077</u>	<u>\$120,365</u>	<u>\$17,071</u>
Liabilities:				
Accounts Payable	\$6,359	\$131,077	\$120,365	\$17,071
	<u>\$6,359</u>	<u>\$131,077</u>	<u>\$120,365</u>	<u>\$17,071</u>
<b><i>Social Services Fund:</i></b>				
Assets, Cash	<u>\$131,109</u>	<u>\$226,148</u>	<u>\$231,664</u>	<u>\$125,593</u>
Liabilities, Accounts Payable	<u>\$131,109</u>	<u>\$226,148</u>	<u>\$231,664</u>	<u>\$125,593</u>
<b><i>Jail Inmate Fund:</i></b>				
Assets, Cash	<u>\$8,429</u>	<u>\$47,434</u>	<u>\$46,004</u>	<u>\$9,859</u>
Liabilities, Accounts Payable	<u>\$8,429</u>	<u>\$47,434</u>	<u>\$46,004</u>	<u>\$9,859</u>
Fines and Forfeitures Fund:				
Assets:				
Cash		\$83,356	\$48,745	\$34,611
Due from Other Governments	\$6,062	83,356	85,054	4,364
	<u>\$6,062</u>	<u>\$166,712</u>	<u>\$133,799</u>	<u>\$38,975</u>
Liabilities:				
Accounts Payable	\$6,062	\$83,356	\$50,443	\$38,975
	<u>\$6,062</u>	<u>\$83,356</u>	<u>\$50,443</u>	<u>\$38,975</u>
<b><i>Cooperative Extension Fund:</i></b>				
Assets:				
Cash	<u>\$31,937</u>	<u>\$25,382</u>	<u>\$26,803</u>	<u>\$30,516</u>
Liabilities:				
Accounts Payable	<u>\$31,937</u>	<u>\$25,382</u>	<u>\$26,803</u>	<u>\$30,516</u>
<b><i>NCVTS Agency Fund:</i></b>				
Assets:				
Cash		\$349,227	\$348,814	\$413
Due from Other Governments		349,227	230,070	119,157
	<u>\$0</u>	<u>\$698,454</u>	<u>\$578,884</u>	<u>\$119,570</u>
Accounts Payable	<u>\$0</u>	<u>\$349,227</u>	<u>\$229,657</u>	<u>\$119,570</u>
<b><i>South Greene Water Collection Fund:</i></b>				
Assets, Cash	<u>\$16,066</u>	<u>\$477,394</u>	<u>\$485,529</u>	<u>\$7,931</u>
Liabilities, Accounts Payable	<u>\$16,066</u>	<u>\$477,394</u>	<u>\$485,529</u>	<u>\$7,931</u>
<b>TOTALS - ALL AGENCY FUNDS:</b>				
<b>Assets, Cash and Due From Other Governments</b>	<u>\$199,962</u>	<u>\$1,772,601</u>	<u>\$1,623,048</u>	<u>\$349,515</u>
<b>Liabilities:</b>				
Accounts Payable	\$199,962	\$1,340,018	\$1,190,465	\$349,515
<b>Total Liabilities</b>	<u>\$199,962</u>	<u>\$1,340,018</u>	<u>\$1,190,465</u>	<u>\$349,515</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, 2016

<u>Fiscal Year Ended June 30,</u>	<u>Uncollected Balance June 30, 2015</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2016</u>
2015-16		\$8,619,186	\$8,504,268	\$114,918
2014-15	\$158,878		114,799	44,079
2013-14	63,971		24,375	39,596
2012-13	36,473		14,623	21,850
2011-12	25,751		7,749	18,002
2010-11	22,167		4,488	17,679
2009-10	22,436		4,499	17,937
2008-09	21,549		2,790	18,759
2007-08	13,908		1,258	12,650
2006-07	10,419		981	9,438
	<u><b>\$375,552</b></u>	<u><b>\$8,619,186</b></u>	<u><b>\$8,679,830</b></u>	<u><b>\$314,908</b></u>
Less Allowance for Uncollectible Ad Valorem Taxes Receivable:				<u>93,153</u>
<b>Ad Valorem Taxes Receivable, Net</b>				<u><b>\$221,755</b></u>
<b>Reconciliation with Revenues:</b>				
Ad Valorem Taxes - General Fund				\$8,635,852
Interest and Penalties Collected on Ad Valorem Taxes - General Fund				<u>111,125</u>
				<u><b>\$8,746,977</b></u>
<b>Reconciling Items:</b>				
Interest and Penalties Collected				(\$111,125)
Dog Tax				(1,626)
Taxes Written Off				12,746
Prior Year Releases/Adjustments				(11,506)
NCVTS Fees				<u>44,364</u>
<b>Total Reconciling Items</b>				<u><b>(\$67,147)</b></u>
<b>Total Collections and Credits</b>				<u><b>\$8,679,830</b></u>

**GREENE COUNTY, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE LEVY**  
For The Fiscal Year Ended June 30, 2016

	<u>County-Wide</u>		<u>Total Levy</u>		
			<u>Property</u>	<u>Property</u>	<u>Registered</u>
	<u>Valuation</u>	<u>Rate</u>	<u>Amount of</u>	<u>Excluding</u>	<u>Registered</u>
			<u>Levy</u>	<u>Registered</u>	<u>Motor Vehicles</u>
				<u>Motor Vehicles</u>	<u>Motor Vehicles</u>
<b>Original Levy:</b>					
Property Taxed at Current Year's Rate	\$1,094,629,771	0.786	\$8,603,790	\$7,464,770	\$1,139,020
<b>Total</b>	<b>\$1,094,629,771</b>		<b>\$8,603,790</b>	<b>\$7,464,770</b>	<b>\$1,139,020</b>
<b>Discoveries:</b>					
Current Year Taxes	\$1,576,845	0.786	\$12,394	\$12,394	
Prior Year Taxes			10,365	10,365	
Penalties			18,973	18,973	
<b>Total Discoveries</b>	<b>\$1,576,845</b>		<b>\$41,732</b>	<b>\$41,732</b>	<b>\$0</b>
<b>Abatements:</b>					
Releases	(\$3,363,069)		(\$26,336)	(\$26,336)	
<b>Total Abatements</b>	<b>(\$3,363,069)</b>		<b>(\$26,336)</b>	<b>(\$26,336)</b>	<b>\$0</b>
<b>Total Property Valuation</b>	<b>\$1,092,843,547</b>				
<b>Net Levy</b>			<b>\$8,619,186</b>	<b>\$7,480,166</b>	<b>\$1,139,020</b>
Uncollected Taxes at June 30, 2016			114,918	114,918	
<b>Current Year's Taxes Collected</b>			<b>\$8,504,268</b>	<b>\$7,365,248</b>	<b>\$1,139,020</b>
<b>Current Levy Collection Percentage</b>			<b>98.67%</b>	<b>98.46%</b>	<b>100.00%</b>

**GREENE COUNTY, NORTH CAROLINA**  
**TEN LARGEST TAXPAYERS**  
For The Fiscal Year Ended June 30, 2016

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2015 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Pitt-Greene EMC	Utility	\$18,790,534	1.72%
Ham Farms, Inc.	Agricultural	13,676,699	1.25%
Piedmont Natural Gas Co., Inc.	Utility	10,777,004	0.99%
Duke Progress Energy	Utility	7,468,500	0.68%
Mill Run Development Group, LLC	Construction	4,760,961	0.44%
Carolina Telephone	Telephone	4,225,410	0.39%
Vanrack, Inc.	Construction	3,371,399	0.31%
Greenwood Square, LLC	Commercial	3,249,810	0.30%
Hillco, Ltd.	Nursing Home	3,230,320	0.30%
Square One, LLC	Agricultural	3,014,303	0.28%
		<b>\$72,564,940</b>	<b>6.36%</b>



**COMPLIANCE SECTION**



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

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

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of County Commissioners  
Greene County, North Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregated remaining fund information of Greene County, North Carolina as of and for the year ended June 30, 2016, 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 24, 2017.

**Internal Control Over Financial Reporting**

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as Finding 16-1, Finding 16-2, Finding 16-3, Finding 16-4, Finding 16-7, and Finding 16-8 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as Finding 16-5, Finding 16-6, Finding 16-9, and Finding 16-10 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 responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

**Purpose of this Report**

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

*Barrow, Parris & Davenport, P.A.*

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

January 24, 2017



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MEMBERS  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE; IN ACCORDANCE WITH OMB UNIFORM GUIDANCE 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 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, 2016. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, OMB Uniform Guidance, 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, 2016.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as Finding 16-11. 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance as described in the accompanying schedule of findings and questioned costs as Finding 16-11 that we consider to be a significant deficiency.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Barrow, Parris & Davenport, P.A.*

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

January 24, 2017



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR UNIFORM GUIDANCE 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, 2016. 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 Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, *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, 2016.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with applicable sections of the Uniform Guidance 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 16-2. 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency as described in the accompanying schedule of findings and questioned costs as item 16-2 that we consider to be a significant deficiency.

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

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

*Barrow, Parris & Davenport, P.A.*

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

January 24, 2017

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
For The Year Ended June 30, 2016

**I. SUMMARY OF AUDITORS' RESULTS**

	<u>YES</u>	<u>NO</u>
<b><u>Financial Statements</u></b>		
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>
<b><u>Federal Awards</u></b>		
Internal control over major federal programs:		
• Material weakness(es) identified	<u>      </u>	<u>  X  </u>
• Significant deficiency(s) identified that are not considered to be material weaknesses	<u>  X  </u>	<u>      </u>
Type of auditors' report issued on compliance for major federal programs: Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<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>  \$750,000  </u>	



**GREENE COUNTY, NORTH CAROLINA**  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2016

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

**State Awards**

Internal control over major State programs:

- |  |             |             |
|--|-------------|-------------|
| <ul style="list-style-type: none"> <li>• Material weakness(es) identified</li> </ul>   | _____       | _____X_____ |
| <ul style="list-style-type: none"> <li>• Significant deficiency(s) identified that are not considered to be material weaknesses</li> </ul> | _____X_____ | _____       |

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

Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act	_____X_____	_____
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Identification of major State programs:

**Program Name**

Title XIX - Medicaid – State Match

**II. FINANCIAL STATEMENT FINDINGS**

**FINDING 16-1 – 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. The County should also be able to prepare its own Schedule of Expenditures of Federal and State Awards (SEFSA).

*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. The County was also unable to prepare the June 30, 2016 Schedule of Expenditures of Federal and State Awards (SEFSA).

*Effect:* The financial statements and SEFSA 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. Current County staff were unable to prepare the current year SEFSA. Personnel have not acquired the technical training or expertise to be efficient in this area.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2016

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

*Views of Responsible  
Officials and Planned  
Corrective Action:*

Due to the related costs in eliminating this control deficiency, as it relates to report writing, 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. In regards to preparing the SEFSA, the County is hopeful that the assistance provided by Dare County in preparing the June 30, 2016 SEFSA has provided some training to allow the County to prepare its own schedule for the year ended June 30, 2017. The County is in discussion with a retired finance officer that might also be able to provide assistance and training in the coming year.

**FINDING 16-2 – 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. The County should also consider hiring additional full-time staff in the finance office. This is a repeat finding.

*Views of Responsible  
Officials and Planned  
Corrective Action:*

The County agrees with this finding. The County Manager hired a consultant to assist with making year-end adjustments and train a newly hired finance officer. However, the adjustments were not made by the time the annual audit was scheduled. Sufficient time and resources were not devoted to accomplishing the task. The County is in discussions with a retired finance officer in an attempt to obtain more assistance and training in the coming year.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2016

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**FINDING 16-3 – 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 16-4 – 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 RESPONSES  
For The Year Ended June 30, 2016

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*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 16-5 – 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 account for the main checking account was not reconciled for any month until March 2016, and the Jail Inmates Account was not reconciled. 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. This is a repeat finding.

*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 it was reconciled in March 2016 and has remained reconciled. Continued emphasis will be placed on keeping this account reconciled. The 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 16-6 – 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, 2016 was prepared using bank balances instead of book balances.

*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 RESPONSES  
For The Year Ended June 30, 2016

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*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. This is a repeat finding.

*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 in the future.

**FINDING 16-7 – 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 utility revenues.

*Condition:* The County failed to bill and collect 4 months of Alternative Water Fees for the Towns of Walstonburg and Ormondsville. The amounts totaled \$5,232 and \$5,436, respectively. The County also had not collected \$8,208 identified as being owed by the Town of Walstonburg at June 30, 2015.

*Effect:* The County did not collect revenue timely and did not follow up on receivables identified in last year's audit.

*Cause:* The Alternative Water Fees for the Towns of Walstonburg and Ormondsville were not generated as a result of being overlooked by County personnel. County personnel did not follow up on the collection of receivables identified in last year's audit.

*Recommendation:* The County should have procedures in place to make sure that all billings 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 in which Alternative Water fees are reviewed monthly for each township who is participating.

**FINDING 16-8 – LACK OF OVERSIGHT REGARDING OVERALL FINANCIAL MATTERS AND INTERNAL CONTROLS**

**MATERIAL WEAKNESS**

*Criteria:* The County should have qualified personnel in key financial positions to oversee financial operations, design and enforce proper internal controls, and safeguard county assets.

*Condition:* The Finance Officer lacks experience and is not receiving adequate training.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2016

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*Effect:* Pre-existing financial problems are not being adequately addressed and revisited, nor are normal day-to-day accounting functions being maintained timely and accurately. Oversight of departmental operations and controls are lacking. The County's books and records were not timely closed out in anticipation of the annual audit, which has resulted in time delays. Some normal accounting functions are not taking place such as; following up on collection of receivables, including the drawdown of Lottery Funds and various identified, past due amounts to local Townships, Agency funds are not being monitored to see that they properly zero out, some bank accounts are not being reconciled, proper recording of accruals is not taking place and monitoring of internal controls is not receiving the attention that is needed.

*Cause:* The County has hired an inexperienced finance officer that does not have the training or background to properly oversee and manage the financial operations of the County. Adequate resources have not been provided towards training.

*Recommendation:* The County should provide training necessary to get current personnel proficient in Governmental Accounting and other functions necessary to manage the County's financial affairs. The County should also look into hiring additional staff.

*Views of Responsible  
Officials and Planned  
Corrective Actions:*

The County is in discussions with a retired finance officer in an attempt to obtain more assistance and training in the coming year. The County also intends to seek accounting and closeout assistance from a non-audit accounting firm to assist in the coming year.

**FINDING 16-9 – BUDGET OVER-EXPENDITURES**

**SIGNIFICANT DEFICIENCY**

*Criteria:* N.C. General Statute 159-8(a) states that all moneys received and expended by a local government should be included in the Budget Ordinance.

*Condition:* Budget Over-expenditures occurred in the General Fund, Fire District Fund and the Landfill Fund.

*Effect:* Expenditures were incurred that had not been budgeted.

*Cause:* Although some amendments were made, certain departments should have been amended prior to expenditures occurring.

*Recommendation:* The budget should be monitored closely to ensure that appropriations are available before expenditures are incurred.

*Views of Responsible  
Officials and Planned  
Corrective Actions:*

The County agrees with this finding. We will monitor the budget and expenses and make amendments accordingly.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND RESPONSES  
For The Year Ended June 30, 2016

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**FINDING 16-10 – SPENDING FROM CONTINGENCY**

**SIGNIFICANT DEFICIENCY**

*Criteria:* N.C. General Statute 159-13 states that contingency appropriations shall not exceed five percent (5%) of the total of all other appropriations in the same fund. Also, amendments are required to move funds from contingency to a specific line item before being spent. Expenditures should not be charged directly to contingency.

*Condition:* Contingency appropriations were in excess of the five percent (5%) allowed amount in the transportation fund and expenditures were charged directly to contingency in the Transportation Fund and the Automated Meter Solution Project Fund.

*Effect:* Contingency appropriations did not follow State Statute requirements.

*Cause:* County personnel were unaware of the Statutes regarding budgeting for and spending from contingency.

*Recommendation:* The County should become familiar with the General Statute requirements of dealing with contingencies and should properly limit the amount budgeted for contingency. The county should also move contingency items to a specific line item out of contingency, and to a specific line item prior to incurring the expenditure.

*Views of Responsible  
Officials and Planned  
Corrective Actions:*

The County agrees with this finding. The budget officer will maintain closer oversight of all contingency budgets and see that they comply with current statutes.

GREENE COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended June 30, 2016

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III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**FINDING 16-11**

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**

*Criteria:* Counties should have a case file for each recipient. As part of the basic program requirements, Medicaid workers must obtain verification of citizenship, State residency, and health insurance coverage. As part of the financial requirements of the program, Medicaid workers must provide documentation that automated income and resource matches were completed. The client files should contain income verifications and computations of monthly earned and unearned income. A redetermination should be completed at least annually for all programs with certain programs requiring a redetermination semi-annually. For certain programs, client records should contain documentation of real property verification, verification of liquid assets, and verification of medical expenses for deductible cases. Applications should be signed by both the caseworker and recipient.

*Condition:* Sixteen (16) case files examined contained documentation or income calculation errors with some case files containing multiple errors.

*Questioned Costs:* Not Determined.

*Context:* In our test of 60 client files, we noted the following deficiencies:

- 2 case file contained a budget that was computed incorrectly
- 1 case files did not contain a budget
- 1 case files did not contain documentation of State residency
- 6 case files did not contain verification of real property
- 4 case files did not contain verification of liquid assets
- 2 case files did not contain evidence of a review being completed
- 2 case files did not contain evidence of a review being completed timely

*Effect:* Clients who are potentially ineligible may be receiving services.

*Cause:* Responsible personnel are not properly documenting and analyzing client files.

*Recommendation:* The County should ensure that policies and procedures are implemented to ensure cases are adequately documented when determining eligibility. This is a repeat finding.

*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.



**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For The Year Ended June 30, 2016

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

**FINDING 16-12**

N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program Name: Medicaid

*REFER TO FEDERAL FINDING 16-11*

GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2016

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**FINANCIAL STATEMENT FINDINGS**

**FINDING: 16-1**

- A. Name of Contact Person: Landon Price, Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: In regards to report writing, management is willing to accept the risks associated with this control deficiency and no corrective action will be taken at this time. In regards to the preparation of the SEFSA, assistance from Dare County was obtained. The County is also in discussions with a retired finance officer that might also be able to provide assistance and training in the coming year.
- C. Proposed Completion Date: The County obtained assistance from Dare County in January 2017, to help with the Schedule for June 30, 2016. The County is currently in discussions with a retired finance officer.

**FINDING: 16-2**

- A. Name of Contact Person: Landon Price, Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: The County is in discussions with a retired finance officer that might be able to provide training and the County is seeking input from a consultant regarding current staffing needs. There are also discussions of hiring a non-audit firm to provide monthly or quarterly assistance and to help with year-end close out.
- C. Proposed Completion Date: The County is in current discussions with a retired finance officer and plans to start immediately looking into the process of hiring non-audit bookkeeping assistance.

**FINDING: 16-3**

- A. Name of Contact Person: Landon Price, 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: 16-4**

- A. Name of Contact Person: Landon Price, 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 additional training in the 2016/2017 fiscal year.

**FINDING: 16-5**

- A. Name of Contact Person: Landon Price, 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 for all accounts is taking place currently and all accounts are current and reconciled.

GREENE COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN  
For the Fiscal Year Ended June 30, 2016

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**FINDING: 16-6**

- A. Name of Contact Person: Landon Price, 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: 16-7**

- A. Name of Contact Person: Landon Price, 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. Utility director will see that all townships are current.
- C. Proposed Completion Date: The County has already begun this process.

**FINDING: 16-8**

- A. Name of Contact Person: Landon Price, Finance Officer / Kyle DeHaven, County Manager / County Commissioners
- B. Corrective Action: Training will be scheduled for the current Finance Officer in a classroom setting and with the aid of consultants. The County also plans to assess staffing needs and look into hiring a non-audit firm to assist with some bookkeeping and close out procedures.
- C. Proposed Completion Date: The County is in active discussions with a retired finance officer and is also looking for upcoming training classes. The County also plans to begin immediately to locate a firm interested in providing non-audit assistance.

**FINDING: 16-9**

- A. Name of Contact Person: Landon Price, Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: The budget and pre-audit procedures should be reviewed to ensure that expenditures are not incurred prior to being budgeted and authorized.
- C. Proposed Completion Date: The County has already begun this process.

**FINDING: 16-10**

- A. Name of Contact Person: Landon Price, Finance Officer / Kyle DeHaven, County Manager
- B. Corrective Action: Statutes and rules regarding contingency appropriations will be reviewed.
- C. Proposed Completion Date: The County has already begun this process.

**GREENE COUNTY, NORTH CAROLINA**  
**CORRECTIVE ACTION PLAN**  
For the Fiscal Year Ended June 30, 2016

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***FEDERAL AWARD FINDINGS***

***FINDING: 16-11***

- 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

***STATE AWARD FINDINGS***

***FINDING 16-12***

*REFER TO FEDERAL FINDING 16-11*

**GREENE COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2016

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<b>FINDING:</b>	<b>15-1 Reporting</b>
STATUS:	Not Corrected. See current year finding 16-1.
<b>FINDING:</b>	<b>15-2 Reporting</b>
STATUS:	Not Corrected. See current year finding 16-2.
<b>FINDING:</b>	<b>15-3 Segregation of Duties</b>
STATUS:	Not Corrected. See current year finding 16-3.
<b>FINDING:</b>	<b>15-4 Fixed Assets</b>
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 16-4.
<b>FINDING:</b>	<b>15-5 Reconciliations of Cash Balances</b>
STATUS:	Not Corrected. Hired a consultant to help reconcile the main checking account in March of 2016, but the Jail Inmate account is still not reconciled. See current year finding 16-5.
<b>FINDING:</b>	<b>15-6 Accurate Completion of LGC Form 203</b>
STATUS:	Not Corrected. See current year finding 16-6.
<b>FINDING:</b>	<b>15-7 Utility Billing Procedures</b>
STATUS:	Not Corrected. See current year finding 16-7.
<b>FINDING:</b>	<b>15-8 DHHS Contracts</b>
STATUS:	Corrected.
<b>FINDING:</b>	<b>15-9 Medicaid</b>
STATUS:	Not Corrected. See current year finding 16-11.
<b>FINDING:</b>	<b>15-10 Medicaid Supervisory Reviews</b>
STATUS:	Corrected.

**GREENE COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2016

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**FINDING: 15-11 Drinking Water State Revolving Loan Fund 3-Day Rule**

STATUS: Corrected.

**FINDING: 15-12 Medicaid**

STATUS: Not Corrected. See current year finding 16-11.

**FINDING: 15-13 Medicaid Review**

STATUS: Corrected.

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>U.S. DEPARTMENT OF AGRICULTURE:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<i>Administered by County Finance Department:</i>					
USDA Supplement Title III C-2	10.570	NC-15	\$12,807		
			<b>\$12,807</b>	<b>\$0</b>	<b>\$0</b>
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
Special Supplemental Nutrition Program for Women, Infants and Children:	10.557	15405405	\$150,132		
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		356,073		
<b>Total Division of Public Health</b>			<b>\$506,205</b>	<b>\$0</b>	<b>\$0</b>
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Social Services:</b>					
<i>Administered by County Department of Social Services:</i>					
<b>Supplemental Nutrition Assistance Program Cluster:</b>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$205,740		\$188,107
<b>Total Supplemental Nutrition Assistance Program Cluster</b>			<b>\$205,740</b>	<b>\$0</b>	<b>\$188,107</b>
<b>Total U.S. Department of Agriculture</b>			<b>\$724,752</b>	<b>\$0</b>	<b>\$188,107</b>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>					
<i>Passed Through NC Department of Environment and Natural Resources:</i>					
<b>Division of Water Infrastructure:</b>					
<i>Administered by County Finance Department:</i>					
Drinking Water State Revolving Fund - Project 1H	66.468		\$1,555,015		
Drinking Water State Revolving Fund - Automated Meter Project	66.468		58,548		
<b>Total U.S. Environmental Protection Agency</b>			<b>\$1,613,563</b>	<b>\$0</b>	<b>\$0</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>					
<i>Passed Through NC Department of Transportation:</i>					
<i>Administered by County Finance Department:</i>					
ARRA - Formula Grant - Other than Urbanized Areas	20.509		\$62,080	\$3,679	
Capital Grant	20.509		21,120	2,640	
<b>Total U.S. Department of Transportation</b>			<b>\$83,200</b>	<b>\$6,319</b>	<b>\$0</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>					
<i>Passed Through NC Department of Commerce:</i>					
<b>Division of Community Assistance:</b>					
<i>Administered by County Finance Department:</i>					
2012 Community Development Block Grant	14.228		\$218,758		
<i>Passed Through NC Housing Finance Agency:</i>					
<i>Administered by County Finance Department:</i>					
Single Family Rehab Program	14.239		157,139		
<b>Total U.S. Department of Housing &amp; Urban Development</b>			<b>\$375,897</b>	<b>\$0</b>	<b>\$0</b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u></b>					
<b>United Way of America</b>					
Emergency Food and Shelter National Board Program	97.024		\$3,386		
<i>Passed Through NC Department of Crime Control and Public Safety:</i>					
<b>Division of Emergency Management:</b>					
<i>Administered by County Finance Department:</i>					
Emergency Management Performance Grant	97.042		37,658		
<b>Total U.S. Department of Homeland Security</b>			<b>\$41,044</b>	<b>\$0</b>	<b>\$0</b>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u></b>					
<b><u>Administration on Aging:</u></b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Aging Cluster:</b>					
<i>Administered by County Finance Department:</i>					
Access 90% State Funds	N/A	NC-15		\$10,663	\$1,185
Access Title III-B	93.044	NC-15	\$15,711	924	1,849
Title III C-1 Congregate Meals	93.045	NC-15	42,090	2,476	4,952
Title III C-2 90% State Funds	N/A	NC-15		22,338	2,482
Title III C-2 Home-Delivered Meals	93.045	NC-15	14,781	869	1,739
<i>Administered by County Department of Social Services and County Council on Aging:</i>					
<b>In Home Services:</b>					
In-Home State	N/A	NC-15		70,628	7,847
In-Home Title III-B	93.044	NC-15	15,794	929	1,858
Social Services Block Grant	93.667	NC-15	5,334	152	610
<b>Total Aging Cluster</b>			<b>\$93,710</b>	<b>\$108,979</b>	<b>\$22,522</b>
<b><u>Administration for Community Living:</u></b>					
<i>Passed Through Eastern Carolina Council of Governments:</i>					
Title III-D Disease Prevention and Health Promotion	93.043		\$2,168		
<b>Total Administration for Community Living</b>			<b>\$2,168</b>	<b>\$0</b>	<b>\$0</b>



**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>Division of Public Health:</b>					
<b>Passed Through NC Department of Health and Human Services:</b>					
<i>Administered by County Health Department:</i>					
Public Health Emergency Preparedness	93.069		\$29,837		
Tuberculosis	93.116		43		
Breast/Cervical Cancer	93.919		4,062		
Sexually Transmitted Diseases Control	93.977		510		
HIV Prevention Activities - Health Department Based	93.940		2,000		
HHS - Preventive Health Services Block Grant	93.758		30,991		
Maternal and Child Health Services	93.994		67,713	\$35,790	
Women's Preventative Health - TANF	93.558		3,756		
Family Planning Services	93.217		25,599		
<b>Total Division of Public Health</b>			<b>\$164,511</b>	<b>\$35,790</b>	<b>\$0</b>
<b>Administration for Children and Families:</b>					
<b>Passed Through NC Department of Health and Human Services:</b>					
<b>Division of Social Services:</b>					
<b>Temporary Assistance for Needy Families Cluster:</b>					
<i>Administered by County Department of Social Services:</i>					
Workfirst	93.558		\$272,893		\$122,634
Family Preservation	93.556		2,191		
Direct Benefit Payments:					
Benefit Payments	93.558		111,896		
<b>Total TANF Cluster</b>			<b>\$386,980</b>	<b>\$0</b>	<b>\$122,634</b>
Title IV-D Administration	93.563		<b>\$189,565</b>		<b>\$90,654</b>
Low-Income Home Energy Assistance:					
Administration	93.568		\$228,459		
			<b>\$228,459</b>	<b>\$0</b>	<b>\$0</b>

**GREENE COUNTY, NORTH CAROLINA**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
Permanency Planning - Spec	93.645		<b>\$5,526</b>		<b>\$1,842</b>
<b>Foster Care and Adoption Cluster</b>					
Title IV-E CPS	93.658		\$42,093	\$5,586	\$41,909
Title IV-E Foster Care	93.658		20,053	5,125	5,125
Title IV-E Administration	93.658		21,100	10,550	10,550
Title IV-E Foster Care	93.658		12,843	3,283	3,283
Direct Benefit Payments:					
Title IV-E Adoption Subsidy	93.659		171,401	43,794	43,794
<b>Total Foster Care and Adoption Cluster</b>			<b>\$267,490</b>	<b>\$68,338</b>	<b>\$104,661</b>
<b>Social Services Block Grant:</b>					
Other Services and Training	93.667		\$97,070		\$26,161
<b>Total Social Services Block Grant</b>			<b>\$97,070</b>	<b>\$0</b>	<b>\$26,161</b>
<b>Total Division of Social Services</b>			<b>\$1,175,090</b>	<b>\$68,338</b>	<b>\$345,952</b>
<b>Administration for Children and Families:</b>					
<i>Administered by County Department of Social Services:</i>					
<b>Subsidized Child Care</b>					
<b>Child Care Development Fund Cluster:</b>					
Division of Social Services:					
CCDF Administration	93.596		\$66,245		
Division of Child Development:					
CCDF Discretionary Subsidy	93.575		215,260		
CCDF Mandatory	93.596		71,434		
CCDF Match	93.596		22,531		
<b>Total Child Care Development Fund Cluster</b>			<b>\$375,470</b>	<b>\$0</b>	<b>\$0</b>
Temporary Assistance for Needy Families	93.558		\$61,801		
Foster Care Title IV-E	93.658		3,856	\$1,975	
Smart Start	N/A			69,032	
Smart Start - TANF MOE	N/A			26,856	
<b>Total Subsidized Child Care Cluster</b>			<b>\$65,657</b>	<b>\$97,863</b>	<b>\$0</b>
<b>Total Division of Child Development</b>			<b>\$441,127</b>	<b>\$97,863</b>	<b>\$0</b>

**GREENE COUNTY, NORTH CAROLINA**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>FEDERAL GRANTS</b>					
<b>Health Care Financing Administration:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Medical Assistance:</b>					
<i>Administered by County Department of Social Services:</i>					
Medical Assistance Administration	93.778		\$419,238	\$1,117	\$170,311
Direct Benefit Payments:					
Medical Assistance	93.778		18,482,803	10,007,113	
			<b>\$18,902,041</b>	<b>\$10,008,230</b>	<b>\$170,311</b>
<b>Division of Social Services:</b>					
<i>Administration:</i>					
State Children's Insurance Program - NC Health Choice	93.767		\$9,868	\$420	\$125
Direct Benefit Payments:					
State Children's Insurance Program - NC Health Choice	93.767		940,562	22,895	
			<b>\$950,430</b>	<b>\$23,315</b>	<b>\$125</b>
<b>Health Resources and Services Administration:</b>					
<i>Passed Through NC Department of Health and Human Services:</i>					
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
<b>Immunization Cluster:</b>					
Immunization Grants	93.268		\$5,783		
<b>Total Immunization Cluster:</b>			<b>\$5,783</b>	<b>\$0</b>	<b>\$0</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>\$21,734,860</b>	<b>\$10,342,515</b>	<b>\$538,910</b>
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$24,573,316</b>	<b>\$10,348,834</b>	<b>\$727,017</b>

**GREENE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>STATE PROGRAMS</b>					
<b>NC DEPARTMENT OF ADMINISTRATION</b>					
<b>Division of Veteran Affairs:</b>					
<i>Administered by County Veterans Office</i>					
Veterans Service Grant	N/A		\$0	\$2,288	\$0
<b>NC DEPARTMENT OF ENVIRONMENTAL AND NATURAL RESOURCES:</b>					
<b>Division of Waste Management:</b>					
<i>Administered by County Finance Department:</i>					
Soil Conservation Grant	N/A		\$0	\$24,788	\$0
<b>NC DEPARTMENT OF JUVENILE JUSTICE &amp; DELINQUENCY PREVENTION:</b>					
<i>Administered by County Finance Department:</i>					
<b>Juvenile Crime Prevention:</b>					
Juvenile Crime Prevention Administration	N/A			\$7,310	
Family Preservation	N/A			24,104	
Juvenile Restitution	N/A			50,774	
<b>Total NC Department of Juvenile Justice &amp; Delinquency Prevention</b>			<b>\$0</b>	<b>\$82,188</b>	<b>\$0</b>
<b>NC DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>					
<b>Division of Social Services:</b>					
<i>Administered by County Department of Social Services:</i>					
Foster Care	N/A			\$13,073	
Social Services Block Grant	N/A			10,298	\$3,433
Energy Neighborhood	N/A			1,950	
Operation Fan	N/A				280
<b>Direct Benefit Payment:</b>					
State Foster Home Fund Maximization	N/A			29,682	29,682
State Foster Home Fund	N/A			15,261	15,261
Child Welfare Services Adoption Assistance	N/A			90,876	11,488
SC/SA Domiciliary Care Payments	N/A			183,376	183,376
			<b>\$0</b>	<b>\$344,516</b>	<b>\$243,520</b>
<b>Division of Public Health:</b>					
<i>Administered by County Health Department:</i>					
Food & Lodging	N/A			\$3,623	
General Aid to Counties	N/A			99,470	
Breast & Cervical Cancer Program	N/A			1,275	
AIDS - State	N/A			400	
Communicable Disease	N/A			10,623	
Maternal Health (HMHC)	N/A			3,267	
Women's Health Service Fund	N/A			7,116	
Child Health Training	N/A			1,635	
Sexually Transmitted Diseases	N/A			1,132	
HMHC - Family Planning	N/A			6,534	
Tuberculosis	N/A			3,578	
TB Medical Service	N/A			47	
			<b>\$0</b>	<b>\$138,700</b>	<b>\$0</b>
<b>Total NC Department of Health and Human Services</b>			<b>\$0</b>	<b>\$483,216</b>	<b>\$243,520</b>

**GREENE COUNTY, NORTH CAROLINA**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2016

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
<b>STATE PROGRAMS</b>					
<b><u>NC DEPARTMENT OF INSURANCE:</u></b>					
<i>Administered by County Finance Department:</i>					
SHIIP Grant	N/A			\$4,593	
<b>Total NC Department of Insurance</b>			<b>\$0</b>	<b>\$4,593</b>	<b>\$0</b>
<b><u>NC DEPARTMENT OF TRANSPORTATION:</u></b>					
<i>Administered by County Finance Department:</i>					
ROAP Funds	N/A			\$104,807	
<b>Total NC Department of Transportation</b>			<b>\$0</b>	<b>\$104,807</b>	<b>\$0</b>
<b><u>EASTERN CAROLINA COUNCIL OF GOVERNMENTS</u></b>					
<i>Administered by County Finance Department:</i>					
Senior Center General	N/A			\$11,351	
<b>Total Eastern Carolina Council of Governments</b>			<b>\$0</b>	<b>\$11,351</b>	<b>\$0</b>
<b>TOTAL STATE ASSISTANCE</b>			<b>\$0</b>	<b>\$713,231</b>	<b>\$243,520</b>
<b>TOTAL FEDERAL AND STATE ASSISTANCE</b>			<b>\$24,573,316</b>	<b>\$11,062,065</b>	<b>\$970,537</b>

**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, 2016. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the schedule 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Greene County has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance

**GREENE COUNTY, NORTH CAROLINA**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
For the Fiscal Year Ended June 30, 2016

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**3. LOANS OUTSTANDING**

The loans incurred during the year are included in the schedule of federal and State Awards (SEFSA). Balances and transactions related to these programs are also included in the County's basic financial statement. Greene County had the following loan balances outstanding at June 30, 2016:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Outstanding</u>
Drinking Water State Revolving Loan Fund - Project 1H	66.468	\$570,000
Drinking Water State Revolving Loan Fund - Automated Meter Project	66.468	1,275,394

**4. 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.