

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

**FINANCIAL STATEMENTS**

*For The Fiscal Year Ended June 30, 2019*

*And Report of Independent Auditor*

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

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**BOARD OF COMMISSIONERS**

**Bennie J. Heath**  
Chairman

**James T. Shackelford, Jr.**  
Vice-Chairman

**Susan Blizzard**

**Antonio Blow**

**Jerry R. Jones**

**COUNTY OFFICIALS**

**Kyle J. DeHaven**  
County Manager

**Becky R. Sutton**  
Tax Administrator

**David Price**  
Finance Officer

**Nancy T. Murphy**  
Register of Deeds

**Angela C. Ellis**  
Social Services Director

**Lemmie Smith**  
Sheriff

**GREENE COUNTY, NORTH CAROLINA**  
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## **FINANCIAL SECTION**

## **Report of Independent Auditor**

To the Board of County Commissioners  
Greene County, North Carolina

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Greene County, North Carolina (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the 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 did not audit the financial statements of the Greene County ABC Board (the "Board"), which represents 100 percent of assets, net position, and revenue of the discretely-held component unit. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board, is based solely on the report of another auditor. 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 from material misstatement. The financial statements of the Greene County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County'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 and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2019, and the respective changes in financial position and cash flows, 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 and the Required Supplementary Information as listed in the table of contents 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 the County. The combining and individual fund financial statements and schedules, and the Schedule of Expenditures of Federal and State Financial 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 and schedules, and the Schedule of Expenditures of Federal and State Financial 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 basic 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, the combining and individual fund financial statements and schedules, and Schedule of Expenditures of Federal and State Financial Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2020 on our consideration of the 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 that 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 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 the County's internal control over financial reporting and compliance.

*Cheryl Bekaert LLP*

Raleigh, North Carolina  
June 25, 2020

## COUNTY OF GREENE

Snow Hill, North Carolina

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

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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, 2019. 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 \$38,927,656 (*net position*).
- The government's total net position increased by \$2,158,369 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 \$11,677,904 after a net decrease in fund balance of \$324,766. This compares to combined ending fund balances of \$12,002,670 after a net increase in fund balance of \$1,446,044 in 2018. Approximately 50.39% of this total amount, or \$5,884,180 is available for spending at the government's discretion (unassigned fund balance). In 2018, the unassigned fund balance was \$5,790,356, or 48.24% of combined ending fund balances.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$5,884,180, or 33.20% of total General Fund expenditures for the fiscal year. In 2018, unassigned fund balance in the General Fund was \$5,790,350 or 32.88% of total General Fund expenditures.
- Greene County's total debt decreased by \$912,036 or 3.49% during the current fiscal year. No new debt was issued. Principal payments of \$912,036 were made by the County during the year.

#### Overview of the Financial Statements

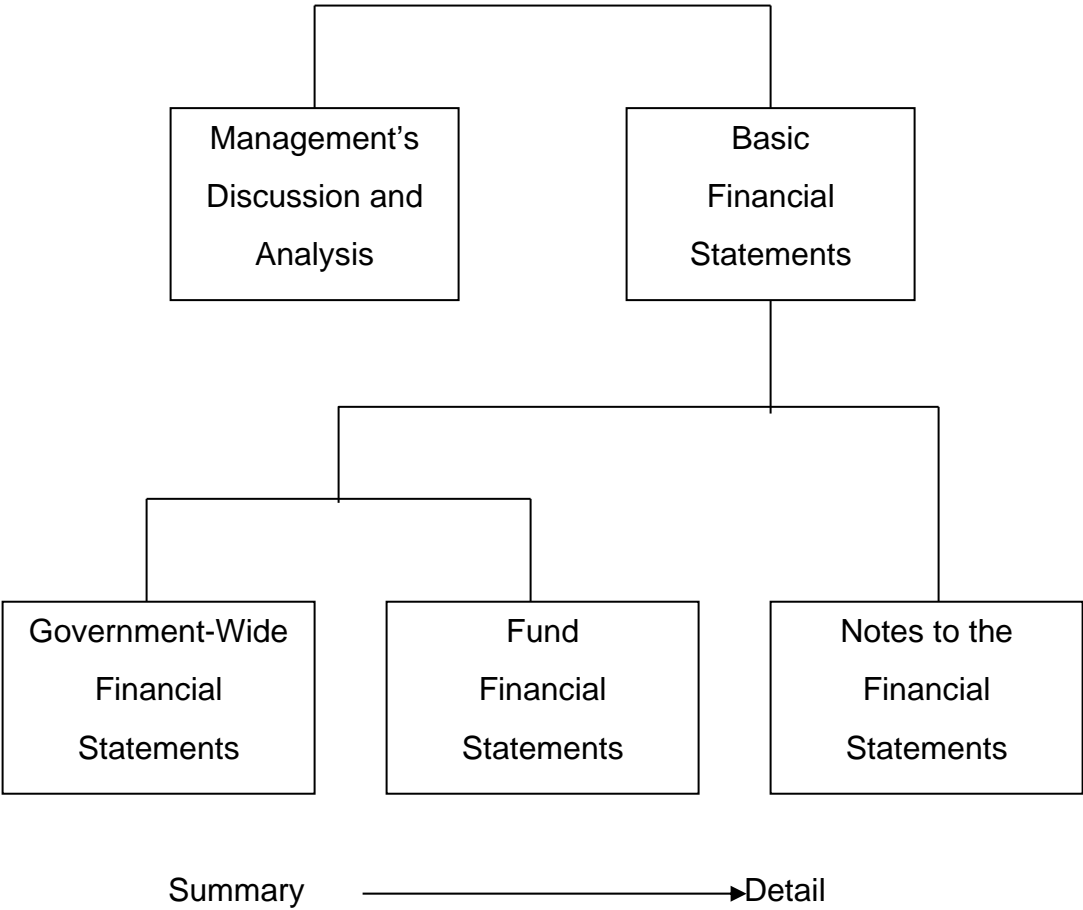
This discussion and analysis are intended to serve as an introduction to Greene County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see 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.

COUNTY OF GREENE  
Snow Hill, North Carolina  
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019

*Required Components of Annual Financial Report*

Figure 1



## COUNTY OF GREENE

Snow Hill, North Carolina

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

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#### 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 to 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 nonmajor governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

## COUNTY OF GREENE

Snow Hill, North Carolina

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

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#### 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 governmental 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.

**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 (including 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.

**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 27 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 84.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

*JUNE 30, 2019*

**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 \$38,927,656 as of June 30, 2019. The County's net position increased by \$2,158,369 for the fiscal year ended June 30, 2019. One of the largest portions, \$33,575,818, or 86.25%, 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 \$12,275,283, or 31.53%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$6,978,701), or (17.95%), is unrestricted. In 2018, the amount of net position classified as net investment in capital assets was \$31,743,534, or 86.33%, with restricted assets standing at \$12,220,641. The remaining (\$7,194,888), or (19.32%), was unrestricted for that year.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Totals</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Current and other assets	\$ 13,141,525	\$ 12,885,416	\$ 11,105,997	\$ 10,496,037	\$ 24,247,522	\$ 23,381,453
Capital assets	18,800,613	16,968,567	42,184,937	43,292,706	60,985,550	60,261,273
<b>Total assets</b>	<b>31,942,138</b>	<b>29,853,983</b>	<b>53,290,934</b>	<b>53,788,743</b>	<b>85,233,072</b>	<b>83,642,726</b>
<b>Total deferred outflows of resources</b>	<b>1,803,433</b>	<b>1,091,343</b>	<b>180,559</b>	<b>118,976</b>	<b>1,983,992</b>	<b>1,210,319</b>
Long-term liabilities outstanding	26,036,500	26,365,515	18,492,397	19,918,912	44,528,897	46,284,427
Other liabilities	1,850,280	872,383	1,502,943	655,070	3,353,223	1,527,453
<b>Total liabilities</b>	<b>27,886,780</b>	<b>27,237,898</b>	<b>19,995,340</b>	<b>20,573,982</b>	<b>47,882,120</b>	<b>47,811,880</b>
<b>Total deferred inflows of resources</b>	<b>372,010</b>	<b>252,279</b>	<b>35,278</b>	<b>19,599</b>	<b>407,288</b>	<b>271,878</b>
Net position:						
Net investment in capital assets	9,165,765	7,061,502	24,410,056	24,682,032	33,575,821	31,743,534
Restricted	4,813,331	5,022,162	7,461,952	7,198,479	12,275,283	12,220,641
Unrestricted	(8,492,315)	(8,628,515)	1,568,867	1,433,627	(6,923,448)	(7,194,888)
<b>Total net position</b>	<b>\$ 5,486,781</b>	<b>\$ 3,455,149</b>	<b>\$ 33,440,875</b>	<b>\$ 33,314,138</b>	<b>\$ 38,927,656</b>	<b>\$ 36,769,287</b>

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

*JUNE 30, 2019*

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.
- Continued diligence in the collection of property taxes has allowed Greene County to maintain a collection percentage of 97.73%.
- Change in net position for business-type activities increased by \$126,737 during the year compared to an increase of \$990,799 in the prior year, due to decreased operating and capital grants.

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

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$ 2,015,623	\$ 2,588,286	\$ 3,983,558	\$ 4,142,599	\$ 5,999,181	\$ 6,730,885
Operating Grants and Contributions	4,992,354	3,696,940	969,938	1,136,803	5,962,292	4,833,743
Capital Grants and Contributions	221,823	565,680	647,365	1,161,043	869,188	1,726,723
General Revenues:						
Property Taxes	9,819,398	9,821,204	-	-	9,819,398	9,821,204
Local Option Sales Tax	3,976,785	3,735,184	-	-	3,976,785	3,735,184
Other Taxes	480,488	367,506	-	-	480,488	367,506
Grants and Contributions not restricted to Specific Programs	82,879	83,199	-	-	82,879	83,199
Investment Earnings	113,863	67,520	112,367	67,673	226,230	135,193
Other	186,615	540,300	-	14,896	186,615	555,196
Total revenues	21,889,828	21,465,819	5,713,228	6,523,014	27,603,056	27,988,833
<b>Expenses:</b>						
General Government	3,601,122	2,876,096	-	-	3,601,122	2,876,096
Public Safety	5,892,808	5,481,823	-	-	5,892,808	5,481,823
Environmental Protection	46,155	56,960	-	-	46,155	56,960
Economic and Physical Development	603,572	1,058,029	-	-	603,572	1,058,029
Human Services	5,105,425	5,375,852	-	-	5,105,425	5,375,852
Cultural and Recreation	514,504	531,132	-	-	514,504	531,132
Education	3,402,142	3,175,035	-	-	3,402,142	3,175,035
Capital Outlay	-	-	-	-	-	-
Interest on Long-Term Debt	728,668	870,503	-	-	728,668	870,503
Utility	-	-	4,447,301	4,332,440	4,447,301	4,332,440
Landfill	-	-	690,725	448,745	690,725	448,745
Nonmajor Enterprise Activities	-	-	412,265	714,831	412,265	714,831
Total expenses	19,894,396	19,425,430	5,550,291	5,496,016	25,444,687	24,921,446

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

*JUNE 30, 2019*

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Increase (Decrease) in net position before transfers and special items	1,995,432	2,040,389	162,937	1,026,998	2,158,369	3,067,387
Transfers	36,200	36,200	(36,200)	(36,200)	-	-
Special Item - Hurricane Matthew Insurance Proceeds	-	-	-	-	-	-
Increase in net position	2,031,632	2,076,589	126,737	990,798	2,158,369	3,067,387
Net position, July 1 as originally reported	3,455,149	1,745,980	33,314,138	31,631,207	36,769,287	33,377,187
Restatement	-	(367,420)	-	692,133	-	324,713
Net position, July 1 as Restated	3,455,149	1,378,560	33,314,138	32,323,340	36,769,287	33,701,900
Net position, June 30	\$ 5,486,781	\$ 3,455,149	\$ 33,440,875	\$ 33,314,138	\$ 38,927,656	\$ 36,769,287

**Governmental Activities.** Governmental activities increased the County's net position by \$2,031,632, which accounts for 94.13% of the total growth in the net position of Greene County. This compares to an increase of \$2,076,589 in 2018. The key elements of this year's increase are as follows:

- The receipt of \$238,000 of additional sales tax revenues.
- An increase of \$116,000 in Medicaid Hold Harmless revenue.

**Business-Type Activities.** Business-type activities increased Greene County's net position by \$126,737 accounting for 5.87% of the total growth in the government's net position. In comparison, net position increased by \$990,799 in 2018. The key element of this year's increase is as follows:

- The County received capital contributions for the Transportation fund of \$167,299.

### **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 \$5,884,180, while total fund balance reached \$9,824,171. 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 33.20% of general fund expenditures, while total fund balance represents 55.43% of that same amount.

At June 30, 2019, the governmental funds of Greene County reported a combined fund balance of \$11,677,904, a 2.70% decrease from last year. Of this decrease, approximately 60.1% is related to the change in fund balance in the General Fund. Approximately 39.9% is related to the change in fund balance in the Other Governmental Funds.



## COUNTY OF GREENE

Snow Hill, North Carolina

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. Several amendments to the General Fund increased revenues by \$129,175.

**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 \$1,695,816 and those for the Landfill Fund equaled (\$253,633). The total increase (decrease) in net position for both major funds were (\$59,925) and \$40,734, 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, 2019, totaled \$60,985,550 (net of accumulated depreciation). These assets include buildings, water and sewer distribution lines, land, equipment, and vehicles.

Major capital asset transactions during the year include:

- Purchased new emergency medical equipment
- Purchased custom walk in freezer for Senior Center
- Purchased nine new vehicles for general fund activities
- Purchased four new vehicles for enterprise activities
- Constructed new EMS satellite facility

**Greene County's Capital Assets  
(Net of Depreciation)  
Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 677,460	\$ 677,460	\$ 390,126	\$ 390,126	\$ 1,067,586	\$ 1,067,586
Buildings and System	14,837,726	14,994,509	41,166,275	42,363,829	56,004,001	57,358,338
Machinery and Equipment	706,882	683,677	165,681	207,523	872,563	891,200
Vehicles and Motorized Equipmen	543,894	567,718	366,896	235,269	910,790	802,987
Construction in Progress	2,034,651	45,203	95,959	95,959	2,130,610	141,162
	<u>\$ 18,800,613</u>	<u>\$ 16,968,567</u>	<u>\$ 42,184,937</u>	<u>\$ 43,292,706</u>	<u>\$ 60,985,550</u>	<u>\$ 60,261,273</u>

Additional information on the County's capital assets can be found in Note III.A.6 on pages 45-48 of this audited financial report.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

**Long-Term Debt.** As of June 30, 2019, Greene County had total bonded debt outstanding of \$39,611,986 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	\$ 75,362	\$ -	\$ 16,144	\$ 59,218
Installment Purchase Contracts	22,269,510	-	577,964	21,691,546
Total Governmental Activities	<u>\$ 22,344,872</u>	<u>\$ -</u>	<u>\$ 594,108</u>	<u>\$ 21,750,764</u>
<b>Business-Type Activities:</b>				
Installment Purchase Contract	\$ 225,920	\$ -	\$ 225,920	\$ -
Clean Water Bond Loan	861,160	-	172,232	688,928
Revenue Bonds	14,594,000	-	242,000	14,352,000
DWSRF Revolving Loan	3,020,000	-	199,706	2,820,294
Total Business-Type Activities	<u>\$ 18,701,080</u>	<u>\$ -</u>	<u>\$ 839,858</u>	<u>\$ 17,861,222</u>

Greene County's total debt decreased by \$1,433,966, or 3.49% during the past fiscal year.

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 \$90,718,518. The County has \$0 in bonds authorized, but unissued at June 30, 2019.

Additional information regarding Greene County's long-term debt can be found in Note III.B.7 beginning on page 71 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 2018-2019 fiscal year were less than 1% from the prior year, indicating that growth is slowing in the County. Building permits in the 2018-2019 fiscal year have had a slight increase over the previous year and revenues from permits are anticipated to follow suit.
- The economy of Greene County continues to be rural and agriculturally based. The manufacturing sector of the economy is showing signs of growth and companies are attempting to take advantage of available grants for expansion.
- Work has been completed on 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, successfully drawing in a lot of out of town visitors to the County. The County has applied for various grants to further county recreation services offered to the community. An indoor recreation center is under construction.

## COUNTY OF GREENE

Snow Hill, North Carolina

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

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- The County was able to give a 3% pay raise to employees due to increased efficiencies throughout the organization and careful budget management. This will assist in employee retention and institutional knowledge. The county also had a salary study prepared at the end of 2019.
- The Division of Water Resources has approved another 5-year temporary permit that would continue to 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, 2023.

#### ***Budget Highlights for the Fiscal Year Ending June 30, 2019***

**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.
- The County continues with the replacement of the vehicle fleet for all Departments.

**Business-type Activities:** Revenues in the Utility Funds remain strong. A 6% rate increase was passed for the Water Fund due to increased costs of operation and purchase as well as to build a stronger retained earnings balance.

#### ***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**

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**STATEMENT OF NET POSITION**

**EXHIBIT 1**

*JUNE 30, 2019*

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Greene County ABC Board
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 9,102,485	\$ 3,155,063	\$ 12,257,548	\$ 199,314
Receivables (Net)	484,464	729,410	1,213,874	-
Due From Other Governments	1,980,183	265,134	2,245,317	-
Internal Balances	255,880	(255,880)	-	-
Inventories	-	-	-	144,529
Prepaid Items	75,203	13,448	88,651	3,191
Restricted Cash and Cash Equivalents	1,220,424	7,198,822	8,419,246	-
Notes Receivable:				
Due within one year	5,505	-	5,505	-
Due in more than one year	-	-	-	-
Net Pension Asset - ROD	17,381	-	17,381	-
Capital Assets:				
Land, Improvements, and Construction in Progress	2,712,111	486,086	3,198,197	12,055
Other Capital Assets, Net of Depreciation	16,088,502	41,698,851	57,787,353	27,276
Total Capital Assets	18,800,613	42,184,937	60,985,550	39,331
<b>Total Assets</b>	31,942,138	53,290,934	85,233,072	386,365
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	1,803,433	180,559	1,983,992	18,992
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	1,019,240	627,003	1,646,243	101,811
Accrued Interest Payable	380,881	47,287	428,168	-
Customer Deposits	-	206,715	206,715	-
Long-Term Liabilities:				
Net Pension Liability - LGERS	2,010,852	211,084	2,221,936	17,318
Total Pension Liability - LEOSSA	230,488	-	230,488	-
Total OPEB Liability	2,101,733	220,625	2,322,358	-
Due within one year	450,159	621,938	1,072,097	-
Due in more than one year	21,693,427	18,060,688	39,754,115	-
<b>Total Liabilities</b>	27,886,780	19,995,340	47,882,120	119,129
<b>DEFERRED INFLOWS OF RESOURCES</b>	372,010	35,278	407,288	125
<b>NET POSITION</b>				
Net Investment in Capital Assets	9,165,765	24,410,056	33,575,821	39,331
Restricted for:				
Stabilization by State Statute	2,345,875	-	2,345,875	-
Register of Deeds	71,341	-	71,341	-
Register of Deeds' Pension Plan	17,381	-	17,381	-
Human Services	1,168,338	-	1,168,338	-
Public Safety	5,748	-	5,748	-
Economic Development	127,647	-	127,647	-
Cultural & Recreation	-	-	-	-
Alternative Water Supply	-	6,278,055	6,278,055	-
Capital Projects	-	543,423	543,423	-
Loan Payments to USDA	1,038,884	640,474	1,679,358	-
Working Capital	-	-	-	90,575
Greene County Alcohol Beverage Control Funds	38,117	-	38,117	-
Unrestricted	(8,492,315)	1,568,867	(6,923,448)	156,197
<b>Total Net Position</b>	\$ 5,486,781	\$ 33,440,875	\$ 38,927,656	\$ 286,103

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

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

**EXHIBIT 2**

YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Greene County ABC Board
		Charges for Services	Operating	Capital	Primary Government			
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 3,601,122	\$ 161,851	\$ -	\$ -	\$ (3,439,271)	\$ -	\$ (3,439,271)	
Public Safety	5,892,808	1,285,032	815,526	-	(3,792,250)	-	(3,792,250)	
Environmental Protection	46,155	-	93,765	-	47,610	-	47,610	
Economic and Physical Development	603,572	-	58,332	-	(545,240)	-	(545,240)	
Human Services	5,105,425	502,605	4,024,731	-	(578,089)	-	(578,089)	
Cultural and Recreation	514,504	66,135	-	-	(448,369)	-	(448,369)	
Education	3,402,142	-	-	221,823	(3,180,319)	-	(3,180,319)	
Interest on Long-Term Debt	728,668	-	-	-	(728,668)	-	(728,668)	
Total Governmental Activities	19,894,396	2,015,623	4,992,354	221,823	(12,664,596)	-	(12,664,596)	
Business-Type Activities:								
Utility Fund (Water and Sewer)	4,447,301	3,070,123	964,289	288,411	-	(124,478)	(124,478)	
Landfill Fund	690,725	717,361	5,649	-	-	32,285	32,285	
Transportation Fund	412,265	196,074	-	358,954	-	142,763	142,763	
Total Business-Type Activities	5,550,291	3,983,558	969,938	647,365	-	50,570	50,570	
	\$ 25,444,687	\$ 5,999,181	\$ 5,962,292	\$ 869,188	(12,664,596)	50,570	(12,614,026)	
Component Unit:								
ABC Board	\$ 896,850	\$ 896,791	\$ -	\$ -				
Total Component Unit	\$ 896,850	\$ 896,791	\$ -	\$ -				\$ (59)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purpose					9,819,398	-	9,819,398	-
Local Sales Taxes					3,976,785	-	3,976,785	-
Other Taxes and Licenses					480,488	-	480,488	-
Grants and Contributions Not Restricted to Specific Programs					82,879	-	82,879	-
Investment Earnings, Unrestricted					113,863	112,367	226,230	985
Miscellaneous					186,615	-	186,615	74
Total General Revenues excluding Transfers					14,660,028	112,367	14,772,395	1,059
Transfers					36,200	(36,200)	-	-
Total General Revenues and Transfers					14,696,228	76,167	14,772,395	1,059
Change in Net Position					2,031,632	126,737	2,158,369	1,000
Net Position, Beginning					3,455,149	33,314,138	36,769,287	285,103
Net Position, Ending					\$ 5,486,781	\$ 33,440,875	\$ 38,927,656	\$ 286,103

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

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**GOVERNMENTAL FUNDS – BALANCE SHEET**

**EXHIBIT 3**

*JUNE 30, 2019*

	Major	Non-Major	
	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 8,382,636	\$ 719,849	\$ 9,102,485
Restricted Cash and Cash Equivalents	-	1,220,424	1,220,424
Receivables, Net	474,942	18,816	493,758
Due From Other Governments	1,362,773	316,896	1,679,669
Due From Other Funds	479,258	-	479,258
Prepaid Insurance	75,203	-	75,203
Current Portion - Notes Receivable	5,505	-	5,505
<b>Total Assets</b>	<b>\$ 10,780,317</b>	<b>\$ 2,275,985</b>	<b>\$ 13,056,302</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<i>Liabilities:</i>			
Accounts Payable and Accrued Liabilities	\$ 564,208	\$ 221,949	\$ 786,157
Due to Other Funds	37,403	200,303	237,706
<b>Total Liabilities</b>	<b>601,611</b>	<b>422,252</b>	<b>1,023,863</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>354,535</b>	<b>-</b>	<b>354,535</b>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepays	75,203	-	75,203
Restricted:			
Stabilization by State Statute	2,322,476	23,399	2,345,875
Register of Deeds	71,341	-	71,341
Health Department	1,168,338	-	1,168,338
Sheriff Department	5,748	-	5,748
Economic Development	127,647	-	127,647
USDA Loan Payments	-	1,038,884	1,038,884
Greene County Alcohol Beverage Control Funds	38,117	-	38,117
Committed:			
Tax Revaluation	-	159,133	159,133
Assigned:			
Special Revenue Funds	-	126,429	126,429
Capital Project Funds	-	505,888	505,888
Subsequent Year's Expenditures	131,121	-	131,121
Unassigned	5,884,180	-	5,884,180
<b>Total Fund Balances</b>	<b>9,824,171</b>	<b>1,853,733</b>	<b>11,677,904</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 10,780,317</b>	<b>\$ 2,275,985</b>	<b>13,056,302</b>

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

**COUNTY OF GREENE****EXHIBIT 4**

Snow Hill, North Carolina

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION***JUNE 30, 2019*

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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.

\$ 18,800,613

Net Pension Asset-ROD

17,381

Contributions to pension plans in the current fiscal year that are deferred outflows of resources  
on the Statement of Net Position

475,334

Other long-term assets are not available to pay for current-period expenditures and, therefore,  
are unavailable in the funds.

67,841

Deferred inflows of resources for taxes and special assessments receivable

354,535

Pension related deferrals

1,141,588

OPEB related deferrals

(180,875)

Accrued interest payable

(380,881)

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).

(26,486,659)

Net Position of Governmental Activities

\$ 5,486,781

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



**COUNTY OF GREENE****EXHIBIT 5**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF  
GOVERNMENTAL FUNDS***YEAR ENDED JUNE 30, 2019*

	<b>Major</b>	<b>Non-Major</b>	
		<b>Other</b>	<b>Total</b>
	<b>General</b>	<b>Governmental</b>	<b>Governmental</b>
		<b>Funds</b>	<b>Funds</b>
<b>Revenues:</b>			
Ad Valorem Taxes	\$ 8,923,196	\$ 869,168	\$ 9,792,364
Local Option Sales Taxes	3,976,785	-	3,976,785
Other Taxes and Licenses	480,488	-	480,488
Unrestricted Intergovernmental	83,068	-	83,068
Restricted Intergovernmental	3,206,680	1,592,470	4,799,150
Permits and Fees	486,955	-	486,955
Sales and Services	1,943,506	-	1,943,506
Investment Earnings	101,414	12,449	113,863
Miscellaneous	238,049	-	238,049
Total Revenues	19,440,141	2,474,087	21,914,228
<b>Expenditures:</b>			
<i>Current:</i>			
General Government	2,802,648	50,111	2,852,759
Public Safety	4,698,060	1,697,181	6,395,241
Environmental Protection	46,155	-	46,155
Economic and Physical Development	542,820	58,332	601,152
Human Services	5,156,033	-	5,156,033
Cultural and Recreation	456,576	1,989,448	2,446,024
<i>Intergovernmental:</i>			
Education	3,402,142	-	3,402,142
Capital Outlay	-	42,402	42,402
<i>Debt Service:</i>			
Principal	256,069	214,260	470,329
Interest	362,665	500,292	862,957
Total Expenditures	17,723,168	4,552,026	22,275,194
Excess (Deficiency) of Revenues Over Expenditures	1,716,973	(2,077,939)	(360,966)
<b>Other Financing Sources (Uses):</b>			
Transfers From Other Funds	36,200	1,948,509	1,984,709
Transfers To Other Funds	(1,948,509)	-	(1,948,509)
Total Other Financing Sources (Uses)	(1,912,309)	1,948,509	36,200
Net Change in Fund Balance	(195,336)	(129,430)	(324,766)
Fund Balances, Beginning	10,019,507	1,983,163	12,002,670
Fund Balances, Ending	\$ 9,824,171	\$ 1,853,733	\$ 11,677,904

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

**COUNTY OF GREENE****EXHIBIT 6**

Snow Hill, North Carolina

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES***YEAR ENDED JUNE 30, 2019*

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

Net changes in fund balances - total governmental funds	\$ (324,766)
---	--------------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay expenditures which are capitalized	\$ 3,015,913	
Depreciation expense for governmental assets	(1,132,060)	
Cost of capital assets disposed of during year, not recognized on modified accrual basis	<u>(51,807)</u>	1,832,046

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	475,334
--	---------

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

Change in deferred revenues for taxes and interest	112,924
--	---------

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.

Principal payments on long term debt	470,329	
Decrease in accrued interest payable	<u>134,289</u>	604,618

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

Compensated absences	27,729	
Other Post employment benefits	(32,267)	
County's portion of collective pension expense	<u>(663,986)</u>	<u>(668,524)</u>

Total Changes in Net Position of Governmental Activities	<u>\$ 2,031,632</u>
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The accompanying notes to the financial statements are an integral part of these statements.

**COUNTY OF GREENE****EXHIBIT 7**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL – GENERAL FUND**

YEAR ENDED JUNE 30, 2019

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Positive (Negative)</b>
<b>Revenues:</b>				
Ad Valorem Taxes	\$ 8,880,308	\$ 8,770,308	\$ 8,923,196	\$ 152,888
Local Option Sales Taxes	3,913,020	3,913,020	3,976,785	63,765
Other Taxes and Licenses	323,000	418,000	480,488	62,488
Unrestricted Intergovernmental	80,000	80,000	83,068	3,068
Restricted Intergovernmental	4,103,257	2,685,472	3,206,680	521,208
Permits and Fees	482,750	482,750	486,955	4,205
Sales and Services	2,090,132	1,880,353	1,943,506	63,153
Investment Earnings	40,000	40,000	101,414	61,414
Miscellaneous	24,087	20,649	238,049	217,400
<b>Total Revenues</b>	<b>19,936,554</b>	<b>18,290,552</b>	<b>19,440,141</b>	<b>1,149,589</b>
<b>Expenditures:</b>				
<i>Current:</i>				
General Government	2,762,404	2,954,369	2,802,648	151,721
Public Safety	5,179,697	4,878,760	4,698,060	180,700
Environmental Protection	66,898	66,898	46,155	20,743
Economic and Physical Development	906,531	691,182	542,820	148,362
Human Services	6,168,590	5,758,956	5,156,033	602,923
Cultural and Recreational	435,312	470,312	456,576	13,736
<i>Intergovernmental:</i>				
Education	3,373,405	3,413,405	3,402,142	11,263
<i>Debt Service:</i>				
Principal Retirement	263,351	256,072	256,069	3
Interest	355,386	362,665	362,665	-
<b>Total Expenditures</b>	<b>19,511,574</b>	<b>18,852,619</b>	<b>17,723,168</b>	<b>1,129,451</b>
<b>Revenues Over (Under) Expenditures</b>	<b>424,980</b>	<b>(562,067)</b>	<b>1,716,973</b>	<b>2,279,040</b>
<b>Other Financing Sources (Uses):</b>				
Transfers To Other Funds	(551,180)	36,200	36,200	-
Transfers From Other Funds	36,200	(1,253,148)	(1,948,509)	(695,361)
Fund Balance Appropriated	90,000	1,779,015	-	(1,779,015)
<b>Total Other Financing Sources (Uses)</b>	<b>(424,980)</b>	<b>562,067</b>	<b>(1,912,309)</b>	<b>(2,474,376)</b>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(195,336)</b>	<b>\$ (195,336)</b>
<b>Fund Balances:</b>				
Beginning of Year, July 1			10,019,507	
<b>End of Year, June 30</b>			<b>\$ 9,824,171</b>	

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

**COUNTY OF GREENE**
**EXHIBIT 8**

Snow Hill, North Carolina

**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**

JUNE 30, 2019

	Enterprise Funds			Totals
	Major Fund Utility	Major Fund Landfill	Nonmajor Fund Transportation	
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 2,282,992	\$ 616,814	\$ 255,257	\$ 3,155,063
Receivables, Net	481,459	33,367	-	514,826
Prepaid expenses	9,686	1,687	2,075	13,448
Due From Other Governments	224,029	13,490	27,615	265,134
Due From Other Funds	200,256	14,329	-	214,585
Total Current Assets	3,198,422	679,687	284,947	4,163,056
Noncurrent Assets:				
Restricted Cash and Cash Equivalents	7,198,822	-	-	7,198,822
Capital Assets:				
Land, Improvements, and Construction in Progress	327,652	158,434	-	486,086
Other Capital Assets, Net of Depreciation	41,261,875	44,259	392,717	41,698,851
Total Capital Assets	41,589,527	202,693	392,717	42,184,937
Total Noncurrent Assets	48,788,349	202,693	392,717	49,383,759
<b>Total Assets</b>	51,986,771	882,380	677,664	53,546,815
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	110,046	30,410	40,103	180,559
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	145,998	27,500	19,981	193,479
Due to Other Funds	306,610	90,767	58,759	456,136
Accrued Interest Payable	47,287	-	-	47,287
Installment Purchase Contract Payable	186	-	-	186
Clean Water Bond Loan Payable	172,232	-	-	172,232
Revenue Bonds	250,000	-	-	250,000
DWSRF Revolving Loan	199,706	-	-	199,706
Total Current Liabilities	1,122,019	118,267	78,740	1,319,026
Noncurrent Liabilities:				
Liabilities Payable from Restricted Assets				
Payables from Restricted Assets	233,084	-	-	233,084
Deposits	206,715	-	-	206,715
Landfill Closure and Postclosure Care Costs	-	762,436	-	762,436
Compensated Absences	38,684	4,377	15,905	58,966
Net Pension Liability	128,650	35,551	46,883	211,084
Other Postemployment Benefits	134,465	37,158	49,002	220,625
Clean Water Bond Loan Payable	516,697	-	-	516,697
Revenue Bonds	14,102,000	-	-	14,102,000
DWSRF Revolving Loan	2,620,588	-	-	2,620,588
Total Noncurrent Liabilities	17,980,883	839,522	111,790	18,932,195
<b>Total Liabilities</b>	19,102,902	957,789	190,530	20,251,221
<b>DEFERRED INFLOWS OF RESOURCES</b>	21,501	5,941	7,836	35,278

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

**COUNTY OF GREENE****EXHIBIT 8**

Snow Hill, North Carolina

**STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)***JUNE 30, 2019*

	Enterprise Funds			Totals
	Major Fund Utility	Major Fund Landfill	Nonmajor Fund Transportation	
<b>NET POSITION</b>				
Net Investment in Capital Assets	23,814,646	202,693	392,717	24,410,056
Restricted for Alternative Water Supply	6,278,055	-	-	6,278,055
Restricted for Capital Projects	543,423	-	-	543,423
Restricted for USDA Loan Payments	640,474	-	-	640,474
Unrestricted	1,695,816	(253,633)	126,684	1,568,867
<b>Total Net Position</b>	<b>\$ 32,972,414</b>	<b>\$ (50,940)</b>	<b>\$ 519,401</b>	<b>\$ 33,440,875</b>

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

**COUNTY OF GREENE****EXHIBIT 9**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –  
PROPRIETARY FUNDS***YEAR ENDED JUNE 30, 2019*

	<b>Major Fund Utility</b>	<b>Major Fund Landfill</b>	<b>Non-Major Fund Transportation</b>	<b>Totals</b>
<b>Operating Revenues:</b>				
Water and Sewer Sales	\$ 2,937,162	\$ -	\$ -	\$ 2,937,162
Water and Sewer Tap Fees and Service Charges	28,809	-	-	28,809
Landfill Fees	-	717,361	-	717,361
Other Operating Revenues	104,152	-	196,074	300,226
Total Operating Revenues	3,070,123	717,361	196,074	3,983,558
<b>Operating Expenses:</b>				
Salaries and Employee Benefits	555,233	144,599	247,746	947,578
Supplies and Fuel	154,601	7,907	40,030	202,538
Maintenance	209,970	28,827	32,506	271,303
Contracted Services	182,391	267,991	-	450,382
Professional Services	38,011	36,421	-	74,432
Water Purchased	574,042	-	-	574,042
Management Fee - County	225,000	-	-	225,000
Utilities	170,058	16,298	4,564	190,920
Sewer Charges - Town of Farmville	203,658	-	-	203,658
Software	11,400	-	-	11,400
Office Expense	46,996	-	10,911	57,907
Insurance	23,110	-	-	23,110
Telephone and Postage	-	6,253	2,156	8,409
Miscellaneous	-	6,549	5,249	11,798
Disposal Fees	-	137,333	-	137,333
Landfill Closure and Postclosure Care Costs	-	20,775	-	20,775
Capital Outlay (Under Threshold)	28,473	-	-	28,473
Depreciation	1,242,610	17,772	69,103	1,329,485
Total Operating Expense	3,665,553	690,725	412,265	4,768,543
Operating Income (Loss)	(595,430)	26,636	(216,191)	(784,985)
<b>Nonoperating Revenues (Expenses):</b>				
Interest and Investment Revenue	100,753	8,449	3,165	112,367
Alternative Water Supply Fees - County	716,784	-	-	716,784
Alternative Water Supply Fees - Towns & Districts	227,505	-	-	227,505
NCDOT Water Line Relocation	48,300	5,649	-	53,949
Line Relocation - DOT	152,503	-	-	152,503
Line Relocation Expenses	(152,513)	-	-	(152,513)
Liquidated damages	20,000	-	-	20,000
Department of Commerce Grant Income	87,608	-	-	87,608
Water Line Relocation-Commerce	(87,608)	-	-	(87,608)

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

**COUNTY OF GREENE****EXHIBIT 9**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –  
PROPRIETARY FUNDS (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Major Fund Utility</b>	<b>Major Fund Landfill</b>	<b>Non-Major Fund Transportation</b>	<b>Totals</b>
<b>Nonoperating Revenues (Expenses):</b> (continued)				
Line Relocation Expenses Alt Water	-	-	-	-
USDA Grant	-	-	-	-
Sale of Capital Assets	-	-	-	-
Interest on Long-Term Debt	(541,627)	-	-	(541,627)
Total Nonoperating Revenue (Expenses)	571,705	14,098	3,165	588,968
Income (Loss) Before Contributions and Transfers	(23,725)	40,734	(213,026)	(196,017)
Transfers (To) From Other Funds	(36,200)	-	-	(36,200)
Capital Contributions	-	-	358,954	358,954
Change in Net Position	(59,925)	40,734	145,928	126,737
Total Net Position, Beginning	33,032,339	(91,674)	373,473	33,314,138
Total Net Position, Ending	<u>\$ 32,972,414</u>	<u>\$ (50,940)</u>	<u>\$ 519,401</u>	<u>\$ 33,440,875</u>

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

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**

**EXHIBIT 10**

*YEAR ENDED JUNE 30, 2019*

	Enterprise Funds			
	Major Fund Utility	Major Fund Landfill	Nonmajor Fund Transportation	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash Received From Customers	\$ 2,959,490	\$ 717,361	\$ 196,074	\$ 3,872,925
Cash Paid for Goods and Services	(1,837,148)	(507,579)	(95,414)	(2,440,141)
Cash Paid to Employees for Services	(557,534)	(152,889)	(247,746)	(958,169)
Customer Deposits Received	48,595	-	-	48,595
Customer Deposits Returned	(2,740)	-	-	(2,740)
Other Operating Revenues	89,686	-	-	89,686
Net Cash Provided by (Used in) Operating Activities	700,349	56,893	(147,086)	610,156
<b>CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES:</b>				
Alternative Water Supply Fees	716,784	-	-	716,784
Transfers (To) From Other Funds	(36,200)	-	-	(36,200)
Net Cash Provided by (Used in) Noncapital Financing Activities	680,584	-	-	680,584
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and Construction of Capital Assets	(25,028)	-	(196,685)	(221,713)
Interest Paid On Indebtedness	(556,187)	-	-	(556,187)
Principal Paid On Indebtedness	(839,858)	-	-	(839,858)
Capital Contributions-State and Federal Grants	305,471	5,649	358,918	670,038
Net cash provided by (used in) capital and related financing activities	(1,115,602)	5,649	162,233	(947,720)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on Investments	100,754	8,448	3,165	112,367
Net Increase (Decrease) in Cash and Cash Equivalents	366,085	70,990	18,312	455,387
Cash and Cash Equivalents, July 1	9,115,729	545,824	236,945	9,898,498
Cash and Cash Equivalents, June 30	\$ 9,481,814	\$ 616,814	\$ 255,257	\$ 10,353,885
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:</b>				
Cash consists of the following:				
Unrestricted Cash and Cash Equivalents	\$ 2,282,992	\$ 616,814	\$ 255,257	\$ 3,155,063
Restricted Cash and Cash Equivalents - Customer Deposits	206,715	-	-	206,715
Restricted Cash and Cash Equivalents - Alternative Water Supply	6,265,291	-	-	6,265,291
Restricted Cash and Cash Equivalents - USDA Loan Payments	640,474	-	-	640,474
Restricted Cash and Cash Equivalents - Line Relocation	(542)	-	-	(542)
Restricted Cash and Cash Equivalents - CDBG Sewer Line	(4,725)	-	-	(4,725)
Restricted Cash and Cash Equivalents - Automated Meter	91,609	-	-	91,609
Cash and Cash Equivalents, June 30	\$ 9,481,814	\$ 616,814	\$ 255,257	\$ 10,353,885

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



**COUNTY OF GREENE****EXHIBIT 10**

Snow Hill, North Carolina

**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)**

YEAR ENDED JUNE 30, 2019

	Enterprise Funds			Totals
	Major Fund Utility	Major Fund Landfill	Nonmajor Fund Transportation	
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</i>				
Operating Income (Loss)	\$ (595,430)	\$ 26,636	\$ (216,191)	\$ (784,985)
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</i>				
Depreciation	1,242,610	17,772	69,103	1,329,485
Landfill Closure and Postclosure Care Costs	-	20,775	-	20,775
<i>Changes in Assets and Liabilities:</i>				
Decrease (Increase) in Accounts Receivable	(6,481)	(498)	177	(6,802)
Decrease (Increase) in Due From Other Governments	37,179	(230)	9,267	46,216
Decrease (Increase) in Deferred Outflows of Resources for Pensions	(38,728)	(9,208)	(10,157)	(58,093)
Decrease (Increase) in Deferred Outflows of Resources for OPEB	(5,446)	(1,505)	(1,985)	(8,936)
Increase (Decrease) in Deferred Inflows of Resources - OPEB	13,804	3,878	3,855	21,537
Increase (Decrease) in Deferred Inflows of Resources - Pensions	(3,500)	(967)	(1,392)	(5,859)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	26,838	(3,589)	15,683	38,932
Increase in Customer Deposits	3,380	-	-	3,380
Increase (Decrease) in Compensated Absences Payable	(2,498)	(5,435)	1,161	(6,772)
Increase (Decrease) in Net Pension Liability	40,017	11,071	12,133	63,221
Increase (Decrease) in Other Postemployment Benefits	(11,396)	(1,807)	(28,740)	(41,943)
Total Adjustments	1,295,779	30,257	69,105	1,395,141
Net Cash Provided by (Used in) Operating Activities	\$ 700,349	\$ 56,893	\$ (147,086)	\$ 610,156

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

COUNTY OF GREENE  
Snow Hill, North Carolina  
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS

EXHIBIT 11

JUNE 30, 2019

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	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 45,046
<b>LIABILITIES</b>	
Intergovernmental Payable	\$ 45,046

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

#### 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 began offering both water and sewer services in the specific District area. The Greene County Industrial Facility and Pollution Control Financing Authority (*the Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Greene County ABC Board (*the Board*), which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County and offers no separate presentation as with the discrete method.

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

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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.

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. 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 fund:

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

The County reports the following major enterprise funds:

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

*Landfill Fund* – This fund is used to account for the operation of the County's solid waste landfill, scrap tire disposal and white goods disposal.

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (CONTINUED)

##### **Basis of Presentation, Measurement Focus – Basis of Accounting (Continued)**

The County reports the following nonmajor 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, and the Utility Debt Service Fund are used to account for moneys restricted by USDA loan covenants for future debt payments.

*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; 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.

*Nonmajor Funds* – The County maintains four legally budgeted funds. The Fire District Funds, the Property Revaluation Fund, the Emergency Telephone System Fund, Hazard Mitigation Grant Program Fund, the 2012, 2015 and 2017 Community Development Block Grant Project Fund, and the 2018 CDBG – NR Project Fund are reported as nonmajor special revenue funds.

The Wellness Center Capital Project Fund, the School Capital Finance Fund, the EMS Satellite Facility Project Fund, and the Goldenleaf Generator Relocation 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.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (CONTINUED)

###### **Basis of Presentation, Measurement Focus – Basis of Accounting (Continued)**

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. Issuances 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. Since September 1, 2013, the State of North Carolina has been responsible for billing and collecting the property taxes on registered Motor Vehicles on behalf of all municipalities and special tax districts. These property taxes are due when vehicles are registered. Motor Vehicles Property Tax Revenues are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 or those for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (CONTINUED)**

###### **Basis of Presentation, Measurement Focus – Basis of Accounting (Continued)**

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, 2012, 2015 & 2017 CDBG Project Fund and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Wellness Center Capital Project Fund, the Billy Beer Capital Project Fund and the Intermediate School Project Fund and the Enterprise Capital Projects Funds, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. In the General Fund, revenues and expenses were increased by \$129,175 due to budget amendments. In the Special Revenue Funds, revenues and expenditures were increased by \$57,000 due to budget amendments. In the Enterprise Funds, revenues and expenditures were increased by \$8,500. 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).

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

##### 1. Deposits and Investments (Continued)

The County and the ABC Board's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Government Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price.

##### 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**

##### **Governmental Activities:**

Tax Revaluation Fund - Tax Revaluation	\$ 182,602
2012, 2015 & 2017 CDBG Project Fund	79
Jail Construction/Courthouse Renovation Project - Debt Service	-
Intermediate School Capital Project Fund - Debt Service	1,037,743
Total Governmental Activities	1,220,424

##### **Business-Type Activities:**

Utility Fund - Customer Deposits	206,715
Utility Fund - Alternative Water Supply	6,265,291
Utility Fund - Project Funds	86,342
Utility Fund - Debt Service	640,474
Total Business-Type Activities	7,198,822
Total Restricted Cash	\$ 8,419,246



## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

###### 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.

###### 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 received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. 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 the life of the asset, are not capitalized.

The County holds title to certain Greene County Board of Education properties that have not been included in capital assets. These 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.

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

##### 8. Capital Assets (continued)

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

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

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

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

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

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period, and will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - pension and OPEB related deferrals and contributions made to the pension and OPEB 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*, represents an acquisition of net position that applies to a future period and will not be recognized as revenue until then. The County has four items that meet the criterion for this category – taxes receivable, prepaid taxes, and other OPEB or 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 sources.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

###### 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.

*Prepays* – portion of fund balance that is not an available resource because it represents the year-end balance of prepaids, which are not spendable resources.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

###### 12. Net Position/Fund Balances (Continued)

*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* – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions of enabling legislation". RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

*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.

*Restricted for Greene County Alcohol Beverage Control Funds* – portion of fund balance that is restricted for Greene County ABC.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY (CONTINUED)

###### 12. Net Position/Fund Balances (Continued)

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

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

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

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

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

*Assigned for Subsequent Year's Expenditures* – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

*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.

###### 13. Defined Benefit Pension Plan

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 (LERS), the Registers of Deeds' Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers' Special Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset or liability, 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.

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. 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 (\$6,191,123) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 27,759,741
Less Accumulated Depreciation	8,959,128
<b>Net Capital Assets</b>	18,800,613
Net Pension Asset -ROD	17,381
Contributions to the Pension Plan in the current fiscal year	475,334
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	67,841
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	
Taxes	354,535
Pension related deferrals	1,141,588
OPEB deferrals	(180,875)
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	(22,143,586)
Total pension liability - LEO	(230,488)
Net pension liability - LGERS	(2,010,852)
Total OPEB	(2,101,733)
Accrued interest payable	(380,881)
<b>Total Adjustment</b>	<b>\$ (6,191,123)</b>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****E. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)****2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$2,356,398 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	\$ 3,015,913
Cost of disposed capital assets not recorded in fund statements	(51,807)
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	(1,132,060)
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	470,329
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities	475,334
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)	134,289
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	27,729
County's portion of Other Post Employment Benefits expense	(32,267)
County's portion of collective pension expense	(663,986)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Reversal of deferred tax revenue recorded at 7/01/18	(243,682)
Increase in deferred inflows of resources - taxes receivable - at end of year	354,535
Increase in accrued interest on taxes receivable for year ended 6/30/19	2,071
<b>Total Adjustment</b>	<b>\$ 2,356,398</b>

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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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

All Units of Government in North Carolina are required by G.S. 159-34 to receive and submit an annual audit report to the Local Government Commission. These reports are due by statute no later than four months after the close of the unit's fiscal year, October 31st of each year. The County's 2019 audit was not submitted by October 31, 2019.

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

The School Capital Finance Fund has a deficit fund balance at June 30, 2019 due to an additional transfer made to the wellness fund in prior years. In FY2020, a budget amendment will be made for the general fund to transfer funds to bring this fund balance to zero.

The landfill fund balance has a deficit at June 30, 2019 due to landfill closure costs that were accelerated by using a useful life of 20 years. The annual closure costs and related liability were adjusted to represent actual capacity of the landfill at June 30, 2018 which lowered the annual closure costs by approximately \$60,000. This will result in less overall expenditures in the landfill fund which should bring fund balance out of a deficit over a period of 2-3 years.



## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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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, 2019, the County's deposits had a carrying amount of \$10,109,478 and a bank balance of \$10,241,061. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

At June 30, 2019, Greene County had \$1,723 cash on hand.

At June 30, 2019, the carrying amount of deposits for Greene County ABC Board was \$198,314 and the bank balance was \$186,374. Of this balance, \$170,365 was covered by federal depository insurance and no balance was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2019, the ABC Board had \$1,000 cash on hand.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS***JUNE 30, 2019***III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****A. ASSETS (CONTINUED)****2. Investments**

At June 30, 2019, the County had \$10,610,639 invested with the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAM by Standards and Poor's. The County had no policy regarding credit risk.

**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>
2016	\$ 1,846,746	\$ 435,908	\$ 2,271,308
2017	1,849,532	271,822	2,114,685
2018	1,852,041	106,205	1,953,256
2019	1,858,040	-	1,858,040
Total	<u>\$ 7,406,359</u>	<u>\$ 813,935</u>	<u>\$ 8,197,289</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**A. ASSETS (CONTINUED)**

**4. Receivables**

Receivables at the government-wide level at June 30, 2019 were as follows:

	<b>Accounts</b>	<b>Taxes and Related Accrued Interest</b>	<b>Due From Other Governments</b>	<b>Total</b>
<b>Governmental Activities:</b>				
General	\$ 480,471	\$ 412,892	\$ 1,917,650	\$ 2,811,013
Other Governmental	-	18,816	316,896	335,712
Total Receivables	480,471	431,708	2,234,546	3,146,725
Allowance for Doubtful Accounts	(351,310)	(76,406)	-	(427,716)
Total Governmental Activities	<u>\$ 129,161</u>	<u>\$ 355,302</u>	<u>\$ 2,234,546</u>	<u>\$ 2,719,009</u>
<b>Business-Type Activities:</b>				
Utility Fund	\$ 824,995	\$ -	\$ 224,029	\$ 1,049,024
Landfill Fund	14,329	44,164	13,490	71,983
Nonmajor Enterprise Activities	-	-	27,615	27,615
Total Receivables	839,324	44,164	265,134	1,148,622
Allowance for Doubtful Accounts	(143,280)	(10,797)	-	(154,077)
Total Business-Type Activities	<u>\$ 696,044</u>	<u>\$ 33,367</u>	<u>\$ 265,134</u>	<u>\$ 994,545</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**A. ASSETS (CONTINUED)**

**4. Receivables (Continued)**

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

Local Option Sales Tax	\$ 835,640
Various Human Service and Health Revenues	295,796
Sales Tax	149,268
School Capital Finance Fund	200,225
E911 Funds	5,830
NCDMV - Vehicle Property Taxes	
CDBG	1,595
Hazard Mitigation grant	243,248
Miscellaneous	248,581
Total General Fund	<u>1,980,183</u>
Sales Tax-Transportation Fund	27,615
Sales Tax-Utility Fund	14,123
Joint Deposit - Town of Farmville	10,000
Alternative Water Supply Fees	12,764
Scrap Tire Tax	9,068
Community Development Funds	187,142
Solid Waste Disposal Tax	4,422
Total Enterprise Fund	<u>265,134</u>
Total Due	<u>\$ 2,245,317</u>

**5. Notes Receivable**

The County has one loan remaining from Global Transpark Development Zone Loan Funds. The purpose of the loan is to increase the County tax base and create jobs. The subsequent repayment of this loan will likewise be restricted.

The 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 following summarizes the expected collection on this note:

<b>Principal Amounts Due for the Year Ended June 30,</b>	<b>NWL</b>	<b>Total</b>
2020	\$ 5,505	\$ 5,505
	<u>\$ 5,505</u>	<u>\$ 5,505</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**A. ASSETS (CONTINUED)**

**6. Capital Assets**

Primary Government

Capital asset activity for the year ended June 30, 2019 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	\$ 677,460	\$ -	\$ -	\$ 677,460
Construction in Progress	45,203	1,989,448	-	2,034,651
Total Capital Assets Not Being Depreciated	<u>722,663</u>	<u>1,989,448</u>	<u>-</u>	<u>2,712,111</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings & Land Improvements	20,403,374	515,445	-	20,918,819
Vehicles	1,371,114	289,822	24,150	1,636,786
Equipment	2,363,645	221,198	92,818	2,492,025
Total Capital Assets Being Depreciated	<u>24,138,133</u>	<u>1,026,465</u>	<u>116,968</u>	<u>25,047,630</u>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Land Improvements	5,408,865	672,228	-	6,081,093
Vehicles	803,396	303,986	14,490	1,092,892
Equipment	1,679,968	155,846	50,671	1,785,143
<b>Total Accumulated Depreciation</b>	<u>7,892,229</u>	<u>\$ 1,132,060</u>	<u>\$ 65,161</u>	<u>8,959,128</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>16,245,904</u>			<u>16,088,502</u>
<b>Governmental Activity Capital Assets, Net</b>	<u>\$ 16,968,567</u>			<u>\$ 18,800,613</u>

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

General Government	\$ 436,276
Public Safety	295,512
Human Services	15,816
Cultural and Recreational	76,613
<b>Total Depreciation Expense</b>	<u>\$ 824,217</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**A. ASSETS (CONTINUED)**

**6. Capital Assets (Continued)**

Primary Government

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Business Type Activities:</b>				
<b>Greene County Utility Fund:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 231,692	\$ -	\$ -	\$ 231,692
Construction In Progress	95,959	-	-	95,959
Total Capital Assets Not Being Depreciated	327,651	-	-	327,651
<b>Capital Assets Being Depreciated:</b>				
Transfer Distribution Systems	54,541,004	-	-	54,541,004
Equipment	404,628	-	-	404,628
Vehicles	277,707	25,028	-	302,735
Total Capital Assets Being Depreciated	55,223,339	25,028	-	55,248,367
<i>Less Accumulated Depreciation for:</i>				
Transfer Distribution Systems	12,253,220	1,199,554	-	13,452,774
Equipment	276,027	22,092	2,334	295,785
Vehicles	214,635	23,297	-	237,932
<b>Total Accumulated Depreciation</b>	12,743,882	\$ 1,244,943	\$ 2,334	13,986,491
Total Capital Assets Being Depreciated, Net	42,479,457			41,261,876
<b>Greene County Utility Fund Capital Assets, Net</b>	<u>\$ 42,807,108</u>			<u>\$ 41,589,527</u>
<b>Greene County Landfill Fund:</b>				
<b>Capital Assets Not Being Depreciated:</b>				
Land and Improvements	\$ 158,434	\$ -	\$ -	\$ 158,434
Total Capital Assets Not Being Depreciated	158,434	-	-	158,434
<b>Capital Assets Being Depreciated:</b>				
Buildings	108,102	-	-	108,102
Vehicles	195,781	-	-	195,781
Equipment	553,447	-	-	553,447
Total Capital Assets Being Depreciated	857,330	-	-	857,330
<i>Less Accumulated Depreciation for:</i>				
Buildings	108,103	-	-	108,103
Vehicles	195,781	-	-	195,781
Equipment	491,415	17,772	-	509,187
<b>Total Accumulated Depreciation</b>	795,299	\$ 17,772	\$ -	813,071
Total Capital Assets Being Depreciated, Net	62,031			44,259
<b>Greene County Landfill Capital Assets, Net</b>	<u>\$ 220,465</u>			<u>\$ 202,693</u>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****A. ASSETS (CONTINUED)****6. Capital Assets (Continued)**Primary Government

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Greene County Transportation Fund:</b>				
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$ 169,900	\$ 10,795	\$ -	\$ 180,695
Vehicles	383,006	185,889	-	568,895
Equipment	33,024	-	-	33,024
Total Capital Assets Being Depreciated	585,930	196,684	-	782,614
<b>Less Accumulated Depreciation for:</b>				
Buildings	93,854	8,795	-	102,649
Vehicles	210,809	55,993	-	266,802
Equipment	16,134	4,312	-	20,446
<b>Total Accumulated Depreciation</b>	<b>320,797</b>	<b>\$ 69,100</b>	<b>\$ -</b>	<b>389,897</b>
Total Capital Assets Being Depreciated, Net	265,133			392,717
<b>Greene County Transportation Fund Capital Assets, \$</b>	<b>265,133</b>			<b>\$ 392,717</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 43,292,706</b>			<b>\$ 42,184,937</b>

**Construction Commitments**

The government has active construction projects as of June 30, 2019, the Wellness Center and the 2016 CDBG projects. At June 30, 2019, the Governments commitments with contractors are as follows:

<b>Project</b>	<b>Spent to Date</b>	<b>Remaining Commitment</b>
Wellness Center	\$ 2,059,651	\$ 803,049
2016 CDBG	478,241	1,532,959

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**A. ASSETS (CONTINUED)**

**6. Capital Assets (Continued)**

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2019 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	12,055	-	-	12,055
<b>Capital Assets Being Depreciated:</b>				
Buildings	78,454	-	-	78,454
Equipment	59,560	-	-	59,560
Total Capital Assets Being Depreciated	138,014	-	-	138,014
<b>Less Accumulated Depreciation for:</b>				
Buildings	57,105	3,216	-	60,321
Equipment	47,149	3,268	-	50,417
<b>Total Accumulated Depreciation</b>	104,254	\$ 6,484	\$ -	110,738
<i>Total Capital Assets Being Depreciated, Net</i>	33,760			27,276
<b>Total Capital Assets Being Depreciated, Net</b>	<u>\$ 45,815</u>			<u>\$ 39,331</u>

**B. LIABILITIES**

**1. Payables**

Payables at the government-wide level at June 30, 2019 were as follows:

	<b>Vendors</b>	<b>Accrued Interest</b>	<b>Total</b>
<b>Government Activities:</b>			
General	\$ 781,534	\$ 380,881	\$ 1,162,415
Other Governmental	237,706	-	237,706
Total Governmental Activities	<u>\$ 1,019,240</u>	<u>\$ 380,881</u>	<u>\$ 1,400,121</u>
<b>Business-Type Activities:</b>			
Utility Fund	\$ 429,996	\$ 47,287	\$ 477,283
Landfill Fund	118,267	-	118,267
Nonmajor Enterprise Activities	78,740	-	78,740
Total Business-Type Activities	<u>\$ 627,003</u>	<u>\$ 47,287</u>	<u>\$ 674,290</u>



## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

##### B. LIABILITIES (CONTINUED)

##### 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.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

##### B. LIABILITIES (CONTINUED)

##### 2. Pension Plan and Other Postemployment Benefits (Continued)

##### a. Local Governmental Employee's Retirement System (Continued)

*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, 2019, was 8.50% of compensation for law enforcement officers and 7.75% 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 \$524,078 for the year ended June 30, 2019.

*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, 2019, the County reported a liability of \$2,221,936 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018, 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, 2018, the County's proportion was 0.09366%, which was an increase of 0.00157% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the County recognized pension expense of \$608,439. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****2. Pension Plan and Other Postemployment Benefits (Continued)****a. Local Governmental Employee's Retirement System (Continued)**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 342,792	\$ 11,502
Changes of assumptions	589,616	-
Net difference between projected and actual earnings on pension plan investment	305,006	-
Changes in proportion and differences between County contributions and proportionate share of contributions	45,071	944
County contributions subsequent to the measurement date	524,078	-
Total	<u>\$ 1,806,563</u>	<u>\$ 12,446</u>

\$524,078 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Years Ended June 30:**

2020	\$ 608,697
2021	402,352
2022	78,502
2023	180,489
2024	-
Thereafter	-
	<u>\$ 1,270,040</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary Increases	3.50 percent
Investment Rate of Return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality rates based on the RP-2014 Total Data Set for Health Annuitants Mortality Table 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.

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

#### B. LIABILITIES (CONTINUED)

##### 2. Pension Plan and Other Postemployment Benefits (Continued)

###### a. Local Governmental Employee's Retirement System (Continued)

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2017 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 3.05%. All rates of return and inflation are annualized.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.00%. 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.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**a. Local Governmental Employee's Retirement System (Continued)**

*Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate.* The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00 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 (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
County's proportionate share of the net pension liability (asset)	\$ 5,337,282	\$ 2,221,936	\$ (381,296)

*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 under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. 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, 2017, the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	0
Terminated Plan Members Entitled but not yet Receiving Benefits	0
Active Plan Members	23
Total	<u>23</u>

COUNTY OF GREENE  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

B. LIABILITIES (CONTINUED)

3. Pension Plan and Other Postemployment Benefits (Continued)

b. Law Enforcement Officers' Special Separation Allowance (Continued)

2. Summary of Significant Accounting Policies:

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

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

3. Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2017 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount Rate	3.64 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index determined at the end of each month.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

4. 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. There were no contributions made by employees. 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 county paid \$0 as benefits came due for the reporting period.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****2. Pension Plan and Other Postemployment Benefits (Continued)****b. Law Enforcement Officers' Special Separation Allowance****5. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2019, the County reported a total pension liability of \$230,488. The total pension liability was measured as of December 31, 2018, based on a December 31, 2017 actuarial valuation. The total pension liability was rolled forward to December 31, 2018, utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the County recognized pension expense of \$21,547.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 24,711
Changes of assumptions	11,589	10,204
County benefit payments and plan administrative expense made subsequent to the measurement date		-
	<u>\$ 11,589</u>	<u>\$ 34,915</u>

The County paid \$- in benefit payments subsequent to the measurement date that are outflows of resources related to pensions, which will be recognized as a decrease of the total pension liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Years Ending June 30:**

2020	\$ (4,840)
2021	(4,840)
2022	(4,840)
2023	(4,726)
2024	(4,080)
Thereafter	-
	<u>\$ (23,326)</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**b. Law Enforcement Officers' Special Separation Allowance (Continued)**

**5. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

*Sensitivity of the County's total pension liability to changes in the discount rate.* The following presents the County's total pension liability calculated using the discount rate of 3.64 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.64 percent) or 1-percentage-point higher (4.64 percent) than the current rate:

	<b>1% Decrease (2.64%)</b>	<b>Discount Rate (3.64%)</b>	<b>1% Increase (4.64%)</b>
Total Pension Liability	\$ 250,257	\$ 230,488	\$ 212,651

**Schedule of Changes in Total Pension Liability  
Law Enforcement Officers' Special Separation Allowance**

	<b>2019</b>
Beginning Balance	\$ 230,581
Service Cost	19,101
Interest on the total pension liability	7,286
Changes in benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(17,241)
Changes of assumptions or other inputs	(9,239)
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u>\$ 230,488</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 3.16% at June 30, 2017 to 3.64% at June 30, 2018.

*Changes in Benefit Terms.* Benefit changes are reflected immediately. Benefit improvements for existing Plan members will increase pension expense, while benefit reductions will decrease pension expense. For the year ended December 31, 2018, there were no benefit changes to be recognized.

The plan currently uses mortality tables that vary by age, 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, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.



## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

##### B. LIABILITIES (CONTINUED)

##### 2. Pension Plan and Other Postemployment Benefits (Continued)

###### 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, 2019 were \$43,275, which consisted of \$39,405 from the County and \$3,870 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.

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

#### B. LIABILITIES (CONTINUED)

##### 2. Pension Plan and Other Postemployment Benefits (Continued)

###### d. Registers of Deeds' Supplemental Pension Fund (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 \$1,043 for the year ended June 30, 2019.

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

At June 30, 2019, the County reported an asset of \$17,381 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018, 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, 2018, the County's proportion was .10494%, which was a decrease of .00898% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the County recognized pension expense of \$4,079. June 30, 2019, 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	\$ 153	\$ 793
Changes of assumptions	817	-
Net difference between projected and actual earnings on pension plan investments	2,770	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,029	243
County contributions subsequent to the measurement date	1,043	-
Total	<u>\$ 6,812</u>	<u>\$ 1,036</u>

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**d. Registers of Deeds' Supplemental Pension Fund (Continued)**

\$1,043 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 ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b><u>Years Ended June 30:</u></b>	
2020	\$ 2,629
2021	856
2022	816
2023	430
2024	-
Thereafter	-
	<u>\$ 4,731</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	3.75 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, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**d. Registers of Deeds' Supplemental Pension Fund (Continued)**

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, 2019, is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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.

*Discount rate.* The discount rate used to measure the total pension asset was 3.75%. 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 asset.

*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 3.75%, 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 (2.75%) or 1-percentage-point higher (4.75 %) than the current rate:

	<b>1% Decrease (2.75%)</b>	<b>Discount Rate (3.75%)</b>	<b>1% Increase (4.75%)</b>
County's proportionate share of the net pension liability (asset)	\$ 13,704	\$ 17,381	\$ 20,482

*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.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**e. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

The net pension liability for LGERS and ROD was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of December 31, 2018, with an actuarial valuation date of December 31, 2017. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 2,221,936	\$ 17,381	\$ -	\$ 2,239,317
Proportion of the Net Pension Liability (Asset)	0.09366%	0.10494%	n/a	
Total Pension Liability	\$ -	\$ -	\$ 230,488	\$ 230,488
Pension Expense	\$ 608,439	\$ 4,079	\$ 21,547	\$ 634,065

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<b><u>Deferred Outflows of Resources</u></b>				
Differences between expected and actual experience	\$ 342,792	\$ 153	\$ -	\$ 342,945
Changes of assumptions	589,616	817	11,589	602,022
Net difference between projected and actual earnings on pension plan investments	305,006	2,770	-	307,776
Changes in proportion and differences between County contributions and proportionate share of contributions	45,071	2,029	-	47,100
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	524,078	1,043	-	525,121
<b><u>Deferred Inflows of Resources</u></b>				
Differences between expected and actual experience	11,502	793	24,711	37,006
Changes of assumptions	-	-	10,204	10,204
Changes in proportion and differences between County contributions and proportionate share of contributions	944	243	-	1,187

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**f. Other Post-Employment Benefit**

**1. Healthcare Benefits**

*Plan Administration:* Under the terms of a County resolution, the County provides postemployment healthcare benefits to retirees of the County (hired prior to July 1, 2013) provided they have at least 25 years of service with Greene County at age 60, or 30 years with Greene County at any age, and are retiring with unreduced benefits under the Local Government Employees' Retirement system. The County pays the full cost of coverage for these benefits through private insurers for the retiree only. Retirees cannot purchase additional coverage for their dependents at the County's rates. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for these plans.

*Plan membership.* At June 30, 2018, the HCB Plan membership consisted of the following:

**Membership Data as of June 30, 2018:**

Inactive members or beneficiaries currently receiving benefits	7
Inactive members entitled to but not yet receiving benefits	0
Active members	81
Total Membership	<u>88</u>

*Actuarial assumptions.* The total OPEB liability was determined by actuarial valuations as of June 30, 2016 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases, including wage inflation	
General Employees	3.5% - 7.75%
Law Enforcement Officers	3.5% - 7.35%
Healthcare cost trend rates	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Municipal Bond Index Rate	
Prior Measurement Date	3.56%
Measurement Date	3.89%

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**f. Other Post-Employment Benefit (Continued)**

**1. Healthcare Benefits (Continued)**

*Discount rate.* The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.89 percent.

Mortality rates were based on the RP-2014 mortality tables with adjustments for LGERS experience and generational mortality improvements using scale MP-2015.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period 2010 through 2014.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the County at June 30, 2019, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) or 1-percentage-point higher (4.89 percent) than the current discount rate:

	<b>1% Decrease (2.89%)</b>	<b>Discount Rate (3.89%)</b>	<b>1% Increase (4.89%)</b>
Total OPEB liability	\$ 2,543,768	\$ 2,322,358	\$ 2,121,376

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 2,056,049	\$ 2,322,358	\$ 2,633,779

*Changes in Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* At June 30, 2019, the County reported a total OPEB liability of \$2,322,358. The total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of June 30, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**f. Other Post-Employment Benefit (Continued)**

**1. Healthcare Benefits (Continued)**

At June 30, 2019, the components of the total OPEB liability of the County, measured as of June 30, 2018, were as follows:

	<b>Total OPEB Liability</b>
<b>Balance at July 1, 2017</b>	<b>\$ 2,373,062</b>
<b>Changes for the year</b>	
Service cost	135,839
Interest	83,383
Differences between expected and actual experience	(321,062)
Changes in assumptions	113,384
Benefit payments	(62,248)
<b>Net changes</b>	<b>(50,704)</b>
<b>Balance at June 30, 2018</b>	<b>\$ 2,322,358</b>

*Changes of assumptions.* Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% in 2017 to 3.89% in 2018.

For the year ended June 30, 2019, the County recognized OPEB expense of \$162,863. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 276,915
Changes of assumptions	94,068	81,976
County contributions subsequent to the measurement date	64,960	-
<b>Total</b>	<b>\$ 159,028</b>	<b>\$ 358,891</b>



**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

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

**f. Other Post-Employment Benefit (Continued)**

**1. Healthcare Benefits (Continued)**

\$58,789 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Year Ending June 30:**

2020	\$	(56,359)
2021		(56,359)
2022		(56,359)
2023		(56,359)
2024		(39,387)
Thereafter		-
	\$	<u>(264,823)</u>

**g. 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 \$762,436 reported as landfill closure and postclosure care liability at June 30, 2019, represents the net cumulative amount reported to date, based on the use of 100% of the total estimated capacity of the landfill.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****3. Closure and Postclosure Care Costs – Landfill (Continued)**

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

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

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Pension - difference between expected and actual experience		
LGERS	\$ 342,792	\$ 11,502
Register of Deeds	153	793
LEOSSA	-	24,711
OPEB - difference between expected and actual experience	-	276,915
Changes of Assumptions	696,090	92,180
Net difference between projected and actual earnings on pension plan investments	307,776	-
Changes in proportion and differences between County contributions and proportionate share of contributions	47,100	1,187
County contributions subsequent to the measurement date	525,121	-
Benefit payments for the OPEB plan paid subsequent to the measurement date	64,960	-
Total - Government Wide	<u>1,983,992</u>	<u>407,288</u>
Prepaid Regular Property Taxes Not Yet Earned	-	305,311
Taxes Receivable (Net) - General	-	49,224
Total - General Fund	<u>\$ -</u>	<u>\$ 354,535</u>

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

##### B. LIABILITIES (CONTINUED)

##### 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 \$35.8 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits.

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

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

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

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

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****6. Contingent Liabilities**

At June 30, 2019, 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>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 16,970	\$ 3,030	\$ 20,000
2021	17,839	2,161	20,000
2022	24,409	1,249	25,658
	<u>\$ 59,218</u>	<u>\$ 6,440</u>	<u>\$ 65,658</u>

**b. Installment Purchase Contracts**

On November 24, 2014, the County entered into an installment purchase contract with First Citizens Bank (direct placement) 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, 2019 was \$18,749.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 18,749	\$ 389	\$ 19,138
	<u>\$ 18,749</u>	<u>\$ 389</u>	<u>\$ 19,138</u>

# COUNTY OF GREENE

Snow Hill, North Carolina

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

### III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)

#### B. LIABILITIES (CONTINUED)

##### 7. Long-Term Obligations (Continued)

###### b. Installment Purchase Contracts (Continued)

###### HVAC:

On October 2, 2014, the County entered into an installment purchase contract with First Citizens Bank (direct placement) 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, 2019 was \$45,807.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 45,807	\$ 881	\$ 46,688
	<u>\$ 45,807</u>	<u>\$ 881</u>	<u>\$ 46,688</u>

###### Jail Construction:

On December 9, 2010, the County refinanced \$10,500,000 interim financing for the Jail Construction with three loans from USDA. The terms of each agreement called 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, 2019 were \$6,798,521, \$2,197,747, and \$444,224, 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 total amount set aside for debt service is \$446,556 at June 30, 2019, which satisfies the USDA requirements.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****b. Installment Purchase Contracts (Continued)****Loan 1 :**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 118,515	\$ 255,039	\$ 373,554
2021	122,959	250,595	373,554
2022	127,570	245,984	373,554
2023	132,354	241,200	373,554
2024	137,317	236,237	373,554
2025-2029	767,798	1,099,972	1,867,770
2030-2034	922,970	944,800	1,867,770
2035-2039	1,109,502	758,268	1,867,770
2040-2044	1,333,732	534,038	1,867,770
2045-2049	1,603,279	264,491	1,867,770
2050-2051	422,525	18,469	440,994
	<u>\$ 6,798,521</u>	<u>\$ 4,849,093</u>	<u>\$ 11,647,614</u>

**Loan 2:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 36,667	\$ 82,416	\$ 119,083
2021	38,043	81,040	119,083
2022	39,469	79,614	119,083
2023	40,949	78,134	119,083
2024	42,485	76,598	119,083
2025-2029	237,551	357,864	595,415
2030-2034	285,560	309,855	595,415
2035-2039	343,271	252,144	595,415
2040-2044	412,646	182,769	595,415
2045-2049	496,042	99,373	595,415
2050-2051	225,064	12,731	237,795
	<u>\$ 2,197,747</u>	<u>\$ 1,612,538</u>	<u>\$ 3,810,285</u>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****b. Installment Purchase Contracts (Continued)****Loan 3:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 7,411	\$ 16,659	\$ 24,070
2021	7,689	16,381	24,070
2022	7,978	16,092	24,070
2023	8,277	15,793	24,070
2024	8,587	15,483	24,070
2025-2029	48,015	72,335	120,350
2030-2034	57,719	62,631	120,350
2035-2039	69,384	50,966	120,350
2040-2044	83,407	36,943	120,350
2045-2049	100,263	20,087	120,350
2050-2051	45,494	2,573	48,067
	<u>\$ 444,224</u>	<u>\$ 325,943</u>	<u>\$ 770,167</u>

**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 completed during the year ended June 30, 2013. The County reserved an additional \$74,811 for debt service during the current year. The total amount set aside for debt service is \$591,289 at June 30, 2019, which satisfies the USDA requirements.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****b. Installment Purchase Contracts (Continued)**

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:**

<b>During the Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 99,990	\$ 237,072	\$ 337,062
2021	103,990	233,072	337,062
2022	108,150	228,912	337,062
2023	112,476	224,586	337,062
2024	116,975	220,087	337,062
2025-2029	658,915	1,026,395	1,685,310
2030-2034	801,671	883,639	1,685,310
2035-2039	975,355	709,955	1,685,310
2040-2044	1,186,669	498,641	1,685,310
2045-2049	1,443,764	241,546	1,685,310
2050	306,082	12,753	318,835
	<u>\$ 5,914,037</u>	<u>\$ 4,516,658</u>	<u>\$ 10,430,695</u>



**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****b. Installment Purchase Contracts (Continued)**

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.

**Loan 2:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 106,050	\$ 251,440	\$ 357,490
2021	110,292	247,198	357,490
2022	114,704	242,786	357,490
2023	119,292	238,198	357,490
2024	124,064	233,426	357,490
2025-2029	698,849	1,088,601	1,787,450
2030-2034	850,257	937,193	1,787,450
2035-2039	1,034,468	752,982	1,787,450
2040-2044	1,258,588	528,862	1,787,450
2045-2049	1,531,265	256,185	1,787,450
2050	324,632	13,526	338,158
	<u>\$ 6,272,461</u>	<u>\$ 4,790,397</u>	<u>\$ 11,062,858</u>

*(Reported In Enterprise Funds)***Utility Fund**

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****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 4.02% 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, 2019, the balance was \$688,928.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 172,232	\$ 42,068	\$ 214,300
2021	172,232	33,654	205,886
2022	172,232	25,241	197,473
2023	172,232	16,827	189,059
	<u>\$ 688,928</u>	<u>\$ 117,790</u>	<u>\$ 806,718</u>

**d. 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. On June 18, 2015, the County secured interim financing through the direct placement issuance of Bond Anticipation Note proceeds for additional extension and improvement of the water system. As of June 2016, the project was still not complete and another series of Bond Anticipation Note proceeds were issued for another one-year term or until the project was completed and Bonds could be issued. On December 13, 2016, \$2,787,000 of bonds were 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 \$97,351 for debt service during the current year. The total amount set aside for debt service is \$640,475 at June 30, 2019, which satisfies the USDA requirements.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****d. Revenue Bonds (Continued)**

The County's revenue bonds payable at June 30, 2019, 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%.	\$ 3,816,000
\$2,000,000 Water Revenue Bonds Series 2010B issued August 30, 2010; due in annual installments through June 1, 2050; interest at 4.00%.	1,790,000
\$3,800,000 Water Revenue Bonds Series 2011A issued August 30, 2011; due in annual installments through June 1, 2050; interest at 4.125%.	3,512,000
\$2,737,000 Water Revenue Bonds Series 2011B issued August 30, 2011; due in annual installments through June 1, 2050; interest at 3.375%.	2,498,000
\$2,787,000 Water Revenue Bonds Series 2016 issued December 13, 2016; due in annual installments through June 1, 2056; interest at 1.875%.	2,736,000
Total	<u>\$ 14,352,000</u>

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

**2010 Series:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 98,000	\$ 210,815	\$ 308,815
2021	102,000	207,150	309,150
2022	106,000	203,333	309,333
2023	110,000	199,363	309,363
2024	114,000	195,248	309,248
2025-2029	638,000	908,958	1,546,958
2030-2034	767,000	779,898	1,546,898
2035-2039	921,000	624,690	1,545,690
2040-2044	1,108,000	437,903	1,545,903
2045-2049	1,343,000	212,433	1,555,433
2050	299,000	11,285	310,285
	<u>\$ 5,606,000</u>	<u>\$ 3,991,073</u>	<u>\$ 9,597,073</u>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****d. Revenue Bonds (Continued)****2011 Series:**

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 100,000	\$ 229,178	\$ 329,178
2021	103,000	225,390	328,390
2022	107,000	221,486	328,486
2023	111,000	217,433	328,433
2024	115,000	213,221	328,221
2025-2029	646,000	997,065	1,643,065
2030-2034	779,000	864,615	1,643,615
2035-2039	939,000	704,479	1,643,479
2040-2044	1,133,000	511,215	1,644,215
2045-2049	1,359,000	278,069	1,637,069
2050-2051	618,000	35,726	653,726
	<u>\$ 6,010,000</u>	<u>\$ 4,497,877</u>	<u>\$ 10,507,877</u>

**2016 Series:**

<u>During the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 52,000	\$ 51,300	\$ 103,300
2021	53,000	50,325	103,325
2022	54,000	49,331	103,331
2023	55,000	48,319	103,319
2024	56,000	47,288	103,288
2025-2029	295,000	220,313	515,313
2030-2034	324,000	191,606	515,606
2035-2039	357,000	160,013	517,013
2040-2044	391,000	125,306	516,306
2045-2049	429,000	87,225	516,225
2050-2054	471,000	45,488	516,488
2055-2056	199,000	5,606	204,606
	<u>\$ 2,736,000</u>	<u>\$ 1,082,119</u>	<u>\$ 3,818,119</u>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****d. Revenue Bonds (Continued)**

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, 2011B, and 2016. 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, 2019 is as follows:

Operating Revenues	\$ 3,070,123
Operating Expenses (excluding depreciation)	2,422,943
Operating Income	647,180
Nonoperating Revenues (Expenses)	1,113,332
Transfers Out	(36,200)
Income Available for Debt Service	\$ 1,724,312
Debt Service, Principal and Interest	
Paid (Revenue Bonds Only)	\$ 741,439
Debt Service Coverage Ratio	233%

**e. 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 were 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. The agreement allowed for half of the loan to be forgiven. \$1,500,000 of the loan will be paid back over 20 years with no interest. This loan had a balance of \$825,000 at June 30, 2019.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 75,000	\$ -	\$ 75,000
2021	75,000	-	75,000
2022	75,000	-	75,000
2023	75,000	-	75,000
2024	75,000	-	75,000
2025-2029	375,000	-	375,000
2030	75,000	-	75,000
	<u>\$ 825,000</u>	<u>\$ -</u>	<u>\$ 825,000</u>

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****B. LIABILITIES (CONTINUED)****7. Long-Term Obligations (Continued)****e. DWSRF Revolving Loans (Continued)**

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, \$3,290,000 has been received by the County. The agreement allows for \$2,400,000 of the loan to be forgiven. \$890,000 of the loan will be paid back over 20 years with no interest. This loan had a balance of \$712,000 at June 30, 2019.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 44,500	\$ -	\$ 44,500
2021	44,500	-	44,500
2022	44,500	-	44,500
2023	44,500	-	44,500
2024	44,500	-	44,500
2025-2029	222,500	-	222,500
2030-2034	222,500	-	222,500
2035	44,500	-	44,500
	<u>\$ 712,000</u>	<u>\$ -</u>	<u>\$ 712,000</u>

On May 14, 2014, the County entered into a loan agreement with the State of North Carolina to obtain financing under the Drinking Water State Revolving Funds Program (DWSRF). The funds will be used to complete a construction project for Water System Improvements. Of the total \$1,604,118 loan, \$1,604,118 has been received by the County as of June 30, 2019. The loan will be paid back over 20 years with no interest. This loan had a balance of \$1,283,294 at June 30, 2019.

<u>During the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 80,206	\$ -	\$ 80,206
2021	80,206	-	80,206
2022	80,206	-	80,206
2023	80,206	-	80,206
2024	80,206	-	80,206
2025-2029	401,030	-	401,030
2030-2034	401,030	-	401,030
2035	80,204	-	80,204
	<u>\$ 1,283,294</u>	<u>\$ -</u>	<u>\$ 1,283,294</u>

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed only \$9,634,851 relates to assets the County holds title.

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**B. LIABILITIES (CONTINUED)**

**7. Long-Term Obligations (Continued)**

**f. Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2019:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Current Portion</b>
<b>Governmental Activities:</b>					
Notes Payable	\$ 75,362	\$ -	\$ 16,144	\$ 59,218	\$ 16,970
Direct Placement Installment					
Purchase Contracts	22,269,510	-	577,964	21,691,546	433,189
Total OPEB Liability	2,110,494	-	8,761	2,101,733	-
Compensated Absences	420,551	421,280	449,009	392,822	-
Total Pension Liability (LEOSSA)	230,581	-	93	230,488	-
Net Pension Liability (LGERs)	1,259,017	751,835	-	2,010,852	-
Total Governmental Activities	<u>\$ 26,365,515</u>	<u>\$ 1,173,115</u>	<u>\$ 1,051,971</u>	<u>\$ 26,486,659</u>	<u>\$ 450,159</u>
<b>Business-Type Activities:</b>					
Direct Placement Installment					
Purchase Contracts	\$ 225,920	\$ -	\$ 225,920	\$ -	\$ -
Clean Water Bond Loan	861,160	-	172,232	688,928	172,232
Revenue Bonds from direct placemen	14,594,000	-	242,000	14,352,000	250,000
DWSRF Revolving Loan	3,020,000	-	199,706	2,820,294	199,706
Accrued Landfill Closure and					
Postclosure Costs	741,661	20,775	-	762,436	-
Total OPEB Liability	262,568	-	41,943	220,625	-
Compensated Absences	65,740	52,768	59,540	58,968	-
Net Pension Liability (LGERs)	147,863	63,221	-	211,084	-
Total Business-Type Activities	<u>\$ 19,918,912</u>	<u>\$ 136,764</u>	<u>\$ 941,341</u>	<u>\$ 19,114,335</u>	<u>\$ 621,938</u>

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.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****C. INTERFUND BALANCES AND ACTIVITY**

The composition of interfund balances at June 30, 2019 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund		\$ 255,880
	Enterprise Fund	(255,880)
		<u>\$ -</u>

Loan from the General Fund to establish the Greene County Water Sewer District.

Operating and equity transfers to and from funds for the year ended June 30, 2019 are as follows:

	<u>Transfers</u>		
	<u>From</u>	<u>To</u>	<u>Net</u>
<b>Operating Transfers From/To Other Funds</b>			
Utility Fund	\$ 36,200	\$ -	\$ 36,200
General Fund	1,948,509	36,200	-
Property Revaluation Fund	-	35,000	-
School Capital Finance Fund	-	492,730	-
Wellness Center Capital Project Fund	-	983,826	-
EMS Satellite Facility Fund	-	436,953	(36,200)
Total Operating Transfers - Other Funds	<u>\$ 1,984,709</u>	<u>\$ 1,984,709</u>	<u>\$ -</u>

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



**COUNTY OF GREENE**

Snow Hill, North Carolina

**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2019

**III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED)****D. NET INVESTED IN CAPITAL ASSETS**

The Calculation of Net Invested in Capital Assets is computed as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Total Capital Assets	\$ 18,800,613	\$ 42,184,937
Plus Unexpended Restricted Cash in Project Funds	-	86,342
Less Related Debt (Current & NonCurrent):		
Installment Purchase Contracts and Notes Payable	(9,634,848)	-
Clean Water Bond Loans	-	(688,929)
General Obligation Indebtedness	-	(14,352,000)
DWSRF Revolving Loans	-	(2,820,294)
	<u>\$ 9,165,765</u>	<u>\$ 24,410,056</u>

**E. FUND BALANCE**

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

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

Total Fund Balance - General Fund	\$ 9,824,171
Less:	
Stabilization by State Statute	2,322,476
Register of Deeds	71,341
Health Department	1,168,338
Sheriff Department	5,748
Economic Development	127,647
Greene County ABC Board	38,117
Prepays	75,203
Subsequent years expenditures	131,121
Remaining Fund Balance	<u>\$ 5,884,180</u>

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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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, 2019, 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, 2019. During the year ended June 30, 2019, the County appropriated \$135,000 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 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, 2019. Greene County appropriated \$31,218 to Eastpointe during the fiscal year ending June 30, 2019, which included \$4,800 from the ABC Board designated for alcohol education. Information on Eastpointe can be obtained by contacting Eastpointe at 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, 2019. 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, 2019. 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.

## COUNTY OF GREENE

Snow Hill, North Carolina

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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#### **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 \$13,406 during the fiscal year ended June 30, 2019.

#### **VII. 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.

#### **VIII. MAJOR ENTERPRISE CUSTOMER**

The County's Utility Fund has one industrial customer who provides a substantial amount of the fund's sales. Billings to this customer comprised 45.17% of total billings.

#### **IX. SUBSEQUENT EVENTS**

The County has evaluated subsequent events through June 25, 2020, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Towards the end of December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") emerged globally. The extent to which COVID-19 may impact the County's results will depend on future developments, which are highly uncertain and cannot be predicted.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Proportionate Share of Net Pension Liability for Local Government Employees' Retirement System
- Schedule of Contributions to Local Government Employees' Retirement System
- Schedule of Proportionate Share of Net Pension Asset for Register of Deeds Supplemental Pension Fund
- Schedule of Contributions to Register of Deeds' Supplemental Pension Fund
- Schedule of Changes in Total Pension Liability (LEOSSA)
- Schedule of Total Pension Liability as a Percentage of Covered Payroll (LEOSSA)
- Schedule of Changes in the Total OPEB Liability and related Ratios

**COUNTY OF GREENE****STATEMENT 1**

Snow Hill, North Carolina

**LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM****SCHEDULE OF COUNTY PROPORTIONATE SHARE OF NET PENSION LIABILITY***LAST SIX FISCAL YEARS***SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY****Local Government Employees' Retirement System**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
County's proportion of the net pension liability (asset) (%)	0.09366%	0.09209%	0.09024%	0.08182%	0.08592%	0.09870%
County's proportionate share of the net pension liability (asset) (\$)	\$ 2,221,936	\$ 1,406,880	\$ 1,915,195	\$ 367,203	\$ (506,710)	\$ 1,189,714
County's covered payroll	\$ 6,657,729	\$ 6,041,224	\$ 5,831,863	\$ 5,313,183	\$ 5,128,800	\$ 5,167,806
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	33.37%	24.12%	36.05%	7.16%	(9.82%)	21.07%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

**SCHEDULE OF COUNTY CONTRIBUTIONS****Local Government Employees' Retirement System**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 524,078	\$ 465,224	\$ 439,320	\$ 368,131	\$ 365,321	\$ 368,352
Contributions in relation to the contractually required contribution	524,078	465,224	439,320	368,131	365,321	368,352
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 6,657,729	\$ 6,041,224	\$ 5,831,863	\$ 5,831,863	\$ 5,128,800	\$ 5,167,806
Contributions as a percentage of covered payroll	7.87%	7.70%	7.53%	6.31%	7.12%	7.13%

**COUNTY OF GREENE**

Snow Hill, North Carolina

**REGISTERS OF DEEDS' SUPPLEMENTAL PENSION FUND****REQUIRED SUPPLEMENTARY INFORMATION****STATEMENT 2***LAST SIX FISCAL YEARS***SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)****Register of Deeds' Supplemental Pension Plan**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.10494%	0.11392%	0.12329%	0.11411%	0.11947%	0.09750%
County's proportionate share of the net pension liability (asset) (\$)	\$ (17,381)	\$ (19,445)	\$ (23,050)	\$ (26,444)	\$ (27,079)	\$ (27,826)
County's covered payroll	\$ 55,810	\$ 51,204	\$ 48,766	\$ 48,766	\$ 48,766	\$ 48,204
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-31.14%	-37.98%	-47.26%	-54.23%	-55.53%	-43.20%
Plan fiduciary net position as a percentage of the total pension liability	153.31%	153.77%	160.17%	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 COUNTY CONTRIBUTIONS****Register of Deeds' Supplemental Pension Plan**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 898	\$ 898	\$ 990	\$ 1,007	\$ 913	\$ 975
Contributions in relation to the contractually required contribution	898	898	990	1,007	913	975
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 55,810	\$ 53,764	\$ 51,204	\$ 48,766	\$ 48,766	\$ 48,766
Contributions as a percentage of covered payroll	1.61%	1.67%	1.93%	2.06%	1.87%	2.00%

**COUNTY OF GREENE****STATEMENT 3**

Snow Hill, North Carolina

**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY****LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE***LAST THREE FISCAL YEARS*

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	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning Balance	\$ 230,581	\$ 203,216	\$ 181,981
Service Cost	19,101	17,639	19,366
Interest on the total pension liability	7,286	7,844	6,497
Changes in benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(17,241)	(16,273)	-
Changes of assumptions or other inputs	(9,239)	18,155	(4,628)
Benefit payments	-	-	-
Ending balance of the total pension liability	<u>\$ 230,488</u>	<u>\$ 230,581</u>	<u>\$ 203,216</u>

The amounts presented for each fiscal year were determined as of the prior December 31

**COUNTY OF GREENE**

**STATEMENT 4**

Snow Hill, North Carolina

**SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL  
LAW ENFORCEMENT OFFICERS’ SPECIAL SEPARATION ALLOWANCE**

*LAST THREE FISCAL YEARS*

---

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability	\$ 230,488	\$ 230,581	\$ 203,216
Covered Payroll	785,342	760,000	779,539
Total Pension Liability as a Percentage of Covered Payroll	29.35%	30.34%	26.07%

**Notes to the Schedules:**

Greene County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.



**COUNTY OF GREENE****STATEMENT 5**

Snow Hill, North Carolina

**OTHER POSTEMPLOYMENT BENEFITS****SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS***LAST TWO FISCAL YEARS*

	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>		
Service cost	\$ 135,839	\$ 144,256
Interest	83,383	69,622
Changes of benefit terms	-	-
Differences between expected and actual experience	(321,062)	(15,332)
Changes of assumptions	113,384	(119,152)
Benefit payments	(62,248)	(38,409)
<b>Net change in total OPEB liability</b>	<u>(50,704)</u>	<u>40,985</u>
<b>Total OPEB liability - beginning, as restated</b>	<u>2,373,062</u>	<u>2,332,077</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 2,322,358</u></u>	<u><u>\$ 2,373,062</u></u>
 <b>Covered payroll</b>	 \$ 3,051,618	 \$ 3,142,530
<b>Total OPEB liability as a percentage of covered payroll</b>	76.10%	75.51%

**Notes to the Schedules:**

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal year</u>	<u>Rate</u>
2019	3.89%
2018	3.56%

## **Combining and Individual Fund Financial Statements and Schedules**

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND**

YEAR ENDED JUNE 30, 2019

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>			
Ad Valorem Taxes:			
Taxes	\$ 8,703,893	\$ 8,848,140	\$ 144,247
Penalties and Interest	66,415	75,056	8,641
<i>Total Ad Valorem Taxes</i>	<u>8,770,308</u>	<u>8,923,196</u>	<u>152,888</u>
Local Option Sales Taxes:			
Article 39 and 44	1,836,665	1,818,768	(17,897)
Article 40 one-half of one percent	1,450,001	1,487,558	37,557
Article 42 one-half of one percent	464,008	492,251	28,243
Article 46 one-quarter of one percent	162,346	178,208	15,862
<i>Total Local Option Sales Taxes</i>	<u>3,913,020</u>	<u>3,976,785</u>	<u>63,765</u>
Other Taxes and Licenses:			
Medicaid Hold Harmless Tax	370,000	432,867	62,867
Real Estate Transfer Tax	48,000	47,621	(379)
<i>Total Other Taxes and Licenses</i>	<u>418,000</u>	<u>480,488</u>	<u>62,488</u>
Unrestricted Intergovernmental Revenue:			
Beer & Wine Tax	<u>80,000</u>	<u>83,068</u>	<u>3,068</u>
Restricted Intergovernmental Revenue:			
State and Federal Grants	2,509,306	3,042,901	533,595
GTP Loans & Loan Repayments	-	(189)	(189)
Controlled Substance Tax	-	372	372
Court Facility Fees	24,000	23,115	(885)
ABC - Bottle Tax	17,600	15,818	(1,782)
Inmate Fees & Reimbursements	30,000	32,359	2,359
Board of Education SRO Reimbursements	104,566	92,304	(12,262)
<i>Total Restricted Intergovernmental Revenue</i>	<u>2,685,472</u>	<u>3,206,680</u>	<u>521,208</u>
Permits and Fees:			
Building Inspection Fees	75,000	81,139	6,139
Concealed Weapon Fees & Gun Permits	23,500	28,375	4,875
Register of Deeds	65,000	59,955	(5,045)
Cable TV Fees	93,000	89,057	(3,943)
Other Permits and Fees	226,250	228,429	2,179
<i>Total Permits &amp; Fees</i>	<u>482,750</u>	<u>486,955</u>	<u>4,205</u>

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)**

YEAR ENDED JUNE 30, 2019

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Sales and Services:</b>			
DHHS & Health Department Fees	\$ 492,282	\$ 502,605	\$ 10,323
Jail and Officer Fees	345,000	382,968	37,968
Ambulance and EMS Fees	965,000	977,959	12,959
Recreation Fees	66,000	67,135	1,135
Senior Center Meals	200	929	729
Municipal Tax Collection Fee	2,300	2,589	289
Copier and Vending Machines	4,000	2,699	(1,301)
Rents	5,571	6,622	1,051
<i>Total Sales &amp; Services</i>	<u>1,880,353</u>	<u>1,943,506</u>	<u>63,153</u>
 <i>Total Investment Earnings</i>	 40,000	 101,414	 61,414
 <b>Other Revenues:</b>			
United Way Receipts - Senior Center	11,237	11,462	225
Insurance Proceeds	21,863	41,475	19,612
Miscellaneous	(12,451)	185,112	197,563
<i>Total Other Revenues</i>	<u>20,649</u>	<u>238,049</u>	<u>217,400</u>
 <b>TOTAL REVENUES</b>	 <u>18,290,552</u>	 <u>19,440,141</u>	 <u>1,149,589</u>
 <b>EXPENDITURES:</b>			
<i>General Government:</i>			
Governing Body:			
Salaries & Employee Benefits	28,568	23,021	5,547
Operating Expenses	77,885	74,969	2,916
Insurance Other Than Property	163,339	170,566	(7,227)
	<u>269,792</u>	<u>268,556</u>	<u>1,236</u>
Administration:			
Salaries and Employee Benefits	-	-	-
Operating Expenses	301,213	323,943	(22,730)
	<u>301,213</u>	<u>323,943</u>	<u>(22,730)</u>
Elections:			
Salaries & Employee Benefits	109,251	126,996	(17,745)
Operating Expenses	116,800	77,497	39,303
Capital Outlay	1,000	998	2
	<u>227,051</u>	<u>205,491</u>	<u>21,560</u>

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Finance:			
Salaries & Employee Benefits	\$ 505,779	\$ 469,534	\$ 36,245
Operating Expenses	97,250	116,980	(19,730)
	<u>603,029</u>	<u>586,514</u>	<u>16,515</u>
Taxes:			
Salaries & Employee Benefits	428,421	382,602	45,819
Operating Expenses	174,115	111,219	62,896
	<u>602,536</u>	<u>493,821</u>	<u>108,715</u>
Register of Deeds:			
Salaries & Employee Benefits	148,466	148,174	292
Operating Expenses	69,475	61,061	8,414
	<u>217,941</u>	<u>209,235</u>	<u>8,706</u>
Public Buildings:			
Salaries & Employee Benefits	86,469	97,955	(11,486)
Operating Expenses	562,500	563,594	(1,094)
Capital Outlay	56,628	29,818	26,810
	<u>705,597</u>	<u>691,367</u>	<u>14,230</u>
Court Facilities:			
Operating Expenses	27,210	23,721	3,489
	<u>27,210</u>	<u>23,721</u>	<u>3,489</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>2,954,369</u>	<u>2,802,648</u>	<u>151,721</u>
Public Safety:			
Sheriff Department:			
Salaries & Employee Benefits	1,489,417	1,461,324	28,093
Operating Expenses	213,900	209,730	4,170
Capital Outlay	145,663	130,069	15,594
	<u>1,848,980</u>	<u>1,801,123</u>	<u>47,857</u>
County Jail:			
Salaries & Employee Benefits	623,603	606,499	17,104
Operating Expenses	425,500	434,930	(9,430)
	<u>1,049,103</u>	<u>1,041,429</u>	<u>7,674</u>
Inspections:			
Salaries & Employee Benefits	162,238	150,794	11,444
Operating Expenses	15,000	13,046	1,954
	<u>177,238</u>	<u>163,840</u>	<u>13,398</u>

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)**

YEAR ENDED JUNE 30, 2019

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Emergency Management:			
Salaries & Employee Benefits	\$ 108,346	\$ 109,894	\$ (1,548)
Operating Expenses	54,177	39,976	14,201
Aid to Fire Districts	55,000	55,000	-
Greene County Firemen's Association	7,000	7,000	-
	<u>224,523</u>	<u>211,870</u>	<u>12,653</u>
Emergency Medical Services:			
Salaries & Employee Benefits	721,748	701,140	20,608
Operating Expenses	416,030	365,308	50,722
Medical Examiner	24,000	30,396	(6,396)
Aid to Rescue Districts	30,000	30,000	-
Capital Outlay	210,400	195,414	14,986
	<u>1,402,178</u>	<u>1,322,258</u>	<u>79,920</u>
Animal Control:			
Salaries & Employee Benefits	121,738	122,071	(333)
Operating Expenses	55,000	35,469	19,531
	<u>176,738</u>	<u>157,540</u>	<u>19,198</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>4,878,760</u>	<u>4,698,060</u>	<u>180,700</u>
Environmental Protection:			
Forest Fire Prevention:			
County Matching to State	66,898	46,155	20,743
<b>TOTAL ENVIRONMENTAL PROTECTION</b>	<u>66,898</u>	<u>46,155</u>	<u>20,743</u>
Economic & Physical Development:			
Agricultural Extension:			
Salaries & Employee Benefits	216,825	184,623	32,202
Operating Expenses	28,439	17,494	10,945
	<u>245,264</u>	<u>202,117</u>	<u>43,147</u>
Soil Conservation Services:			
Salaries & Employee Benefits	112,685	112,686	(1)
Operating Expenses	111,204	80,537	30,667
	<u>223,889</u>	<u>193,223</u>	<u>30,666</u>
Economic Development:			
Salaries & Employee Benefits	51,395	48,128	3,267
Operating Expenses	41,950	42,013	(63)
	<u>93,345</u>	<u>90,141</u>	<u>3,204</u>

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Physical Development:			
Engineering	\$ 10,033	\$ 295	\$ 9,738
Construction	118,651	57,044	61,607
	<u>128,684</u>	<u>57,339</u>	<u>71,345</u>
 <i>TOTAL ECONOMIC &amp; PHYSICAL DEVELOPMENT</i>	 <u>691,182</u>	 <u>542,820</u>	 <u>148,362</u>
 Human Services:			
Public Health:			
Administration:			
Salaries & Employee Benefits	1,404,542	1,267,882	136,660
Operating Expenses	446,845	332,856	113,989
Clinic and Consulting Fees	52,613	49,706	2,907
	<u>1,904,000</u>	<u>1,650,444</u>	<u>253,556</u>
Mental Health:			
ABC Funds - Addictions Program	4,800	-	4,800
Current Expense	61,218	31,218	30,000
	<u>66,018</u>	<u>31,218</u>	<u>34,800</u>
 Social Services:			
Administration:			
Salaries & Employee Benefits	2,050,443	2,067,979	(17,536)
Operating Expenses	264,648	147,370	117,278
Capital Outlay	21,000	5,849	15,151
	<u>2,336,091</u>	<u>2,221,198</u>	<u>114,893</u>
 Adoption Assistance	93,168	65,629	27,539
 TANF Program:			
Emergency Assistance	10,200	8,644	1,556
Foster Care	100,000	99,847	153
	<u>110,200</u>	<u>108,491</u>	<u>1,709</u>
 Blind Assistance	846	846	-
 Energy:			
Carolina Power and Light Crisis Fund	2,430	1,978	452
 Day Care:			
County Participation	13,452	132	13,320

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Crisis LIEAP	\$ 329,566	\$ 251,234	\$ 78,332
Program Expenses	49,000	42,441	6,559
Child Support Enforcement	37,900	18,988	18,912
Food Stamps	9,000	8,506	494
General Assistance	17,000	13,201	3,799
Independent Living	13,294	752	12,542
Work First Job Program	32,300	9,653	22,647
Minority Diabetes Prevention	11,263	11,203	60
Medical Assistance	55,000	23,896	31,104
Neuse River-In Home Care	59,849	63,093	(3,244)
Special Assistance-Adults	125,000	203,690	(78,690)
Title XX Legal Expense	45,000	28,547	16,453
Family Caregiver support	1,824	1,824	-
Foster Care	4,048	4,048	-
Breast & Cervical Cancer	2,479	562	1,917
<i>Total Social Services</i>	<u>3,348,710</u>	<u>3,079,912</u>	<u>268,798</u>
Veterans Service Officer:			
Salaries & Employee Benefits	25,468	23,218	2,250
Operating Expenses	2,935	1,663	1,272
	<u>28,403</u>	<u>24,881</u>	<u>3,522</u>



**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Youth Services:			
Operating Expenses	\$ 84,762	\$ 80,912	\$ 3,850
Senior Services:			
Salaries & Employee Benefits	176,658	139,618	37,040
Operating Expenses	150,405	149,048	1,357
	<u>327,063</u>	<u>288,666</u>	<u>38,397</u>
<i>TOTAL HUMAN SERVICES</i>	<u>5,758,956</u>	<u>5,156,033</u>	<u>602,923</u>
<i>Culture and Recreation:</i>			
Regional Library:			
County Matching Share	135,000	135,000	-
Recreation:			
Salaries & Employee Benefits	133,101	139,976	(6,875)
Operating Expenses	177,636	163,931	13,705
Capital Outlay	14,000	12,028	1,972
	<u>324,737</u>	<u>315,935</u>	<u>8,802</u>
Farmers Market	10,575	5,641	4,934
<i>TOTAL CULTURE AND RECREATION</i>	<u>470,312</u>	<u>456,576</u>	<u>13,736</u>
<i>Education:</i>			
Public Schools:			
Current Expense - Local	2,500,000	2,499,996	4
Capital Outlay - Local	663,405	652,146	11,259
	<u>3,163,405</u>	<u>3,152,142</u>	<u>11,263</u>
Community College:			
Local Appropriation	240,000	240,000	-
Installment Payments	10,000	10,000	-
	<u>250,000</u>	<u>250,000</u>	<u>-</u>
<i>TOTAL EDUCATION</i>	<u>3,413,405</u>	<u>3,402,142</u>	<u>11,263</u>

**COUNTY OF GREENE****STATEMENT 6**

Snow Hill, North Carolina

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Debt Service:			
Principal Retirement	\$ 256,072	\$ 256,069	\$ 3
Interest	362,665	362,665	-
TOTAL DEBT SERVICE	<u>618,737</u>	<u>618,734</u>	<u>3</u>
 TOTAL EXPENDITURES	 <u>18,852,619</u>	 <u>17,723,168</u>	 <u>1,129,451</u>
 Excess Revenues Over (Under) Expenditures	 <u>(562,067)</u>	 <u>1,716,973</u>	 <u>2,279,040</u>
OTHER FINANCING SOURCES (USES):			
Transfers To Other Funds	(1,253,148)	(1,948,509)	(695,361)
Transfers From Other Funds	36,200	36,200	-
 Fund Balance Appropriated	 <u>1,779,015</u>	 <u>-</u>	 <u>(1,779,015)</u>
Total Other Financing Sources (Uses)	<u>562,067</u>	<u>(1,912,309)</u>	<u>(2,474,376)</u>
Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>(195,336)</u>	<u>\$ (195,336)</u>
 FUND BALANCES, Beginning of Year, July 1		 <u>10,019,507</u>	
 FUND BALANCE, Ending		 <u>\$ 9,824,171</u>	

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

**STATEMENT 7**

*JUNE 30, 2019*

	Special Revenue Funds					Total	Capital Project Funds					Total	Total
	Fire	Property	Emergency	2012, 2015	Hazard	Nonmajor	School	Wellness	Debt	EMS	Golden Leaf	Nonmajor	Total
	District	Revaluation	Telephone	& 2017 CDBG	Mitigation	Special	Capital	Center	Service	Satellite	Generator	Capital	Nonmajor
	Funds	Fund	System	Project	Grant	Revenue	Finance	Capital	Fund	Facility	Relocation	Projects	Governmental
	Funds	Fund	Fund	Fund	Program	Funds	Fund	Project Fund	Fund	Project Fund	Project Fund	Funds	Funds
<b>ASSETS</b>													
Cash and Investments	\$ 6,853	\$ -	\$ 126,583	\$ -	\$ (243,248)	\$ (109,812)	\$ 1	\$ 829,660	\$ -	\$ -	\$ -	\$ 829,661	\$ 719,849
Restricted Cash	-	182,602	-	79	-	182,681	-	-	1,037,743	-	-	1,037,743	1,220,424
Accounts Receivable	-	183	17,492	-	-	17,675	-	-	1,141	-	-	1,141	18,816
Due From Other Governments	-	-	5,830	-	243,248	249,078	-	67,818	-	-	-	67,818	316,896
Due From Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes Receivable, Net	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 6,853</b>	<b>\$ 182,785</b>	<b>\$ 149,905</b>	<b>\$ 79</b>	<b>\$ -</b>	<b>\$ 339,622</b>	<b>\$ 1</b>	<b>\$ 897,478</b>	<b>\$ 1,038,884</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,936,363</b>	<b>\$ 2,275,985</b>
<b>LIABILITIES AND FUND BALANCES</b>													
Liabilities:													
Accounts Payable	\$ 6,853	\$ 23,652	\$ 77	\$ -	\$ -	\$ 30,582	\$ -	\$ 191,366	\$ -	\$ -	\$ -	\$ 191,366	\$ 221,948
Due to Other Funds	-	-	-	79	-	79	200,225	-	-	-	-	200,225	200,304
<b>Total Liabilities</b>	<b>6,853</b>	<b>23,652</b>	<b>77</b>	<b>79</b>	<b>-</b>	<b>30,661</b>	<b>200,225</b>	<b>191,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>391,591</b>	<b>422,252</b>
Deferred Inflows of Resources:													
Taxes Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances:													
Restricted:													
Stabilization by State Statute	-	-	23,399	-	-	23,399	-	-	-	-	-	-	23,399
USDA Loan Payments	-	-	-	-	-	-	-	-	1,038,884	-	-	1,038,884	1,038,884
Committed	-	159,133	-	-	-	159,133	-	-	-	-	-	-	159,133
Assigned	-	-	126,429	-	-	126,429	(200,224)	706,112	-	-	-	505,888	632,317
<b>Total Fund Balances</b>	<b>-</b>	<b>159,133</b>	<b>149,828</b>	<b>-</b>	<b>-</b>	<b>308,961</b>	<b>(200,224)</b>	<b>706,112</b>	<b>1,038,884</b>	<b>-</b>	<b>-</b>	<b>1,544,772</b>	<b>1,853,733</b>
<b>Total Liabilities, Deferred Inflows</b>													
<b>of Resources and Fund Balances</b>	<b>\$ 6,853</b>	<b>\$ 182,785</b>	<b>\$ 149,905</b>	<b>\$ 79</b>	<b>\$ -</b>	<b>\$ 339,622</b>	<b>\$ 1</b>	<b>\$ 897,478</b>	<b>\$ 1,038,884</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,936,363</b>	<b>\$ 2,275,985</b>

# COUNTY OF GREENE

# STATEMENT 8

Snow Hill, North Carolina

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2019

	Special Revenue Funds						Total	Capital Project Funds					Total	Total
	Fire District Funds	Property Revaluation Fund	Emergency Telephone System Fund	2012, 2015 & 2017 CDBG Project Fund	Hazard Mitigation Grant Program	2018 CDBG-NR Project Fund	Nonmajor Special Revenue Funds	School Capital Finance Fund	Wellness Center Capital Project Fund	Debt Service Fund	EMS Satellite Facility Project Fund	Golden Leaf Generator Relocation Project Fund	Nonmajor Capital Projects Funds	Nonmajor Governmental Funds
Revenues:														
Ad Valorem Taxes	\$ 869,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 869,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 869,168
Restricted Intergovernmental	-	-	208,133	58,332	243,248	-	509,713	221,823	860,934	-	-	-	1,082,757	1,592,470
Investment Earnings	-	1,704	1,023	-	-	-	2,727	-	-	9,722	-	-	9,722	12,449
Total Revenues	869,168	1,704	209,156	58,332	243,248	-	1,381,608	221,823	860,934	9,722	-	-	1,092,479	2,474,087
Expenditures:														
Public Safety	869,168	-	147,812	-	243,248	-	1,260,228	-	-	-	436,953	-	436,953	1,697,181
General Government	-	50,111	-	-	-	-	50,111	-	-	-	-	-	-	50,111
Economic Development	-	-	-	58,332	-	-	58,332	-	-	-	-	-	-	58,332
Cultural and Recreation	-	-	-	-	-	-	-	-	1,989,448	-	-	-	1,989,448	1,989,448
Capital Outlay	-	-	42,402	-	-	-	42,402	-	-	-	-	-	-	42,402
Debt Service - Principal	-	-	-	-	-	-	-	214,260	-	-	-	-	214,260	214,260
Debt Service - Interest	-	-	-	-	-	-	-	500,292	-	-	-	-	500,292	500,292
Total Expenditures	869,168	50,111	190,214	58,332	243,248	-	1,411,073	714,552	1,989,448	-	436,953	-	3,140,953	4,552,026
Revenues Over (Under) Expenditures	-	(48,407)	18,942	-	-	-	(29,465)	(492,729)	(1,128,514)	9,722	(436,953)	-	(2,048,474)	(2,077,939)
Other Financing Sources (Uses):														
Operating Transfer In (Out)	-	35,000	-	-	-	-	35,000	492,730	862,700	121,126	436,953	-	1,913,509	1,948,509
Total Other Financing Sources (Uses)	-	35,000	-	-	-	-	35,000	492,730	862,700	121,126	436,953	-	1,913,509	1,948,509
Revenues and Other Financing Sources Over (Under) Expenditures	-	(13,407)	18,942	-	-	-	5,535	1	(265,814)	130,848	-	-	(134,965)	(129,430)
Fund Balances:														
Beginning of Year, July 1	-	172,540	130,886	-	-	-	303,426	(200,225)	971,926	908,036	-	-	1,679,737	1,983,163
End of Year, June 30	\$ -	\$ 159,133	\$ 149,828	\$ -	\$ -	\$ -	\$ 308,961	\$ (200,224)	\$ 706,112	\$ 1,038,884	\$ -	\$ -	\$ 1,544,772	\$ 1,853,733

## **COMBINING STATEMENTS FOR NONMAJOR 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, 2015 and 2017 CDBG Project Fund – Community Development Block Grant Project Fund; this fund accounts for the revenues and expenses associated with various community revitalization projects.
- Hazard Mitigation Program Grant Fund – State program responsible for acquisition and elevations from hurricane Mathew, also, HMGP generator grant from state for two well generators to improve County infrastructure from Hurricane Mathew.
- 2018 CDBG NR Project Fund – Consumer Development Block Grant, Neighborhood Revitalization; HUD monies designed to help qualifying homeowners the services of a consultant to provide maintenance/program management and technical housing services.

### **Capital Projects Funds**

- School Capital Finance Fund – The County uses this fund to account for the construction/improvement of the Schools
- Wellness Center Capital Project Fund – The County uses this fund to account for the construction of the Wellness Center.
- Debt Service Fund – The governmental Debt Service Fund is used to account for moneys for future debt payments.
- EMS Satellite Facility Project Fund – Satellite EMS facility was built to reduce EMS response times to citizens in the northern end of the County.
- Golden Leaf Generator Relocation Capital Project Fund – Relocation of a generator from a potential flood plain for the justice center facility and the addition of two more generators for wells within the County.

**COUNTY OF GREENE****STATEMENT 9**

Snow Hill, North Carolina

**FIRE DISTRICT FUNDS****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Ad Valorem Taxes - Current Year	\$ 846,204	\$ 860,216	\$ 14,012
Ad Valorem Taxes - Prior Years	9,100	8,952	(148)
Total Revenues	<u>855,304</u>	<u>869,168</u>	<u>13,864</u>
Expenditures:			
Public Safety:			
Rainbow Fire District	125,632	132,287	(6,655)
Bull Head Fire District	77,759	77,806	(47)
Maury Fire District	92,000	93,125	(1,125)
Arba Fire District	62,530	63,506	(976)
Shine Fire District	70,924	71,312	(388)
Little Creek Fire District	38,040	39,855	(1,815)
Contentnea Fire District	130,524	132,146	(1,622)
Fort Run Fire District	57,788	57,258	530
Jason Fire District	51,878	52,602	(724)
Castoria Fire District	82,359	82,788	(429)
Speight's Bridge Fire District	65,870	66,483	(613)
Total Expenditures	<u>855,304</u>	<u>869,168</u>	<u>(13,864)</u>
Revenues Over Expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE, Beginning		<u>-</u>	
FUND BALANCE, Ending		<u>\$ -</u>	

**COUNTY OF GREENE****STATEMENT 10**

Snow Hill, North Carolina

**PROPERTY REVALUATION FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Investment Earnings	\$ -	\$ 1,704	\$ 1,704
Total Revenues	-	1,704	1,704
Expenditures:			
Current:			
General Government:			
Tax Revaluation	52,000	50,111	1,889
Total Expenditures	52,000	50,111	1,889
Revenues Over (Under) Expenditures	(52,000)	(48,407)	3,593
Other Financing Sources:			
Operating Transfers In	35,000	35,000	-
Reserve for Revaluation	(35,000)	-	(35,000)
Fund Balance Appropriated	52,000	-	52,000
Total Other Financing Sources	52,000	35,000	17,000
Revenues Over (Under) Expenditures and Other Financing Sources	\$ -	(13,407)	\$ (13,407)
FUND BALANCE, Beginning		172,540	
FUND BALANCE, Ending		\$ 159,133	

**COUNTY OF GREENE****STATEMENT 11**

Snow Hill, North Carolina

**EMERGENCY TELEPHONE SYSTEM FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Restricted Intergovernmental:			
PSAP Collections	\$ 208,133	\$ 208,133	\$ -
Investment Earnings	-	1,023	1,023
Total Revenues	<u>208,133</u>	<u>209,156</u>	<u>1,023</u>
Expenditures:			
Public Safety:			
E911:			
Operating Expenses	161,588	147,812	13,776
Wireless:			
Capital Outlay	<u>46,545</u>	<u>42,402</u>	<u>4,143</u>
Total Expenditures	<u>208,133</u>	<u>190,214</u>	<u>17,919</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>18,942</u>	<u>18,942</u>
Fund Balance, Beginning		<u>130,886</u>	
Fund Balance, Ending		<u>\$ 149,828</u>	



**COUNTY OF GREENE****STATEMENT 12**

Snow Hill, North Carolina

2012, 2015 &amp; 2017 CDBG PROJECT FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<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>					
Restricted Intergovernmental:					
2012 CDBG Project					
2012 Single Family Rehabilitation Program	\$ 160,000	\$ 157,139	\$ -	\$ 157,139	\$ (2,861)
2012 Single Family Rehab Program	225,000	223,758	26,522	250,280	25,280
Total 2012 CDBG Revenues	385,000	380,897	26,522	407,419	22,419
2015 CDBG Project					
2015 Single Family Rehabilitation Program	170,000	353,969	-	353,969	183,969
Total 2015 CDBG Revenues	170,000	353,969	-	353,969	183,969
2017 CDBG Project					
2017 Single Family Rehabilitation Program	150,000	-	31,810	31,810	(118,190)
Total 2017 CDBG Revenues	150,000	-	31,810	31,810	(118,190)
Total Revenues	705,000	734,866	58,332	793,198	88,198
<b>Expenditures:</b>					
Economic Development:					
2012 CDBG Project					
Rehabilitation Hard Costs 2012	121,455	140,062	-	140,062	(18,607)
Rehabilitation Soft Costs 2012	24,000	23,152	-	23,152	848
Administration 2012	14,545	7,082	-	7,082	7,463
C-1 Rehabilitation 2012	182,700	168,627	13,971	182,598	102
C-1 Administration 2012	20,300	21,684	12,551	34,235	(13,935)
L-1 Rehabilitation 2012	20,000	20,290	-	20,290	(290)
L-1 Administration 2012	2,000	-	-	-	2,000
Total 2012 CDBG Expenses	385,000	380,897	26,522	407,419	(22,419)
2015 CDBG Project					
Rehabilitation Hard Costs 2015	134,699	284,484	-	284,484	(149,785)
Rehabilitation Soft Costs 2015	35,301	68,485	-	68,485	(33,184)
L-1 Administration 2015	-	1,000	-	1,000	(1,000)
Total 2015 CDBG Expenses	170,000	353,969	-	353,969	(183,969)
2017 CDBG Project					
Rehabilitation Hard Costs 2017	120,000	-	-	-	120,000
Rehabilitation Soft Costs 2017	30,000	-	31,810	31,810	(1,810)
Total 2017 CDBG Expenses	150,000	-	31,810	31,810	118,190
Total Expenditures	705,000	734,866	58,332	793,198	(88,198)
Revenues Over (Under) Expenditures	\$ -	\$ -	-	\$ -	\$ -
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ -		

**COUNTY OF GREENE****STATEMENT 13**

Snow Hill, North Carolina

**HAZARD MITIGATION PROGRAM GRANT FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Restricted Intergovernmental:			
Grant revenues-Elevation	\$ 652,202	\$ -	\$ 652,202
Grant revenues-Acquisition	1,144,182	243,248	900,934
Total Revenues	<u>1,796,384</u>	<u>243,248</u>	<u>1,553,136</u>
Expenditures:			
Public Safety:			
Operating Expenses	321,632	9,200	312,432
Capital Outlay	1,474,752	234,048	1,240,704
Total Expenditures	<u>1,796,384</u>	<u>243,248</u>	<u>1,553,136</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Fund Balance Appropriated	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under)			
Expenditures and Other Financing Uses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, Beginning		<u>-</u>	
Fund Balance, Ending		<u>\$ -</u>	

**COUNTY OF GREENE****STATEMENT 14**

Snow Hill, North Carolina

2018 CDBG NR PROJECT FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total to Date</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:					
Restricted Intergovernmental:					
2018 Neighborhood Revitalization Program	\$ 750,000		\$ -	\$ -	\$ (750,000)
Total Restricted Intergovernmental Reve	750,000	-	-	-	(750,000)
Total Revenues	750,000	-	-	-	(750,000)
<b>EXPENDITURES:</b>					
<i>Economic Development:</i>					
Rehabilitation	700,000		-	-	700,000
Administration	50,000		-	-	50,000
Total Economic Development Expenses	750,000	-	-	-	750,000
Total Expenditures	750,000	-	-	-	750,000
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			<u>\$ -</u>		

**COUNTY OF GREENE****STATEMENT 15**

Snow Hill, North Carolina

**SCHOOL CAPITAL FINANCE FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Reserved for Debt Service:			
Public School Building			
Capital Fund - Lottery	\$ 216,001	\$ 221,823	\$ 5,822
Total Revenues	216,001	221,823	5,822
Expenditures:			
Debt Service - Principal	214,262	214,260	2
Debt Service - Interest	500,292	500,292	-
Total Expenditures	714,554	714,552	2
Revenues Over Expenditures	(498,553)	(492,729)	5,824
Other Financing Sources (Uses):			
Transfer from General Fund	498,553	492,730	(5,823)
Total Other Financing Sources	498,553	492,730	(5,823)
Revenue and Other Financing Sources Over (Under)			
Expenditures and Other Financing Sources	\$ -	1	\$ 1
FUND BALANCE, Beginning		(200,225)	
FUND BALANCE, Ending		\$ (200,224)	

**COUNTY OF GREENE****STATEMENT 16**

Snow Hill, North Carolina

**WELLNESS CENTER CAPITAL PROJECT FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:					
Grant Funds	\$ 1,150,000	\$ 189,066	\$ 860,934	\$ 1,050,000	\$ (100,000)
Private Donations	-	-	-	-	-
Equipment Donations	-	3,000	-	3,000	3,000
Total Revenues	1,150,000	192,066	860,934	1,053,000	(97,000)
Expenditures:					
Recreation Project:	2,862,700	70,203	1,989,448	2,059,651	803,049
Total Recreation	2,862,700	70,203	1,989,448	2,059,651	803,049
Total Expenditures	2,862,700	70,203	1,989,448	2,059,651	803,049
Revenues Over (Under) Expenditures	(1,712,700)	121,863	(1,128,514)	(1,006,651)	706,049
Other Financing sources (Uses):					
Transfer from General Fund	1,712,700	850,063	862,700	1,712,763	63
Total Other Financing Sources	1,712,700	850,063	862,700	1,712,763	63
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	\$ -	\$ 971,926	(265,814)	\$ 706,112	\$ 706,112
FUND BALANCE, Beginning			971,926		
FUND BALANCE, Ending			\$ 706,112		

**COUNTY OF GREENE****STATEMENT 17**

Snow Hill, North Carolina

**DEBT SERVICE FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Investment Earnings - Jail Reserve	\$ -	\$ 4,561	\$ 4,561
Investment Earnings - Intermediate School	-	5,161	5,161
Total Revenues	-	9,722	9,722
Expenditures:			
Debt Service Expenditures			
Total Expenditures	-	-	-
Revenues Over Expenditures	-	9,722	9,722
Other Financing Sources (Uses):			
Transfer from General Fund - Jail Debt	51,671	51,670	(1)
Transfer from General Intermediate School Debt	69,455	69,456	1
Reserve - Jail	(51,671)		51,671
Reserve - Intermediate School	(69,455)		69,455
Total Other Financing Sources	-	121,126	121,126
Revenue and Other Financing Sources Over (Under)			
Expenditures and Other Financing Uses	\$ -	130,848	\$ 130,848
FUND BALANCE, Beginning		908,036	
FUND BALANCE, Ending		\$ 1,038,884	
<b>Supplementary Information</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Year To Date</b>
Fund Allocation of Debt Reserve:			
Jail Construction/Court House Renovation Project Fund	\$ 391,183	\$ 56,231	\$ 447,414
Intermediate School Project Fund	516,853	74,617	591,470
	\$ 908,036	\$ 130,848	\$ 1,038,884

**COUNTY OF GREENE****STATEMENT 18**

Snow Hill, North Carolina

EMS SATELLITE FACILITY CAPITAL PROJECT FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:					
Local Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures:					
Construction	436,953	-	436,953	436,953	-
Total Expenditures	436,953	-	436,953	436,953	-
Revenues Over (Under) Expenditures	(436,953)	-	(436,953)	(436,953)	-
Other Financing Sources (Uses):					
Transfer from General Fund	436,953	-	436,953	436,953	-
Total Other Financing Sources (Uses)	436,953	-	436,953	436,953	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE, Beginning			<u>-</u>		
FUND BALANCE, Ending			<u>\$ -</u>		

**COUNTY OF GREENE****STATEMENT 19**

Snow Hill, North Carolina

**GOLDEN LEAF GENERATOR RELOCATION CAPITAL PROJECT FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL***FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:					
Golden Leaf Grant Funds	\$ 101,000	\$ -	\$ -	\$ -	\$ 101,000
Local Revenues		-		-	-
Total Revenues	101,000	-	-	-	101,000
Expenditures:					
Construction	101,000	-	-	-	101,000
Rehabilitation	-	-	-	-	-
Administration		-			-
Total Expenditures	101,000	-	-	-	101,000
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE, Beginning			<u>-</u>		
FUND BALANCE, Ending			<u>\$ -</u>		



## 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.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**UTILITY FUND****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**

YEAR ENDED JUNE 30, 2019

**STATEMENT 20**

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Charges for Services:			
Water and Sewer Sales	\$ 2,820,454	\$ 2,675,551	\$ (144,903)
South Greene Water Corporation Charges	257,147	261,612	4,465
Tap-on Fees and Service Charges	69,000	28,809	(40,191)
Penalties and Interest Charges	95,000	95,010	10
Miscellaneous	9,000	57,442	48,442
Total Operating Revenues	3,250,601	3,118,424	(132,177)
Nonoperating Revenues:			
Investment Earnings	9,000	25,409	16,409
Alternative Water Supply Fees	711,204	716,784	5,580
Total Nonoperating Revenues	720,204	742,193	21,989
Total Revenues	3,970,805	3,860,617	(110,188)
Expenditures:			
Operating:			
Salaries and Employee Benefits	563,421	557,534	5,887
Supplies	189,000	154,603	34,397
Water Purchases	573,500	574,042	(542)
Maintenance	268,500	209,970	58,530
Contracted Services	126,325	182,391	(56,066)
Travel	3,000	-	3,000
Software	-	11,400	(11,400)
Utilities	189,000	170,058	18,942
Sewer Charges - Town of Farmville	205,000	203,658	1,342
Office Expense	55,500	46,996	8,504
Professional Services	52,000	38,011	13,989
Management Fee - County	225,000	225,000	-
Insurance	23,850	23,110	740
Reserve	39,017	-	39,017
Total Operating Expenditures	2,513,113	2,396,773	116,340
Debt Service:			
Interest on Long-Term Debt	56,749	56,748	1
Principal Payments	478,173	478,172	1
Total Debt Service	534,922	534,920	2
Capital Outlay:			
Capital Outlay	66,000	28,160	37,840
Total Capital Outlay	66,000	28,160	37,840
Total Expenditures	3,114,035	2,959,853	154,182
Revenues Over Expenditures	856,770	900,764	43,994

**COUNTY OF GREENE****STATEMENT 20**

Snow Hill, North Carolina

**UTILITY FUND****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Other Financing Sources (Uses):			
Operating Transfers Out:			
Alternative Water Supply Fund	\$ (723,219)	\$ (725,515)	\$ (2,296)
General Fund	(36,200)	(36,200)	-
Water Debt Service Fund	(97,351)	(97,351)	-
Fund Balance Appropriated	-	-	
Total Other Financing Sources (Uses)	<u>(856,770)</u>	<u>(859,066)</u>	<u>(2,296)</u>
Revenues and Other Financing Sources Over (Under)			
Expenditures, Financing Uses, and Appropriated			
Fund Balance	\$ -	41,698	\$ 41,698

**RECONCILIATION FROM BUDGETARY BASIS**

(MODIFIED ACCRUAL) TO FULL ACCRUAL BASIS:

**RECONCILING ITEMS:**

Depreciation	(1,201,029)
Principal Payments	478,172
Decrease (Increase) in Compensated Absences	2,498
Decrease (Increase) in Other Postemployment Benefits	11,396
Decrease (Increase) in Accrued Interest	14,560
(Decrease) Increase in Deferred Outflows Pensions	33,282
(Decrease) Increase in Deferred Outflows OPEB	5,446
Decrease (Increase) in Deferred Inflows OPEB	(13,804)
Decrease (Increase) in Deferred Inflows Pension	3,500
Decrease (Increase) in Net Pension Liability	(40,017)
Investment Earnings Capital Reserve Fund	10,967
Investment Earnings on Alternative Water Supply Capital Reserve	61,597
Investment Earnings on Alternative Water Phase 1H	1,304
Investment Earnings on Automated Meter Solution	1,477
Debt Service Interest Paid From Alternative Water Supply	(499,439)
Depreciation Water & Sewer District 1	(41,581)
Transfer to Alternative Water Supply Fund	725,515
Line Relocation Rev - DOT	140,722
Line Relocation Costs	(140,732)
Transfer to Water Debt Service Fund	97,351

**COUNTY OF GREENE****STATEMENT 20**

Snow Hill, North Carolina

UTILITY FUND

**STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)**  
**(CONTINUED)***YEAR ENDED JUNE 30, 2019*

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	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Liquidated damages-Alt Water Phase 1H		\$ 20,000	
Water Line relocation-Beaman Creek		(87,608)	
Water Line relocation-Stocks McLawhorn		(11,781)	
Greene County via NCDOT water Line relocation		11,781	
Dept of Commerce water Line relocation		87,608	
Water Supply Capital Reserve Fund		227,505	
Capital Contributions-2016 CDBG Infrastructure Fund		(308)	
Water Sewer District		(5)	
Total Reconciling Items		<u>(101,623)</u>	
Change in Net Position		<u>\$ (59,925)</u>	

**COUNTY OF GREENE****STATEMENT 21**

Snow Hill, North Carolina

UTILITY CAPITAL RESERVE FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

---

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Investment Earnings	\$ -	\$ 10,967	\$ 10,967
Total Revenues	-	10,967	10,967
Other Financing Sources (Uses):			
Operating Transfers In (Out)	-	-	-
Reserve	-	-	-
Total Other Financing Sources	-	-	-
Revenues Over (Under) Other Financing Sources	<u>\$ -</u>	<u>10,967</u>	<u>\$ 10,967</u>
FUND BALANCE, Beginning		<u>510,258</u>	
FUND BALANCE, Ending		<u>\$ 521,225</u>	

**COUNTY OF GREENE****STATEMENT 22**

Snow Hill, North Carolina

**UTILITY ALTERNATIVE WATER SUPPLY CAPITAL RESERVE FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Investment Earnings	\$ -	\$ 61,597	\$ 61,597
Per Meter AWS Fees	237,231	227,505	(9,726)
Total Revenues	237,231	289,102	51,871
Expenditures:			
Debt Service - Principal	303,500	361,500	(58,000)
Debt Service - Interest	506,362	499,439	6,923
Total Expenditures	809,862	860,939	(51,077)
Revenues Over (Under) Other Expenditures	(572,631)	(571,837)	794
Other Financing Sources (Uses):			
Operating Transfers In	714,804	725,515	10,711
Reserve for Project	(142,173)	-	142,173
Total Other Financing Sources	572,631	725,515	152,884
Revenue and Other Financing Sources Over (Under)			
Expenditures and Other Financing Uses	\$ -	153,678	\$ 153,678
FUND BALANCE, Beginning		6,124,377	
FUND BALANCE, Ending		\$ 6,278,055	

**COUNTY OF GREENE****STATEMENT 23**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

ALTERNATIVE WATER PHASE 1G PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

*FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

		<b>Actual</b>			<b>Variance</b>
	<b>Project</b>	<b>Prior</b>	<b>Current</b>	<b>Total</b>	<b>Favorable</b>
	<b>Authorization</b>	<b>Years</b>	<b>Year</b>	<b>To Date</b>	<b>(Unfavorable)</b>
Expenditures:					
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
Total Expenditures	585,000	579,195	-	579,195	5,805
Revenues Over (Under) Expenditures	(585,000)	(579,195)	-	(579,195)	5,805
Other Financing Sources (Uses):					
Transfer from GC - Alternative Water Supply	585,000	547,968	-	547,968	(37,032)
Total Other Financing Sources (Uses)	585,000	547,968	-	547,968	(37,032)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ (31,227)	-	\$ (31,227)	\$ (31,227)
FUND BALANCE, Beginning			(31,227)		
FUND BALANCE, Ending			\$ (31,227)		

**COUNTY OF GREENE****STATEMENT 24**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

ALTERNATIVE WATER PHASE 1H PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

*FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

		Actual			Variance
	Project	Prior	Current	Total	Favorable
	Authorization	Years	Year	To Date	(Unfavorable)
Revenues:					
USDA - RD Grant Income	\$ 1,276,000	\$ 1,276,000	\$ -	\$ 1,276,000	\$ -
Sales Tax	227,385	31,392	-	31,392	(195,993)
Liquidated Damages	26,239	464,493	20,000	484,493	458,254
Investment Earnings	-	1,961	1,304	3,265	3,265
Total Revenues	1,529,624	1,773,846	21,304	1,795,150	265,526
Expenditures:					
Contract No. 14 - Water Transmission Lines	2,773,942	2,754,400	-	2,754,400	19,542
Basic Engineering Fees (Prior to Construction)	255,059	255,059	-	255,059	-
Advertisement	2,686	1,356	-	1,356	1,330
Printing	3,802	3,802	-	3,802	-
Construction Administration	296,157	666,157	-	666,157	(370,000)
Additional Services by Engineer	6,640	6,640	-	6,640	-
Land/Easement Acquisition	4,100	4,100	-	4,100	-
Funding Assistance	25,000	25,000	-	25,000	-
Contract No. 15 - Water Transmission Lines & Station	3,594,482	3,643,412	-	3,643,412	(48,930)
Preliminary Engineering Report	15,000	15,000	-	15,000	-
Basic Engineering Fees	140,840	128,305	-	128,305	12,535
Inspection	115,708	115,708	-	115,708	-
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	8,400	-	8,400	6,600
Funding Assistance	25,000	25,000	-	25,000	-
Project Administration	25,000	25,000	-	25,000	-
Grant Administration	25,000	34,000	-	34,000	(9,000)
Basic Engineering Fees	2,248	2,248	-	2,248	-
Legal	30,000	29,746	-	29,746	254
Land/Easements	55,000	38,390	-	38,390	16,610
Interest Expense	30,000	23,176	-	23,176	6,824
PWS Non Elig Portion of 12'	114,004	93,907	-	93,907	20,097
Construction Admin/Ob	2,819	2,819	-	2,819	-
Construction Admin 1	23,420	23,420	-	23,420	-
Contingency	116,723	-	-	-	116,723
Total Expenditures	7,720,630	7,945,846	-	7,945,846	(225,216)
Revenues Over (Under) Expenditures	(6,191,006)	(6,172,000)	21,304	(6,150,696)	40,310



**COUNTY OF GREENE****STATEMENT 24**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

ALTERNATIVE WATER PHASE 1H PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)  
(CONTINUED)*FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
Other Financing Sources (Uses):					
PWS DWSRF Loan	\$ 890,000	\$ 890,000	\$ -	\$ 890,000	\$ -
PWS DWSRF Loan Forgiveness	2,400,000	2,400,000	-	2,400,000	-
Owner Contribution from AWS Fund	114,006	95,000	-	95,000	(19,006)
USDA - RD Loan Income - (BAN Proceeds)	2,787,000	2,787,000	-	2,787,000	-
Total Other Financing Sources (Uses)	6,191,006	6,172,000	-	6,172,000	(19,006)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	21,304	\$ 21,304	\$ 21,304
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ 21,304		

**COUNTY OF GREENE****STATEMENT 25**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

AUTOMATED METER SOLUTION PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

			Actual		Variance
	Project	Prior	Current	Total	Favorable
	Authorization	Years	Year	To Date	(Unfavorable)
Revenues:					
Investment Earnings	\$ -	\$ 2,117	\$ 1,477	\$ 3,594	\$ 3,594
Sales Tax	76,190	-	-	-	(76,190)
Total Revenues	76,190	2,117	1,477	3,594	(72,596)
Expenditures:					
Contract No. 1 - Automated Metering Solutio	1,171,810	1,220,038	-	1,220,038	(48,228)
Utility Service Company, Inc.	11,985	6,600	-	6,600	5,385
Basic Engineering Fees (Prior to Constructio	89,586	87,774	-	87,774	1,812
Construction Administration/Observation	165,946	206,873	-	206,873	(40,927)
Other	205,653	27,834	-	27,834	177,819
Legal Costs	-	1,067	-	1,067	(1,067)
Closing Fee	35,328	35,328	-	35,328	-
Funding Assistance	36,815	36,815	-	36,815	-
Total Expenditures	1,717,123	1,622,329	-	1,622,329	94,794
Revenues Over (Under) Expenditures	(1,640,933)	(1,620,212)	1,477	(1,618,735)	22,198
Other Financing Sources (Uses):					
PWS DWSRF Loan	1,604,118	1,604,118	-	1,604,118	-
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	-	175,000	-
Repay Interim Financing Greene County	(175,000)	(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
Total Other Financing Sources (Uses)	1,640,933	1,640,933	-	1,640,933	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					
	\$ -	\$ 20,721	1,477	\$ 22,198	\$ 22,198
FUND BALANCE, Beginning			20,721		
FUND BALANCE, Ending			\$ 22,198		

**COUNTY OF GREENE****STATEMENT 26**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

TRANSPORTATION TIP PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual			Variance
	Project	Prior	Current	Total	Favorable
	Authorization	Years	Year	To Date	(Unfavorable)
Revenues:					
NCDOT Grant Income	\$ 251,519	\$ 111,153	\$ 140,722	\$ 251,875	\$ 356
Total Revenues	251,519	111,153	140,722	251,875	356
Expenditures:					
Construction	181,174	89,939	91,235	181,174	-
Construction Administration	24,973	770	41,187	41,957	(16,984)
Construction Observation/Engineering	42,483	20,444	8,310	28,754	13,729
GIS as Built	2,474	-	-	-	2,474
Reimbursables	415	-	-	-	415
Total Expenditures	251,519	111,153	140,732	251,885	(366)
Revenues Over (Under) Expenditures	-	-	(10)	(10)	(10)
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	(10)	\$ (10)	\$ (10)
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ (10)		

**COUNTY OF GREENE****STATEMENT 27**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

HOWELL SWAMP WATER LINE RELOCATION PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

*FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total To Date</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:					
NCDOT Grant Income	\$ 68,979	\$ 68,771	\$ -	\$ 68,771	\$ (208)
Sales Tax Refund	1,500	-	-	-	(1,500)
Total Revenues	70,479	68,771	-	68,771	(1,708)
Expenditures:					
Basic Engineering Fees	5,566	5,160	-	5,160	406
GIS Fee	1,500	1,483	-	1,483	17
CN1 Water Line Relocation	57,085	57,855	-	57,855	(770)
Contingency	1,661	-	-	-	1,661
Construction Administration	4,167	4,273	-	4,273	(106)
Construction Stakeout	500	-	-	-	500
Total Expenditures	70,479	68,771	-	68,771	1,708
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE, Beginning			<u>-</u>		
FUND BALANCE, Ending			<u>\$ -</u>		

**COUNTY OF GREENE****STATEMENT 28**

Snow Hill, North Carolina

UTILITY CAPITAL PROJECT

2016 CDBG – INFRASTRUCTURE FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

*FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019*

		<b>Actual</b>			<b>Variance</b>
	<b>Project</b>	<b>Prior</b>	<b>Current</b>	<b>Total</b>	<b>Favorable</b>
	<b>Authorization</b>	<b>Years</b>	<b>Year</b>	<b>To Date</b>	<b>(Unfavorable)</b>
Revenues:					
Community Development Grant Funds	\$ 2,000,000	\$ 95,959	\$ 381,974	\$ 477,933	\$(1,522,067)
Local Revenues	11,200	-	-	-	(11,200)
Total Revenues	2,011,200	95,959	381,974	477,933	(1,533,267)
Expenditures:					
Water Improvements	1,778,050		271,859	271,859	1,506,191
Rehabilitation	85,590	-	53,484	53,484	32,106
Administration	147,560	95,959	56,939	152,898	(5,338)
Total Expenditures	2,011,200	95,959	382,282	478,241	1,532,959
Revenues Over (Under) Expenditures	-	-	(308)	(308)	(308)
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	(308)	\$ (308)	\$ (308)
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ (308)		

**COUNTY OF GREENE****STATEMENT 29**

Snow Hill, North Carolina

WATER AND SEWER DISTRICT 1 FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

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	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Administrative	-	5	5
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>5</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>(5)</u>	<u>\$ -</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Reconciling Items:			
Depreciation		<u>41,581</u>	
Total Reconciling Items		<u>41,581</u>	
Change in Net Position		<u>\$ 41,576</u>	

**COUNTY OF GREENE****STATEMENT 30**

Snow Hill, North Carolina

**STOCKS MCLAWHORN WATER LINE RELOCATION****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

	<b>Project</b>		<b>Actual</b>		<b>Variance</b>
	<b>Authorization</b>	<b>Prior</b>	<b>Current</b>	<b>Total</b>	<b>Favorable</b>
		<b>Years</b>	<b>Year</b>	<b>To Date</b>	<b>(Unfavorable)</b>
Revenues:					
Greene County (Via NCDOT)	\$ 116,421	\$ -	\$ 11,781	\$ 11,781	\$ (104,640)
SDWR Loan Proceeds	-	-	-	-	-
Sales Tax Refund	-	-	-	-	-
Total Revenues	116,421	-	11,781	11,781	(104,640)
Expenditures:					
Basic Engineering Fees	11,246	-	11,246	11,246	-
Legal Fees	1,000	-	-	-	1,000
SCADA Replacement	93,695	-	-	-	93,695
Construction Administration	9,680	-	-	-	9,680
Reimbursables	800	-	535	535	265
Total Expenditures	116,421	-	11,781	11,781	104,640
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -	\$ -
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ -		

**COUNTY OF GREENE****STATEMENT 31**

Snow Hill, North Carolina

**BEAMAN OLD CREEK RD WATER LINE RELOCATION****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

	<b>Project</b>		<b>Actual</b>		<b>Variance</b>
	<b>Authorization</b>	<b>Prior</b>	<b>Current</b>	<b>Total</b>	<b>Favorable</b>
		<b>Years</b>	<b>Year</b>	<b>To Date</b>	<b>(Unfavorable)</b>
Revenues:					
Department of Commerce Grant Income	\$ 92,278	\$ -	\$ 87,608	\$ 87,608	\$ (4,670)
Total Revenues	92,278	-	87,608	87,608	(4,670)
Expenditures:					
Basic Engineering Fees	8,246	-	9,843	9,843	(1,597)
Contingency	1,000	-	125	125	875
Construction	83,032	-	77,640	77,640	5,392
Total Expenditures	92,278	-	87,608	87,608	4,670
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -	\$ -
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ -		



**COUNTY OF GREENE****STATEMENT 32**

Snow Hill, North Carolina

SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	<b>Project</b>		<b>Actual</b>		<b>Variance</b>
	<b>Authorization</b>	<b>Prior</b>	<b>Current</b>	<b>Total</b>	<b>Favorable</b>
		<b>Years</b>	<b>Year</b>	<b>To Date</b>	<b>(Unfavorable)</b>
Revenues:					
SDWR Grant Income	\$ 558,750	\$ -	\$ -	\$ -	\$ (558,750)
SDWR Loan Proceeds	186,250	-	-	-	(186,250)
Sales Tax Refund	4,000	-	-	-	(4,000)
Total Revenues	749,000	-	-	-	(749,000)
Expenditures:					
Basic Engineering Fees	75,000	-	-	-	75,000
Legal Fees	2,000	-	-	-	2,000
SCADA Replacement	475,000	-	-	-	475,000
Contingency	56,484	-	-	-	56,484
Construction Administration	104,370	-	-	-	104,370
Loan/Grant Administration	30,646	-	-	-	30,646
Reimbursables	5,500	-	-	-	5,500
Total Expenditures	749,000	-	-	-	749,000
Revenues Over (Under) Expenditures	-	-	-	-	-
OTHER FINANCING SOURCES (USES):					
Total Other Financing Sources (Uses)	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -	\$ -
FUND BALANCE, Beginning			-		
FUND BALANCE, Ending			\$ -		

**COUNTY OF GREENE****STATEMENT 33**

Snow Hill, North Carolina

WATER DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)

YEAR ENDED JUNE 30, 2019

	<b>Annual Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Investment Earnings	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures:			
Debt Service Expenditures	-	-	-
Total Expenditures	-	-	-
Revenues Over Expenditures	-	-	-
Other Financing Sources (Uses):			
Transfer from Utility Fund	-	97,351	97,351
Phase 1A and 1C Reserve	-	-	-
Total Other Financing Sources	-	97,351	97,351
Revenue and Other Financing Sources Over (Under)			
Expenditures and Other Financing Uses	\$ -	97,351	\$ 97,351
FUND BALANCE, Beginning		543,123	
FUND BALANCE, Ending		\$ 640,474	

**COUNTY OF GREENE**

Snow Hill, North Carolina

**LANDFILL FUND****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Operating:			
Landfill Fees	\$ 703,456	\$ 717,361	\$ 13,905
Total Operating Revenues	703,456	717,361	13,905
Nonoperating:			
Investment Earnings	1,800	8,448	6,648
Solid Waste Grant	-	5,649	5,649
Total Nonoperating Revenues	1,800	14,097	12,297
Total Revenues	705,256	731,458	26,202
Expenditures:			
Operating:			
Salaries and Employee Benefits	127,803	148,571	(20,768)
Contracted Services	286,400	267,991	18,409
Disposal Fees	130,000	137,333	(7,333)
Maintenance	30,000	28,827	1,173
Professional Services	38,500	36,421	2,079
Utilities	18,385	16,298	2,087
Supplies	9,500	7,907	1,593
Insurance	8,000	-	8,000
Telephone and Postage	3,800	6,253	(2,453)
Site Improvements	5,500	5,259	241
Employee Training	2,000	1,290	710
Travel	1,000	-	1,000
Total Operating Expenditures	660,888	656,150	4,738
Non-Operating:			
Total Non Operating Expenditures	-	-	-
Total Expenditures	660,888	656,150	4,738
Revenues Over (Under) Expenditures	44,368	75,308	30,940
Other Financing Sources (Uses):			
Landfill Closure & Post Closure Reserve	(54,408)	-	54,408
Fund Balance	10,040	-	(10,040)
Total Other Financing Sources (Uses)	(44,368)	-	44,368

**COUNTY OF GREENE****STATEMENT 34**

Snow Hill, North Carolina

**LANDFILL FUND****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)  
(CONTINUED)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues and Other Sources Over (Under)			
Expenditures and Other Uses	<u>44,368</u>	<u>75,308</u>	<u>30,940</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>75,308</u>	<u>\$ 75,308</u>
Reconciling Items:			
Increase in Accrued Landfill Closure and Postclosure Care Costs		(20,775)	
Depreciation		(17,772)	
(Decrease) Increase in Deferred Outflows Pensions		9,208	
(Decrease) Increase in Deferred Outflows OPEB		1,505	
Decrease (Increase) in Net Pension Liability		(11,071)	
Decrease (Increase) in Deferred Inflows Pension		967	
Decrease (Increase) in Deferred Inflows OPEB		(3,878)	
Decrease (Increase) in Other Postemployment Benefits		1,807	
Decrease (Increase) in Compensated Absences		<u>5,435</u>	
Total Reconciling Items		<u>(34,574)</u>	
Change in Net Position		<u>\$ 40,734</u>	

**COUNTY OF GREENE****STATEMENT 35**

Snow Hill, North Carolina

**TRANSPORTATION SYSTEM FUND****STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND ACTUAL (NON-GAAP)***YEAR ENDED JUNE 30, 2019*

	<b>Budget</b>	<b>2019 Actual</b>	<b>Variance Favorable (Unfavorable)</b>
Revenues:			
Operating:			
Transportation Fares	\$ 188,864	\$ 196,074	\$ 7,210
Total Operating Revenues	188,864	196,074	7,210
Nonoperating:			
Investment Earnings	300	3,165	2,865
Insurance Proceeds		1,567	1,567
DOT Transportation Coordination Grant	108,977	91,709	(17,268)
NCDOT Capital Grant	187,500	167,299	(20,201)
ROAP - RGP	47,980	44,055	(3,925)
ROAP - EDTAP	48,952	47,540	(1,412)
ROAP - EMPL	6,125	6,784	659
Total Nonoperating Revenues	399,834	362,119	(37,715)
Total Revenues	588,698	558,193	(30,505)
Expenditures:			
Operating:			
Salaries and Employee Benefits	274,210	272,872	1,338
Supplies and Fuel	40,700	40,030	670
Maintenance	45,361	32,506	12,855
Office Expense	12,520	10,911	1,609
Telephone and Postage	2,875	2,156	719
Utilities	4,000	4,564	(564)
Contingency	17,543	-	17,543
Capital Outlay (Under Threshold)	185,889	-	185,889
Miscellaneous Operating Expense	5,600	5,249	351
Total Operating Expenditures	588,698	368,288	220,410
Capital Outlay:			
Equipment	-	196,684	(196,684)
Total Capital Outlay	-	196,684	(196,684)
Total Operating Expenditures	588,698	564,972	23,726
Revenues Over (Under) Expenditures	\$ -	(6,779)	\$ (6,779)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:			
Reconciling Items:			
Depreciation		(69,103)	
Capital Outlay		196,684	
Decrease (Increase) in Compensated Absences		(1,160)	
Decrease (Increase) in Net Pension Liability		(12,133)	
(Decrease) Increase in Deferred Outflows Pensions		10,157	
(Decrease) Increase in Deferred Outflows OPEB		1,985	
Decrease (Increase) in Deferred Inflows Pension		1,392	
Decrease (Increase) in Other Postemployment Benefits		28,740	
Decrease (Increase) in Deferred Inflows OPEB		(3,855)	
Total Reconciling Items		152,707	
Change in Net Position		\$ 145,928	

## **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.

**COUNTY OF GREENE**

Snow Hill, North Carolina

**AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****STATEMENT 36**

YEAR ENDED JUNE 30, 2019

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Municipal Tax Fund:				
Assets:				
Cash	\$ 1,012	\$ 138,956	\$ 138,487	\$ 1,481
Due from Other Governments	7,027	6,869	13,896	-
	<u>\$ 8,039</u>	<u>\$ 145,825</u>	<u>\$ 152,383</u>	<u>\$ 1,481</u>
Liabilities:				
Accounts Payable	\$ 8,039	\$ 131,074	\$ 137,632	\$ 1,481
Social Services Fund:				
Assets, Cash	<u>\$ 144,769</u>	<u>\$ -</u>	<u>\$ 144,769</u>	<u>\$ -</u>
Liabilities, Accounts Payable	<u>\$ 144,769</u>	<u>\$ -</u>	<u>\$ 144,769</u>	<u>\$ -</u>
Jail Inmate Fund:				
Assets, Cash	<u>\$ 11,650</u>	<u>\$ 112,591</u>	<u>\$ 116,357</u>	<u>\$ 7,884</u>
Liabilities, Accounts Payable	<u>\$ 11,650</u>	<u>\$ 112,591</u>	<u>\$ 116,357</u>	<u>\$ 7,884</u>
Fines and Forfeitures Fund:				
Assets:				
Cash	<u>\$ 5,830</u>	<u>\$ 64,722</u>	<u>\$ 63,939</u>	<u>\$ 6,613</u>
Liabilities:				
Accounts Payable	<u>\$ 5,830</u>	<u>\$ 64,372</u>	<u>\$ 63,589</u>	<u>\$ 6,613</u>
Cooperative Extension Fund:				
Assets:				
Cash	<u>\$ 26,130</u>	<u>\$ 13,733</u>	<u>\$ 16,961</u>	<u>\$ 22,902</u>
Liabilities:				
Accounts Payable	<u>\$ 26,130</u>	<u>\$ 13,733</u>	<u>\$ 16,961</u>	<u>\$ 22,902</u>
NCVTS Agency Fund:				
Assets:				
Cash	\$ 537	\$ 1,362,289	\$ 1,362,707	\$ 119
Due from Other Governments	113,528	-	113,528	-
	<u>\$ 114,065</u>	<u>\$ 1,362,289</u>	<u>\$ 1,476,235</u>	<u>\$ 119</u>
Liabilities:				
Due to General Fund	\$ 1,965	\$ -	\$ 1,965	\$ -
Accounts Payable	112,100	1,484,130	1,596,111	119
	<u>\$ 114,065</u>	<u>\$ 1,484,130</u>	<u>\$ 1,598,076</u>	<u>\$ 119</u>
South Greene Water Collection Fund:				
Assets:				
Cash	<u>\$ 3,736</u>	<u>\$ 506,219</u>	<u>\$ 503,908</u>	<u>\$ 6,047</u>
Liabilities:				
Accounts Payable	<u>\$ 3,736</u>	<u>\$ 506,219</u>	<u>\$ 503,908</u>	<u>\$ 6,047</u>
Totals - All Agency Funds:				
Assets, Cash and Due From				
Other Governments and Other Funds	<u>\$ 314,219</u>	<u>\$ 2,205,379</u>	<u>\$ 2,474,552</u>	<u>\$ 45,046</u>
Liabilities:				
Accounts Payable and Due to Other Funds	<u>\$ 314,219</u>	<u>\$ 2,312,119</u>	<u>\$ 2,581,292</u>	<u>\$ 45,046</u>

## **STATISTICAL SECTION**

**This section includes additional information required on property taxes.**

- Statement of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Ten Largest Taxpayers



**COUNTY OF GREENE**

Snow Hill, North Carolina

**GENERAL FUND****STATEMENT OF AD VALOREM TAXES RECEIVABLE****STATEMENT 37***JUNE 30, 2019*

<b>Fiscal Year Ended June 30,</b>	<b>Uncollected Balance June 30, 2018</b>	<b>Additions</b>	<b>Collections and Credits</b>	<b>Uncollected Balance June 30, 2019</b>
2018-19		\$ 9,001,754	\$ 8,797,060	\$ 204,694
2017-18	\$ 97,171	-	64,694	32,477
2016-17	101,213	-	80,110	21,103
2015-16	23,608	-	10,169	13,439
2014-15	16,872	-	7,801	9,071
2013-14	23,160	-	3,902	19,258
2012-13	14,006	-	1,963	12,043
2011-12	13,553	-	2,532	11,021
2010-11	13,321	-	1,746	11,575
2009-10	12,737	-	2,367	10,370
2008-09	16,075	-	16,075	-
	<u>\$331,716</u>	<u>\$9,001,754</u>	<u>\$8,988,419</u>	\$ 345,051
Less Allowance for Uncollectible Ad Valorem Taxes Receivable:				<u>76,406</u>
Ad Valorem Taxes Receivable, Net				<u>\$268,645</u>
<u>Reconciliation with Revenues:</u>				
Ad Valorem Taxes - General Fund				\$ 8,848,140
Interest and Penalties Collected on Ad Valorem Taxes - General Fund				<u>75,056</u>
				<u>8,923,196</u>
<u>Reconciling Items:</u>				
Interest and Penalties Collected				\$ (75,056)
Dog Tax				(1,736)
Taxes Written Off				18,568
Prior Year Releases/Adjustments				79,146
NCVTS Fees				<u>44,301</u>
Total Reconciling Items				<u>\$ 65,223</u>
Total Collections and Credits				<u>\$ 8,988,419</u>

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE LEVY**

**STATEMENT 38**

*YEAR ENDED JUNE 30, 2019*

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property Taxed at Current Year's Rate	\$ 1,143,250,929	0.786	\$ 8,999,548	\$ 7,765,799	\$ 1,233,749
Total	1,143,250,929		8,999,548	7,765,799	1,233,749
Discoveries:					
Current Year Taxes	615,180	0.786	4,834	4,835	-
Prior Year Taxes	-		3,667	3,667	-
Penalties	-		17,768	17,768	-
Total Discoveries	615,180		26,269	26,270	-
Abatements:					
Releases	(3,061,471)		(24,063)	(24,063)	-
Total Abatements	(3,061,471)		(24,063)	(24,063)	-
Total Property Valuation	<u>\$ 1,140,804,638</u>				
Net Levy			9,001,754	7,768,006	1,233,749
Uncollected Taxes at June 30, 2019			204,694	204,694	-
Current Year's Taxes Collected			<u>\$ 8,797,060</u>	<u>\$ 7,563,312</u>	<u>\$ 1,233,749</u>
Current Levy Collection Percentage			<u>97.73%</u>	<u>97.36%</u>	<u>100.00%</u>

**COUNTY OF GREENE**  
**Snow Hill, North Carolina**  
**TEN LARGEST TAXPAYERS**

**STATEMENT 39**

*YEAR ENDED JUNE 30, 2019*

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2019 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Pitt-Greene EMC	Utility	\$ 19,158,214	1.68%
Piedmont Natural Gas Co., Inc.	Utility	8,955,635	0.79%
Duke Progress Energy	Utility	8,627,472	0.76%
Carolina Agribusiness, LLC	Agricultural	7,615,979	0.67%
Ham Produce Co. Inc.	Agricultural	5,793,439	0.51%
Mill Run Development Group II LLC	Construction	5,154,026	0.45%
Ham Farms, Inc.	Agricultural	4,545,951	0.40%
Triple A Swine Farm, LLC	Agricultural	3,680,941	0.32%
Cutter Creek Golf Club II, LLC	Recreation	3,573,476	0.31%
Ham, Bobby Glenn	Agricultural	3,348,004	0.29%
		<u>\$ 70,453,137</u>	<u>6.18%</u>

## **COMPLIANCE SECTION**

**Report of Independent Auditor on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***

To the Board of County Commissioners  
Greene County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of 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 (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 25, 2020. Our report includes a reference to another auditor, who audited the financial statements of the Greene County Alcoholic Beverage Control Board (the "Board"), as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by the other auditor. The financial statements of the Board were not audited in accordance with *Government Auditing Standards*.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

*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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a 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. *A significant deficiency* is a deficiency or 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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section 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. We did identify certain deficiencies internal control, described in the accompanying schedule of findings and questioned costs **2019-001**, **2019-002**, and **2019-003** that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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's Response to Findings**

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

**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 results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina  
June 25, 2020

**Report of Independent Auditor on Compliance with Requirements Applicable to  
Each Major Federal Program and Internal Control over Compliance in  
Accordance with the Uniform Guidance and the  
State Single Audit Implementation Act**

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 (the “County”), 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, 2019. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Our audit, described below, did not include the operations of the Greene County Alcoholic Beverage Control Board (the “Board”), a discretely presented component unit. Our audit, described below, did not include the operations of this component unit since it was audited by other auditors.

**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; 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, the 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, the 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, 2019.

## Report on Internal Control over Compliance

Management of the 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, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the 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 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 preceding 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 identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item **2019-004** that we consider to be a material weakness.

## County's Response to Finding

The County'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's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Purpose of this Report

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.

Cheryl Bekaert LLP

Raleigh, North Carolina  
June 25, 2020



**Report of Independent Auditor on Compliance with Requirements  
Applicable to Each Major State Program and Internal Control Over  
Compliance in Accordance with the Uniform Guidance and the  
State Single Audit Implementation Act**

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 (the “County”), 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, 2019. The County’s major State programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Our audit, described below, did not include the operations of the Greene County Alcoholic Beverage Control Board (the “Board”), a discretely presented component unit. Our audit, described below, did not include the operations of this component unit since it was audited by other auditors.

**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 US 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, the 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 state 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 State program. However, our audit does not provide a legal determination of the County’s compliance.

**Opinion on Each Major State Program**

In our opinion, the 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 State programs for the year ended June 30, 2019.

### **Report on Internal Control over Compliance**

Management of the 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, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major state program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the 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 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 internal control over compliance was for the limited purpose described in the preceding 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 a material weakness. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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.

Chemy Bekaert LLP

Raleigh, North Carolina  
June 25, 2020

**COUNTY OF GREENE**  
Snow Hill, North Carolina  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**SCHEDULE 1**

*YEAR ENDED JUNE 30, 2019*

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**Section I. Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? ☒ yes ☐ no
- Significant deficiency identified that is not considered to be material weakness ☐ yes ☒ none reported

Noncompliance material to financial statements noted

☐ yes ☒ no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? ☒ yes ☐ no
- Significant deficiency identified that is not considered to be material weakness ☐ yes ☒ no

Noncompliance material to federal awards

☐ yes ☒ no

Type of auditor's 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)?

☐ yes ☒ no

**COUNTY OF GREENE****SCHEDULE 1**

Snow Hill, North Carolina

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

YEAR ENDED JUNE 30, 2019

**Section I. Summary of Auditor's Results (continued)**

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
93.778	Medical Assistance
93.568	Low Income Home Energy Assistance Program
93.558	Temporary Assistance for Needy Families
14.228	Community Development Block Grant

Federal programs that did not meet the criteria for a major program using the criteria discussed in the Uniform Guidance 2 CFR 200.516(a) but were tested as a major program because the State awards met the threshold for a major State program or were required to be tested as major by the State are included in the list of major federal programs.

Dollar threshold used to distinguish between  
Type A and Type B Programs

\$750,000

Auditee qualified as low-risk auditee?

     yes        X   noState Awards

Internal control over major State programs:

- Material weakness identified?      yes        X   no
- Significant deficiency identified that  
is not considered to be material weakness      yes        X   no

Noncompliance material to State awards

     yes        X   no

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

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

     yes        X   no

Identification of major State programs:

Greene County Wellness Center – Special Appropriation  
Parks and Recreation Trust Fund Program  
Public School Building Capital Fund

Snow Hill, North Carolina

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)***YEAR ENDED JUNE 30, 2019*

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**Section II. Financial Statement Findings****Finding 2019-001 – Year-end Close and Report Writing Timeliness****MATERIAL WEAKNESS**

**Criteria:** The County should have qualified personnel in key financial positions to ensure year-end closeout procedures are performed timely and that auditable financial statements can be prepared in a timeframe that will allow the audit to be completed within 120 days after year-end.

**Condition:** The County's 2018 audit was not completed until February 2020. The 2019 audit could not begin until the 2018 was completed. The 2019 audit was started in February 2020 and completed June 2020.

**Effect:** The 2018 audit delayed the 2019 causing the County to miss the October 31, 2019 deadline.

**Cause:** The County was not able to start the 2019 audit due to delays in the 2018 audit. Also, the County did not receive the OPEB actuarial valuation required to write the financial statements until May 2020 due to oversight on the County's part in submitting the census data to the actuary.

**Recommendation:** We recommend that the County plan for a timely closeout and work with the outside consultant and auditor for a timeline that permits for timely submission of their audits going forward.

**Views of Responsible Officials:** Management agrees with this finding.

**Finding 2019-002 – 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:

**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 customer receipts and bank deposits.

**Effect:** Transactions could be mishandled.

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

**Recommendation:** We recommend that the duties be separated as much as possible and alternative controls should be used to compensate for lack of segregation.

**Views of Responsible Officials:** Management agrees with this finding.

Snow Hill, North Carolina

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)***YEAR ENDED JUNE 30, 2019*

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**Finding 2019-003 – Review and Approval Processes****MATERIAL WEAKNESS**

**Criteria:** Key financial statement reconciliations should be reviewed by a person other than the preparer. Significant transactions classes should also include a review of each transaction.

**Condition:** Several key financial statement reconciliations lacked proper review and one significant transaction class lacked proper review of the transactions, as detailed below:

**Key Reconciliations:** The bank reconciliations, accounts receivable details, accounts payable details, and the net asset roll forward all lacked evidence of proper review.

**Cash Disbursements:** Invoices lack an individual review and approval process prior to the check preparation and signing of the checks.

**Journal Entries:** No separate review of journal entries that are manually prepared and entered are reviewed by someone other than the preparer.

**Effect:** Accounts could be improperly reconciled and transactions mishandled.

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

**Recommendation:** We recommend that the County formalizes a review process for all key financial statement reconciliations and implements a review and approval processes for all cash disbursements at the invoice level.

**Views of Responsible Officials:** Management agrees with this finding.

**Section III. Federal Awards Findings and Questioned Costs****Finding 2019-004 – Procurement Policies****MATERIAL WEAKNESS**

**Criteria:** The County should implement and follow procurement procedures that conform to applicable Federal law and regulations and standards identified in the Uniform Grant Guidance.

**Condition:** The County's procurement policies have not been updated since 2015.

**Effect:** Non-compliance with Federal and state procurement requirements that changed and were effective July 1, 2018.

**Cause:** Oversight.

**Recommendation:** We recommend the County formally adopts a purchasing policy that considers the latest procurement guidance.

**Views of Responsible Officials:** Management agrees with this finding.

Snow Hill, North Carolina

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*YEAR ENDED JUNE 30, 2019*

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**Section IV. State Awards Findings and Questioned Costs**

None reported.



## CORRECTIVE ACTION PLAN

### Section II – Financial Statement Findings

#### 2019-001 Name of contact person: Beverly Stroud

**Corrective Action:** The 2018 audit was not completed until February 2020. This caused the 2019 audit to also be delayed. The County began the 2019 audit immediately after presentation of the 2018 audit and has worked with the outside CPA firm who prepares the financial statements and the Audit firm to complete the audit in approximately four months. The OPEB actuarial evaluation used for 2020 audit has been requested. With the 2019 audit being completed in June 2020, the County expects to have a timely closeout process and audit for 2020.

Proposed **Completion Date:** June 2020

#### 2019-002 Name of contact person: Beverly Stroud

**Corrective Action:** Where feasible, duties will be separated as much as possible. Since it is not feasible to add additional staff in these areas to create further separation of duties, compensating controls will be put in place. The finance officer is developing a process for using surprise cash counts in high risk areas and the county manager is considering installation of cameras in these areas as well. The finance officer will also develop analytics to look for trends in revenues and deposits in all departments handling county funds that may indicate unusual activity.

Proposed **Completion Date:** October 1, 2020

#### 2019-003 Name of Contact Person: Beverly Stroud

**Corrective Action:** **Key Reconciliations:** The Assistant Finance Officer is now completing the bank reconciliation for the main checking and payroll accounts. The Finance Officer then reviews and signs the bank reconciliations. The sheriff's department drug fund account and the Greene County Water and Sewer account, which have minimal activity are reviewed and approved by the Finance Officer. A copy of the drug fund statement is forwarded to the sheriff. The jail inmate account is being reviewed by the Finance Officer monthly. The Finance Officer is in the process of trying to reconcile the account and is working with the Keefe software vendor to gain access to the data in the inmate account software system so that activity can be reviewed in real time. Accounts payable, accounts receivable and net asset rollforwards will be reviewed by the Finance Officer. **Cash Disbursements:** Purchase orders are entered by the Assistant to the County Manager. The department head or the Finance Officer is notified of any PO that would result in a budget overage. A line item transfer or a budget amendment must be created to cover any overages. Accounts payable invoices are coded by the department heads or the Accounts Payable Clerk and entered by the Accounts Payable Clerk. Munis alerts the Accounts Payable Clerk upon entry of invoices that will create a budget overage. She then notifies the Finance Officer, who in turn notifies the department head. Accounts payable invoices are forwarded to the

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[www.greenecountync.gov](http://www.greenecountync.gov)

*The mission of Greene County Government is to serve and improve the lives of all citizens by providing high-quality, cost-effective services in an open, professional and ethical environment*



## **CORRECTIVE ACTION PLAN (continued)**

Finance Officer for approval weekly. The Finance Officer reviews the invoices for proper coding, budget availability and purchase order requirements. She then initials and dates the invoices and returns them to the Accounts Payable Clerk for check printing. Checks are matched with the corresponding invoices and are returned to the Finance Office for final review and signature. A copy of the EFT transmittal is also forwarded to the Finance Officer for review and approval.

**Journal Entries:** Journal entries prepared by the Finance Officer are given to the Assistant Finance Officer for review and posting to the general ledger. They are returned to the Finance Officer for filing. Journal entries prepared by the Assistant Finance Officer are given to the Finance Officer for review and approval. In June 2020, the Finance Officer will begin to print a monthly report of all journal entries posted in Munis to be reviewed and approved by both the Finance Officer and the Assistant Finance Officer.

**Proposed Completion Date:** July 2020

### **Section III – Federal Awards Findings and Questioned Costs**

**2019-004      Name of Contact Person:** Beverly Stroud

**Corrective Action:** The Finance Officer will incorporate Uniform Guidance into the Purchasing Policy Manual and inform employees of the update in the policy.

Proposed Completion Date: July 2020

### **Section IV – State Awards Findings and Questioned Costs**

None noted.

*YEAR ENDED JUNE 30, 2019*

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**Section V. Status of Prior Year Findings and Responses**

**Finding: 2018-001**

**Status:** Corrected

**Finding: 2018-002**

**Status:** Not Corrected

**Finding: 2018-003**

**Status:** Not Corrected

**Finding: 2018-004**

**Status:** Not Corrected

**Finding: 2018-005**

**Status:** Corrected

**Finding: 2018-006**

**Status:** Corrected

**Finding: 2018-007**

**Status:** Corrected

**COUNTY OF GREENE**

**SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grantor's Number	Expenditures		
			Federal	State	Local
FEDERAL GRANTS					
U.S. DEPARTMENT OF AGRICULTURE:					
Passed Through NC Department of Health and Human Services:					
Division of Public Health:					
Administered by County Health Department:					
Special Supplemental Nutrition Program for Women, Infants and Children:	10.557		\$ 158,183	\$ -	\$ -
Total Division of Public Health			158,183	-	-
Passed Through NC Department of Health and Human Services:					
Division of Social Services:					
Administered by County Department of Social Services:					
Supplemental Nutrition Assistance Program Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		253,551	6,744	246,807
Total Supplemental Nutrition Assistance Program Cluster			253,551	6,744	246,807
Direct Program:					
Water & Waste Disposal Systems for Rural Communities	10.760		-	-	-
			-	-	-
Total U.S. Department of Agriculture			411,734	6,744	246,807
U.S. DEPARTMENT OF HOMELAND SECURITY					
United Way of America					
Emergency Food and Shelter National Board Program	97.024		3,099	-	-
Passed Through NC Department of Crime Control and Public Safety					
Division of Emergency Management					
Administered by County Finance Department:					
Emergency Management Performance Grant	97.042		45,405	-	-
Hurricane Florence	97.036		119,809	51,614	-
Hazard Mitigation Grant Program	97.039		247,248	-	-
Total U.S. Department of Homeland Security			415,561	51,614	-
U.S. DEPARTMENT OF TRANSPORTATION:					
Passed Through NC Department of Transportation:					
Administered by County Finance Department:					
Department of Transportation - Administration	20.509		86,316	5,393	-
Total U.S. Department of Transportation			86,316	5,393	-

**COUNTY OF GREENE**

**SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's	Expenditures		
	Number	Number	Federal	State	Local
FEDERAL GRANTS					
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:					
Passed Through NC Housing Finance Agency					
Administered by County Finance Department:					
Community Development Block Grant NC Housing	14.239		\$ 58,332	\$ -	\$ -
Passed Through NC Department of Environmental Quality:					
Division of Water Infrastructure:					
Administered by County Finance Department:					
CDBG-Infrastructure Grant	14.228		381,974	-	-
Total U.S. Department of Housing and Urban Development			440,306	-	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Administration on Aging:					
Passed Through NC Department of Health and Human Services:					
Aging Cluster:					
Administered by County Finance Department:					
Access 90% State Funds	N/A	NC-15	-	12,566	-
Access Title III-B	93.044	NC-15	50,320	2,960	5,920
Title III C-1 90% State Funds	N/A	NC-15	-	-	-
Title III C-1 Congregate Meals	93.045	NC-15	37,237	2,190	4,381
NSIP Nutrition	93.053		8,452	-	-
Title III C-2 90% State Funds	N/A	NC-15	-	17,973	-
Title III C-2 Home-Delivered Meals	93.045	NC-15	19,583	1,152	2,304
Administered by County Department of Social Services and County Council on Aging:					
In Home Services:					
In-Home State	N/A	NC-15	-	55,039	-
In-Home Title III-B	93.044	NC-15	33,806	1,989	3,977
Social Services Block Grant	93.667	NC-15	23,515	672	2,687
Title III - F 90%	93.043	NC-15	-	-	-
Total Aging Cluster			172,913	94,541	19,269
Administration for Community Living:					
Passed Through Eastern Carolina Council of Governments:					
Title III-D Disease Prevention and Health Promotion	93.043		1,647	-	-
Family Caregiver Title III-E	93.052		-	-	-
MIPPA	93.071		-	-	-
Total Eastern Carolina Council of Governments			1,647	-	-
Total Administration for Community Living			1,647	-	-

**COUNTY OF GREENE**

**SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's	Expenditures		
	Number	Number	Federal	State	Local
FEDERAL GRANTS					
Division of Public Health:					
Passed Through NC Department of Health and Human Services:					
Administered by County Health Department:					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		\$ 28,285	\$ -	\$ -
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		50	-	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539		7,560	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.991		27,637	4,137	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		2,550	-	-
Preventive Health Services-Sexually Transmitted Diseases Control Grants	93.977		100	-	-
Temporary Assistance for Needy Families	93.558		3,756	-	-
Maternal and Child Health Services Block Grant	93.994		57,480	25,159	-
Family Planning Services	93.217		55,092	-	-
Total Division of Public Health			182,510	29,296	-
Division of Social Services:					
Passed Through NC Department of Health and Human Services:					
Administered by County Department of Social Services:					
Family Preservation	93.556		5,372	-	-
TANF/Workfirst	93.558		256,475	-	124,647
Total TANF Cluster			261,847	-	124,647
Title IV-D Administration	93.563		222,294	-	114,514
Refugee and Entrant Assistance	93.566		(9)	-	-
Low-Income Home Energy Assistance	93.568		271,188	-	-
Permanency Planning	93.645		3,048	-	1,016
AFDC Payments and Penalties	93.560		7,044	-	-

**COUNTY OF GREENE****SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's Number	Expenditures		
	Number		Federal	State	Local
FEDERAL GRANTS					
Foster Care and Adoption Cluster					
Title IV-E CPS	93.658		\$ 56,780	\$ 7,864	\$ 48,709
Title IV-E Foster Care	93.658		32,162	9,901	5,771
Title IV-E Foster Care/Extend Max	93.658		5,413	1,559	1,034
Title IV-E Administration	93.658		27,042	13,518	13,522
Title IV-E Adoption/Off Trn	93.659		1,291	-	1,291
Total Foster Care and Adoption Cluster			122,688	32,842	70,327
Social Services Block Grant	93.667		134,036	-	44,116
Independent Living	93.674		1,174	294	-
Total Division of Social Services			1,023,310	33,136	354,620
Administration for Children and Families:					
Administered by County Department of Social Services:					
Subsidized Child Care:					
Child Care Development Fund Cluster					
Division of Social Services:					
CCDF Administration	93.596		46,469	-	-
Division of Child Development:					
CCDF Discretionary Subsidy	93.575		-	-	-
CCDF Mandatory	93.596		-	-	-
CCDF Match	93.596		-	-	-
Total Child Care Fund Cluster			46,469	-	-
Temporary Assistance for Needy Families	93.558		13,760	-	-
Smart Start State Appropriations	N/A		-	-	-
Smart Start TANF MOE	N/A		-	-	-
Total Subsidized Child Care Cluster			60,229	-	-
Health Care Financing Administration:					
Passed Through NC Department of Health and Human Services:					
Division of Medical Assistance:					
Administered by County Department of Social Services:					
Administration:					
Medical Assistance Program	93.778		449,572	1,372	178,899
Total Medical Assistance Program			449,572	1,372	178,899

**COUNTY OF GREENE****SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's	Expenditures		
	Number	Number	Federal	State	Local
FEDERAL GRANTS					
Division of Social Services:					
Administration:					
State Children's Insurance Program - NC Health Choice	93.767		\$ 16,114	\$ -	\$ -
Total State Children's Insurance Program - NC Health Choice			16,114	-	-
Total U.S. Department of Health and Human Services			1,906,295	158,345	552,788
TOTAL FEDERAL ASSISTANCE			3,260,212	222,096	799,595
STATE PROGRAMS					
OFFICE OF STATE BUDGET AND MANAGEMENT					
State Appropriation					
Greene County Wellness Center			-	250,000	-
Total Office of State Budget and Management			-	250,000	-
NC DEPARTMENT OF THE ADMINISTRATION:					
Division of Veteran Affairs:					
Administered by County Veterans office:					
Veterans Service Grant			-	2,216	-
Total NC Department of the Administration			-	2,216	-
NC DEPARTMENT OF ENVIRONMENTAL AND NATURAL RESOURCES:					
Division of Waste Management:					
Administered by County Finance Department:					
Soil Conservation Grant			-	23,985	-
Convenience Center Commingled Recycling Collection Grant			-	5,649	-
Total NC Department of Environmental and Natural Resources			-	29,634	-
NC DEPARTMENT OF JUVENILE JUSTICE & DELINQUENCY PREVENTION:					
Administered by County Finance Department:					
Juvenile Crime Prevention:					
Juvenile Crime Prevention Administration	N/A		-	4,332	-
Family Preservation	N/A		-	21,205	-
Juvenile Restitution	N/A		-	50,483	-
Total NC Department of Juvenile Justice & Delinquency Prevention			-	76,020	-

**COUNTY OF GREENE****SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's	Expenditures		
	Number	Number	Federal	State	Local
STATE PROGRAMS					
NC DEPARTMENT OF HEALTH & HUMAN SERVICES:					
Division of Social Services:					
Administered by County Department of Social Services:					
Foster Care	N/A		\$ -	\$ 31,780	\$ -
Energy Neighborhood	N/A		-	1,978	-
Extended FC/Max	N/A		-	-	-
F/C At Risk Maximization	N/A		-	1,497	394
Operation Fan			-	280	-
SFHF Maximization	N/A		-	211	212
State Foster Home	N/A		-	1,058	1,057
			-	36,864	1,663
Division of Public Health:					
Administered by County Health Department:					
General Communicable Disease Control	N/A		-	10,623	-
Breast and Cervical Cancer Control	N/A		-	2,805	-
Child Health	N/A		-	-	-
Family Planning - State	N/A		-	-	-
Family Planning - State	N/A		-	-	-
Maternal Health	N/A		-	-	-
Women Health Service Fund	N/A		-	2,256	-
HIV/STD State	N/A		-	500	-
Gonorrhea Partner Services	N/A		-	307	-
TB Control	N/A		-	5,107	-
Mosquito and Tick Suppression-Hurricane Florence	N/A		-	30,696	-
			-	157,357	-
Office of Minority Health and Health Disparities					
Administered by County Health Department:					
Minority Diabetes Prevention	N/A		-	11,245	-
			-	11,245	-
Total NC Department of Health and Human Services			-	205,466	1,663
NC DEPARTMENT OF NATURAL AND CULTURAL RESOURCES					
N.C. Parks and Recreation Trust Fund Project					
Greene County Wellness Center	N/A		-	410,934	-
Total NC Department of Natural and Cultural Resources			-	410,934	-



**COUNTY OF GREENE****SCHEDULE 4**

Snow Hill, North Carolina

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2019

Grantor/Pass-Through Grantor/Program Title	CFDA	Grantor's	Expenditures		
	Number	Number	Federal	State	Local
STATE PROGRAMS					
NC DEPARTMENT OF TRANSPORTATION:					
Administered by County Finance Department:					
ROAP Funds	N/A		\$ -	\$ 113,313	\$ -
Department of Transportation - Capital	N/A		-	167,299	-
Total NC Department of Transportation			-	280,612	-
NC DEPARTMENT OF INSURANCE:					
Administered by County Finance Department:					
SHIIP Grant			-	4,331	-
Total NC Department of Insurance			-	4,331	-
EASTERN CAROLINA COUNCIL OF GOVERNMENTS:					
Administered by County Finance Department:					
Senior Center General			-	10,639	-
Total Eastern Carolina Council of Goverments			-	10,639	-
North Carolina Department of Public Instruction:					
Administered by County Finance Department:					
Public School Building Capital Fund - Lottery	N/A		-	221,823	-
Total North Carolina Department of Public Instruction			-	221,823	-
NC DEPARTMENT OF COMMERCE					
Water Line Relocation			-	87,608	-
Total NC Department of Commerce			-	87,608	-
TOTAL STATE ASSISTANCE			-	1,648,763	1,663
TOTAL FEDERAL AND STATE ASSISTANCE			\$ 3,260,212	\$ 1,870,859	\$ 801,258

Snow Hill, North Carolina

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE FINANCIAL AWARDS***YEAR ENDED JUNE 30, 2019*

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**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and State awards ("SEFSA") includes the federal and State grant activity of the County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, 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 the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**3. CLUSTER OF PROGRAMS**

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