



FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2013



**COUNTY OF GREENSVILLE, VIRGINIA**

**FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2013**



COUNTY OF GREENSVILLE, VIRGINIA

Financial Report  
Year Ended June 30, 2013

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COUNTY OF GREENSVILLE, VIRGINIA

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Year Ended June 30, 2013

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**COUNTY OF GREENSVILLE, VIRGINIA**

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**BOARD OF SUPERVISORS**

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Peggy R. Wiley, Chairman

Michael W. Ferguson, Vice-Chairman

Margaret T. Lee, Ed. D.

James C. Vaughan

**COUNTY SCHOOL BOARD**

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Tony M. Conwell, Chairman

Bessie Reed-Moore, Vice-Chairman

Rhonda Jones-Gilliam  
Janey V. Bush

Marguerite K. Burton  
Walter D. Rook, Jr.

**OTHER OFFICIALS**

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Judge of the Circuit Court  
Clerk of the Circuit Court  
Judge of the General District Court  
Commonwealth's Attorney  
Commissioner of the Revenue  
Treasurer  
Sheriff  
Superintendent of Schools  
Director of Public Welfare  
County Administrator

Allan Sharrett  
Robert C. Wrenn  
Carson Saunders  
Patricia T. Watson  
Martha S. Swenson  
Pamela Lifsey  
J.R. Edwards, Jr.  
Dr. Phillip L. Worrell  
John Holtkamp  
K. David Whittington





# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditors' Report

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To the Honorable Members of the Board of Supervisors  
County of Greensville, Virginia

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Greensville, Virginia, as of and for the year ended June 30, 2013, 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.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, 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 units, each major fund, and the aggregate remaining fund information of the County of Greenville, Virginia, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As described in Note 1 to the financial statements, in 2013, the County adopted new accounting guidance, GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resource and Net Position* and 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

## **Other Matters**

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-9, budgetary comparison information, and schedules of pension and OPEB funding progress 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. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Greenville, Virginia's basic financial statements. The other supplementary information and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal 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 other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

*Other Information (Continued)*

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 2, 2014, on our consideration of the County of Greenville, Virginia'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 County of Greenville, Virginia's internal control over financial reporting and compliance.

*Robinson, Farmer, Co. Associates*  
Charlottesville, Virginia  
January 2, 2014

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## Management's Discussion and Analysis

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### To the Citizens of Greensville County County of Greensville, Virginia

As management of the County of Greensville, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2013.

### Financial Highlights

#### Government-wide Financial Statements

The assets and deferred outflows of resources of the County (Governmental and Business-type activities) exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$33,825,086 (net position) compared to \$31,570,687 in the prior year, an increase of \$2,254,399.

Our combined (governmental and business-type activities) long-term obligations increased by a net of \$5,581,945 during the current fiscal year. This increase is due to the issuance of bonds for construction projects and additional landfill closure and post-closure costs incurred.

#### Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues in excess of expenditures and other financing sources by \$378,677 (Exhibit 5) after making contributions totaling \$1,518,319 (net of adjustment) to the School Board. In the prior year, fund balance decreased by \$879,706.

- As of the close of the current fiscal year; the County's funds reported ending fund balances of \$2,385,232, an increase of \$378,677 in comparison with the prior year. The major increase of fund balance can be attributed to tax rate increases and higher fines and forfeitures collections.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,299,252, or 15% of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

## Overview of the Financial Statements (Continued)

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Greenville, Virginia itself (known as the primary government), but also a legally separate school district, an Industrial Development Authority, and a Joint Department of Social Services for which the County of Greenville, Virginia is financially accountable. Financial information for these component units is reported separately from the financial information present for the primary government itself.

Fund financial statements - 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. The County of Greenville, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and proprietary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements, reconciliation between the two methods is provided on Exhibit 4. The County has two major governmental funds - the General Fund and the Capital Projects Fund.

Proprietary funds - Proprietary funds consist of enterprise funds. Enterprise funds are established to account for the delivery of goods and services to the general public and use the accrual basis of accounting, similar to private sector business. The Solid Waste fund provides waste services to County residents. The Water and Sewer Authority provides water services to area residents. Refer to the separately issued financial statements of the Water and Sewer Authority for further analysis and note disclosures.

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.

## Overview of the Financial Statements (Continued)

Other information - In addition to the basic financial statement and accompanying notes, this report also presents in summary from the discretely presented component units: School Board, Department of Social Services, and the Industrial Development Authority. All three component units issue separate reports and therefore are presented in summary form in the Government-wide financial statements.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, (government and business-type) total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$33,825,086 at the close of the fiscal year ended June 30, 2013.

#### County of Greenville, Virginia's Net Position

|                                   | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      |
|-----------------------------------|--------------------------------|----------------------|---------------------------------|----------------------|
|                                   | <u>2013</u>                    | <u>2012</u>          | <u>2013</u>                     | <u>2012</u>          |
| Current and other assets          | \$ 12,217,784                  | \$ 11,431,433        | \$ 11,738,266                   | \$ 7,923,564         |
| Capital assets                    | 40,028,872                     | 37,133,326           | 31,810,092                      | 30,801,288           |
| Total assets                      | <u>\$ 52,246,656</u>           | <u>\$ 48,564,759</u> | <u>\$ 43,548,358</u>            | <u>\$ 38,724,852</u> |
| Deferred outflows of resources    | \$ -                           | \$ -                 | \$ 105,787                      | \$ -                 |
| Long-term liabilities outstanding | \$ 33,991,270                  | \$ 33,156,074        | \$ 17,272,085                   | \$ 12,432,772        |
| Current liabilities               | 2,118,323                      | 9,554,377            | 821,984                         | 575,701              |
| Total liabilities                 | <u>\$ 36,109,593</u>           | <u>\$ 42,710,451</u> | <u>\$ 18,094,069</u>            | <u>\$ 13,008,473</u> |
| Deferred inflows of resources     | \$ 7,872,053                   | \$ -                 | \$ -                            | \$ -                 |
| Net position:                     |                                |                      |                                 |                      |
| Net investment in capital assets  | \$ 3,642,523                   | \$ 4,837,640         | \$ 19,057,594                   | \$ 22,631,548        |
| Restricted for:                   |                                |                      |                                 |                      |
| Debt Service                      | 802,889                        | 848,770              | -                               | -                    |
| Unrestricted                      | <u>3,819,598</u>               | <u>167,898</u>       | <u>6,502,482</u>                | <u>3,084,831</u>     |
| Total net position                | <u>\$ 8,265,010</u>            | <u>\$ 5,854,308</u>  | <u>\$ 25,560,076</u>            | <u>\$ 25,716,379</u> |

At the end of the current fiscal year, the County's net investment in capital assets is \$3,642,523. This decrease can be attributed to the repayment of principal on outstanding bonds and notes and additional capital outlays and building projects. The unrestricted net position of governmental activities at June 30, 2013 is \$3,819,598.

## Government-wide Financial Analysis (Continued)

The total net position of the County increased \$2,254,399. Key elements of this increase are as follows:

### County of Greenville, Virginia's Change in Net Position

|   | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      |
|---|--------------------------------|----------------------|---------------------------------|----------------------|
|   | <u>2013</u>                    | <u>2012</u>          | <u>2013</u>                     | <u>2012</u>          |
| Revenues:                                   |                                |                      |                                 |                      |
| Program revenues:                           |                                |                      |                                 |                      |
| Charges for services                        | \$ 2,214,438                   | \$ 1,872,491         | \$ 4,461,037                    | \$ 4,456,137         |
| Operating grants and contributions          | 2,406,121                      | 2,184,346            | -                               | -                    |
| Capital grants and contributions            | 1,926,310                      | 620,578              | 91,285                          | 31,302               |
| General revenues:                           |                                |                      |                                 |                      |
| Property taxes                              | 6,903,717                      | 6,362,075            | -                               | -                    |
| Other local taxes                           | 1,773,341                      | 1,678,114            | -                               | -                    |
| Other revenue                               | 467,784                        | 543,343              | 106,987                         | 75,998               |
| Grants and other contributions unrestricted | 1,309,447                      | 1,338,942            | 7,216                           | 30,381               |
| Total revenues                              | \$ <u>17,001,158</u>           | \$ <u>14,599,889</u> | \$ <u>4,666,525</u>             | \$ <u>4,593,818</u>  |
| Expenses:                                   |                                |                      |                                 |                      |
| General government                          | \$ 2,201,469                   | \$ 1,674,569         | \$ -                            | \$ -                 |
| Judicial administration                     | 1,099,081                      | 1,044,243            | -                               | -                    |
| Public safety                               | 3,761,338                      | 3,879,456            | -                               | -                    |
| Public works                                | 1,279,412                      | 1,317,690            | 4,822,828                       | 4,453,354            |
| Health and welfare                          | 519,193                        | 382,157              | -                               | -                    |
| Education                                   | 3,115,786                      | 2,950,559            | -                               | -                    |
| Parks, recreation and culture               | 328,495                        | 304,729              | -                               | -                    |
| Community development                       | 1,048,990                      | 1,244,873            | -                               | -                    |
| Interest                                    | 1,236,692                      | 1,210,831            | -                               | -                    |
| Total expenses                              | \$ <u>14,590,456</u>           | \$ <u>14,009,107</u> | \$ <u>4,822,828</u>             | \$ <u>4,453,354</u>  |
| Increase (decrease) in net position         | \$ 2,410,702                   | \$ 590,782           | \$ (156,303)                    | \$ 140,464           |
| Net position - beginning                    | 5,854,308                      | 5,263,526            | 25,716,379                      | 25,575,915           |
| Net position - ending                       | \$ <u>8,265,010</u>            | \$ <u>5,854,308</u>  | \$ <u>25,560,076</u>            | \$ <u>25,716,379</u> |

For the most part, increases in governmental activities revenues and expenditures closely paralleled inflation and growth in the demand for services causing a net position increase of \$2,410,702 in governmental activities only. The net position of business-type activities decreased \$156,303 due to the cost of issuing a new bond.

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

The County's business-type activities experienced natural growth in expenses due to inflation and a decrease in revenues due to water-saving measures taken by a major customer.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.



## Government-wide Financial Analysis (Continued)

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$2,385,232, an increase of \$378,677 in comparison with the prior year. Approximately 53% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is restricted and committed to indicate that is not available for new spending because it has already been committed for debt service, capital projects, and education. The increase in fund balance can be attributed to an increase in fines and forfeitures revenue as well as general property taxes.

### Proprietary funds

The County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were \$1,519,130 and can be briefly summarized as follows:

- \$662,337 in increases in Public Safety
- \$405,142 in increases in Community Development
- \$451,651 in other budget increases and decreases

### **Capital Asset and Debt Administration**

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2013 amounted to \$40,028,872 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The following is a comparison to the prior year of net capital assets as of June 30, 2013:

|                                  | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      |
|----------------------------------|--------------------------------|----------------------|---------------------------------|----------------------|
|                                  | <u>2013</u>                    | <u>2012</u>          | <u>2013</u>                     | <u>2012</u>          |
| Land                             | \$ 1,382,423                   | \$ 1,382,423         | \$ 460,207                      | \$ 441,589           |
| Land and landfill improvements   | -                              | -                    | 1,076,107                       | 1,076,107            |
| Infrastructure                   | -                              | -                    | 38,133,833                      | 38,133,833           |
| Land improvements                | 1,416,126                      | 1,416,126            | -                               | -                    |
| Buildings and other improvements | 22,456,422                     | 20,641,508           | 2,803,808                       | 2,803,808            |
| Equipment                        | 2,865,104                      | 2,369,111            | 2,290,842                       | 2,244,634            |
| Tenancy in common (buildings)    | 16,805,603                     | 18,175,479           | -                               | -                    |
| Construction in progress         | <u>5,269,687</u>               | <u>2,419,206</u>     | <u>2,503,073</u>                | <u>545,625</u>       |
| Total                            | \$ 50,195,365                  | \$ 46,403,853        | \$ 47,267,870                   | \$ 45,245,596        |
| Less accumulated depreciation    | <u>(10,166,493)</u>            | <u>(9,270,527)</u>   | <u>(15,457,778)</u>             | <u>(14,444,308)</u>  |
| Net capital assets               | <u>\$ 40,028,872</u>           | <u>\$ 37,133,326</u> | <u>\$ 31,810,092</u>            | <u>\$ 30,801,288</u> |

Additional information on the County's capital assets can be found in the notes of this report.

## Capital Asset and Debt Administration: (Continued)

Long-term obligations - At the end of the current fiscal year, the County had total governmental activities obligations outstanding of \$33,991,270. Of this amount \$10,646,917 comprises debt backed by the full faith and credit of the County, (bonded debt). The remainder of the County's obligations represents bonds secured solely by specified revenue sources (i.e., revenue bonds). The following table depicts a comparison of outstanding debt to prior year.

### County of Greensville, Virginia's Outstanding Long-Term Obligations

|                               | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      |
|-------------------------------|--------------------------------|----------------------|---------------------------------|----------------------|
|                               | <u>2013</u>                    | <u>2012</u>          | <u>2013</u>                     | <u>2012</u>          |
| Literary loans                | \$ 6,000,000                   | \$ 6,475,000         | \$ -                            | \$ -                 |
| VPSA bonds                    | 4,646,917                      | 5,447,479            | -                               | -                    |
| Revenue bonds                 | 15,359,270                     | 15,534,874           | 12,706,288                      | 8,006,587            |
| Loans payable                 | 7,480,886                      | 5,244,902            | 151,998                         | 163,152              |
| Landfill closure/post-closure | -                              | -                    | 4,166,474                       | 4,035,682            |
| Bond Premiums                 | 89,809                         | 59,388               | -                               | -                    |
| Compensated absences          | 310,289                        | 255,060              | 249,948                         | 218,751              |
| Net OPEB Obligation           | 81,400                         | 64,700               | 10,600                          | 8,600                |
| Capital lease                 | 22,699                         | 74,671               | -                               | -                    |
| Total                         | \$ <u>33,991,270</u>           | \$ <u>33,156,074</u> | \$ <u>17,285,308</u>            | \$ <u>12,432,772</u> |

Legislation enacted requires that debt historically reported by the School Board has been assumed by the primary government. The legislation affects the reporting of local school capital assets as well.

The County's total obligations increased by a net of \$5,581,945 during the current fiscal year. Governmental activities debt increased \$835,196 due to new community development loans while business-type activities debt increased \$4,852,536 due to new bonds issued for water and sewer development and landfill closure preparedness.

Additional information on the County of Greensville, Virginia's long-term obligations can be found in Note 6 of this report.

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

The unemployment rate for the County at June 30, 2013 was 8.6 percent, which is a decrease from a rate of 8.8 percent a year ago. This compares unfavorably to the state's average unemployment rate of 5.5 percent and unfavorably to the national average rate of 7.6 percent.

Inflationary trends in the region compare favorably to national indices.

The fiscal year 2014 General Fund budget increased from \$14,490,358 to \$15,381,775 or \$891,417 (6%). Fiscal year 2014 tax rates are as follows: \$0.56/\$100 Real Estate; \$5.00/\$100 Personal Property; \$4.00/\$100 Machinery and Tools; \$0.50/\$100 Aircraft.

### **Requests for Information**

This financial report is designed to provide a general overview of the County of Greensville, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, 1781 Greensville County Circle, Emporia, Virginia, 23847.

## **BASIC FINANCIAL STATEMENTS**

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## **Government-wide Financial Statements**

COUNTY OF GREENSVILLE, VIRGINIA

Statement of Net Position  
June 30, 2013

|   | Primary Government      |                          |               |
|---|-------------------------|--------------------------|---------------|
|   | Governmental Activities | Business-type Activities | Total         |
| <b>ASSETS</b>   |                         |                          |               |
| Cash and cash equivalents   | \$ 465,946              | \$ 8,675,624             | \$ 9,141,570  |
| Receivables (net of allowance for uncollectibles):                |                         |                          |               |
| Taxes receivable  | 8,240,584               | -                        | 8,240,584     |
| Accounts receivable   | 177,610                 | 678,741                  | 856,351       |
| Notes receivable  | -                       | -                        | -             |
| Loan receivable   | -                       | 39,871                   | 39,871        |
| Prepaid items   | 47,778                  | -                        | 47,778        |
| Due from component units  | 1,388,718               | -                        | 1,388,718     |
| Long-term advance to Greensville County School Board              | 275,000                 | -                        | 275,000       |
| Due from other governmental units                                 | 789,259                 | -                        | 789,259       |
| Due from trustee  | 30,000                  | -                        | 30,000        |
| Due from City of Emporia, Virginia                                | -                       | -                        | -             |
| Restricted assets:  |                         |                          |               |
| Temporarily restricted:   |                         |                          |               |
| Cash and cash equivalents   | 802,889                 | -                        | 802,889       |
| Other assets:   |                         |                          |               |
| Other assets  | -                       | 150,462                  | 150,462       |
| Bond receivable   | -                       | 1,301,250                | 1,301,250     |
| Loan receivable   | -                       | 892,318                  | 892,318       |
| Investment in industrial land                                     | -                       | -                        | -             |
| Capital assets (net of accumulated depreciation):                 |                         |                          |               |
| Land  | 1,382,423               | 460,207                  | 1,842,630     |
| Infrastructure  | -                       | 26,256,374               | 26,256,374    |
| Buildings and other improvements                                  | 32,860,676              | 2,004,190                | 34,864,866    |
| Machinery and equipment   | 516,086                 | 586,248                  | 1,102,334     |
| Construction in progress  | 5,269,687               | 2,503,073                | 7,772,760     |
| Total assets  | \$ 52,246,656           | \$ 43,548,358            | \$ 95,795,014 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                             |                         |                          |               |
| Deferred charge on refunding                                      | \$ -                    | \$ 105,787               | \$ 105,787    |
| <b>LIABILITIES</b>  |                         |                          |               |
| Reconciled overdraft payable                                      | \$ 1,018,668            | \$ -                     | \$ 1,018,668  |
| Accounts payable  | 616,102                 | 744,510                  | 1,360,612     |
| Accrued liabilities   | -                       | -                        | -             |
| Accrued interest payable  | 457,782                 | 64,251                   | 522,033       |
| Due to primary government   | -                       | -                        | -             |
| Long-term advance from primary government                         | -                       | -                        | -             |
| Due to City of Emporia  | -                       | -                        | -             |
| Long-term advance from Emporia                                    | -                       | -                        | -             |
| Unearned revenue  | 25,771                  | -                        | 25,771        |
| Debt service reserve - Greensville                                | -                       | -                        | -             |
| Long-term liabilities:  |                         |                          |               |
| Due within one year   | 2,262,739               | 618,396                  | 2,881,135     |
| Due in more than one year   | 31,728,531              | 16,666,912               | 48,395,443    |
| Total liabilities   | \$ 36,109,593           | \$ 18,094,069            | \$ 54,203,662 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                              |                         |                          |               |
| Unavailable property tax revenue                                  | \$ 7,872,053            | \$ -                     | \$ 7,872,053  |
| <b>NET POSITION</b>   |                         |                          |               |
| Net investment in capital assets                                  | \$ 3,642,523            | \$ 19,071,325            | \$ 22,713,848 |
| Restricted for:   |                         |                          |               |
| Debt service  | 802,889                 | -                        | 802,889       |
| Employee benefits   | -                       | -                        | -             |
| Industry  | -                       | -                        | -             |
| Unrestricted  | 3,819,598               | 6,488,751                | 10,308,349    |
| Total net position  | \$ 8,265,010            | \$ 25,560,076            | \$ 33,825,086 |
| Total liabilities, deferred inflows of resources and net position | \$ 52,246,656           | \$ 43,654,145            | \$ 95,900,801 |

The notes to the financial statements are an integral part of this statement.

Exhibit 1

| Component Units      |                               |                                  |
|----------------------|-------------------------------|----------------------------------|
| School Board         | Department of Social Services | Industrial Development Authority |
| \$ 3,287,554         | \$ 623,968                    | \$ 188,290                       |
| -                    | -                             | -                                |
| -                    | -                             | -                                |
| -                    | -                             | 15,629                           |
| -                    | -                             | -                                |
| 148,337              | -                             | -                                |
| -                    | -                             | -                                |
| 862,548              | 245,900                       | -                                |
| -                    | -                             | -                                |
| -                    | 460,038                       | -                                |
| -                    | 108,443                       | 64,899                           |
| -                    | -                             | -                                |
| -                    | -                             | -                                |
| -                    | -                             | -                                |
| -                    | -                             | 18,331,098                       |
| 442,775              | -                             | -                                |
| 9,746,308            | -                             | 2,505,570                        |
| -                    | -                             | -                                |
| 2,134,544            | 42,906                        | -                                |
| -                    | -                             | -                                |
| <u>\$ 16,622,066</u> | <u>\$ 1,481,255</u>           | <u>\$ 21,105,486</u>             |
| \$ -                 | \$ -                          | \$ -                             |
| \$ -                 | \$ -                          | \$ -                             |
| 86,902               | 1,162                         | 2,183                            |
| 1,809,553            | -                             | -                                |
| -                    | -                             | -                                |
| 601,555              | 787,163                       | -                                |
| 275,000              | -                             | -                                |
| 69,797               | -                             | -                                |
| 225,000              | -                             | -                                |
| -                    | -                             | -                                |
| -                    | -                             | 60,949                           |
| -                    | 15,267                        | 146,667                          |
| 159,000              | 137,403                       | 1,864,238                        |
| <u>\$ 3,226,807</u>  | <u>\$ 940,995</u>             | <u>\$ 2,074,037</u>              |
| \$ -                 | \$ -                          | \$ -                             |
| \$ 12,323,627        | \$ -                          | \$ 494,665                       |
| -                    | -                             | -                                |
| -                    | 108,443                       | -                                |
| -                    | -                             | 3,950                            |
| 1,071,632            | 431,817                       | 18,532,834                       |
| <u>\$ 13,395,259</u> | <u>\$ 540,260</u>             | <u>\$ 19,031,449</u>             |
| <u>\$ 16,622,066</u> | <u>\$ 1,481,255</u>           | <u>\$ 21,105,486</u>             |

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## **Fund Financial Statements**

COUNTY OF GREENSVILLE, VIRGINIA

Statement of Activities

For the Year Ended June 30, 2013

| Functions/Programs   | Expenses      | Program Revenues     |                                    |                                  |
|--|---------------|----------------------|------------------------------------|----------------------------------|
|  |               | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary Government:</b>                                   |               |                      |                                    |                                  |
| Governmental activities:                                     |               |                      |                                    |                                  |
| General government administration                            | \$ 2,201,469  | \$ 46,612            | \$ 190,189                         | \$ -                             |
| Judicial administration                                      | 1,099,081     | 218,543              | 969,755                            | -                                |
| Public safety  | 3,761,338     | 1,800,764            | 870,083                            | 10,758                           |
| Public works   | 1,279,412     | 101,700              | -                                  | -                                |
| Health and welfare   | 519,193       | 46,819               | -                                  | -                                |
| Education  | 3,115,786     | -                    | 371,094                            | -                                |
| Parks, recreation, and cultural                              | 328,495       | -                    | -                                  | -                                |
| Community development  | 1,048,990     | -                    | 5,000                              | 1,915,552                        |
| Interest on long-term debt                                   | 1,236,692     | -                    | -                                  | -                                |
| Total governmental activities                                | \$ 14,590,456 | \$ 2,214,438         | \$ 2,406,121                       | \$ 1,926,310                     |
| Business-type activities:                                    |               |                      |                                    |                                  |
| Solid Waste  | \$ 1,026,190  | \$ 860,862           | \$ -                               | \$ -                             |
| Water and Sewer Authority                                    | 3,796,638     | 3,600,175            | -                                  | 91,285                           |
| Total business-type activities                               | \$ 4,822,828  | \$ 4,461,037         | \$ -                               | \$ 91,285                        |
| Total primary government                                     | \$ 19,413,284 | \$ 6,675,475         | \$ 2,406,121                       | \$ 2,017,595                     |
| <b>Component Units:</b>                                      |               |                      |                                    |                                  |
| School Board   | \$ 26,335,352 | \$ 3,767,931         | \$ 19,156,599                      | \$ -                             |
| Department of Social Services                                | 2,963,128     | -                    | 3,039,374                          | -                                |
| Industrial Development Authority                             | 259,731       | 290,043              | -                                  | 11,427,551                       |
| Total component units  | \$ 29,558,211 | \$ 4,057,974         | \$ 22,195,973                      | \$ 11,427,551                    |
| General revenues:  |               |                      |                                    |                                  |
| General property taxes                                       |               |                      |                                    |                                  |
| Other local taxes:   |               |                      |                                    |                                  |
| Consumer utility   |               |                      |                                    |                                  |
| Local sales and use taxes                                    |               |                      |                                    |                                  |
| Business license taxes                                       |               |                      |                                    |                                  |
| Motor vehicle licenses                                       |               |                      |                                    |                                  |
| Restaurant food tax  |               |                      |                                    |                                  |
| Other local taxes  |               |                      |                                    |                                  |
| Payment from County of Greenville                            |               |                      |                                    |                                  |
| Unrestricted revenues from use of money and property         |               |                      |                                    |                                  |
| Miscellaneous  |               |                      |                                    |                                  |
| Grants and contributions not restricted to specific programs |               |                      |                                    |                                  |
| Total general revenues                                       |               |                      |                                    |                                  |
| Change in net position                                       |               |                      |                                    |                                  |
| Net position - beginning                                     |               |                      |                                    |                                  |
| Net position - ending  |               |                      |                                    |                                  |

The notes to the financial statements are an integral part of this statement.

| Net (Expense) Revenue and<br>Changes in Net Position |                             |                       |                       |                                     |  |
|--|-----------------------------|-----------------------|-----------------------|-------------------------------------|--|
| Primary Government                                   |                             |                       | Component Units       |                                     |  |
| Governmental<br>Activities                           | Business-type<br>Activities | Total                 | School<br>Board       | Department<br>of Social<br>Services | Industrial<br>Development<br>Authority |
| \$ (1,964,668)                                       | \$ -                        | \$ (1,964,668)        | \$ -                  | \$ -                                | \$ -                                   |
| 89,217   | -                           | 89,217                | -                     | -                                   | -                                      |
| (1,079,733)  | -                           | (1,079,733)           | -                     | -                                   | -                                      |
| (1,177,712)  | -                           | (1,177,712)           | -                     | -                                   | -                                      |
| (472,374)  | -                           | (472,374)             | -                     | -                                   | -                                      |
| (2,744,692)  | -                           | (2,744,692)           | -                     | -                                   | -                                      |
| (328,495)  | -                           | (328,495)             | -                     | -                                   | -                                      |
| 871,562  | -                           | 871,562               | -                     | -                                   | -                                      |
| (1,236,692)  | -                           | (1,236,692)           | -                     | -                                   | -                                      |
| <u>\$ (8,043,587)</u>                                | <u>\$ -</u>                 | <u>\$ (8,043,587)</u> | <u>\$ -</u>           | <u>\$ -</u>                         | <u>\$ -</u>                            |
| \$ -   | \$ (165,328)                | \$ (165,328)          | \$ -                  | \$ -                                | \$ -                                   |
| -  | (105,178)                   | (105,178)             | -                     | -                                   | -                                      |
| \$ -   | \$ (270,506)                | \$ (270,506)          | \$ -                  | \$ -                                | \$ -                                   |
| <u>\$ (8,043,587)</u>                                | <u>\$ (270,506)</u>         | <u>\$ (8,314,093)</u> | <u>\$ -</u>           | <u>\$ -</u>                         | <u>\$ -</u>                            |
| \$ -   | \$ -                        | \$ -                  | \$ (3,410,822)        | \$ -                                | \$ -                                   |
| -  | -                           | -                     | -                     | 76,246                              | -                                      |
| -  | -                           | -                     | -                     | -                                   | 11,457,863                             |
| <u>\$ -</u>  | <u>\$ -</u>                 | <u>\$ -</u>           | <u>\$ (3,410,822)</u> | <u>\$ 76,246</u>                    | <u>\$ 11,457,863</u>                   |
| \$ 6,903,717   | \$ -                        | \$ 6,903,717          | \$ -                  | \$ -                                | \$ -                                   |
| 296,600  | -                           | 296,600               | -                     | -                                   | -                                      |
| 541,957  | -                           | 541,957               | -                     | -                                   | -                                      |
| 379,547  | -                           | 379,547               | -                     | -                                   | -                                      |
| 191,546  | -                           | 191,546               | -                     | -                                   | -                                      |
| 169,971  | -                           | 169,971               | -                     | -                                   | -                                      |
| 193,720  | -                           | 193,720               | -                     | -                                   | -                                      |
| -  | -                           | -                     | -                     | -                                   | 30,934                                 |
| 226,704  | 46,455                      | 273,159               | 10,029                | 302                                 | 404                                    |
| 241,080  | 60,532                      | 301,612               | 200,216               | 6,779                               | 4,044                                  |
| 1,309,447  | 7,216                       | 1,316,663             | 2,955,287             | -                                   | 101                                    |
| <u>\$ 10,454,289</u>                                 | <u>\$ 114,203</u>           | <u>\$ 10,568,492</u>  | <u>\$ 3,165,532</u>   | <u>\$ 7,081</u>                     | <u>\$ 35,483</u>                       |
| \$ 2,410,702   | \$ (156,303)                | \$ 2,254,399          | \$ (245,290)          | \$ 83,327                           | \$ 11,493,346                          |
| 5,854,308  | 25,716,379                  | 31,570,687            | 13,640,549            | 456,933                             | 7,538,103                              |
| <u>\$ 8,265,010</u>                                  | <u>\$ 25,560,076</u>        | <u>\$ 33,825,086</u>  | <u>\$ 13,395,259</u>  | <u>\$ 540,260</u>                   | <u>\$ 19,031,449</u>                   |

Balance Sheet  
 Governmental Funds  
 June 30, 2013

|   | <u>General</u>       | <u>Capital<br/>Projects<br/>Fund</u> | <u>Total</u>         |
|---|----------------------|--------------------------------------|----------------------|
| <b>ASSETS</b>   |                      |                                      |                      |
| Cash and cash equivalents   | \$ 465,946           | \$ -                                 | \$ 465,946           |
| Receivables (net of allowance for uncollectibles):                        |                      |                                      |                      |
| Taxes receivable  | 8,240,584            | -                                    | 8,240,584            |
| Accounts receivable   | 177,610              | -                                    | 177,610              |
| Prepaid items   | 47,778               | -                                    | 47,778               |
| Due from component units  | 1,388,718            | -                                    | 1,388,718            |
| Advance to Component Unit - School Board                                  | 275,000              | -                                    | 275,000              |
| Due from trustee  | -                    | 30,000                               | 30,000               |
| Due from other governmental units   | 337,415              | 451,844                              | 789,259              |
| Restricted assets:  |                      |                                      |                      |
| Temporarily restricted:   |                      |                                      |                      |
| Cash and cash equivalents   | 802,889              | -                                    | 802,889              |
| <b>Total assets</b>   | <b>\$ 11,735,940</b> | <b>\$ 481,844</b>                    | <b>\$ 12,217,784</b> |
| <b>LIABILITIES</b>  |                      |                                      |                      |
| Reconciled overdraft  | \$ -                 | \$ 1,018,668                         | \$ 1,018,668         |
| Accounts payable  | 139,010              | 477,092                              | 616,102              |
| Unearned revenue  | -                    | 25,771                               | 25,771               |
| <b>Total liabilities</b>  | <b>\$ 139,010</b>    | <b>\$ 1,521,531</b>                  | <b>\$ 1,660,541</b>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                      |                                      |                      |
| Unavailable property tax revenue  | \$ 8,172,011         | \$ -                                 | \$ 8,172,011         |
| <b>FUND BALANCES:</b>   |                      |                                      |                      |
| Nonspendable  | \$ 47,778            | \$ -                                 | \$ 47,778            |
| Restricted:   |                      |                                      |                      |
| Debt service  | 802,889              | -                                    | 802,889              |
| Education   | 275,000              | -                                    | 275,000              |
| Unassigned  | 2,299,252            | (1,039,687)                          | 1,259,565            |
| <b>Total fund balances</b>  | <b>\$ 3,424,919</b>  | <b>\$ (1,039,687)</b>                | <b>\$ 2,385,232</b>  |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 11,735,940</b> | <b>\$ 481,844</b>                    | <b>\$ 12,217,784</b> |

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Balance Sheet of Governmental Funds  
 To the Statement of Net Position  
 June 30, 2013

---

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

|  |    |                         |
|--|----|-------------------------|
| Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds   | \$ | 2,385,232               |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.                    |    | 40,028,872              |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.                   |    | 299,958                 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds: |    |                         |
| Accrued interest payable   | \$ | (457,782)               |
| Long-term obligations  |    | <u>(33,991,270)</u>     |
|  |    | <u>(34,449,052)</u>     |
| Net position of governmental activities  | \$ | <u><u>8,265,010</u></u> |

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2013

|  | <u>General</u>             | <u>Capital<br/>Projects<br/>Fund</u> | <u>Total</u>               |
|--|----------------------------|--------------------------------------|----------------------------|
| <b>REVENUES</b>  |                            |                                      |                            |
| General property taxes                                       | \$ 6,892,518               | \$ -                                 | \$ 6,892,518               |
| Other local taxes  | 1,773,341                  | -                                    | 1,773,341                  |
| Permits, privilege fees,<br>and regulatory licenses          | 45,108                     | -                                    | 45,108                     |
| Fines and forfeitures  | 1,754,597                  | -                                    | 1,754,597                  |
| Revenue from the use of<br>money and property                | 226,027                    | 677                                  | 226,704                    |
| Charges for services   | 414,733                    | -                                    | 414,733                    |
| Miscellaneous  | 241,080                    | -                                    | 241,080                    |
| Recovered costs  | 1,088,594                  | -                                    | 1,088,594                  |
| Intergovernmental revenues:                                  |                            |                                      |                            |
| Commonwealth   | 3,335,973                  | 1,096,246                            | 4,432,219                  |
| Federal  | 204,394                    | 1,005,265                            | 1,209,659                  |
| Total revenues   | <u>\$ 15,976,365</u>       | <u>\$ 2,102,188</u>                  | <u>\$ 18,078,553</u>       |
| <b>EXPENDITURES</b>  |                            |                                      |                            |
| Current:   |                            |                                      |                            |
| General government administration                            | \$ 1,779,391               | \$ -                                 | \$ 1,779,391               |
| Judicial administration                                      | 1,174,347                  | -                                    | 1,174,347                  |
| Public safety  | 4,274,177                  | -                                    | 4,274,177                  |
| Public works   | 1,422,787                  | -                                    | 1,422,787                  |
| Health and welfare   | 537,165                    | -                                    | 537,165                    |
| Education  | 1,678,597                  | -                                    | 1,678,597                  |
| Parks, recreation, and cultural                              | 317,265                    | -                                    | 317,265                    |
| Community development  | 1,040,614                  | -                                    | 1,040,614                  |
| Nondepartmental  | 8,033                      | -                                    | 8,033                      |
| Capital projects   | -                          | 5,029,410                            | 5,029,410                  |
| Debt service:  |                            |                                      |                            |
| Principal retirement   | 2,263,996                  | -                                    | 2,263,996                  |
| Interest and other fiscal charges                            | 1,135,608                  | -                                    | 1,135,608                  |
| Total expenditures   | <u>\$ 15,631,980</u>       | <u>\$ 5,029,410</u>                  | <u>\$ 20,661,390</u>       |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>\$ 344,385</u>          | <u>\$ (2,927,222)</u>                | <u>\$ (2,582,837)</u>      |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                            |                                      |                            |
| Transfers in   | \$ 32,040                  | \$ -                                 | \$ 32,040                  |
| Transfers (out)  | -                          | (32,040)                             | (32,040)                   |
| Issuance of loan   | 123,284                    | -                                    | 123,284                    |
| Premium on bonds issued                                      | -                          | 33,589                               | 33,589                     |
| Issuance of bonds  | -                          | 2,804,641                            | 2,804,641                  |
| Total other financing sources (uses)                         | <u>\$ 155,324</u>          | <u>\$ 2,806,190</u>                  | <u>\$ 2,961,514</u>        |
| Net change in fund balances                                  | \$ 499,709                 | \$ (121,032)                         | \$ 378,677                 |
| Fund balances - beginning                                    | <u>2,925,210</u>           | <u>(918,655)</u>                     | <u>2,006,555</u>           |
| Fund balances - ending                                       | <u><u>\$ 3,424,919</u></u> | <u><u>\$ (1,039,687)</u></u>         | <u><u>\$ 2,385,232</u></u> |

The notes to the financial statements are an integral part of this statement.

Reconciliation of Statement of Revenues,  
Expenditures, and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Year Ended June 30, 2013

---

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

|  |    |         |
|--|----|---------|
| Net change in fund balances - total governmental funds | \$ | 378,677 |
|--|----|---------|

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 the capital outlay exceeded depreciation in the current period:

|  |                    |           |
|--|--------------------|-----------|
| Capital asset additions                | \$ 5,161,388       |           |
| Depreciation expense                   | (828,876)          |           |
| Net transfer of assets to School Board | <u>(1,436,966)</u> | 2,895,546 |

|  |  |        |
|--|--|--------|
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. |  | 11,199 |
|--|--|--------|

The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, 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. This amount is the net effect of these differences in the treatment of long-term obligations and related items:

|   |                  |                  |
|---|------------------|------------------|
| Issuances of new debt                         | \$ (2,927,925)   |                  |
| Issuances of new debt - premium               | (33,589)         |                  |
| Principal retirement on long-term obligations | <u>2,198,247</u> | (763,267)        |
| Net School Board activity                     | \$ (4,189)       |                  |
| (Increase) in accrued interest payable        | (35,335)         |                  |
| (Increase) in compensated absences            | (55,229)         |                  |
| (Increase) in net OBEB obligation             | <u>(16,700)</u>  | <u>(111,453)</u> |

|   |    |                         |
|---|----|-------------------------|
| Change in net position of governmental activities | \$ | <u><u>2,410,702</u></u> |
|---|----|-------------------------|

The notes to the financial statements are an integral part of this statement.

Statement of Net Position  
Proprietary Funds  
June 30, 2013

|  | Enterprise Funds |                               |               |
|--|------------------|-------------------------------|---------------|
|  | Solid<br>Waste   | Water &<br>Sewer<br>Authority | Total         |
| <b>ASSETS</b>  |                  |                               |               |
| Current assets:  |                  |                               |               |
| Cash and cash equivalents                                | \$ 7,253,378     | \$ 932,932                    | \$ 8,186,310  |
| Cash in hands of trustee                                 | -                | 130,063                       | 130,063       |
| Cash with fiscal agent                                   | -                | 359,251                       | 359,251       |
| Accounts receivable, net of allowance for uncollectibles | 170,946          | 507,795                       | 678,741       |
| Bonds receivable   | -                | 1,301,250                     | 1,301,250     |
| Loan receivable, current portion                         | -                | 39,871                        | 39,871        |
| Total current assets                                     | \$ 7,424,324     | \$ 3,271,162                  | \$ 10,695,486 |
| Noncurrent assets:                                       |                  |                               |               |
| Other assets   | \$ -             | \$ 150,462                    | \$ 150,462    |
| Loan receivable, net of current portion                  | -                | 892,318                       | 892,318       |
| Capital assets:  |                  |                               |               |
| Land   | -                | 460,207                       | 460,207       |
| Infrastructure   | 2,803,807        | 36,406,133                    | 39,209,940    |
| Building and other improvements                          | -                | 2,803,808                     | 2,803,808     |
| Equipment  | 1,366,592        | 924,250                       | 2,290,842     |
| Less accumulated depreciation                            | (1,731,485)      | (13,726,293)                  | (15,457,778)  |
| Construction in progress                                 | 711,113          | 1,791,960                     | 2,503,073     |
| Total capital assets                                     | \$ 3,150,027     | \$ 28,660,065                 | \$ 31,810,092 |
| Total noncurrent assets                                  | \$ 3,150,027     | \$ 29,702,845                 | \$ 32,852,872 |
| Total assets   | \$ 10,574,351    | \$ 32,974,007                 | \$ 43,548,358 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                    |                  |                               |               |
| Deferred charge on refunding                             | \$ -             | \$ 105,787                    | \$ 105,787    |
| <b>LIABILITIES</b>                                       |                  |                               |               |
| Current liabilities:                                     |                  |                               |               |
| Accounts payable and accrued expenses                    | \$ 256,556       | \$ 487,954                    | \$ 744,510    |
| Accrued interest payable                                 | -                | 64,251                        | 64,251        |
| Compensated absences - current portion                   | 2,019            | 22,976                        | 24,995        |
| Long-term obligations - current portion                  | 13,731           | 579,670                       | 593,401       |
| Total current liabilities                                | \$ 272,306       | \$ 1,154,851                  | \$ 1,427,157  |
| Noncurrent liabilities:                                  |                  |                               |               |
| Accrued closure and postclosure landfill costs           | \$ 4,166,474     | \$ -                          | \$ 4,166,474  |
| Compensated absences - net of current portion            | 18,166           | 206,787                       | 224,953       |
| Bonds and notes payable - net of current portion         | 3,093,208        | 9,182,277                     | 12,275,485    |
| Total noncurrent liabilities                             | \$ 7,277,848     | \$ 9,389,064                  | \$ 16,666,912 |
| Total liabilities  | \$ 7,550,154     | \$ 10,543,915                 | \$ 18,094,069 |
| <b>NET POSITION</b>                                      |                  |                               |               |
| Net Investment in capital assets                         | \$ 56,819        | \$ 19,014,506                 | \$ 19,071,325 |
| Unrestricted   | 2,967,378        | 3,521,373                     | 6,488,751     |
| Total net position                                       | \$ 3,024,197     | \$ 22,535,879                 | \$ 25,560,076 |

The notes to the financial statements are an integral part of this statement.



Statement of Revenues, Expenses, and Changes in Net Position  
 Proprietary Funds  
 For the Year Ended June 30, 2013

|  | Enterprise Funds |                         |               |
|--|------------------|-------------------------|---------------|
|  | Solid Waste      | Water & Sewer Authority | Total         |
| <b>OPERATING REVENUES</b>                    |                  |                         |               |
| Charges for services:                        |                  |                         |               |
| Disposal fees                                | \$ 852,489       | \$ -                    | \$ 852,489    |
| Metered sales - water                        | -                | 1,603,618               | 1,603,618     |
| User fees - sewer                            | -                | 1,899,751               | 1,899,751     |
| Penalties                                    | 91               | 39,423                  | 39,514        |
| Other revenues                               | 8,282            | 57,383                  | 65,665        |
| Total operating revenues                     | \$ 860,862       | \$ 3,600,175            | \$ 4,461,037  |
| <b>OPERATING EXPENSES</b>                    |                  |                         |               |
| Personnel services                           | \$ 203,542       | \$ -                    | \$ 203,542    |
| Fringe benefits                              | 71,696           | -                       | 71,696        |
| Contractual services                         | 95,675           | -                       | 95,675        |
| Internal services                            | 95,000           | -                       | 95,000        |
| Other charges                                | 100,136          | -                       | 100,136       |
| Water and sewer operations                   | -                | 2,520,750               | 2,520,750     |
| Depreciation                                 | 173,380          | 840,090                 | 1,013,470     |
| Amortization of deferred charge on refunding | -                | 13,223                  | 13,223        |
| Landfill closure costs                       | 130,792          | -                       | 130,792       |
| Total operating expenses                     | \$ 870,221       | \$ 3,374,063            | \$ 4,244,284  |
| Operating income (loss)                      | \$ (9,359)       | \$ 226,112              | \$ 216,753    |
| <b>NONOPERATING REVENUES (EXPENSES)</b>      |                  |                         |               |
| Intergovernmental revenue                    | \$ 7,216         | \$ -                    | \$ 7,216      |
| Interest expense                             | -                | (390,595)               | (390,595)     |
| Interest income                              | 7,922            | 38,533                  | 46,455        |
| Bond issue costs                             | (155,969)        | -                       | (155,969)     |
| Other non-operating revenues                 | -                | 60,532                  | 60,532        |
| Other non-operating expenses                 | -                | (31,980)                | (31,980)      |
| Total nonoperating revenues (expenses)       | \$ (140,831)     | \$ (323,510)            | \$ (464,341)  |
| Income before capital contributions          | (150,190)        | (97,398)                | (247,588)     |
| Capital contributions                        | \$ -             | \$ 91,285               | \$ 91,285     |
| Total capital contributions                  | \$ -             | \$ 91,285               | \$ 91,285     |
| Change in net position                       | \$ (150,190)     | \$ (6,113)              | \$ (156,303)  |
| Total net position - beginning               | 3,174,387        | 22,541,992              | 25,716,379    |
| Total net position - ending                  | \$ 3,024,197     | \$ 22,535,879           | \$ 25,560,076 |

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended June 30, 2013

|   | Enterprise Funds    |                         |                     |
|---|---------------------|-------------------------|---------------------|
|   | Solid Waste         | Water & Sewer Authority | Total               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                     |                         |                     |
| Receipts from customers and users   | \$ 853,037          | \$ 3,569,982            | \$ 4,423,019        |
| Receipts for other charges  | 8,282               | -                       | 8,282               |
| Payments to suppliers of goods and services   | 135,218             | (1,459,971)             | (1,324,753)         |
| Payments to employees   | (272,807)           | (1,026,265)             | (1,299,072)         |
| Payments for interfund services used  | (95,000)            | -                       | (95,000)            |
| Payments for other charges  | (100,136)           | -                       | (100,136)           |
| Net cash provided by (used for) operating activities  | <u>\$ 528,594</u>   | <u>\$ 1,083,746</u>     | <u>\$ 1,612,340</u> |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>  |                     |                         |                     |
| Nonoperating grants from Commonwealth of Virginia   | \$ 7,216            | \$ -                    | \$ 7,216            |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>   |                     |                         |                     |
| Purchase of capital assets  | \$ (652,494)        | \$ (1,369,780)          | \$ (2,022,274)      |
| Bond issue costs paid   | (155,969)           | -                       | (155,969)           |
| Other nonoperating income   | -                   | 60,532                  | 60,532              |
| Capital contributions   | -                   | 91,285                  | 91,285              |
| Miscellaneous non-operating expenses  | -                   | (23,681)                | (23,681)            |
| Interest payments   | -                   | (396,473)               | (396,473)           |
| Proceeds from issuance of bonds payable   | 3,106,939           | 797,212                 | 3,904,151           |
| Loans made to other entities  | -                   | (178,500)               | (178,500)           |
| Principal payments on loans receivable  | -                   | 332,855                 | 332,855             |
| Retirement of indebtedness  | -                   | (635,864)               | (635,864)           |
| Net cash provided by (used for) capital and related financing activities                                  | <u>\$ 2,298,476</u> | <u>\$ (1,322,414)</u>   | <u>\$ 976,062</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                     |                         |                     |
| Interest income   | \$ 7,922            | \$ 38,533               | \$ 46,455           |
| Net increase (decrease) in cash and cash equivalents  | \$ 2,842,208        | \$ (200,135)            | \$ 2,642,073        |
| Cash and cash equivalents - beginning   | 4,411,170           | 1,622,381               | 6,033,551           |
| Cash and cash equivalents - ending  | <u>\$ 7,253,378</u> | <u>\$ 1,422,246</u>     | <u>\$ 8,675,624</u> |
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b> |                     |                         |                     |
| Operating income (loss)   | \$ (9,359)          | \$ 226,112              | \$ 216,753          |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities:        |                     |                         |                     |
| Depreciation and amortization expense   | \$ 173,380          | \$ 853,313              | \$ 1,026,693        |
| Amortization of closure and postclosure costs   | 130,792             | -                       | 130,792             |
| (Increase) decrease in accounts receivable  | 457                 | (34,491)                | (34,034)            |
| Increase (decrease) in accounts payable   | 230,893             | 38,812                  | 269,705             |
| Increase in compensated absences  | 2,431               | -                       | 2,431               |
| Total adjustments   | <u>\$ 537,953</u>   | <u>\$ 857,634</u>       | <u>\$ 1,395,587</u> |
| Net cash provided by (used for) operating activities  | <u>\$ 528,594</u>   | <u>\$ 1,083,746</u>     | <u>\$ 1,612,340</u> |

The notes to the financial statements are an integral part of this statement.

# COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013

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## Note 1—Summary of Significant Accounting Policies:

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The County of Greenville, Virginia was formed in 1781 and is governed by an elected four member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection; sanitation services; recreational activities, cultural events, education and social services.

The financial statements of the County of Greenville, Virginia have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

### Financial Statement Presentation

Management's Discussion and Analysis - GASB Statement No. 34 requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "Management's Discussion and Analysis" (MD&A).

### Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its components unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Statement of Net Position - The Statement of Net Position is designed to display financial position of the primary government (government and business-type activities) and its discretely presented component units. Governments will report all capital assets, in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Budgetary Comparison Schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. The government has presented the original budget in addition to the final budget in comparison with actual results.

#### A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organizations governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Greenville, Virginia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

#### B. Individual Component Unit Disclosures

##### 1. Blended Component Units

The Greenville County Water and Sewer Authority has separate corporate powers that distinguish it as being legally separate from the County of Greenville, Virginia. The Water and Sewer Authority is financially accountable to the County because the County appoints a voting majority of its governing body and has the ability to impose its will on the Authority by significantly influencing the programs, projects, activities, and level of services provided by the Authority. The governing body of the Authority is the same as the governing body of the County.

For the reasons listed above, the Greenville Water and Sewer Authority is a Blended Component Unit of the County. The financial data of the Authority for its year ended September 30, 2012 has been included in this financial report. However, separately issued financial statements for the Authority can be obtained from the County Administrator's office located at 1781 Greenville County Circle, Emporia, Virginia 23847.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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#### B. Individual Component Unit Disclosures (Continued)

##### 2. Discretely Presented Component Units

The Greensville County School Board operates the elementary and secondary public schools in the County. School Board members are appointed by the County Board of Supervisors. The School Board is fiscally dependent upon the County because the County approves all debt issuances of the School Board and provides significant funding to operate the public schools since the School Board does not have separate taxing powers. The School Board is comprised of two Special Revenue Funds, the School Operating and School Cafeteria; and one Capital Projects Fund, the School Capital Projects Fund. The School Board is a discretely presented component unit of the County for which separate financial statements are issued. Copies of such statements can be obtained from the School Board offices located at 105 Ruffin Street, Emporia, Virginia 23847.

The Greensville County Industrial Development Authority was created by the County to attract industry to the County and to provide financing for such industries. The Authority does have separate corporate powers that distinguish it as being legally separate from the County. The County is financially accountable for the Authority because it appoints a voting majority of the Authority's governing body and there exists a financial benefit or burden between the two entities. However, because the two governing bodies are not substantially the same, the Authority is a discretely presented component unit of the County. Separately issued financial statements for the Authority can be obtained from the County Administrator's office located at 1781 Greensville County Circle, Emporia, Virginia 23847.

The Greensville/Emporia Department of Social Services has also been determined to be a discretely presented component unit of the County. The following factors require the Department to be reported as a discretely presented component unit: the County's Board of Supervisors appoints a voting majority of the Department's governing body, the existence of a financial benefit and burden between the County and Department, and the County is financially accountable for the Department. All of these factors require the department to be reported as a discretely presented component unit. Separate financial statements for the Department have been issued and can be obtained from their administrative offices located at P.O. Box 1136, Emporia, Virginia 23847.

#### C. Other Related Organizations

##### Included in the County's Financial Report

None

##### Excluded from the County's Financial Report:

##### Meherrin Regional Library

The Meherrin Regional Library is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The counties of Greensville, Brunswick and the City of Emporia provide the financial support for the Library and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints two (2) of the ten (10) members of the Board.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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#### C. Other Related Organizations (Continued)

##### District 19 Community Services Board

The Board was created by resolution pursuant to state statute and is considered a jointly governed organization and therefore its operations are not included in the county's financial statements. The County appoints two of the Board members; however, the County cannot impose its will on the Board since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the Board. The Board is fiscally independent and there is no financial benefit or burden relationship with the County.

##### Southside Regional Jail Authority

The Authority was created in 1995 to develop, construct, operate and maintain the regional jail known as Southside Regional Jail Authority. The Jail's service area includes the County of Greenville and the City of Emporia. The Authority is governed by a Board of Directors appointed by the Board of Supervisors of the County of Greenville and City of Emporia, Virginia. The Board of Directors has appointed the Treasurer of Greenville County to serve as fiscal agent. The Board is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The County cannot impose its will on the Board since it does not have the ability to modify or approve the budget or overrule or modify decisions of the Authority. The Authority is fiscally independent and there is not financial benefit or burden relationship with the County.

#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provided have been met.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues, (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

##### 1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The government reports the following major governmental funds:

###### a. General Fund

The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board.

###### b. Capital Projects Fund

The Capital Projects Fund accounts for and reports all financial resources used for the acquisition or construction of major capital facilities. The Capital Projects Fund is considered a major fund for reporting purposes.

##### 2. Proprietary Fund

The Proprietary Fund accounts for operations that are financed in a manner similar to private business enterprises. The Proprietary Fund measurement focus is upon determination of net income, financial position, and cash flow. The Proprietary Fund consists of the Enterprise Fund.

The Enterprise Fund accounts for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. The Solid Waste Fund and Water and Sewer Authority (blended component unit) are Enterprise Funds.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

##### 2. Proprietary Fund (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### E. Budgets and Budgetary Accounting

The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund and the Capital Projects Funds of the primary government and the School Fund, School Cafeteria Fund and School Capital Projects of the School Board.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all county units.
8. All budgetary data presented in the accompanying financial statements is the original to the current comparison of the final budget and actual results.



## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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#### F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments for the government, as well as for its component units, are reported at fair value. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

#### G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$188,401 at June 30, 2013 and is comprised solely of property taxes.

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable December 5th. The County bills and collects its own property taxes.

#### H. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure, are reported in the columns in the government-wide financial statements. Capital assets are defined by the County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Interest attributable to capitalized assets as of June 30, 2013 was immaterial.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 1—Summary of Significant Accounting Policies: (Continued)**

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**H. Capital Assets: (Continued)**

Property, plant and equipment of the primary government, and infrastructure as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>                   | <u>Years</u> |
|---------------------------------|--------------|
| Structures, lines & accessories | 30           |
| Buildings                       | 40           |
| Building improvements           | 20-40        |
| Vehicles                        | 5            |
| Office and computer equipment   | 5            |
| Buses                           | 8            |
| Police vehicles                 | 3            |
| Land Improvements               | 20           |

**I. Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the leave. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. In accordance with the provisions of Government Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

**J. Long-term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**K. Retirement Plan**

Retirement plan contributions are actuarially determined and consist of current services costs and amortization of prior service cost over a 30-year period. The County's policy is to fund pension costs as it accrues.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 1—Summary of Significant Accounting Policies: (Continued)**

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**L. Use of Estimates**

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

**M. Restricted Cash**

General Fund:

The County maintains a Debt Service Reserve Fund restricted for future required debt service payments on the following debt issues:

|                                  |                   |
|----------------------------------|-------------------|
| Series 2000 Lease Revenue Bond   | \$ 385,708        |
| Series 2003 Lease Revenue Bond   | <u>417,181</u>    |
| Total restricted cash, Exhibit 3 | <u>\$ 802,889</u> |
| Total restricted cash, Exhibit 1 | <u>\$ 802,889</u> |

**N. Fund Balances**

Financial Policies

The Board of Supervisors meets on a monthly basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Under GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned fund balance - Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 1—Summary of Significant Accounting Policies: (Continued)**

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**N. Fund Balances: (Continued)**

Financial Policies: (Continued)

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When fund balance resources are available for a specific purpose in more than one classification, it is the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

**O. Designated Cash**

The County designates cash in the Solid Waste Fund for the following purposes:

|                                       |                     |
|---------------------------------------|---------------------|
| Designated for new equipment          | \$ 218,167          |
| Designated for new cell development   | 4,010,162           |
| Designated for postclosure monitoring | 1,147,332           |
| Designated for landfill closure       | <u>1,444,611</u>    |
| Total designated cash                 | <u>\$ 6,820,272</u> |

**P. Net Position:**

Net Position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

**Q. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 1—Summary of Significant Accounting Policies: (Continued)

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County only has one item that qualifies for reporting in this category. It is the deferred amount on refunding reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item that qualifies for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of amounts prepaid on the 2<sup>nd</sup> half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. This also includes uncollected property taxes due prior to June 30. Under the accrual basis, 2<sup>nd</sup> amounts prepaid on the 2<sup>nd</sup> half installments are reported as deferred inflows of resources.

#### S. Adoption of Accounting Principles

##### Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, Statement No. 63 of the Governmental Accounting Standards Board

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement provides guidance for reporting deferred inflows and deferred outflows of resources. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on an entity's net position. With the implementation of this Statement, certain terminology has changed and financial statement descriptions have changed from "net assets" to "net position." The net equity reported in the financial statements was not changed as a result of implementing this Statement and no restatement of prior balances is required.

##### Items Previously Reported as Assets and Liabilities, Statement No. 65 of the Governmental Accounting Standards Board

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The net position was not restated, as the County had no items that required restatement.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 2—Deposits and Investments:

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#### Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

#### Investments

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP).

The County has no formal investment policy addressing the various risks related to investments.

#### Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2013 were rated by Standard & Poor’s and the ratings are presented below using Standard & Poor’s rating scale.

| <u>Rated Debt Investments</u>    | <u>County's Rated Debt Investments' Values</u> |                   |
|----------------------------------|--|-------------------|
|                                  | <u>Fair Quality Ratings</u>                    |                   |
|                                  | <u>AAA</u>                                     | <u>AAAm</u>       |
| U.S. Agencies Money Market       | \$ 863,231                                     | \$ -              |
| Local Government Investment Pool | -  | 365,264           |
| Total                            | \$ <u>863,231</u>                              | \$ <u>365,264</u> |

#### External Investment Pools

The fair value of the positions in the Local Government Investment Pool (LGIP) is the same as the value of the pool shares. As the pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7.

#### Other

##### Discretely Presented Component Unit-Greenville/Emporia Department of Social Services

All funds of the Department are in the custody of the Treasurer of the County.

##### Discretely Presented Component Unit-Greenville County Industrial Development Authority

All funds of the Authority are in the custody of the Authority’s Treasurer.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 3—Due From/To Other Governmental Units:**

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At June 30, 2013 the County has receivables from other governments as follows:

**Primary Government:**

Commonwealth of Virginia:

|   |    |                |
|---|----|----------------|
| Local Sales Tax                         | \$ | 96,746         |
| Communications Tax                      |    | 28,675         |
| Other State Funds                       |    | 141,735        |
| Total due from Commonwealth of Virginia | \$ | <u>267,156</u> |

Federal government:

|                                   |    |                |
|-----------------------------------|----|----------------|
| Highway Construction              | \$ | 67,252         |
| Emergency Preparedness            |    | 3,007          |
| Community Development Block Grant |    | 451,844        |
| Total due from federal government | \$ | <u>522,103</u> |

Total Due From Other Governmental Units \$ 789,259

**Discretely Presented Component Units:**

School Board:

|                          |    |         |
|--------------------------|----|---------|
| State Sales Tax          | \$ | 399,576 |
| Other State School Funds |    | 452     |
| Federal School Funds     |    | 462,520 |

Total School Board \$ 862,548

Department of Social Services:

|                                  |    |         |
|----------------------------------|----|---------|
| State Public assistance          | \$ | 49,844  |
| State Comprehensive Services Act |    | 102,954 |
| Federal Public assistance        |    | 93,102  |

Total Department of Social Services \$ 245,900

Total Discretely Presented Component Units \$ 1,108,448

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 4—Capital Assets:

**Primary Government:**

|   | <u>Balance</u><br><u>July 1, 2012</u> | <u>Additions</u>    | <u>Deletions</u>    | <u>Balance</u><br><u>June 30, 2013</u> |
|---|---------------------------------------|---------------------|---------------------|--|
| <b>Governmental Activities:</b>             |                                       |                     |                     |  |
| Capital assets not being depreciated:       |                                       |                     |                     |  |
| Land  | \$ 1,382,423                          | \$ -                | \$ -                | \$ 1,382,423                           |
| Construction in progress                    | <u>2,419,206</u>                      | <u>4,665,395</u>    | <u>1,814,914</u>    | <u>5,269,687</u>                       |
| Total capital assets not being depreciated  | <u>\$ 3,801,629</u>                   | <u>\$ 4,665,395</u> | <u>\$ 1,814,914</u> | <u>\$ 6,652,110</u>                    |
| Capital assets being depreciated:           |                                       |                     |                     |  |
| Buildings and improvements                  | \$ 20,641,508                         | \$ 1,814,914        | \$ -                | \$ 22,456,422                          |
| Land Improvements                           | 1,416,126                             | -                   | -                   | 1,416,126                              |
| Machinery and Equipment                     | 2,369,111                             | 495,993             | -                   | 2,865,104                              |
| Jointly owned assets                        | <u>18,175,479</u>                     | <u>-</u>            | <u>1,369,876</u>    | <u>16,805,603</u>                      |
| Total capital assets being depreciated      | <u>\$ 42,602,224</u>                  | <u>\$ 2,310,907</u> | <u>\$ 1,369,876</u> | <u>\$ 43,543,255</u>                   |
| Accumulated depreciation:                   |                                       |                     |                     |  |
| Buildings and improvements                  | \$ 3,914,286                          | \$ 561,411          | \$ -                | \$ 4,475,697                           |
| Land Improvements                           | 343,880                               | 70,806              | -                   | 414,686                                |
| Machinery and Equipment                     | 2,152,359                             | 196,659             | -                   | 2,349,018                              |
| Jointly owned assets                        | <u>2,860,002</u>                      | <u>411,252</u>      | <u>344,162</u>      | <u>2,927,092</u>                       |
| Total accumulated depreciation              | <u>\$ 9,270,527</u>                   | <u>\$ 1,240,128</u> | <u>\$ 344,162</u>   | <u>\$ 10,166,493</u>                   |
| Total capital assets being depreciated, net | <u>\$ 33,331,697</u>                  | <u>\$ 1,070,779</u> | <u>\$ 1,025,714</u> | <u>\$ 33,376,762</u>                   |
| Governmental activities capital assets, net | <u>\$ 37,133,326</u>                  | <u>\$ 5,736,174</u> | <u>\$ 2,840,628</u> | <u>\$ 40,028,872</u>                   |
| <b>Business-type Activities:</b>            |                                       |                     |                     |  |
| Capital assets not being depreciated:       |                                       |                     |                     |  |
| Land  | \$ 441,589                            | \$ 18,618           | \$ -                | \$ 460,207                             |
| Construction in progress                    | <u>545,625</u>                        | <u>1,957,448</u>    | <u>-</u>            | <u>2,503,073</u>                       |
| Total capital assets not being depreciated  | <u>\$ 987,214</u>                     | <u>\$ 1,976,066</u> | <u>\$ -</u>         | <u>\$ 2,963,280</u>                    |
| Capital assets being depreciated:           |                                       |                     |                     |  |
| Infrastructure                              | \$ 39,209,940                         | \$ -                | \$ -                | \$ 39,209,940                          |
| Buildings and improvements                  | 2,803,808                             | -                   | -                   | 2,803,808                              |
| Machinery and Equipment                     | <u>2,244,634</u>                      | <u>46,208</u>       | <u>-</u>            | <u>2,290,842</u>                       |
| Total capital assets being depreciated      | <u>\$ 44,258,382</u>                  | <u>\$ 46,208</u>    | <u>\$ -</u>         | <u>\$ 44,304,590</u>                   |
| Accumulated depreciation:                   |                                       |                     |                     |  |
| Infrastructure                              | \$ 12,170,781                         | \$ 782,785          | \$ -                | \$ 12,953,566                          |
| Buildings and other improvements            | 707,472                               | 92,146              | -                   | 799,618                                |
| Machinery and Equipment                     | <u>1,566,055</u>                      | <u>138,539</u>      | <u>-</u>            | <u>1,704,594</u>                       |
| Total accumulated depreciation              | <u>\$ 14,444,308</u>                  | <u>\$ 1,013,470</u> | <u>\$ -</u>         | <u>\$ 15,457,778</u>                   |
| Total capital assets being depreciated, net | <u>\$ 29,814,074</u>                  | <u>\$ (967,262)</u> | <u>\$ -</u>         | <u>\$ 28,846,812</u>                   |
| Business-type activities, net               | <u>\$ 30,801,288</u>                  | <u>\$ 1,008,804</u> | <u>\$ -</u>         | <u>\$ 31,810,092</u>                   |



COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 4—Capital Assets: (Continued)**

**Discretely Presented Component Unit School Board:**

|   | <u>Balance</u><br><u>July 1, 2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u><br><u>June 30, 2013</u> |
|---|---------------------------------------|------------------|------------------|--|
| Capital assets not being depreciated:       |                                       |                  |                  |  |
| Land  | \$ 442,775                            | \$ -             | \$ -             | \$ 442,775                             |
| Total capital assets not being depreciated  | \$ 442,775                            | \$ -             | \$ -             | \$ 442,775                             |
| Capital assets being depreciated:           |                                       |                  |                  |  |
| Buildings and improvements                  | \$ 35,506,234                         | \$ -             | \$ -             | \$ 35,506,234                          |
| Machinery and equipment                     | 4,994,970                             | 148,823          | -                | 5,143,793                              |
| Jointly owned assets                        | (18,175,479)                          | 1,369,876        | -                | (16,805,603)                           |
| Total capital assets being depreciated      | \$ 22,325,725                         | \$ 1,518,699     | \$ -             | \$ 23,844,424                          |
| Accumulated depreciation:                   |                                       |                  |                  |  |
| Buildings and improvements                  | \$ 11,041,767                         | \$ 839,648       | \$ -             | \$ 11,881,415                          |
| Machinery and equipment                     | 2,644,100                             | 365,149          | -                | 3,009,249                              |
| Jointly owned assets                        | (2,860,002)                           | 344,162          | 411,252          | (2,927,092)                            |
| Total accumulated depreciation              | \$ 10,825,865                         | \$ 1,548,959     | \$ 411,252       | \$ 11,963,572                          |
| Total capital assets being depreciated, net | \$ 11,499,860                         | \$ (30,260)      | \$ (411,252)     | \$ 11,880,852                          |
| Governmental activities capital assets, net | \$ 11,942,635                         | \$ (30,260)      | \$ (411,252)     | \$ 12,323,627                          |

**Discretely Presented Component Unit Department of Social Services:**

|   | <u>Balance</u><br><u>July 1, 2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u><br><u>June 30, 2013</u> |
|---|---------------------------------------|------------------|------------------|--|
| Capital assets being depreciated:           |                                       |                  |                  |  |
| Machinery and equipment                     | \$ 74,451                             | \$ 53,633        | \$ 40,901        | \$ 87,183                              |
| Accumulated depreciation:                   |                                       |                  |                  |  |
| Machinery and equipment                     | \$ 74,451                             | \$ 10,727        | \$ 40,901        | \$ 44,277                              |
| Total capital assets being depreciated, net | \$ -                                  | \$ 42,906        | \$ -             | \$ 42,906                              |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 4—Capital Assets: (Continued)

Discretely Presented Component Unit Industrial Development Authority:

|   | <u>Balance</u><br><u>July 1, 2012</u> | <u>Additions</u>    | <u>Deletions</u> | <u>Balance</u><br><u>June 30, 2013</u> |
|---|---------------------------------------|---------------------|------------------|--|
| Capital assets being depreciated:           |                                       |                     |                  |  |
| Buildings                                   | \$ 4,012,951                          | \$ -                | \$ -             | \$ 4,012,951                           |
| Accumulated depreciation:                   |                                       |                     |                  |  |
| Buildings                                   | \$ 1,373,616                          | \$ 133,765          | \$ -             | \$ 1,507,381                           |
| Total accumulated depreciation              | \$ 1,373,616                          | \$ 133,765          | \$ -             | \$ 1,507,381                           |
| Total capital assets being depreciated, net | \$ <u>2,639,335</u>                   | \$ <u>(133,765)</u> | \$ -             | \$ <u>2,505,570</u>                    |

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

Governmental activities

|  |                     |
|--|---------------------|
| General government administration                      | \$ 473,066          |
| Judicial administration                                | 51,030              |
| Public safety  | 98,031              |
| Public works   | 41,741              |
| Education  | 435,718             |
| Parks and recreation                                   | 11,146              |
| Community development                                  | <u>129,396</u>      |
| Total  | \$ <u>1,240,128</u> |
| Business-Type activities                               | \$ <u>1,013,470</u> |
| Component Unit-School Board                            | \$ <u>1,548,959</u> |
| Component Unit-School Department of Social Services    | \$ <u>10,727</u>    |
| Component Unit-School Industrial Development Authority | \$ <u>133,765</u>   |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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Note 5—Due To/From Primary Government/Component Units:

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| <u>Fund</u>                           | <u>Due From<br/>Primary<br/>Government/<br/>Component Unit</u> | <u>Due To<br/>Primary<br/>Government/<br/>Component Unit</u> |
|---------------------------------------|--|--|
| Primary Government:                   |  |  |
| Governmental Funds                    | \$ 1,388,718   | \$ -   |
| Discretely Presented Component Units: |  |  |
| School Board:                         |  |  |
| School Operating Fund                 | -  | 601,555  |
| Department of Social Services:        |  |  |
| Virginia Public Assistance Fund       | <u>-</u>   | <u>787,163</u>   |
| Total                                 | <u>\$ 1,388,718</u>  | <u>\$ 1,388,718</u>  |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations:**

**Changes in Long-term Obligations:**

The following is a summary of long-term obligations transactions of the County and Component Units for the year ended June 30, 2013:

|  | <u>Balance<br/>July 1, 2012</u> | <u>Issuances/<br/>Additions</u> | <u>Retirements/<br/>Deletions</u> | <u>Balance<br/>June 30, 2013</u> | <u>Due Within<br/>One Year</u> |
|--|---------------------------------|---------------------------------|-----------------------------------|----------------------------------|--------------------------------|
| <b>Primary Government:</b>                             |                                 |                                 |                                   |                                  |                                |
| <b><u>Governmental Activities</u></b>                  |                                 |                                 |                                   |                                  |                                |
| Revenue bonds  | \$ 15,534,874                   | \$ 460,000                      | \$ 635,604                        | \$ 15,359,270                    | \$ 849,558                     |
| Premium on bonds                                       | 59,388                          | 33,589                          | 3,168                             | 89,809                           | 3,168                          |
| USDA loans   | 3,615,709                       | 2,467,926                       | 156,818                           | 5,926,817                        | 94,903                         |
| Notes payable  | 1,629,193                       | -                               | 75,124                            | 1,554,069                        | 78,216                         |
| Capital leases   | 74,671                          | -                               | 51,972                            | 22,699                           | 22,699                         |
| Literary fund loans                                    | 6,475,000                       | -                               | 475,000                           | 6,000,000                        | 375,000                        |
| VPSA bonds   | 5,447,479                       | -                               | 800,562                           | 4,646,917                        | 808,166                        |
| Net OPEB obligation                                    | 64,700                          | 21,000                          | 4,300                             | 81,400                           | -                              |
| Compensated absences                                   | 255,060                         | 55,229                          | -                                 | 310,289                          | 31,029                         |
| <b>Total Governmental Activities</b>                   | <b>\$ 33,156,074</b>            | <b>\$ 3,037,744</b>             | <b>\$ 2,202,548</b>               | <b>\$ 33,991,270</b>             | <b>\$ 2,262,739</b>            |
| <b><u>Business-Type Activities</u></b>                 |                                 |                                 |                                   |                                  |                                |
| Revenue bonds  | \$ 7,756,869                    | \$ 4,575,000                    | \$ 591,728                        | \$ 11,740,141                    | \$ 535,141                     |
| Premium on bonds                                       | 368,728                         | 630,401                         | 32,982                            | 966,147                          | 46,713                         |
| Note payable   | 163,152                         | -                               | 11,154                            | 151,998                          | 11,547                         |
| Landfill closure and postclosure liability             | 4,035,682                       | 130,792                         | -                                 | 4,166,474                        | -                              |
| Net OPEB obligation                                    | 8,600                           | 5,500                           | 3,500                             | 10,600                           | -                              |
| Compensated absences                                   | 218,751                         | 31,197                          | -                                 | 249,948                          | 24,995                         |
| <b>Total Business-Type Activities</b>                  | <b>\$ 12,551,782</b>            | <b>\$ 5,372,890</b>             | <b>\$ 639,364</b>                 | <b>\$ 17,285,308</b>             | <b>\$ 618,396</b>              |
| <b>Component Unit Industrial Development Authority</b> |                                 |                                 |                                   |                                  |                                |
| Notes payable  | \$ 2,154,092                    | \$ -                            | \$ 143,187                        | \$ 2,010,905                     | \$ 146,667                     |
| <b>Component Unit Department of Social Services</b>    |                                 |                                 |                                   |                                  |                                |
| Compensated absences                                   | \$ 193,091                      | \$ -                            | \$ 40,421                         | \$ 152,670                       | \$ 15,267                      |
| <b>Component Unit Department School Board</b>          |                                 |                                 |                                   |                                  |                                |
| Net OPEB obligation                                    | \$ 126,400                      | \$ 76,900                       | \$ 44,300                         | \$ 159,000                       | \$ -                           |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 6—Long-Term Obligations: (Continued)

Primary Government—Governmental Activities:

Annual requirements to amortize long-term obligations are as follows:

| Year Ending<br>June 30, | Primary Government   |                     |                     |                     |                     |                   |
|-------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
|                         | Revenue Bonds        |                     | VPSA Bonds          |                     | Notes payable       |                   |
|                         | Principal            | Interest            | Principal           | Interest            | Principal           | Interest          |
| 2014                    | \$ 849,558           | \$ 664,083          | \$ 808,166          | \$ 236,246          | \$ 78,216           | \$ 61,872         |
| 2015                    | 888,606              | 626,552             | 816,312             | 194,309             | 81,437              | 58,651            |
| 2016                    | 927,753              | 586,614             | 824,893             | 152,664             | 84,790              | 55,298            |
| 2017                    | 968,005              | 544,570             | 833,971             | 110,452             | 88,283              | 51,806            |
| 2018                    | 1,008,362            | 482,941             | 843,575             | 67,715              | 91,920              | 48,168            |
| 2019                    | 1,059,834            | 454,218             | 160,000             | 43,289              | 95,708              | 44,380            |
| 2020                    | 1,106,425            | 405,114             | 45,000              | 40,356              | 99,652              | 40,436            |
| 2021                    | 769,141              | 364,072             | 45,000              | 40,356              | 103,760             | 36,329            |
| 2022                    | 796,987              | 331,624             | 45,000              | 40,356              | 108,039             | 32,050            |
| 2023                    | 836,971              | 297,104             | 45,000              | 40,356              | 112,494             | 27,595            |
| 2024                    | 872,098              | 260,934             | 45,000              | 40,356              | 117,134             | 22,954            |
| 2025                    | 863,530              | 223,845             | 45,000              | 40,356              | 121,967             | 18,122            |
| 2026                    | 880,000              | 187,519             | 45,000              | 40,356              | 126,999             | 13,089            |
| 2027                    | 914,000              | 149,932             | 45,000              | 40,356              | 123,154             | 7,848             |
| 2028                    | 954,000              | 110,743             | -                   | -                   | 120,516             | 417               |
| 2029                    | 574,000              | 69,946              | -                   | -                   | -                   | -                 |
| 2030                    | 60,000               | 45,569              | -                   | -                   | -                   | -                 |
| 2031                    | 70,000               | 42,981              | -                   | -                   | -                   | -                 |
| 2032                    | 70,000               | 40,272              | -                   | -                   | -                   | -                 |
| 2033                    | 75,000               | 37,303              | -                   | -                   | -                   | -                 |
| 2034                    | 75,000               | 34,059              | -                   | -                   | -                   | -                 |
| 2035                    | 80,000               | 30,675              | -                   | -                   | -                   | -                 |
| 2036                    | 80,000               | 27,175              | -                   | -                   | -                   | -                 |
| 2037                    | 85,000               | 23,559              | -                   | -                   | -                   | -                 |
| 2038                    | 90,000               | 19,713              | -                   | -                   | -                   | -                 |
| 2039                    | 95,000               | 15,659              | -                   | -                   | -                   | -                 |
| 2040                    | 100,000              | 11,400              | -                   | -                   | -                   | -                 |
| 2041                    | 105,000              | 6,909               | -                   | -                   | -                   | -                 |
| 2042                    | 105,000              | 2,303               | -                   | -                   | -                   | -                 |
| Total                   | \$ <u>15,359,270</u> | \$ <u>6,097,388</u> | \$ <u>4,646,917</u> | \$ <u>1,127,523</u> | \$ <u>1,554,069</u> | \$ <u>519,015</u> |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 6—Long-Term Obligations: (Continued)

Primary Government—Governmental Activities: (Continued)

Annual requirements to amortize long-term obligations are as follows: (Continued)

| Year Ending<br>June 30, | Primary Government |          |                |              |              |              |
|-------------------------|--------------------|----------|----------------|--------------|--------------|--------------|
|                         | Capital Lease      |          | Literary Loans |              | USDA Loans   |              |
|                         | Principal          | Interest | Principal      | Interest     | Principal    | Interest     |
| 2014                    | \$ 22,699          | \$ 505   | \$ 375,000     | \$ 120,000   | \$ 94,903    | \$ 225,361   |
| 2015                    | -                  | -        | 375,000        | 112,500      | 143,539      | 223,881      |
| 2016                    | -                  | -        | 375,000        | 105,000      | 148,841      | 218,579      |
| 2017                    | -                  | -        | 375,000        | 97,500       | 154,302      | 213,118      |
| 2018                    | -                  | -        | 375,000        | 90,000       | 160,058      | 207,377      |
| 2019                    | -                  | -        | 375,000        | 82,500       | 136,059      | 201,460      |
| 2020                    | -                  | -        | 375,000        | 75,000       | 141,131      | 196,388      |
| 2021                    | -                  | -        | 375,000        | 67,500       | 146,358      | 191,161      |
| 2022                    | -                  | -        | 375,000        | 60,000       | 151,854      | 185,665      |
| 2023                    | -                  | -        | 375,000        | 52,500       | 157,520      | 179,999      |
| 2024                    | -                  | -        | 375,000        | 45,000       | 163,400      | 174,119      |
| 2025                    | -                  | -        | 375,000        | 37,500       | 169,466      | 168,053      |
| 2026                    | -                  | -        | 375,000        | 30,000       | 175,829      | 161,690      |
| 2027                    | -                  | -        | 375,000        | 22,500       | 182,398      | 155,121      |
| 2028                    | -                  | -        | 375,000        | 15,000       | 189,213      | 148,306      |
| 2029                    | -                  | -        | 375,000        | 7,500        | 196,255      | 141,264      |
| 2030                    | -                  | -        | -              | -            | 203,624      | 133,895      |
| 2031                    | -                  | -        | -              | -            | 211,239      | 126,280      |
| 2032                    | -                  | -        | -              | -            | 219,142      | 118,377      |
| 2033                    | -                  | -        | -              | -            | 227,315      | 110,204      |
| 2034                    | -                  | -        | -              | -            | 177,693      | 101,668      |
| 2035                    | -                  | -        | -              | -            | 152,202      | 94,905       |
| 2036                    | -                  | -        | -              | -            | 137,680      | 89,033       |
| 2037                    | -                  | -        | -              | -            | 142,979      | 83,734       |
| 2038                    | -                  | -        | -              | -            | 148,532      | 78,181       |
| 2039                    | -                  | -        | -              | -            | 154,279      | 72,434       |
| 2040                    | -                  | -        | -              | -            | 160,251      | 66,462       |
| 2041                    | -                  | -        | -              | -            | 166,438      | 60,275       |
| 2042                    | -                  | -        | -              | -            | 139,733      | 53,808       |
| 2043                    | -                  | -        | -              | -            | 113,417      | 48,243       |
| 2044                    | -                  | -        | -              | -            | 118,112      | 43,548       |
| 2045                    | -                  | -        | -              | -            | 122,991      | 38,669       |
| 2046                    | -                  | -        | -              | -            | 128,098      | 33,562       |
| 2047                    | -                  | -        | -              | -            | 133,404      | 28,256       |
| 2048                    | -                  | -        | -              | -            | 138,932      | 22,728       |
| 2049                    | -                  | -        | -              | -            | 144,685      | 16,975       |
| 2050                    | -                  | -        | -              | -            | 123,663      | 10,972       |
| 2051                    | -                  | -        | -              | -            | 83,628       | 5,824        |
| 2052                    | -                  | -        | -              | -            | 67,654       | 2,500        |
| Total                   | \$ 22,699          | \$ 505   | \$ 6,000,000   | \$ 1,020,000 | \$ 5,926,817 | \$ 4,432,075 |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 6—Long-Term Obligations: (Continued)

Primary Government—Business-Type Activities:

Annual requirements to amortize long-term obligations are as follows:

| Year<br>Ended<br>Sept. 30,                    | Water and Sewer Revenue Bonds |            |                |            |            |            |            |              |            |  |
|---|-------------------------------|------------|----------------|------------|------------|------------|------------|--------------|------------|--|
|   | 2004                          |            | 2002 Refunding |            | 1992       | 2012B      |            | 2011B        |            |  |
|   | Principal                     | Interest   | Principal      | Interest   | Principal  | Principal  | Interest   | Principal    | Interest   |  |
| 2013  | \$ 15,000                     | \$ 19,168  | \$ 295,000     | \$ 120,942 | \$ 100,000 | \$ 5,000   | \$ 9,688   | \$ 55,000    | \$ 76,138  |  |
| 2014  | 15,000                        | 18,628     | 315,000        | 105,310    | -          | 5,000      | 9,531      | 55,000       | 73,469     |  |
| 2015  | 15,000                        | 18,086     | 325,000        | 90,536     | -          | 5,000      | 9,375      | 60,000       | 71,500     |  |
| 2016  | 15,000                        | 17,422     | 340,000        | 76,481     | -          | 5,000      | 9,169      | 60,000       | 68,625     |  |
| 2017  | 15,000                        | 16,808     | 355,000        | 61,273     | -          | 5,000      | 8,963      | 65,000       | 66,150     |  |
| 2018  | 15,000                        | 16,192     | 370,000        | 45,093     | -          | 5,000      | 8,706      | 65,000       | 63,019     |  |
| 2019  | 15,000                        | 15,578     | 390,000        | 27,751     | -          | 5,000      | 8,450      | 70,000       | 60,588     |  |
| 2020  | 15,000                        | 14,962     | 405,000        | 9,366      | -          | 5,000      | 8,194      | 70,000       | 57,450     |  |
| 2021  | 15,000                        | 14,346     | -              | -          | -          | 10,000     | 7,938      | 75,000       | 54,363     |  |
| 2022  | 15,000                        | 13,714     | -              | -          | -          | 10,000     | 7,425      | 80,000       | 50,519     |  |
| 2023  | 20,000                        | 13,080     | -              | -          | -          | 10,000     | 6,913      | 85,000       | 46,419     |  |
| 2024  | 20,000                        | 12,210     | -              | -          | -          | 10,000     | 6,400      | 90,000       | 42,063     |  |
| 2025  | 20,000                        | 11,314     | -              | -          | -          | 10,000     | 5,938      | 95,000       | 37,450     |  |
| 2026  | 20,000                        | 10,294     | -              | -          | -          | 10,000     | 5,475      | 95,000       | 32,581     |  |
| 2027  | 20,000                        | 9,276      | -              | -          | -          | 10,000     | 5,038      | 100,000      | 27,713     |  |
| 2028  | 20,000                        | 8,330      | -              | -          | -          | 10,000     | 4,650      | 110,000      | 22,588     |  |
| 2029  | 20,000                        | 7,384      | -              | -          | -          | 10,000     | 4,263      | 115,000      | 17,300     |  |
| 2030  | 25,000                        | 6,440      | -              | -          | -          | 10,000     | 3,875      | 120,000      | 11,756     |  |
| 2031  | 25,000                        | 5,290      | -              | -          | -          | 10,000     | 3,550      | 125,000      | 6,006      |  |
| 2032  | 30,000                        | 4,140      | -              | -          | -          | 15,000     | 3,225      | -            | -          |  |
| 2033  | 30,000                        | 2,760      | -              | -          | -          | 15,000     | 2,719      | -            | -          |  |
| 2034  | 30,000                        | 1,385      | -              | -          | -          | 15,000     | 2,175      | -            | -          |  |
| 2035  | -                             | -          | -              | -          | -          | 15,000     | 1,631      | -            | -          |  |
| 2036  | -                             | -          | -              | -          | -          | 15,000     | 1,088      | -            | -          |  |
| 2037  | -                             | -          | -              | -          | -          | 15,000     | 544        | -            | -          |  |
| Total   | \$ 430,000                    | \$ 256,807 | \$ 2,795,000   | \$ 536,752 | \$ 100,000 | \$ 240,000 | \$ 144,923 | \$ 1,590,000 | \$ 885,697 |  |
| Premium on bonds payable                      |                               |            | 26,230         |            | -          | -          |            | 207,539      |            |  |
| Less unamortized discount<br>on bond issuance |                               |            | -              |            | (84,859)   | -          |            | -            |            |  |
| Total   |                               |            | \$ 2,821,230   |            | \$ 15,141  | \$ 240,000 |            | \$ 1,797,539 |            |  |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations: (Continued)**

**Primary Government—Business-Type Activities: (Continued)**

Annual requirements to amortize long-term obligations are as follows: (Continued)

| Year<br>Ended<br>Sept. 30,  | Infrastructure<br>Revenue Bonds |              | Note Payable |           |
|-----------------------------|---------------------------------|--------------|--------------|-----------|
|                             | Principal                       | Interest     | Principal    | Interest  |
| 2013                        | \$ 150,000                      | \$ 181,519   | \$ 11,547    | \$ 5,220  |
| 2014                        | 160,000                         | 178,219      | 11,955       | 4,812     |
| 2015                        | 160,000                         | 174,249      | 12,377       | 4,390     |
| 2016                        | 170,000                         | 167,029      | 12,815       | 3,952     |
| 2017                        | 180,000                         | 160,776      | 13,267       | 3,501     |
| 2018                        | 180,000                         | 151,416      | 13,735       | 3,032     |
| 2019                        | 190,000                         | 143,056      | 14,220       | 2,547     |
| 2020                        | 200,000                         | 133,726      | 14,722       | 2,045     |
| 2021                        | 205,000                         | 126,226      | 15,242       | 1,525     |
| 2022                        | 220,000                         | 117,854      | 15,780       | 987       |
| 2023                        | 230,000                         | 107,633      | 16,338       | 372       |
| 2024                        | 235,000                         | 96,898       | -            | -         |
| 2025                        | 250,000                         | 85,815       | -            | -         |
| 2026                        | 265,000                         | 73,940       | -            | -         |
| 2027                        | 275,000                         | 61,360       | -            | -         |
| 2028                        | 285,000                         | 47,060       | -            | -         |
| 2029                        | 300,000                         | 32,240       | -            | -         |
| 2030                        | 320,000                         | 16,640       | -            | -         |
| Total                       | \$ 3,975,000                    | \$ 2,055,656 | \$ 151,998   | \$ 32,383 |
| Premium on<br>bonds payable | 320,439                         |              |              |           |
| Total                       | \$ 4,295,439                    |              |              |           |



COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 6—Long-Term Obligations: (Continued)

Primary Government—Business-Type Activities: (Continued)

Annual requirements to amortize long-term obligations are as follows: (Continued)

| Year<br>Ended<br>June 30, | Landfill Revenue Bonds |                     |
|---------------------------|------------------------|---------------------|
|                           | 2013                   |                     |
|                           | Principal              | Interest            |
| 2014                      | \$ -                   | \$ -                |
| 2015                      | 90,000                 | 114,423             |
| 2016                      | 90,000                 | 111,485             |
| 2017                      | 95,000                 | 108,644             |
| 2018                      | 100,000                | 105,248             |
| 2019                      | 105,000                | 100,669             |
| 2020                      | 105,000                | 95,963              |
| 2021                      | 110,000                | 90,754              |
| 2022                      | 115,000                | 86,513              |
| 2023                      | 120,000                | 82,041              |
| 2024                      | 125,000                | 76,113              |
| 2025                      | 135,000                | 70,201              |
| 2026                      | 140,000                | 64,348              |
| 2027                      | 145,000                | 58,163              |
| 2028                      | 150,000                | 51,554              |
| 2029                      | 160,000                | 44,560              |
| 2030                      | 165,000                | 37,182              |
| 2031                      | 175,000                | 29,469              |
| 2032                      | 180,000                | 21,391              |
| 2033                      | 190,000                | 12,874              |
| 2034                      | 200,000                | 4,250               |
| Total                     | \$ 2,695,000           | \$ <u>1,365,844</u> |
| Premium                   | <u>411,939</u>         |                     |
| Total                     | \$ <u>3,106,939</u>    |                     |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 6—Long-Term Obligations: (Continued)**

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Details of Long-term Indebtedness:

|  | <u>Amount<br/>Outstanding</u> |
|--|-------------------------------|
| <b><u>Primary Government--Governmental Activities:</u></b>   |                               |
| <u>State Literary Fund Loans:</u>  |                               |
| Authorized \$7,500,000, issued February 2009, payable at \$375,000 principal over the next 20 years through 2029, plus interest payable at 2%  | \$ <u>6,000,000</u>           |
| Total State Literary Fund Loans  | \$ <u>6,000,000</u>           |
| <u>Virginia Public School Authority Bonds:</u>   |                               |
| Authorized \$4,819,765, issued November 1997, payable at various levels from \$191,39 to \$308,575 annually through 2018, plus interest at varying rates from 4.35% to 5.35% payable semi-annually                                     | \$ 1,451,917                  |
| Authorized \$760,000 QSC Bonds, Series 2010-1, issued July 1, 2010, payable at \$85,356 annually through 2028, plus interest paid semi-annually and reimbursed by a federal tax credit equal to the interest paid of 5.31%             | 630,000                       |
| Authorized \$7,570,000 General Obligation Bonds, Series 1998-A, issued May 1, 1998, payable at various levels from \$375,000 to \$380,000 annually through 2018, plus interest paid semi-annually at rates varying from 5.35% to 5.60% | 1,875,000                     |
| Authorized \$2,300,000, issued April 1998, with principal of \$115,000 payable annually from July 15, 1999 through July 15, 2018, interest paid semi-annually at various interest rates from 4.10% to 5.35%                            | <u>690,000</u>                |
| Total Virginia Public School Authority Bonds   | \$ <u>4,646,917</u>           |
| <u>Revenue Bonds:</u>  |                               |
| Authorized \$4,595,000 lease revenue bonds, issued January 27, 2000, payable at various amounts from \$130,000 to \$365,000 annually through fiscal year 2020, plus interest paid semi-annually at a rate of 5.530%                    | \$ 2,180,000                  |
| Authorized \$6,375,000 lease revenue bonds, issued June 19, 2007, payable at various amounts from \$175,943 to \$535,640 annually through fiscal year 2029, plus interest paid semi-annually at 4.21%                                  | 6,153,000                     |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations: (Continued)**

Details of Long-term Indebtedness: (Continued)

|  | <u>Amount<br/>Outstanding</u> |
|--|-------------------------------|
| <b><u>Primary Government--Governmental Activities: (Continued)</u></b>   |                               |
| <b><u>Revenue Bonds: (Continued)</u></b>   |                               |
| Authorized \$516,000 lease revenue bonds, issued September 15, 2009, payable in monthly installments of \$4,003 through fiscal year 2025, interest at 4.71%  | \$ 418,869                    |
| Authorized \$243,175 lease revenue bonds, issued September 15, 2009, payable in monthly installments of \$1,886 through fiscal year 2025, interest at 4.71%  | 197,401                       |
| Authorized \$1,355,000 2011A VRA bonds, issued May 18, 2011, payable at various amounts from \$20,000 to \$80,000 annually through fiscal year 2042, plus interest at 4.62%  | 1,335,000                     |
| Authorized \$700,000 lease revenue bonds, issued August 2, 2012, payable at various amounts from \$23,694 to \$28,881 annually through fiscal year 2042, plus interest at 3.625% - 5.125%                                      | 460,000                       |
| Authorized \$6,660,000 lease revenue bonds, issued June 17, 2003, payable at various amounts from \$185,000 to \$400,000 annually through fiscal year 2028, plus interest at 4.25%   | <u>4,615,000</u>              |
| Total Revenue Bonds  | <u>\$ 15,359,270</u>          |
| <b><u>USDA Loans:</u></b>  |                               |
| Authorized \$1,345,650 USDA Rural Development bonds, issued June 30, 2009, payable at \$72,531 annually through fiscal year 2049, plus interest paid at 4.375%   | \$ 1,294,683                  |
| Authorized \$371,530 USDA Rural Development bonds, issued September 17, 2010, payable in installments of \$18,975 annually through fiscal year 2051, interest at 4.00%   | 367,416                       |
| Authorized \$1,425,600 USDA Rural Development bonds, issued December 1, 2010, payable at yearly installments of \$70,154 annually through fiscal year 2050 and a balloon payment of \$891,143 due in FY 2051, interest at 4.5% | 1,408,828                     |
| Authorized \$442,720 USDA Rural Development bonds, issued December 8, 2011, payable at \$21,787 annually through fiscal year 2051 plus interest paid at 3.75%  | 319,873                       |
| Authorized \$135,000 USDA Rural Development bonds, issued November 16, 2012, payable at \$29,901 annually through fiscal year 2018 plus interest paid at 3.50%   | 135,000                       |
| Authorized \$1,265,000 USDA Rural Development bonds, issued November 16, 2012, payable at \$89,019 annually through fiscal year 2034 plus interest paid at 3.50%   | 1,229,798                     |
| Authorized \$1,399,273 USDA Rural Development bonds, issued June 1, 2012, payable at \$65,053 annually through fiscal year 2053, plus interest paid at 3.375%  | <u>1,171,219</u>              |
| Total USDA Loans   | <u>\$ 5,926,817</u>           |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations: (Continued)**

Details of Long-term Indebtedness: (Continued)

|   | <u>Amount<br/>Outstanding</u> |
|---|-------------------------------|
| <b><u>Primary Government--Governmental Activities: (Continued)</u></b>  |                               |
| <u>Capital Lease:</u>   |                               |
| Lease purchase agreement of \$200,000 dated December 1, 2008 with Comvest payable semi-annually for 5 years through December 1, 2013 at semi-annual payment of \$23,204, including interest at a rate of 4.1% for the purchase of a fire truck. The fire truck is owned by the Jarratt Volunteer Fire Department. | \$ <u>22,699</u>              |
| Total Capital Lease   | \$ <u>22,699</u>              |
| <u>Notes Payable:</u>   |                               |
| Note payable dated November 1, 2006 with First Community Bank, drawdowns not to exceed \$1,700,000, principal and interest due semi-annually, total annual payments of \$125,088, interest at 4.15%.  | \$ 1,394,018                  |
| Note payable dated June 30, 2011 with Greensville County Water and Sewer Authority, total annual payments of \$15,000, interest at 3.32%.   | <u>160,051</u>                |
| Total Notes Payable   | \$ <u>1,554,069</u>           |
| Compensated Absences  | \$ <u>310,289</u>             |
| Premium on bonds  | \$ <u>89,809</u>              |
| Net OPEB obligation   | \$ <u>81,400</u>              |
| Total Primary Government-Governmental Activities  | \$ <u><u>33,991,270</u></u>   |
| <b><u>Primary Government--Business-Type Activities:</u></b>   |                               |
| <u>Solid Waste Fund:</u>  |                               |
| Landfill closure and postclosure liability  | \$ <u>4,166,474</u>           |
| Authorized \$2,695,000 lease revenue bonds, issued August 2, 2012, payable at various amounts from \$200,754 to \$205,669 annually through fiscal year 2034, plus interest at 3.124% - 4.845%   | \$ <u>2,695,000</u>           |
| Premium on bonds  | \$ <u>411,939</u>             |
| Compensated absences  | \$ <u>20,185</u>              |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations: (Continued)**

Details of Long-term Indebtedness: (Continued)

|   | <u>Amount<br/>Outstanding</u> |
|---|-------------------------------|
| <b><u>Primary Government--Business-Type Activities: (Continued)</u></b>   |                               |
| <u>Water and Sewer Authority:</u>   |                               |
| <u>Note Payable:</u>  |                               |
| \$235,629 Water & Sewer loan payable issued May 30, 2003, due in semi-annual payments of principal and interest of \$8,387, through September 1, 2023, interest at 3.50%  | \$ <u>151,998</u>             |
| <u>Revenue Bonds:</u>   |                               |
| \$4,935,000 Water & Sewer Refunding Revenue Bonds series 2002B issued November 5, 2002, due in various semi-annual installments of principal and interest through October 1, 2019, variable interest of 2.0% - 5.0% payable semi-annually | \$ 2,795,000                  |
| Premiums on bonds   | 554,208                       |
| \$2,000,000 Water & Sewer Revenue Bonds series 1992 issued June 26, 1992, due in semi-annual payments of \$50,000 through 2013 (less unamortized discount based on interest imputed at 5%)  | 15,141                        |
| \$240,000 Water & Sewer Refunding Revenue Bonds Series 2012B, issued July 12, 2012, due in various semi-annual payments of principal and interest through October 1, 2037, variable interest of 3.125% -5.125% and payable semi-annually. | 240,000                       |
| \$1,640,000 Water & Sewer Refunding Revenue Bonds Series 2011, issued October 15, 2011, due in various semi-annual payments of principal and interest through November 1, 2031, interest of 5.5% and payable semi-annually.               | 1,590,000                     |
| \$4,435,000 Water & Sewer Refunding Revenue Bonds Series 2010, issued June 16, 2010, due in various semi-annual payments of principal and interest through October 1, 2030, variable interest of 2.2% - 5.2% and payable semi-annually.   | 3,975,000                     |
| \$515,000 Water and Sewer Revenue Bonds Series 2004B, issued October 27, 2004, due in various semi-annual payments of \$15,000 through 2034.  | <u>430,000</u>                |
| Total revenue bonds   | \$ <u>9,599,349</u>           |
| Net OPEB obligation   | \$ 10,600                     |
| Compensated absences  | <u>229,763</u>                |
| Total Primary Government--Business-Type Activities  | <u>\$ 17,285,308</u>          |
| Total Primary Government  | <u>\$ 51,276,578</u>          |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 6—Long-Term Obligations: (Continued)**

Details of Long-term Indebtedness: (Continued)

|   | <u>Amount<br/>Outstanding</u> |
|---|-------------------------------|
| <b><u>Discretely Presented Component Unit-Greenville County School Board</u></b>  |                               |
| Other postemployment benefits   | \$ <u>159,000</u>             |
| <b><u>Discretely Presented Component Unit-Greenville/Emporia<br/>Department of Social Services:</u></b>   |                               |
| Compensated absences  | \$ <u>152,670</u>             |
| <b><u>Discretely Presented Component Unit-Industrial<br/>Development Authority of Greenville County, Virginia:</u></b>  |                               |
| <u>Notes Payable:</u>   |                               |
| On March 31, 1998, the Authority entered into a credit line deed of trust note payable agreement in an amount not to exceed \$1,576,000. Proceeds of this indebtedness are to be used to construct a shell building to attract more industry to the County of Greenville. Interest shall accrue on the unpaid principal balance of this Note at 8.67% per annum until March 31, 2000, at which time the interest rate will be adjusted to equal the then existing weekly average yield on U. S. Treasury securities, adjusted to a constant maturity of three years plus 2.255 per annum. Accrued interest shall be payable quarterly on the first day of each calendar quarter beginning July 1, 1998. | \$ 1,013,154                  |
| On December 28, 2006, the Authority entered into a note payable agreement in an amount not exceed \$400,000. Proceeds are to be used to finance rail infrastructure in the industrial park. Payments are due monthly in the amount of \$4,050 through December 31, 2016, interest at 4.00%.   | 158,555                       |
| On April 23, 2008, the Authority entered into a note payable agreement in the amount of \$189,000. Proceeds are to be used for wetlands mitigation. Payments are due monthly in the amount of \$1,914 through March 30, 2018, interest at 4.00%.  | 99,197                        |
| On July 19, 2010, the Authority entered in a note payable agreement in the amount of \$825,000 with the Greenville County Water and Sewer Authority. The proceeds were used to refinance the note payable agreement dated February 11, 2005 with an outstanding balance of \$820,594. Payments are due monthly in the amount of \$4,913 through July 15, 2030, interest at 3.80%.   | 739,999                       |
| Total long-term obligations Industrial Development Authority  | \$ <u>2,010,905</u>           |
| Total long-term obligations, reporting entity   | \$ <u>53,599,153</u>          |

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 7—Employee Retirement System and Defined Benefit Pension Plan:

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#### A. Plan Description

Name of Plan: Virginia Retirement System (VRS)  
Identification of Plan: Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan  
Administering Entity: Virginia Retirement System (System)

All full-time, salaried permanent (professional) employees of public school divisions and employees of participating employers are automatically covered by VRS upon employment. Benefits vest after five years of service credit. Members earn one month of service credit for each month they are employed and their employer is paying into the VRS. Members are eligible to purchase prior public service, active duty military service, certain periods of leave and previously refunded VRS service as service credit in their plan.

VRS administers two defined benefit plans for local government employees - Plan 1 and Plan 2:

- Members hired before July 1, 2010 and who were vested as of January 1, 2013 are covered under Plan 1. Non-hazardous duty members are eligible for an unreduced retirement benefit beginning at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. They may retire with a reduced benefit early at age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.
- Members hired or rehired on or after July 1, 2010 and Plan 1 members who were not vested on January 1, 2013 are covered under Plan 2. Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.
- Eligible hazardous duty members in Plan 1 and Plan 2 are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. These members include sheriffs, deputy sheriffs and hazardous duty employees of political subdivisions that have elected to provide enhanced coverage for hazardous duty service. They may retire with a reduced benefit as early as age 50 with at least five years of service credit. All other provisions of the member's plan apply.

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2, average final compensation is the average of the member's 60 consecutive months of highest compensation. The retirement multiplier for non-hazardous duty members is 1.70%. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier for eligible political subdivision hazardous duty employees other than sheriffs and jail superintendents is 1.70% or 1.85% as elected by the employer. The multiplier for Plan 2 members was reduced to 1.65% effective January 1, 2013 unless they are hazardous duty employees and their employer has elected the enhanced retirement multiplier. At retirement, members can elect the Basic Benefit, the Survivor Option, a Partial Lump-Sum Option Payment (PLOP) or the Advance Pension Option. A retirement reduction factor is applied to the Basic Benefit amount for members electing the Survivor Option, PLOP or Advance Pension Option or those retiring with a reduced benefit.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 7—Employee Retirement System and Defined Benefit Pension Plan: (Continued)

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#### A. Plan Description (Continued)

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2, the COLA cannot exceed 6.00%. During years of no inflation or deflation, the COLA is 0.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The system issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the most recent report may be obtained from the VRS Web site at <http://www.varetire.org/Pdf/Publications/2012-annual-report.pdf> or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

#### B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their compensation toward their retirement. All or part of the 5.00% member contribution may be assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5% member contribution. This could be phased in over a period up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School Board's non-professional employee contribution rates for the fiscal year ended 2013 were 10.45% and 9.85% of annual covered payroll, respectively.

The Department of Social Services contribution rate for the fiscal year ended 2013 was 14.86% of annual covered payroll.

The School Board's contributions for professional employees were \$1,401,165, \$743,515 and \$472,364, to the teacher cost-sharing pool for the fiscal years ended June 30, 2013, 2012 and 2011, respectively. The contribution rate was 11.66% in 2013, 6.33% in 2012, and 3.93% in 2011

#### C. Annual Pension Cost

For fiscal year 2013, the County's annual pension cost of \$408,560 was equal to the County's required and actual contributions.

For fiscal year 2013, the School Board's annual pension cost for the School Board's non-professional employees was \$79,920, which was equal to the Board's required and actual contributions.

For fiscal year 2013, the Social Services Department's annual pension cost for the Department's employees was \$144,745, which was equal to the Department's required and actual contributions.



COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

Note 7—Employee Retirement System and Defined Benefit Pension Plan: (Continued)

C. Annual Pension Cost: (Continued)

Three-Year Trend Information for County - Primary Government

| Fiscal Year<br>Ending | Annual<br>Pension<br>Cost (APC) <sup>(1)</sup> | Percentage<br>of APC<br>Contributed | Net<br>Pension<br>Obligation |
|-----------------------|--|-------------------------------------|------------------------------|
| 6/30/11               | \$ 263,601                                     | 100%                                | \$ -                         |
| 6/30/12               | 261,068  | 100%                                | -                            |
| 6/30/13               | 408,560  | 100%                                | -                            |

(1) Employer Portion Only

Three-Year Trend Information for School Board (Non-professional)

| Fiscal Year<br>Ending | Annual<br>Pension<br>Cost (APC) <sup>(1)</sup> | Percentage<br>of APC<br>Contributed | Net<br>Pension<br>Obligation |
|-----------------------|--|-------------------------------------|------------------------------|
| 6/30/11               | \$ 71,094                                      | 100%                                | \$ -                         |
| 6/30/12               | 55,747   | 100%                                | -                            |
| 6/30/13               | 79,920   | 100%                                | -                            |

(1) Employer Portion Only

Three-Year Trend Information for Greenville-Emporia Department of Social Services

| Fiscal Year<br>Ending | Annual<br>Pension<br>Cost (APC) <sup>(1)</sup> | Percentage<br>of APC<br>Contributed | Net<br>Pension<br>Obligation |
|-----------------------|--|-------------------------------------|------------------------------|
| 6/30/11               | \$ 92,647                                      | 100%                                | \$ -                         |
| 6/30/12               | 84,452   | 100%                                | -                            |
| 6/30/13               | 144,745  | 100%                                | -                            |

(1) Employer Portion Only

The FY 2013 required contribution was determined as part of the June 30, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2011 included (a) an investment rate of return (net of administrative expenses) of 7.00%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.75% to 6.20% per year for teachers, and 3.50 to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost-of-living adjustment of 2.50% for Plan 1 employees and 2.25% for Plan 2 employees. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County's and the School Board's assets is equal to the modified market value of assets. This method uses techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The County and School Board's unfunded actuarial accrued liabilities are being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at June 30, 2011 for the Unfunded Actuarial Accrued Liability (UAAL) was 30 years.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 7—Employee Retirement System and Defined Benefit Pension Plan: (Continued)**

**D. Funded Status and Funding Progress**

As of June 30, 2012, the most recent actuarial valuation date, the County's plan was 80.80% funded. The actuarial accrued liability for benefits was \$18,113,153, and the actuarial value of assets was \$14,634,789, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,478,364. The covered payroll (annual payroll of active employees covered by the plan) was \$3,810,309, and ratio of the UAAL to the covered payroll was 91.29%.

As of June 30, 2012, the most recent actuarial valuation date, the School Board's plan was 87.35% funded. The actuarial accrued liability for benefits was \$5,333,521, and the actuarial value of assets was \$4,658,695, resulting in an unfunded actuarial accrued liability (UAAL) of \$674,826. The covered payroll (annual payroll of active employees covered by the plan) was \$825,043 and ratio of the UAAL to the covered payroll was 81.79%.

As of June 30, 2012, the most recent actuarial valuation date, the Social Service Department's plan was 70.81% funded. The actuarial accrued liability for benefits was \$6,687,435, and the actuarial value of assets was \$4,735,617, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,951,878. The covered payroll (annual payroll of active employees covered by the plan) was \$919,071, and ratio of the UAAL to the covered payroll was 212.38%.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Note 8—Unavailable/Unearned Revenue:**

The following is a summary of unearned revenue for the year ended June 30, 2013.

|  | <u>Government-<br/>wide<br/>Statements<br/>Governmental<br/>Activities</u> | <u>Balance<br/>Sheet<br/>Governmental<br/>Funds</u> |
|--|--|---|
| <b>Primary Government:</b>   |  |   |
| <b>General Fund:</b>   |  |   |
| Unavailable property tax revenue:  |  |   |
| Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures | \$ -   | \$ 299,958  |
| 2013 assessments due in December 2013  | 7,863,131  | 7,863,131   |
| Prepaid property taxes due in December 2013, but paid in advance by the taxpayers  | <u>8,922</u>   | <u>8,922</u>  |
| Total unavailable revenue  | <u>\$ 7,872,053</u>  | <u>\$ 8,172,011</u>                                 |
| <b>Capital Projects Fund:</b>  |  |   |
| Capital projects   | <u>\$ 25,771</u>   | <u>\$ 25,771</u>                                    |
| Total unavailable revenue  | <u>\$ 25,771</u>   | <u>\$ 25,771</u>                                    |

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### **Note 9—Landfill Closure and Postclosure Care Cost:**

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State and federal laws and regulations require the County to place a final cover on its Greensville landfill site 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 each balance sheet date. The \$4,166,474 reported as landfill closure and postclosure care liability at June 30, 2013 represents the cumulative amount reported based on the use of 67 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$2,052,144 as the remaining estimated capacity is filled. The County expects to close the landfill in the year 2025. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The County intends to fund these costs from tipping fee revenues.

The County has demonstrated financial assurance requirements for closure and postclosure care costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code. Also, \$2,591,943 has been designated in the Solid Waste Fund for payment of future closure and postclosure care costs.

### **Note 10—Risk Management:**

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The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County joined together with other local governments in Virginia to form the Virginia Association of Counties Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for participating local governments. The County pays an annual premium to the association for its workers compensation insurance, and general liability insurance.

In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of loss, including and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### **Note 11—Litigation:**

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At June 30, 2013, there were no matters of litigation involving the County or which would materially affect the County's financial position should any court decisions on pending matters not be favorable to such entities.

### **Note 12—City/County School Cost Agreement:**

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The City of Emporia and the County of Greensville are parties to an agreement that contains provisions for cost sharing, representation and other matters relating to the Greensville County Public School System. The current agreement expires June 30, 2018.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 13—Surety Bonds:

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|   | <u>Amount</u> |
|---|---------------|
| Fidelity and Deposit Company of Maryland - Surety       |               |
| Robert C. Wrenn, Clerk of the Circuit Court             | \$ 25,000     |
| Pamela Lifsey, Treasurer                                | 300,000       |
| Martha S. Swenson, Commissioner of the Revenue          | 3,000         |
| J.R. Edwards, Jr., Sheriff                              | 30,000        |
| Above constitutional officers' employees - blanket bond | 50,000        |
| Hartford Accident & Indemnity Company - Surety:         |               |
| Philip L. Worrell, Superintendent of Schools            | 10,000        |
| Rick Pirkey, Deputy Clerk of the School Board           | 10,000        |
| Angela Wilson, Clerk of the School Board                | 10,000        |
| Romine T. Braswell, Bookkeeper                          | 10,000        |
| LaTina Stephens, Payroll Clerk                          | 10,000        |

By order dated December 31, 1983, the Judge of the Circuit Court ruled that no bond shall be required for any member of the Greensville County Board of Supervisors.

### Note 14—Other Postemployment Benefits/Health Insurance:

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#### County:

#### Background

Beginning in fiscal year 2009, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 45 for other postemployment benefits (OPEB) offered to retirees. This standard addresses how local governments should account for and report their costs related to post employment health-care and non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you go basis, but GASB Statement No. 45 requires that the County accrue the cost of the retiree health subsidy and other post-employment benefits during the period of the employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of postemployment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits.

#### A. Plan Description

In addition to the pension benefits described in Note 7, the County provides post-retirement healthcare insurance benefits for employees who are eligible for retirement benefits. Individuals who retire from County service with full VRS benefits (i.e. 50 years of age and 30 years of continuous service) has the ability to remain on the County's medical and dental insurance plans up to the age when they become eligible for Medicare (age 65). The retiree's spouse can also receive benefits under the plan.

#### B. Funding Policy

Individuals retiring from the County have the ability to remain on the County's medical and dental insurance plans. The County does not offer a subsidy towards the retiree or the retiree's spouse's premiums.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 14—Other Postemployment Benefits/Health Insurance: (Continued)**

**County: (Continued)**

**C. Annual OPEB Cost and Net OPEB Obligation**

The annual cost of other postemployment benefits (OPEB) under GASB 45 is calculated based on the annual required contribution or ARC. The estimated pay as you go cost for OPEB benefits is \$21,000 for fiscal year 2013. The County paid \$4,300 towards this obligation during the fiscal year. The ARC is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan and change's to the net OPEB obligation:

|  |                         |
|--|-------------------------|
| Annual required contribution               | \$ 21,100               |
| Interest on net OPEB obligation            | 2,600                   |
| Adjustment to annual required contribution | (2,700)                 |
| Annual OPEB cost (expense)                 | <u>\$ 21,000</u>        |
| Estimated contributions made               | (4,300)                 |
| Increase in net OPEB obligation            | <u>\$ 16,700</u>        |
| Net OPEB obligation - beginning of year    | <u>\$ 64,700</u>        |
| Net OPEB obligation - end of year          | <u><u>\$ 81,400</u></u> |

For 2013, the County's cash payment of \$4,300 was \$16,700 less than the OPEB cost. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years are as follows:

| <u>Fiscal Year Ended</u> | <u>Annual OPEB Cost</u> | <u>Percentage of Annual OPEB Cost Contributed</u> | <u>Net OPEB Obligation</u> |
|--------------------------|-------------------------|---|----------------------------|
| June 30, 2011            | \$ 27,366               | 41.66%  | \$ 50,200                  |
| June 30, 2012            | 23,600                  | 38.56%  | 64,700                     |
| June 30, 2013            | 21,000                  | 20.48%  | 81,400                     |

**D. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2012, the most recent actuarial valuation date, is as follows:

|   |              |
|---|--------------|
| Actuarial accrued liability (AAL)                   | \$ 178,300   |
| Actuarial value of plan assets                      | \$ -         |
| Unfunded actuarial accrued liability                | \$ 178,300   |
| Funded ratio (actuarial value of plan assets / AAL) | 0%           |
| Covered payroll (active plan members)               | \$ 5,418,978 |
| UAAL as a percentage of covered payroll             | 3.29%        |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 14—Other Postemployment Benefits/Health Insurance: (Continued)**

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**County: (Continued)**

**D. Funded Status and Funding Progress (Continued)**

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

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

**E. Actuarial Methods and Assumptions**

**Cost Method**

The entry age normal cost method is used to determine the plan's funding liabilities and costs. Under this cost method, the actuarial present value of projected benefits of every active participant as if the plan's provisions on the valuation date had always been in effect, is determined as a level percentage of expected annual earnings for each future year of expected service. A normal cost for each year from the assumed entry date is determined by applying this level percentage of pay to the assumed earnings for that year (or if benefits are not pay related, the level amount for each year).

Under these methods, inactive participants have no normal cost, and their actuarial liability is the present value of the plan benefits to which they and their beneficiaries are entitled. The plan's total annual normal cost and actuarial liability are the sum of the individual participant amounts.

An experience gain or loss is a decrease or increase in the unfunded actuarial liability attributable to actual experience that differed from that expected by the actuarial assumptions. Such gains or losses are explicitly recognized under this method.

**Interest Assumptions**

|                              | <u>Unfunded</u> |
|------------------------------|-----------------|
| Investment rate of return    | 4.00%           |
| Health cost trend assumption | 9.00%           |
| Payroll growth               | 2.50%           |

The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2012 was thirty years.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 14—Other Postemployment Benefits/Health Insurance: (Continued)**

**School Board:**

**A. Plan Description**

In addition to the pension benefits described in Note 7, the School Board provides post-retirement healthcare insurance benefits for employees who are eligible for retirement benefits. Individuals who retire from School Board service with full VRS benefits (i.e. 50 years of age and 30 years of continuous service) has the ability to remain on the School Board’s medical and dental insurance plans up to the age when they become eligible for Medicare (age 65). The retiree’s spouse can also receive benefits under the plan.

**B. Funding Policy**

Individuals retiring from the School Board have the ability to remain on the School Board’s medical and dental insurance plans. The School Board does not offer a subsidy towards the retiree or the retiree’s spouse’s premiums.

**C. Annual OPEB Cost and Net OPEB Obligation**

The School Board’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the School Board’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the School Board’s net OPEB obligation to the Retiree Health Plan:

|  |                          |
|--|--------------------------|
| Annual required contribution               | \$ 77,100                |
| Interest on net OPEB obligation            | 5,100                    |
| Adjustment to annual required contribution | (5,300)                  |
| Annual OPEB cost (expense)                 | <u>\$ 76,900</u>         |
| Estimated contributions made               | (44,300)                 |
| Increase in net OPEB obligation            | <u>\$ 32,600</u>         |
| Net OPEB obligation - beginning of year    | <u>\$ 126,400</u>        |
| Net OPEB obligation - end of year          | <u><u>\$ 159,000</u></u> |

For 2013, the School Board’s cash payment of \$44,300 was \$32,600 less than the OPEB cost. The School Board’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years are as follows:

| <u>Fiscal Year Ended</u> | <u>Annual OPEB Cost</u> | <u>Percentage of Annual OPEB Cost Contributed</u> | <u>Net OPEB Obligation</u> |
|--------------------------|-------------------------|---|----------------------------|
| June 30, 2011            | \$ 94,095               | 43.36%  | \$ 121,400                 |
| June 30, 2012            | 84,600                  | 94.09%  | 126,400                    |
| June 30, 2013            | 76,900                  | 57.61%  | 159,000                    |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 14—Other Postemployment Benefits/Health Insurance: (Continued)**

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**School Board: (Continued)**

**D. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2012 is as follows:

|   |    |            |
|---|----|------------|
| Actuarial accrued liability (AAL)                   | \$ | 842,900    |
| Actuarial value of plan assets                      |    | -          |
| Unfunded actuarial accrued liability                | \$ | 842,900    |
| Funded ratio (actuarial value of plan assets / AAL) |    | -          |
| Covered payroll (active plan members)               | \$ | 10,584,982 |
| UAAL as a percentage of covered payroll             |    | 7.96%      |

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

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

**E. Actuarial Methods and Assumptions**

As of January 1, 2012 the most recent actuarial valuation date, the entry age normal cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employers own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5.0% after ten years. Both rates included a 2.5% inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at July 1, 2012 was thirty years.



COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 14—Other Postemployment Benefits/Health Insurance: (Continued)**

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**School Board: (Continued)**

**E. Actuarial Methods and Assumptions (Continued)**

Cost Method

The entry age normal cost method is used to determine the plan's funding liabilities and costs. Under this cost method, the actuarial present value of projected benefits of every active participant as if the plan's provisions on the valuation date had always been in effect, is determined as a level percentage of expected annual earnings for each future year of expected service. A normal cost for each year from the assumed entry date is determined by applying this level percentage of pay to the assumed earnings for that year (or if benefits are not pay related, the level amount for each year).

Under these methods, inactive participants have no normal cost, and their actuarial liability is the present value of the plan benefits to which they and their beneficiaries are entitled. The plan's total annual normal cost and actuarial liability are the sum of the individual participant amounts.

An experience gain or loss is a decrease or increase in the unfunded actuarial liability attributable to actual experience that differed from that expected by the actuarial assumptions. Such gains or losses are explicitly recognized under this method.

Interest Assumptions

|                              | <u>Unfunded</u> |
|------------------------------|-----------------|
| Investment rate of return    | 4.00%           |
| Health cost trend assumption | 9.00%           |
| Payroll growth               | 2.50%           |

**Note 15—Other Postemployment Benefits-Health Insurance Credit:**

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In addition to the benefits described above, the County and School Board participate in the Health Insurance Credit Program administered by the Virginia Retirement System.

**A. Plan Description**

The County participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is an agent and cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

An employee of the County, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$1.50 per year of creditable service up to a maximum monthly credit of \$45. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive the maximum monthly health insurance credit of \$45.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 15—Other Postemployment Benefits-Health Insurance Credit:**

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**A. Plan Description: (Continued)**

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as previously discussed in Note 7.

**B. Funding Policy**

As a participating local political subdivision, the County is required to contribute the entire amount necessary to fund participation in the program using the actuarial basis specified by the Code of Virginia and the VRS Board of Trustees. The County's contribution rate for the fiscal year ended 2013 was .07% of annual covered payroll.

**C. Annual OPEB Cost and Net OPEB Obligation**

The annual cost of OPEB under Governmental Accounting Standards Board (GASB) 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, is based on the annual required contribution (ARC). The County is required to contribute the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For 2013, the County's contribution of \$775 was equal to the ARC and OPEB cost. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the preceding two years are as follows:

| <u>Fiscal<br/>Year Ended</u> | <u>Annual<br/>OBEP<br/>Cost</u> | <u>Percentage of<br/>Annual OPEB<br/>Cost Contributed</u> | <u>Net<br/>OBEP<br/>Obligation</u> |
|------------------------------|---------------------------------|---|------------------------------------|
| June 30, 2011                | \$ 3,110                        | 100%  | \$ -                               |
| June 30, 2012                | 3,080                           | 100%  | -                                  |
| June 30, 2013                | 775                             | 100%  | -                                  |

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 15—Other Postemployment Benefits-Health Insurance Credit:

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#### D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2012, the most recent actuarial valuation date, is as follows:

|   |    |           |
|---|----|-----------|
| Actuarial accrued liability (AAL)                   | \$ | 79,751    |
| Actuarial value of plan assets                      |    | 61,953    |
| Unfunded actuarial accrued liability                |    | 17,798    |
| Funded ratio (actuarial value of plan assets / AAL) |    | 77.68%    |
| Covered payroll (active plan members)               |    | 1,670,883 |
| UAAL as a percentage of covered payroll             |    | 1.07%     |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future and reflect a long-term perspective. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

#### E. Actuarial Methods and Assumptions

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

The entry age normal cost method was used to determine the plan's funding liabilities and costs. The actuarial assumptions included a 7.5% investment rate of return, compounded annually, including an inflation component of 2.5%, and a payroll growth rate of 3%. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining open amortization period at June 30, 2012 was 29 years.

The Retiree Health Insurance Credit benefit is based on a member's employer eligibility and his or her years of service. The monthly maximum credit amount cannot exceed the member's actual health insurance premium costs. The actuarial valuation for this plan assumes the maximum credit is payable for each eligible member. Since this benefit is a flat dollar amount multiplied by years of service and the maximum benefit is assumed, no assumption relating to healthcare cost trend rates is needed or applied.

## COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 15—Other Postemployment Benefits-Health Insurance Credit:

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#### F. Professional Employees - Discretely Presented Component Unit School Board

The School Board participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is .70% of annual covered payroll. The School Board's contribution to VRS for the years ended June 30, 2013, 2012 and 2011 was \$127,074, \$82,154, and \$72,235, and equaled the required contributions for each year.

### Note 16—Commitments and Contingencies:

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Federal programs in which the County and discretely presented component units participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance test which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

At June 30, 2013, the County had two projects underway, which is presented in the financial statements as construction in progress. The County is constructing Phase III of the Southside Virginia Education Center. The contract amount is \$3,419,152, of which \$124,412 is outstanding at June 30, 2013. The County is also closing landfill cells. The contract amount is \$2,240,000 of which \$1,857,975 is outstanding at June 30, 2013.

### Note 17—GASB Upcoming Pronouncements

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The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pensions: an amendment of GASB Statement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. The County has not determined the impact of this pronouncement on its financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Note to Required Supplementary Information:

Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

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General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2013

|   | Budgeted Amounts |               | Actual<br>Amounts | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---|------------------|---------------|-------------------|---|
|   | Original         | Final         |                   |   |
| <b>REVENUES</b>   |                  |               |                   |   |
| General property taxes                                    | \$ 6,620,550     | \$ 6,620,550  | \$ 6,892,518      | \$ 271,968  |
| Other local taxes   | 1,577,148        | 1,577,148     | 1,773,341         | 196,193   |
| Permits, privilege fees, and regulatory licenses          | 48,000           | 52,380        | 45,108            | (7,272)   |
| Fines and forfeitures                                     | 1,407,000        | 1,528,925     | 1,754,597         | 225,672   |
| Revenue from the use of money and property                | 251,582          | 251,582       | 226,027           | (25,555)  |
| Charges for services                                      | 411,460          | 414,755       | 414,733           | (22)  |
| Miscellaneous   | 257,000          | 281,877       | 241,080           | (40,797)  |
| Recovered costs   | 1,012,290        | 1,075,238     | 1,088,594         | 13,356  |
| Intergovernmental revenues:                               |                  |               |                   |   |
| Commonwealth  | 2,903,828        | 3,344,190     | 3,335,973         | (8,217)   |
| Federal   | -                | 132,072       | 204,394           | 72,322  |
| Total revenues  | \$ 14,488,858    | \$ 15,278,717 | \$ 15,976,365     | \$ 697,648  |
| <b>EXPENDITURES</b>                                       |                  |               |                   |   |
| Current:  |                  |               |                   |   |
| General government administration                         | \$ 1,681,902     | \$ 1,849,213  | \$ 1,779,391      | \$ 69,822   |
| Judicial administration                                   | 1,203,283        | 1,200,330     | 1,174,347         | 25,983  |
| Public safety   | 3,689,728        | 4,352,065     | 4,274,177         | 77,888  |
| Public works  | 1,468,004        | 1,548,263     | 1,422,787         | 125,476   |
| Health and welfare  | 526,570          | 529,233       | 537,165           | (7,932)   |
| Education   | 1,594,898        | 1,654,041     | 1,678,597         | (24,556)  |
| Parks, recreation, and cultural                           | 292,040          | 324,617       | 317,265           | 7,352   |
| Community development                                     | 923,898          | 1,329,040     | 1,040,614         | 288,426   |
| Nondepartmental   | -                | -             | 8,033             | (8,033)   |
| Debt service:   |                  |               |                   |   |
| Principal retirement                                      | 2,198,247        | 2,263,996     | 2,263,996         | -   |
| Interest and other fiscal charges                         | 775,288          | 822,190       | 1,135,608         | (313,418)   |
| Total expenditures  | \$ 14,353,858    | \$ 15,872,988 | \$ 15,631,980     | \$ 241,008  |
| Excess (deficiency) of revenues over (under) expenditures | \$ 135,000       | \$ (594,271)  | \$ 344,385        | \$ 938,656  |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                  |               |                   |   |
| Transfers in  | \$ -             | \$ -          | \$ 32,040         | \$ 32,040   |
| Transfers (out)   | (135,000)        | (60,000)      | -                 | 60,000  |
| Issuance of bonds   | -                | 123,284       | 123,284           | -   |
| Total other financing sources (uses)                      | \$ (135,000)     | \$ 63,284     | \$ 155,324        | \$ 92,040   |
| Net change in fund balances                               | \$ -             | \$ (530,987)  | \$ 499,709        | \$ 1,030,696  |
| Fund balances - beginning                                 | -                | 530,987       | 2,925,210         | 2,394,223   |
| Fund balances - ending                                    | \$ -             | \$ -          | \$ 3,424,919      | \$ 3,424,919  |

Schedule of Pension Funding Progress  
Virginia Retirement System  
Last Three Fiscal Years

**PRIMARY GOVERNMENT:**

**County Retirement Plan:**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 6/30/2010                 | \$ 14,328,838                   | \$ 16,513,418                     | \$ 2,184,580                  | 86.77%       | \$ 3,829,403    | 57.05%                               |
| 6/30/2011                 | 14,670,805                      | 17,387,376                        | 2,716,571                     | 84.38%       | 3,943,486       | 68.89%                               |
| 6/30/2012                 | 14,634,789                      | 18,113,153                        | 3,478,364                     | 80.80%       | 3,810,309       | 91.29%                               |

**DISCRETELY PRESENTED COMPONENT UNITS:**

**School Board Non-Professionals Retirement Plan:**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 6/30/2010                 | \$ 4,763,492                    | \$ 5,650,682                      | \$ 887,190                    | 84.30%       | \$ 1,187,574    | 74.71%                               |
| 6/30/2011                 | 4,760,347                       | 5,561,225                         | 800,878                       | 85.60%       | 1,009,234       | 79.36%                               |
| 6/30/2012                 | 4,658,695                       | 5,333,521                         | 674,826                       | 87.35%       | 825,043         | 81.79%                               |

**Greensville/Emporia Department of Social Services Retirement Plan:**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 6/30/2010                 | \$ 4,970,301                    | \$ 6,605,086                      | \$ 1,634,785                  | 75.25%       | \$ 951,163      | 171.87%                              |
| 6/30/2011                 | 4,902,118                       | 6,537,202                         | 1,635,084                     | 74.99%       | 953,630         | 171.46%                              |
| 6/30/2012                 | 4,735,617                       | 6,687,495                         | 1,951,878                     | 70.81%       | 919,071         | 212.38%                              |



Schedule of OPEB Funding Progress  
 Other Postemployment Benefits - Health Insurance  
 Last Three Fiscal Years

**OTHER POSTEMPLOYMENT BENEFITS:**

**PRIMARY GOVERNMENT:**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 1/1/2009 \$               | - \$                            | 201,200 \$                        | 201,200                       | 0.00%        | 3,931,682       | 5.12%                                |
| 7/1/2010                  | -                               | 215,500                           | 215,500                       | 0.00%        | 5,633,739       | 3.83%                                |
| 7/1/2012                  | -                               | 178,300                           | 178,300                       | 0.00%        | 5,418,978       | 3.29%                                |

**DISCRETELY PRESENTED COMPONENT UNIT:**

**School Board :**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 1/1/2009 \$               | - \$                            | 901,600 \$                        | 901,600                       | 0.00%        | 11,020,927      | 8.18%                                |
| 7/1/2010                  | -                               | 1,075,800                         | 1,075,800                     | 0.00%        | 11,004,477      | 9.78%                                |
| 7/1/2012                  | -                               | 842,900                           | 842,900                       | 0.00%        | 10,584,982      | 7.96%                                |

**VIRGINIA RETIREMENT SYSTEM - HEALTH INSURANCE CREDIT:**

**PRIMARY GOVERNMENT:**

| Actuarial Valuation as of | Actuarial Value of Assets (AVA) | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) (3) - (2) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll (4)/(6) |
|---------------------------|---------------------------------|-----------------------------------|-------------------------------|--------------|-----------------|--------------------------------------|
| (1)                       | (2)                             | (3)                               | (4)                           | (5)          | (6)             | (7)                                  |
| 6/30/2010 \$              | 54,348 \$                       | 70,253 \$                         | 15,905                        | 77.36%       | 3,829,403       | 0.42%                                |
| 6/30/2011                 | 63,686                          | 72,938                            | 9,252                         | 87.32%       | 1,720,217       | 0.54%                                |
| 6/30/2012                 | 61,953                          | 79,751                            | 17,798                        | 77.68%       | 1,670,883       | 1.07%                                |

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2013

|   | Budgeted Amounts |                | Actual<br>Amounts | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---|------------------|----------------|-------------------|---|
|   | Original         | Final          |                   |   |
| <b>REVENUES</b>   |                  |                |                   |   |
| Revenue from the use of money and property                | \$ -             | \$ -           | \$ 677            | \$ 677  |
| Intergovernmental revenues:                               |                  |                |                   |   |
| Commonwealth  | -                | -              | 1,096,246         | 1,096,246   |
| Federal   | -                | -              | 1,005,265         | 1,005,265   |
| Total revenues  | \$ -             | \$ -           | \$ 2,102,188      | \$ 2,102,188  |
| <b>EXPENDITURES</b>                                       |                  |                |                   |   |
| Capital projects  | \$ 60,000        | \$ 6,342,652   | \$ 5,029,410      | \$ 1,313,242  |
| Total expenditures  | \$ 60,000        | \$ 6,342,652   | \$ 5,029,410      | \$ 1,313,242  |
| Excess (deficiency) of revenues over (under) expenditures | \$ (60,000)      | \$ (6,342,652) | \$ (2,927,222)    | \$ 3,415,430  |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                  |                |                   |   |
| Transfers in  | \$ 60,000        | \$ 60,000      | \$ -              | \$ (60,000)   |
| Transfers out   | -                | -              | (32,040)          | (32,040)  |
| Premium on bonds payable                                  | -                | -              | 33,589            | 33,589  |
| Issuance of bonds   | -                | 915,240        | 2,804,641         | 1,889,401   |
| Total other financing sources (uses)                      | \$ 60,000        | \$ 975,240     | \$ 2,806,190      | \$ 1,830,950  |
| Net change in fund balances                               | \$ -             | \$ (5,367,412) | \$ (121,032)      | \$ 5,246,380  |
| Fund balances - beginning                                 | -                | 5,367,412      | (918,655)         | (6,286,067)   |
| Fund balances - ending                                    | \$ -             | \$ -           | \$ (1,039,687)    | \$ (1,039,687)  |

## Supporting Schedules

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Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013

| Fund, Major and Minor Revenue Source                   | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
| <b>General Fund:</b>                                   |                     |                     |                     |   |
| Revenue from local sources:                            |                     |                     |                     |   |
| General property taxes:                                |                     |                     |                     |   |
| Real property taxes                                    | \$ 3,460,272        | \$ 3,460,272        | \$ 3,538,739        | \$ 78,467   |
| Real and personal public service corporation taxes     | 230,000             | 230,000             | 295,515             | 65,515  |
| Personal property taxes                                | 1,487,278           | 1,487,278           | 1,578,867           | 91,589  |
| Mobile home taxes                                      | 27,000              | 27,000              | 28,448              | 1,448   |
| Machinery and tools taxes                              | 1,226,000           | 1,226,000           | 1,225,365           | (635)   |
| Penalties  | 125,000             | 125,000             | 130,037             | 5,037   |
| Interest   | 40,000              | 40,000              | 60,268              | 20,268  |
| Administrative fee                                     | 25,000              | 25,000              | 35,279              | 10,279  |
| Total general property taxes                           | <u>\$ 6,620,550</u> | <u>\$ 6,620,550</u> | <u>\$ 6,892,518</u> | <u>\$ 271,968</u>   |
| Other local taxes:                                     |                     |                     |                     |   |
| Local sales and use taxes                              | \$ 505,148          | \$ 505,148          | \$ 541,957          | \$ 36,809   |
| Consumers' utility taxes                               | 295,000             | 295,000             | 296,600             | 1,600   |
| Business license taxes                                 | 325,000             | 325,000             | 379,547             | 54,547  |
| Franchise license taxes                                | -                   | -                   | 1,645               | 1,645   |
| Motor vehicle licenses                                 | 190,000             | 190,000             | 191,546             | 1,546   |
| Taxes on recordation and wills                         | 32,000              | 32,000              | 66,425              | 34,425  |
| E-911 taxes  | -                   | -                   | 53,651              | 53,651  |
| Utility consumption taxes                              | 60,000              | 60,000              | 48,045              | (11,955)  |
| Restaurant food taxes                                  | 145,000             | 145,000             | 169,971             | 24,971  |
| Transient lodging tax                                  | 25,000              | 25,000              | 23,954              | (1,046)   |
| Total other local taxes                                | <u>\$ 1,577,148</u> | <u>\$ 1,577,148</u> | <u>\$ 1,773,341</u> | <u>\$ 196,193</u>   |
| Permits, privilege fees, and regulatory licenses:      |                     |                     |                     |   |
| Animal licenses  | \$ 8,000            | \$ 8,000            | \$ 6,481            | \$ (1,519)  |
| Building permits                                       | 30,000              | 30,000              | 26,428              | (3,572)   |
| Transfer fees  | -                   | -                   | 272                 | 272   |
| Permits and other licenses                             | 10,000              | 14,380              | 11,927              | (2,453)   |
| Total permits, privilege fees, and regulatory licenses | <u>\$ 48,000</u>    | <u>\$ 52,380</u>    | <u>\$ 45,108</u>    | <u>\$ (7,272)</u>   |
| Fines and forfeitures:                                 |                     |                     |                     |   |
| Court fines and forfeitures                            | \$ 1,400,000        | \$ 1,521,925        | \$ 1,746,999        | \$ 225,074  |
| Collections interest                                   | 7,000               | 7,000               | 7,598               | 598   |
| Total fines and forfeitures                            | <u>\$ 1,407,000</u> | <u>\$ 1,528,925</u> | <u>\$ 1,754,597</u> | <u>\$ 225,672</u>   |
| Revenue from use of money and property:                |                     |                     |                     |   |
| Revenue from use of money                              | \$ 20,000           | \$ 20,000           | \$ 4,904            | \$ (15,096)   |
| Revenue from use of property                           | 231,582             | 231,582             | 221,123             | (10,459)  |
| Total revenue from use of money and property           | <u>\$ 251,582</u>   | <u>\$ 251,582</u>   | <u>\$ 226,027</u>   | <u>\$ (25,555)</u>  |

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013 (Continued)

| Fund, Major and Minor Revenue Source                     | Original<br>Budget   | Final<br>Budget      | Actual               | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|----------------------|----------------------|----------------------|---|
| <b>General Fund: (Continued)</b>                         |                      |                      |                      |   |
| Charges for services:                                    |                      |                      |                      |   |
| Data processing reimbursement                            | \$ 25,000            | \$ 25,000            | \$ 28,055            | \$ 3,055  |
| Landfill administration                                  | 75,000               | 75,000               | 75,000               | -   |
| Courthouse maintenance fees                              | 40,000               | 40,000               | 34,866               | (5,134)   |
| Courthouse security fees                                 | 200,000              | 200,000              | 177,790              | (22,210)  |
| Regional jail fiscal agent fees                          | 26,460               | 26,460               | 26,460               | -   |
| Sheriff's fees   | 1,500                | 1,500                | 1,299                | (201)   |
| Excess clerk's fees                                      | 22,000               | 22,000               | -                    | (22,000)  |
| DSS cost allocation                                      | -                    | -                    | 46,819               | 46,819  |
| Law library fees   | -                    | 1,114                | 1,358                | 244   |
| Charges for Commonwealth's Attorney                      | 1,200                | 1,200                | 2,320                | 1,120   |
| Jail admission   | 2,000                | 2,000                | 2,209                | 209   |
| Other charges  | 18,300               | 20,481               | 18,557               | (1,924)   |
| <b>Total charges for services</b>                        | <b>\$ 411,460</b>    | <b>\$ 414,755</b>    | <b>\$ 414,733</b>    | <b>\$ (22)</b>  |
| Miscellaneous revenue:                                   |                      |                      |                      |   |
| Miscellaneous  | \$ 200,000           | \$ 209,228           | \$ 164,666           | \$ (44,562)   |
| CSA reimbursement  | 57,000               | 57,000               | 60,504               | 3,504   |
| Probation fees   | -                    | 15,649               | 15,910               | 261   |
| <b>Total miscellaneous revenue</b>                       | <b>\$ 257,000</b>    | <b>\$ 281,877</b>    | <b>\$ 241,080</b>    | <b>\$ (40,797)</b>  |
| Recovered costs:   |                      |                      |                      |   |
| Reimbursement industrial development corporation         | \$ -                 | \$ -                 | \$ 22,189            | \$ 22,189   |
| Reimbursement regional jail authority                    | 3,000                | 3,000                | 4,080                | 1,080   |
| School resource officer                                  | 76,000               | 76,000               | 80,831               | 4,831   |
| Shared expenses City of Emporia                          | 858,763              | 861,662              | 829,436              | (32,226)  |
| Circuit court salaries                                   | 34,335               | 34,335               | 34,791               | 456   |
| Collection disposal fees - Schools                       | 31,000               | 31,000               | 28,432               | (2,568)   |
| Collection disposal fees - Department of Social Services | 2,192                | 2,192                | 1,895                | (297)   |
| Insurance recoveries                                     | -                    | 499                  | 3,967                | 3,468   |
| Other recovered costs                                    | 7,000                | 66,550               | 82,973               | 16,423  |
| <b>Total recovered costs</b>                             | <b>\$ 1,012,290</b>  | <b>\$ 1,075,238</b>  | <b>\$ 1,088,594</b>  | <b>\$ 13,356</b>  |
| <b>Total revenue from local sources</b>                  | <b>\$ 11,585,030</b> | <b>\$ 11,802,455</b> | <b>\$ 12,435,998</b> | <b>\$ 633,543</b>   |
| Intergovernmental revenues:                              |                      |                      |                      |   |
| Revenue from the Commonwealth:                           |                      |                      |                      |   |
| Noncategorical aid:                                      |                      |                      |                      |   |
| Payment in lieu of taxes                                 | \$ 3,000             | \$ 3,000             | \$ 28,260            | \$ 25,260   |

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013 (Continued)

| Fund, Major and Minor Revenue Source                | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
| <b>General Fund: (Continued)</b>                    |                     |                     |                     |   |
| Intergovernmental revenues: (Continued)             |                     |                     |                     |   |
| Noncategorical aid:                                 |                     |                     |                     |   |
| Mobile home titling tax                             | \$ 15,000           | \$ 15,000           | \$ 2,879            | \$ (12,121)   |
| Motor vehicle rental tax                            | 2,500               | 2,500               | -                   | (2,500)   |
| Railroad rolling stock taxes                        | 40,000              | 40,000              | 44,862              | 4,862   |
| State recordation tax                               | 12,422              | 12,422              | 15,646              | 3,224   |
| Communication sales and use taxes                   | 190,000             | 190,000             | 152,381             | (37,619)  |
| Personal property tax relief funds                  | 1,065,419           | 1,065,419           | 1,065,419           | -   |
| Total noncategorical aid                            | <u>\$ 1,325,341</u> | <u>\$ 1,325,341</u> | <u>\$ 1,281,187</u> | <u>\$ (44,154)</u>  |
| Categorical aid:                                    |                     |                     |                     |   |
| Shared expenses:                                    |                     |                     |                     |   |
| Commonwealth's attorney                             | \$ 407,101          | \$ 407,101          | \$ 404,202          | \$ (2,899)  |
| Sheriff   | 727,055             | 729,643             | 731,431             | 1,788   |
| Commissioner of revenue                             | 90,730              | 90,730              | 86,583              | (4,147)   |
| Treasurer   | 68,186              | 68,186              | 68,395              | 209   |
| Registrar/electoral board                           | 40,000              | 40,000              | 35,211              | (4,789)   |
| Clerk of the Circuit Court                          | 217,265             | 242,989             | 231,835             | (11,154)  |
| Total shared expenses                               | <u>\$ 1,550,337</u> | <u>\$ 1,578,649</u> | <u>\$ 1,557,657</u> | <u>\$ (20,992)</u>  |
| Other categorical aid:                              |                     |                     |                     |   |
| Animal sterilization                                | \$ 150              | \$ 306              | \$ 156              | \$ (150)  |
| Southside Pretrial Services & Community Corrections | -                   | 321,618             | 323,487             | 1,869   |
| Jury reimbursement                                  | 10,000              | 10,000              | 8,820               | (1,180)   |
| Tobacco funds                                       | -                   | 75,280              | 89,280              | 14,000  |
| Victim witness                                      | 2,000               | 2,000               | 1,411               | (589)   |
| Challenge grant                                     | 5,000               | 5,000               | 5,000               | -   |
| DMV vehicle registration                            | 8,000               | 8,378               | 8,378               | -   |
| Fire programs funds                                 | -                   | 4,384               | -                   | (4,384)   |
| Disaster aid  | -                   | -                   | 1,973               | 1,973   |
| Wireless dispatch                                   | -                   | -                   | 19,606              | 19,606  |
| Asset forfeiture funds                              | -                   | 10,234              | 10,758              | 524   |
| Total other categorical aid                         | <u>\$ 25,150</u>    | <u>\$ 437,200</u>   | <u>\$ 468,869</u>   | <u>\$ 31,669</u>  |
| Total categorical aid                               | <u>\$ 1,575,487</u> | <u>\$ 2,015,849</u> | <u>\$ 2,026,526</u> | <u>\$ 10,677</u>  |
| Total revenue from the Commonwealth                 | <u>\$ 2,903,828</u> | <u>\$ 3,344,190</u> | <u>\$ 3,335,973</u> | <u>\$ (8,217)</u>   |

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013 (Continued)

| Fund, Major and Minor Revenue Source      | Original<br>Budget   | Final<br>Budget      | Actual               | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---|----------------------|----------------------|----------------------|---|
| <b>General Fund: (Continued)</b>          |                      |                      |                      |   |
| Intergovernmental revenues: (Continued)   |                      |                      |                      |   |
| Revenue from the federal government:      |                      |                      |                      |   |
| Categorical aid:                          |                      |                      |                      |   |
| FEMA disaster funds                       | \$ -                 | \$ -                 | \$ 6,725             | \$ 6,725  |
| Community development block grant         | -                    | 107,813              | 95,855               | (11,958)  |
| DMV grant                                 | -                    | 7,669                | -                    | (7,669)   |
| Transportation                            | -                    | -                    | 67,253               | 67,253  |
| State and community highway safety grants | -                    | 16,590               | 34,561               | 17,971  |
| Total categorical aid                     | <u>\$ -</u>          | <u>\$ 132,072</u>    | <u>\$ 204,394</u>    | <u>\$ 72,322</u>  |
| Total revenue from the federal government | <u>\$ -</u>          | <u>\$ 132,072</u>    | <u>\$ 204,394</u>    | <u>\$ 72,322</u>  |
| Total General Fund                        | <u>\$ 14,488,858</u> | <u>\$ 15,278,717</u> | <u>\$ 15,976,365</u> | <u>\$ 697,648</u>   |
| <b>Capital Projects Fund:</b>             |                      |                      |                      |   |
| Revenue from use of money and property:   |                      |                      |                      |   |
| Revenue from use of money                 | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 677</u>        | <u>\$ 677</u>   |
| Intergovernmental revenues:               |                      |                      |                      |   |
| Revenue from the Commonwealth:            |                      |                      |                      |   |
| Categorical aid:                          |                      |                      |                      |   |
| Tobacco commission grants                 | \$ -                 | \$ -                 | \$ 1,096,246         | \$ 1,096,246  |
| Total categorical aid                     | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 1,096,246</u>  | <u>\$ 1,096,246</u>                                       |
| Total revenue from the Commonwealth       | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 1,096,246</u>  | <u>\$ 1,096,246</u>                                       |
| Revenue from the federal government:      |                      |                      |                      |   |
| Categorical aid:                          |                      |                      |                      |   |
| Dept education                            | \$ -                 | \$ -                 | \$ 371,094           | \$ 371,094  |
| Community development block grant         | -                    | -                    | 634,171              | 634,171   |
| Total categorical aid                     | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 1,005,265</u>  | <u>\$ 1,005,265</u>                                       |
| Total revenue from the federal government | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 1,005,265</u>  | <u>\$ 1,005,265</u>                                       |
| Total Capital Projects Fund               | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 2,102,188</u>  | <u>\$ 2,102,188</u>                                       |
| Total Primary Government                  | <u>\$ 14,488,858</u> | <u>\$ 15,278,717</u> | <u>\$ 18,078,553</u> | <u>\$ 2,799,836</u>                                       |



Schedule of Expenditures - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013

|  | Original<br>Budget | Final<br>Budget | Actual       | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|--------------------|-----------------|--------------|---|
| <b>General Fund:</b>                       |                    |                 |              |   |
| General government administration:         |                    |                 |              |   |
| Legislative:                               |                    |                 |              |   |
| Board of supervisors                       | \$ 96,608          | \$ 105,324      | \$ 105,318   | \$ 6  |
| General and financial administration:      |                    |                 |              |   |
| County administrator                       | \$ 423,973         | \$ 438,277      | \$ 438,207   | \$ 70   |
| Information technology                     | 99,600             | 111,840         | 111,830      | 10  |
| Commissioner of revenue                    | 267,085            | 253,736         | 246,358      | 7,378   |
| Reassessment                               | -                  | 129,600         | 80,019       | 49,581  |
| Treasurer                                  | 243,715            | 262,282         | 262,108      | 174   |
| Accounting                                 | 342,968            | 339,820         | 329,435      | 10,385  |
| County attorney                            | 97,150             | 96,904          | 94,518       | 2,386   |
| Total general and financial administration | \$ 1,474,491       | \$ 1,632,459    | \$ 1,562,475 | \$ 69,984   |
| Board of elections:                        |                    |                 |              |   |
| Electoral board and officials              | \$ 110,803         | \$ 111,430      | \$ 111,598   | \$ (168)  |
| Total general government administration    | \$ 1,681,902       | \$ 1,849,213    | \$ 1,779,391 | \$ 69,822   |
| Judicial administration:                   |                    |                 |              |   |
| Courts:                                    |                    |                 |              |   |
| Circuit court                              | \$ 77,953          | \$ 78,550       | \$ 78,309    | \$ 241  |
| General district court                     | 29,018             | 29,859          | 29,856       | 3   |
| Courthouse security                        | 199,494            | 171,112         | 149,521      | 21,591  |
| Law library                                | -                  | 1,114           | 1,082        | 32  |
| Special magistrates                        | 1,550              | 1,662           | 1,662        | -   |
| Clerk of the circuit court                 | 288,756            | 318,145         | 315,335      | 2,810   |
| Total courts                               | \$ 596,771         | \$ 600,442      | \$ 575,765   | \$ 24,677   |
| Commonwealth's attorney:                   |                    |                 |              |   |
| Commonwealth's attorney                    | \$ 606,512         | \$ 599,888      | \$ 598,582   | \$ 1,306  |
| Total judicial administration              | \$ 1,203,283       | \$ 1,200,330    | \$ 1,174,347 | \$ 25,983   |
| Public safety:                             |                    |                 |              |   |
| Law enforcement and traffic control:       |                    |                 |              |   |
| Sheriff                                    | \$ 1,991,868       | \$ 2,018,159    | \$ 1,991,863 | \$ 26,296   |
| School resource officer                    | 109,244            | 108,901         | 108,896      | 5   |
| Asset Forfeiture                           | -                  | 260,447         | 109,683      | 150,764   |
| Selective enforcement                      | 335,515            | 301,619         | 292,087      | 9,532   |
| Total law enforcement and traffic control  | \$ 2,436,627       | \$ 2,689,126    | \$ 2,502,529 | \$ 186,597  |
| Fire and rescue services:                  |                    |                 |              |   |
| Fire and rescue                            | \$ 159,661         | \$ 166,977      | \$ 219,135   | \$ (52,158)   |
| Contributions to squads                    | 9,533              | 12,542          | 12,542       | -   |
| Total fire and rescue services             | \$ 169,194         | \$ 179,519      | \$ 231,677   | \$ (52,158)   |

Schedule of Expenditures - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2013 (Continued)

|   | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
| <b>General Fund: (Continued)</b>                            |                     |                     |                     |   |
| Public safety: (Continued)                                  |                     |                     |                     |   |
| Correction and detention:                                   |                     |                     |                     |   |
| Jail  | \$ 803,206          | \$ 801,540          | \$ 889,604          | \$ (88,064)   |
| Juvenile probation  | 32,150              | 52,200              | 52,200              | -   |
| Community corrections grant                                 | -                   | 370,821             | 328,181             | 42,640  |
| Total correction and detention                              | <u>\$ 835,356</u>   | <u>\$ 1,224,561</u> | <u>\$ 1,269,985</u> | <u>\$ (45,424)</u>  |
| Inspections:  |                     |                     |                     |   |
| Building  | <u>\$ 127,192</u>   | <u>\$ 127,402</u>   | <u>\$ 127,391</u>   | <u>\$ 11</u>  |
| Other protection:   |                     |                     |                     |   |
| Animal control  | \$ 94,388           | \$ 87,506           | \$ 86,549           | \$ 957  |
| E-911   | 26,971              | 43,951              | 56,046              | (12,095)  |
| Total other protection                                      | <u>\$ 121,359</u>   | <u>\$ 131,457</u>   | <u>\$ 142,595</u>   | <u>\$ (11,138)</u>  |
| Total public safety   | <u>\$ 3,689,728</u> | <u>\$ 4,352,065</u> | <u>\$ 4,274,177</u> | <u>\$ 77,888</u>  |
| Public works:   |                     |                     |                     |   |
| Maintenance of highways, streets, bridges<br>and sidewalks: |                     |                     |                     |   |
| Highways, streets, bridges and sidewalks                    | <u>\$ 26,320</u>    | <u>\$ 29,339</u>    | <u>\$ 28,954</u>    | <u>\$ 385</u>   |
| Sanitation and waste removal:                               |                     |                     |                     |   |
| Refuse collection and disposal                              | \$ 498,650          | \$ 488,512          | \$ 376,006          | \$ 112,506  |
| Dumpster site maintenance                                   | 99,291              | 138,434             | 141,591             | (3,157)   |
| Total sanitation and waste removal                          | <u>\$ 597,941</u>   | <u>\$ 626,946</u>   | <u>\$ 517,597</u>   | <u>\$ 109,349</u>   |
| Maintenance of general buildings and grounds:               |                     |                     |                     |   |
| General properties  | <u>\$ 843,743</u>   | <u>\$ 891,978</u>   | <u>\$ 876,236</u>   | <u>\$ 15,742</u>  |
| Total public works  | <u>\$ 1,468,004</u> | <u>\$ 1,548,263</u> | <u>\$ 1,422,787</u> | <u>\$ 125,476</u>   |
| Health and welfare:   |                     |                     |                     |   |
| Health:   |                     |                     |                     |   |
| Supplement of local health department                       | <u>\$ 97,410</u>    | <u>\$ 100,073</u>   | <u>\$ 99,831</u>    | <u>\$ 242</u>   |
| Mental health and mental retardation:                       |                     |                     |                     |   |
| Chapter X board   | <u>\$ 48,019</u>    | <u>\$ 48,019</u>    | <u>\$ 48,019</u>    | <u>\$ -</u>   |

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013 (Continued)

|  | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
| <b>General Fund: (Continued)</b>         |                     |                     |                     |   |
| Health and welfare: (Continued)          |                     |                     |                     |   |
| Welfare:                                 |                     |                     |                     |   |
| Local area on aging                      | \$ 1,000            | \$ 1,000            | \$ 1,000            | \$ -  |
| Welfare administration                   | 244,605             | 244,605             | 290,495             | (45,890)  |
| Comprehensive services                   | 135,536             | 135,536             | 97,820              | 37,716  |
| Total welfare                            | <u>\$ 381,141</u>   | <u>\$ 381,141</u>   | <u>\$ 389,315</u>   | <u>\$ (8,174)</u>   |
| Total health and welfare                 | <u>\$ 526,570</u>   | <u>\$ 529,233</u>   | <u>\$ 537,165</u>   | <u>\$ (7,932)</u>   |
| Education:                               |                     |                     |                     |   |
| Other instructional costs:               |                     |                     |                     |   |
| Contributions to community colleges      | \$ 5,585            | \$ 52,228           | \$ 52,228           | \$ -  |
| Contribution to County school board      | 1,493,763           | 1,493,763           | 1,518,319           | (24,556)  |
| Other contributions                      | 10,000              | 10,000              | 10,000              | -   |
| Children are extra special               | -                   | 12,500              | 12,500              | -   |
| Workforce development center             | 65,550              | 65,550              | 65,550              | -   |
| Headstart program                        | 20,000              | 20,000              | 20,000              | -   |
| Total education                          | <u>\$ 1,594,898</u> | <u>\$ 1,654,041</u> | <u>\$ 1,678,597</u> | <u>\$ (24,556)</u>  |
| Parks, recreation, and cultural:         |                     |                     |                     |   |
| Parks and recreation:                    |                     |                     |                     |   |
| Recreational facilities                  | \$ 141,299          | \$ 163,988          | \$ 156,643          | \$ 7,345  |
| Golden leaf commons                      | 22,975              | 31,231              | 31,227              | 4   |
| Total parks and recreation               | <u>\$ 164,274</u>   | <u>\$ 195,219</u>   | <u>\$ 187,870</u>   | <u>\$ 7,349</u>   |
| Cultural enrichment:                     |                     |                     |                     |   |
| Meherrin River Arts Council              | <u>\$ 10,000</u>    | <u>\$ 10,000</u>    | <u>\$ 10,000</u>    | <u>\$ -</u>   |
| Library:                                 |                     |                     |                     |   |
| Contribution to regional library         | <u>\$ 117,766</u>   | <u>\$ 119,398</u>   | <u>\$ 119,395</u>   | <u>\$ 3</u>   |
| Total parks, recreation, and cultural    | <u>\$ 292,040</u>   | <u>\$ 324,617</u>   | <u>\$ 317,265</u>   | <u>\$ 7,352</u>   |
| Community development:                   |                     |                     |                     |   |
| Planning and community development:      |                     |                     |                     |   |
| Planning                                 | \$ 148,978          | \$ 147,375          | \$ 149,864          | \$ (2,489)  |
| Housing - local contributions            | 18,441              | 19,444              | 19,398              | 46  |
| Industrial Development Authority         | 408,400             | 408,400             | 30,934              | 377,466   |
| Megasite                                 | 0                   | 89,480              | 217,678             | (128,198)   |
| Economic development                     | 221,404             | 532,861             | 491,505             | 41,356  |
| Geographic information systems           | 73,442              | 72,831              | 72,810              | 21  |
| Total planning and community development | <u>\$ 870,665</u>   | <u>\$ 1,270,391</u> | <u>\$ 982,189</u>   | <u>\$ 288,202</u>   |
| Environmental management:                |                     |                     |                     |   |
| Other environmental management           | <u>\$ 9,918</u>     | <u>\$ 16,833</u>    | <u>\$ 16,833</u>    | <u>\$ -</u>   |

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013 (Continued)

|  | <u>Original<br/>Budget</u>  | <u>Final<br/>Budget</u>     | <u>Actual</u>               | <u>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</u> |
|--|-----------------------------|-----------------------------|-----------------------------|---|
| <b>General Fund: (Continued)</b>         |                             |                             |                             |   |
| Community development: (Continued)       |                             |                             |                             |   |
| Cooperative extension program:           |                             |                             |                             |   |
| Extension office                         | \$ 43,315                   | \$ 41,816                   | \$ 41,592                   | \$ 224  |
| Total community development              | <u>\$ 923,898</u>           | <u>\$ 1,329,040</u>         | <u>\$ 1,040,614</u>         | <u>\$ 288,426</u>   |
| Nondepartmental:                         |                             |                             |                             |   |
| Remittance of sales tax revenue to towns | \$ -                        | \$ -                        | \$ 8,033                    | \$ (8,033)  |
| Debt service:                            |                             |                             |                             |   |
| Principal retirement                     | \$ 2,198,247                | \$ 2,263,996                | \$ 2,263,996                | \$ -  |
| Interest and other fiscal charges        | 775,288                     | 822,190                     | 1,135,608                   | (313,418)   |
| Total debt service                       | <u>\$ 2,973,535</u>         | <u>\$ 3,086,186</u>         | <u>\$ 3,399,604</u>         | <u>\$ (313,418)</u>   |
| Total General Fund                       | <u><u>\$ 14,353,858</u></u> | <u><u>\$ 15,872,988</u></u> | <u><u>\$ 15,631,980</u></u> | <u><u>\$ 241,008</u></u>  |
| <b>Capital Projects Fund:</b>            |                             |                             |                             |   |
| Capital projects expenditures:           |                             |                             |                             |   |
| Carpeting                                | \$ 20,000                   | \$ 20,000                   | \$ 17,837                   | \$ 2,163  |
| Washington Park                          | -                           | 215,641                     | 10,417                      | 205,224   |
| Other                                    | 40,000                      | 40,000                      | 446                         | 39,554  |
| SVEC                                     | -                           | 3,712,890                   | 3,409,448                   | 303,442   |
| Commonwealth Attorney office             | -                           | 544,985                     | 309,926                     | 235,059   |
| Staffed waste collection site            | -                           | 1,809,136                   | 1,247,747                   | 561,389   |
| Bond issue costs                         | -                           | -                           | 33,589                      | (33,589)  |
| Total capital projects fund              | <u>\$ 60,000</u>            | <u>\$ 6,342,652</u>         | <u>\$ 5,029,410</u>         | <u>\$ 1,313,242</u>   |
| Total Primary Government                 | <u><u>\$ 14,413,858</u></u> | <u><u>\$ 22,215,640</u></u> | <u><u>\$ 20,661,390</u></u> | <u><u>\$ 1,554,250</u></u>  |

## **Statistical Information**

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Table 1

## COUNTY OF GREENSVILLE, VIRGINIA

Government-Wide Expenses by Function  
Last Ten Fiscal Years

| Fiscal Year | General                   |                         |               |              |                    |              |                                 |                       |                            |               | Total |
|-------------|---------------------------|-------------------------|---------------|--------------|--------------------|--------------|---------------------------------|-----------------------|----------------------------|---------------|-------|
|             | Government Administration | Judicial Administration | Public Safety | Public Works | Health and Welfare | Education    | Parks, Recreation, and Cultural | Community Development | Interest on Long-Term Debt |               |       |
| 2003-04     | \$ 959,290                | \$ 729,439              | \$ 2,874,371  | \$ 1,125,765 | \$ 319,129         | \$ 2,281,174 | \$ 223,654                      | \$ 597,489            | \$ 1,797,689               | \$ 10,908,000 |       |
| 2004-05     | 810,844                   | 774,883                 | 3,074,225     | 1,352,344    | 461,810            | 2,836,323    | 304,853                         | 1,418,797             | 1,048,800                  | 12,082,879    |       |
| 2005-06     | 1,712,040                 | 753,477                 | 2,790,727     | 1,207,313    | 473,786            | 3,202,108    | 229,255                         | 1,213,838             | 1,016,644                  | 12,599,188    |       |
| 2006-07     | 1,739,615                 | 804,324                 | 2,726,950     | 1,482,024    | 469,779            | 2,947,065    | 214,780                         | 1,274,323             | 1,060,025                  | 12,718,885    |       |
| 2007-08     | 1,863,653                 | 884,033                 | 2,883,050     | 1,244,679    | 478,697            | 2,253,630    | 246,224                         | 1,816,960             | 982,061                    | 12,652,987    |       |
| 2008-09     | 902,157                   | 912,115                 | 2,896,672     | 1,638,935    | 555,967            | 5,009,079    | 237,994                         | 2,123,911             | 1,334,775                  | 15,611,605    |       |
| 2009-10     | 462,287                   | 933,390                 | 3,731,815     | 1,268,511    | 1,209,307          | 3,080,160    | 230,567                         | 2,746,961             | 1,146,754                  | 14,809,752    |       |
| 2010-11     | 2,056,841                 | 885,693                 | 3,323,733     | 1,441,333    | 370,846            | 3,527,147    | 246,825                         | 1,684,446             | 1,173,277                  | 14,710,141    |       |
| 2011-12     | 1,674,569                 | 1,044,243               | 3,879,456     | 1,317,690    | 382,157            | 2,952,059    | 304,729                         | 1,244,873             | 1,209,331                  | 14,009,107    |       |
| 2012-13     | 2,201,469                 | 1,099,081               | 3,761,338     | 1,279,412    | 519,193            | 3,115,786    | 328,495                         | 1,048,990             | 1,236,692                  | 14,590,456    |       |

COUNTY OF GREENSVILLE, VIRGINIA

Table 2

Government-Wide Revenues  
Last Ten Fiscal Years

| Fiscal Year | PROGRAM REVENUES     |                                    |                                  |                        | GENERAL REVENUES  |                                  |               |  |               | Total |
|-------------|----------------------|------------------------------------|----------------------------------|------------------------|-------------------|----------------------------------|---------------|--|---------------|-------|
|             | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | General Property Taxes | Other Local Taxes | Unrestricted Investment Earnings | Miscellaneous | Grants and Contributions Not Restricted to Specific Programs |               |       |
| 2003-04     | \$ 1,752,613         | \$ 1,985,629                       | \$ -                             | \$ 4,368,028           | \$ 1,368,638      | \$ 218,294                       | \$ 92,725     | \$ 1,402,509   | \$ 11,188,436 |       |
| 2004-05     | 1,591,545            | 2,603,681                          | -                                | 4,421,632              | 1,375,137         | 216,452                          | 90,779        | 1,255,897  | 11,555,123    |       |
| 2005-06     | 1,403,898            | 2,506,605                          | 108,183                          | 4,610,736              | 1,552,469         | 288,834                          | 114,718       | 1,408,042  | 11,993,485    |       |
| 2006-07     | 1,692,581            | 1,870,924                          | 1,989,428                        | 4,889,473              | 1,577,881         | 667,626                          | 88,670        | 1,413,937  | 14,190,520    |       |
| 2007-08     | 1,684,060            | 2,009,397                          | 2,493,897                        | 5,166,411              | 1,641,524         | 716,941                          | 390,622       | 1,401,852  | 15,504,704    |       |
| 2008-09     | 1,709,835            | 1,699,926                          | 1,547,855                        | 5,665,479              | 1,692,677         | 182,891                          | 128,258       | 2,182,844  | 14,809,765    |       |
| 2009-10     | 1,780,329            | 1,678,137                          | 1,985,897                        | 5,807,692              | 1,447,080         | 151,347                          | 264,794       | 2,228,992  | 15,344,268    |       |
| 2010-11     | 1,589,597            | 1,585,577                          | 408,865                          | 5,933,804              | 1,486,613         | 142,470                          | 178,946       | 2,063,837  | 13,389,709    |       |
| 2011-12     | 1,872,491            | 2,184,346                          | 620,578                          | 6,362,075              | 1,678,114         | 243,219                          | 300,124       | 1,338,942  | 14,599,889    |       |
| 2012-13     | 2,214,438            | 2,406,121                          | 1,926,310                        | 6,903,717              | 1,773,341         | 226,704                          | 241,080       | 1,309,447  | 17,001,158    |       |



COUNTY OF GREENSVILLE, VIRGINIA

Table 3

General Governmental Expenditures by Function (1)  
Last Ten Fiscal Years

| Fiscal Year | General Governmental Expenditures by Function |                         |               |              |                    |               |                                 |                       |                  |              | Total         |
|-------------|---|-------------------------|---------------|--------------|--------------------|---------------|---------------------------------|-----------------------|------------------|--------------|---------------|
|             | Government Administration                     | Judicial Administration | Public Safety | Public Works | Health and Welfare | Education (2) | Parks, Recreation, and Cultural | Community Development | Non-departmental | Debt Service |               |
| 2003-04     | \$ 1,215,730                                  | \$ 727,039              | \$ 3,122,728  | \$ 1,138,646 | \$ 3,058,543       | \$ 20,744,440 | \$ 223,654                      | \$ 730,128            | \$ 4,818         | \$ 2,640,368 | \$ 33,606,094 |
| 2004-05     | 1,268,537                                     | 772,483                 | 2,916,147     | 1,470,144    | 3,377,420          | 22,749,609    | 253,589                         | 1,881,231             | 5,616            | 2,593,970    | 37,288,746    |
| 2005-06     | 1,351,043                                     | 873,544                 | 3,055,310     | 1,399,087    | 3,196,749          | 24,651,826    | 209,864                         | 2,596,086             | 30,719           | 2,701,442    | 40,065,670    |
| 2006-07     | 1,511,724                                     | 961,603                 | 3,224,776     | 1,333,234    | 3,628,516          | 26,338,270    | 214,780                         | 1,995,576             | 5,973            | 2,403,116    | 41,617,568    |
| 2007-08     | 1,559,516                                     | 1,125,621               | 3,296,381     | 1,405,335    | 3,639,255          | 26,292,273    | 246,224                         | 2,712,008             | 7,541            | 2,355,080    | 42,639,234    |
| 2008-09     | 1,537,628                                     | 1,141,513               | 3,534,309     | 1,474,351    | 3,544,821          | 26,343,618    | 237,994                         | 2,921,639             | 8,342            | 2,874,859    | 43,619,074    |
| 2009-10     | 1,689,087                                     | 1,054,084               | 3,754,715     | 1,459,859    | 4,027,198          | 27,114,386    | 230,567                         | 2,604,741             | 6,656            | 3,059,763    | 45,001,056    |
| 2010-11     | 1,603,288                                     | 1,136,318               | 3,725,758     | 1,460,968    | 3,687,030          | 26,849,683    | 246,825                         | 2,830,260             | 5,265            | 3,182,239    | 44,727,634    |
| 2011-12     | 1,637,251                                     | 1,151,701               | 4,061,946     | 1,511,530    | 3,248,235          | 25,418,468    | 292,125                         | 2,026,518             | 8,619            | 3,284,397    | 42,640,790    |
| 2012-13     | 1,779,391                                     | 1,174,347               | 4,274,177     | 1,422,787    | 3,583,620          | 25,411,243    | 317,265                         | 1,300,345             | 8,033            | 3,399,604    | 42,670,812    |

(1) Includes General and Debt Service funds of the Primary Government and its Discretely Presented Component Units.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.  
Excludes Capital Projects Fund.

COUNTY OF GREENSVILLE, VIRGINIA

General Governmental Revenues by Source (1)  
Last Ten Fiscal Years

| Fiscal Year | General Property Taxes |                   | Other Local Taxes |                   | Permits, Privilege Fees, Regulatory Licenses | Fines and Forfeitures | Revenue from the Use of Money and Property | Charges for Services | Miscellaneous | Recovered Costs | Inter-governmental (2) | Total |
|-------------|------------------------|-------------------|-------------------|-------------------|--|-----------------------|--|----------------------|---------------|-----------------|------------------------|-------|
|             | General Property Taxes | Other Local Taxes | Other Local Taxes | Other Local Taxes |  |                       |  |                      |               |                 |                        |       |
| 2003-04     | \$ 4,292,686           | \$ 1,368,638      | \$ 49,105         | \$ 1,422,360      | \$ 266,799                                   | \$ 3,147,179          | \$ 235,295                                 | \$ 744,193           | \$ 21,488,629 | \$ 33,014,884   |                        |       |
| 2004-05     | 4,350,198              | 1,375,137         | 47,109            | 1,091,981         | 348,205                                      | 3,518,694             | 147,362                                    | 858,190              | 25,231,310    | 36,968,186      |                        |       |
| 2005-06     | 4,643,320              | 1,552,469         | 41,004            | 1,103,181         | 297,870                                      | 3,750,706             | 142,718                                    | 935,913              | 25,892,448    | 38,359,629      |                        |       |
| 2006-07     | 4,930,287              | 1,577,881         | 51,626            | 1,323,110         | 473,148                                      | 3,857,196             | 478,018                                    | 1,169,366            | 27,906,863    | 41,767,495      |                        |       |
| 2007-08     | 5,194,668              | 1,641,524         | 97,952            | 1,094,383         | 322,363                                      | 4,031,076             | 779,970                                    | 1,232,567            | 28,389,585    | 42,784,088      |                        |       |
| 2008-09     | 5,696,735              | 1,692,677         | 78,980            | 1,240,094         | 181,078                                      | 3,930,112             | 500,218                                    | 1,559,297            | 28,788,113    | 43,667,304      |                        |       |
| 2009-10     | 5,739,894              | 1,447,080         | 42,772            | 1,329,899         | 158,930                                      | 4,348,497             | 533,177                                    | 1,128,192            | 30,007,828    | 44,736,269      |                        |       |
| 2010-11     | 5,922,517              | 1,448,405         | 45,532            | 1,167,244         | 162,709                                      | 4,470,397             | 492,145                                    | 1,148,196            | 34,865,887    | 49,723,032      |                        |       |
| 2011-12     | 6,302,857              | 1,678,114         | 49,705            | 1,471,648         | 258,075                                      | 4,296,821             | 453,643                                    | 1,274,732            | 26,912,024    | 42,697,619      |                        |       |
| 2012-13     | 6,892,518              | 1,773,341         | 45,108            | 1,754,597         | 236,571                                      | 4,472,707             | 479,551                                    | 1,088,594            | 36,748,245    | 53,491,232      |                        |       |

(1) Includes General and Debt Service funds of the Primary Government and its Discretely Presented Component Units.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.  
Excludes Capital Projects Fund.

COUNTY OF GREENSVILLE, VIRGINIA

Table 5

Property Tax Levies and Collections

Last Ten Fiscal Years

| Fiscal Year | Total Tax Levy (1) |    | Current Tax Collections (1) |    | Percent of Levy Collected |                                | Delinquent Tax Collections (1) |                       | Total Tax Collections |                                   | Percent of Total Tax Collections to Tax Levy |                                    | Outstanding Delinquent Taxes (1,2) |   | Percent of Delinquent Taxes to Tax Levy |  |
|-------------|--------------------|----|-----------------------------|----|---------------------------|--------------------------------|--------------------------------|-----------------------|-----------------------|-----------------------------------|--|------------------------------------|------------------------------------|---|---|--|
|             | Levy (1)           |    | Current Tax Collections (1) |    | Percent of Levy Collected | Delinquent Tax Collections (1) |                                | Total Tax Collections |                       | Total Tax Collections to Tax Levy |  | Outstanding Delinquent Taxes (1,2) |                                    | Percent of Delinquent Taxes to Tax Levy |   |  |
| 2003-04     | \$ 5,269,452       | \$ | 5,116,353                   | \$ | 97.09%                    | 112,379                        | \$                             | 5,228,732             | \$                    | 99.23%                            | \$   | 239,351                            | 4.54%                              |   |   |  |
| 2004-05     | 5,231,309          |    | 5,106,617                   |    | 97.62%                    | 95,415                         |                                | 5,202,032             |                       | 99.44%                            |  | 303,344                            | 5.80%                              |   |   |  |
| 2005-06     | 5,573,305          |    | 5,501,901                   |    | 98.72%                    | 117,313                        |                                | 5,619,214             |                       | 100.82%                           |  | 365,659                            | 6.56%                              |   |   |  |
| 2006-07     | 5,894,172          |    | 5,763,835                   |    | 97.79%                    | 110,493                        |                                | 5,874,328             |                       | 99.66%                            |  | 398,010                            | 6.75%                              |   |   |  |
| 2007-08     | 6,044,425          |    | 5,975,915                   |    | 98.87%                    | 132,340                        |                                | 6,108,255             |                       | 101.06%                           |  | 405,945                            | 6.72%                              |   |   |  |
| 2008-09     | 6,691,466          |    | 6,488,394                   |    | 96.97%                    | 117,942                        |                                | 6,606,336             |                       | 98.73%                            |  | 470,991                            | 7.04%                              |   |   |  |
| 2009-10     | 6,552,012          |    | 6,476,081                   |    | 98.84%                    | 153,431                        |                                | 6,629,512             |                       | 101.18%                           |  | 505,872                            | 7.72%                              |   |   |  |
| 2010-11     | 6,910,694          |    | 6,662,097                   |    | 96.40%                    | 164,312                        |                                | 6,826,409             |                       | 98.78%                            |  | 544,724                            | 7.88%                              |   |   |  |
| 2011-12     | 7,080,936          |    | 7,016,273                   |    | 99.09%                    | 152,103                        |                                | 7,168,376             |                       | 101.23%                           |  | 536,343                            | 7.57%                              |   |   |  |
| 2012-13     | 7,900,801          |    | 7,482,747                   |    | 94.71%                    | 249,606                        |                                | 7,732,353             |                       | 97.87%                            |  | 565,854                            | 7.16%                              |   |   |  |

(1) Exclusive of penalties and interest.

(2) Includes three most current delinquent tax years. Beginning in fiscal year 2006 the outstanding PPTRA is due from the taxpayer.

COUNTY OF GREENSVILLE, VIRGINIA

Table 6

Assessed Value of Taxable Property  
Last Ten Fiscal Years

| Fiscal Year | Real Estate (1) | Personal Property | Mobile Homes | Aircraft  | Machinery and Tools |               | Public Utility (2) | Total |
|-------------|-----------------|-------------------|--------------|-----------|---------------------|---------------|--------------------|-------|
|             |                 |                   |              |           |                     |               |                    |       |
| 2003-04     | \$ 404,339,400  | \$ 42,836,310     | \$ 7,157,370 | \$ 49,570 | \$ 21,032,780       | \$ 36,554,416 | \$ 511,969,846     |       |
| 2004-05     | 410,054,150     | 39,404,880        | 7,126,630    | 81,080    | 23,441,510          | 28,098,889    | 508,207,139        |       |
| 2005-06     | 417,025,690     | 44,714,256        | 7,206,760    | 77,590    | 25,131,490          | 28,740,569    | 522,896,355        |       |
| 2006-07     | 423,190,540     | 48,383,540        | 7,216,320    | 109,100   | 23,284,410          | 28,128,700    | 530,312,610        |       |
| 2007-08     | 429,740,130     | 48,697,570        | 7,190,590    | 80,620    | 24,149,100          | 30,154,407    | 540,012,417        |       |
| 2008-09     | 673,068,000     | 52,308,630        | 5,636,734    | 81,500    | 25,196,000          | 43,288,438    | 799,579,302        |       |
| 2009-10     | 668,105,000     | 47,708,720        | 5,602,340    | 81,500    | 27,584,810          | 42,194,732    | 791,277,102        |       |
| 2010-11     | 673,975,450     | 51,182,826        | 5,601,644    | 81,500    | 32,030,360          | 46,278,980    | 809,150,760        |       |
| 2011-12     | 674,656,600     | 52,453,750        | 5,460,730    | 81,500    | 30,960,340          | 48,186,374    | 811,799,294        |       |
| 2012-13     | 691,379,490     | 54,566,540        | 5,639,760    | 145,000   | 32,605,610          | 49,274,748    | 833,611,148        |       |

(1) Real estate is assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

COUNTY OF GREENSVILLE, VIRGINIA

Table 7

Property Tax Rates (1)  
Last Ten Fiscal Years

| Fiscal Year | Real Estate | Personal Property | Mobile Homes | Machinery and Tools | Aircraft |
|-------------|-------------|-------------------|--------------|---------------------|----------|
|             |             |                   |              |                     |          |
| 2003-04     | \$ 0.57     | \$ 4.50           | \$ 0.57      | \$ 3.50             | \$ 0.50  |
| 2004-05     | 0.59        | 4.50              | 0.59         | 3.50                | 0.50     |
| 2005-06     | 0.59        | 4.50              | 0.59         | 3.50                | 0.50     |
| 2006-07     | 0.62        | 4.50              | 0.62         | 3.50                | 0.50     |
| 2007-08     | 0.63        | 4.50              | 0.63         | 3.50                | 0.50     |
| 2008-09     | 0.45        | 4.50              | 0.45         | 4.00                | 0.50     |
| 2009-10     | 0.45        | 4.50              | 0.45         | 4.00                | 0.50     |
| 2010-11     | 0.45        | 4.50              | 0.45         | 4.00                | 0.50     |
| 2011-12     | 0.47        | 4.50              | 0.47         | 4.00                | 0.50     |
| 2012-13     | 0.51        | 5.00              | 0.51         | 4.00                | 0.50     |

(1) Per \$100 of assessed value.

COUNTY OF GREENSVILLE, VIRGINIA

Table 8

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Fiscal Years

| Fiscal Year | Population (1) | Assessed Value (in thousands) (2) | Gross Bonded Debt (3) | Less:                         |                               | Net Bonded Debt | Ratio of Net Bonded Debt to Assessed Value |                 | Net Bonded Debt per Capita |
|-------------|----------------|-----------------------------------|-----------------------|-------------------------------|-------------------------------|-----------------|--|-----------------|----------------------------|
|             |                |                                   |                       | Debt Service Monies Available | Debt Service Monies Available |                 | Net Bonded Debt                            | Net Bonded Debt |                            |
| 2003-04     | 12,200         | \$ 511,970                        | \$ 14,494,925         | -                             | \$ -                          | 14,494,925      | 2.83%                                      | 1,188           |                            |
| 2004-05     | 12,200         | 508,207                           | 12,906,266            | -                             | -                             | 12,906,266      | 2.54%                                      | 1,058           |                            |
| 2005-06     | 12,300         | 522,896                           | 10,501,945            | -                             | -                             | 10,501,945      | 2.01%                                      | 854             |                            |
| 2006-07     | 12,300         | 530,313                           | 10,069,351            | -                             | -                             | 10,069,351      | 1.90%                                      | 819             |                            |
| 2007-08     | 12,059         | 540,012                           | 10,038,748            | -                             | -                             | 10,038,748      | 1.86%                                      | 832             |                            |
| 2008-09     | 12,511         | 799,579                           | 16,656,103            | -                             | -                             | 16,656,103      | 2.08%                                      | 1,331           |                            |
| 2009-10     | 12,511         | 791,277                           | 15,280,738            | -                             | -                             | 15,280,738      | 1.93%                                      | 1,221           |                            |
| 2010-11     | 12,257         | 809,151                           | 14,718,795            | -                             | -                             | 14,718,795      | 1.82%                                      | 1,201           |                            |
| 2011-12     | 12,257         | 811,799                           | 13,551,672            | -                             | -                             | 13,551,672      | 1.67%                                      | 1,106           |                            |
| 2012-13     | 12,136         | 833,611                           | 12,200,986            | -                             | -                             | 12,200,986      | 1.46%                                      | 1,005           |                            |

(1) Weldon Cooper Center for Public Service at the University of Virginia.

(2) Real property assessed at 100% of fair market value.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans. Excludes revenue bonds, landfill closure/postclosure care liability, capital leases, compensated absences, and net OPEB obligation.

## COMPLIANCE

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# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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To the Honorable Members of the Board of Supervisors  
County of Greenville, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greenville, Virginia as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County of Greenville, Virginia's basic financial statements, and have issued our report dated January 2, 2014.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Greenville, Virginia'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 County of Greenville, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Greenville, Virginia'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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Greensville, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

*Robinson, Farmer, Co. Associates*  
Charlottesville, Virginia  
January 2, 2014

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## Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

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To the Honorable Members of the Board of Supervisors  
County of Greensville, Virginia

### Report on Compliance for Each Major Federal Program

We have audited the County of Greensville, Virginia's compliance with the types of compliance requirements described *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Greensville, Virginia's major federal programs for the year ended June 30, 2013. County of Greensville, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of County of Greensville, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 County of Greensville, Virginia'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 County of Greensville, Virginia's compliance.

### *Opinion on Each Major Federal Program*

In our opinion, County of Greensville, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## ***Report on Internal Control Over Compliance***

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Robinson, Farmer, Co. Associates*

Charlottesville, Virginia  
January 2, 2014

COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013

| Federal Grantor/State Pass - Through Grantor/<br>Program or Cluster Title  | Federal<br>CFDA<br>Number | Pass-Through<br>Entity<br>Identifying Number | Federal<br>Expenditures   |
|--|---------------------------|--|---------------------------|
| Department of Health and Human Services:   |                           |  |                           |
| Pass Through Payments:   |                           |  |                           |
| Department of Social Services:   |                           |  |                           |
| Promoting Safe and Stable Families   | 93.556                    | 0950112/0950113                              | \$ 12,874                 |
| Temporary Assistance for Needy Families  | 93.558                    | 0400112/0400113                              | 284,139                   |
| Refugee and Entrant Assistance - State Administered Programs   | 93.566                    | 0500112/0500113                              | 944                       |
| Low-Income Home Energy Assistance  | 93.568                    | 0600412/0600413                              | 27,353                    |
| Child Care Mandatory and Matching Funds of the Child Care<br>and Development Fund  | 93.596                    | 0760112/0760113                              | 37,696                    |
| Stephanie Tubbs Jones Child Welfare Services Program   | 93.645                    | 0900112/0900113                              | 1,360                     |
| Foster Care - Title IV-E   | 93.658                    | 1100112/1100113                              | 123,019                   |
| Adoption Assistance  | 93.659                    | 1120112/1120113                              | 20,790                    |
| Social Services Block Grant  | 93.667                    | 1000112/1000113                              | 175,149                   |
| Chafee Foster Care Independence Program  | 93.674                    | 9150112/9150113                              | 1,237                     |
| Children's Health Insurance Program  | 93.767                    | 0540112/0540113                              | 7,930                     |
| Medical Assistance Program   | 93.778                    | 1200112/1200113                              | 190,037                   |
| Total Department of Health and Human Services  |                           |  | <u>\$ 882,528</u>         |
| Department of Agriculture:   |                           |  |                           |
| Direct Payments:   |                           |  |                           |
| Community Facilities Loans and Grants  | 10.766                    | N/A  | <u>\$ 2,492,926</u>       |
| Pass Through Payments:   |                           |  |                           |
| Child Nutrition Cluster:   |                           |  |                           |
| Food Commodities Distribution  | 10.555                    | N/A  | \$ 79,471                 |
| Department of Education:   |                           |  |                           |
| National School Lunch Program  | 10.555                    | 10.555/2012/2013                             | <u>635,436</u> \$ 714,907 |
| Summer Food Service Program for Children   | 10.559                    | N/A  | 52,808                    |
| School Breakfast Program   | 10.553                    | 10.553/2012/2013                             | 227,523                   |
| Department of Social Services:   |                           |  |                           |
| State Administrative Matching Grants for the Supplemental Nutrition<br>Assistance Program  | 10.561                    | 0010112/0010113                              | <u>316,982</u>            |
| Total Department of Agriculture  |                           |  | <u>\$ 3,805,146</u>       |
| Department of Housing and Urban Development  |                           |  |                           |
| Pass Through Payments:   |                           |  |                           |
| Office of Community Planning and Development<br>Community Development Block Grants/State's Program and<br>Non-Entitlement Grants in Hawaii | 14.228                    | B-04-DC-51-0001                              | <u>\$ 730,025</u>         |

COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
 For the Year Ended June 30, 2013

| Federal Grantor/State Pass - Through Grantor/<br>Program or Cluster Title   | Federal<br>CFDA<br>Number | Pass-Through<br>Entity<br>Identifying Number | Federal<br>Expenditures    |
|---|---------------------------|--|----------------------------|
| Department of Transportation<br>Pass Through Payments:<br>National Highway Traffic Safety Administration (NHTSA)<br>Highway Planning and Construction | 20.205                    | N/A  | \$ <u>67,254</u>           |
| Department of Homeland Security<br>Pass Through Payments:<br>Federal Emergency Management Agency<br>Emergency Management Performance Grants           | 97.042                    | 77501-52708/52709                            | \$ 6,725                   |
| State Homeland Security Program   | 97.073                    | N/A  | <u>34,561</u>              |
| Total Department of Homeland Security   |                           |  | \$ <u>41,286</u>           |
| Department of Defense:<br>Direct Payments:<br>Department of Defense:<br>ROTC  | 12.000                    | N/A  | \$ <u>59,547</u>           |
| Department of Education:<br>Pass Through Payments:<br>Department of Education:<br>Title I Grants to Local Educational Agencies                        | 84.010                    | S010A120046/S010A110046                      | \$ 786,958                 |
| Special Education Cluster (IDEA):<br>Special Education - Grants to States   | 84.027                    | H027A120107                                  | 403,787                    |
| Special Education - Preschool Grants  | 84.173                    | H173A120112/H173A110112                      | 6,609                      |
| Twenty-First Century Community Learning Centers   | 84.287                    | N/A  | 327,725                    |
| ARRA - Statewide Data Systems   | 84.384                    | N/A  | 20,486                     |
| ARRA - Education Jobs Fund  | 84.410                    | N/A  | 98,659                     |
| Improving Teacher Quality State Grants  | 84.367                    | S367A120044/S367A110044                      | 189,182                    |
| Career and Technical Education - Basic Grants to States   | 84.048                    | V048A120046/VA048A110046                     | 32,827                     |
| Rural Education   | 84.358                    | Unknown                                      | 26,829                     |
| Title III, Part A - English Language Acquisition Grants   | 84.365                    | Unknown                                      | 2,394                      |
| Gaining Early Awareness and Readiness for Undergraduate Programs  | 84.334                    | Unknown                                      | 5,000                      |
| Fund for the Improvement of Postsecondary Education   | 84.116                    | Unknown                                      | <u>371,094</u>             |
| Total Department of Education   |                           |  | \$ <u>2,271,550</u>        |
| Total Expenditures of Federal Awards  |                           |  | \$ <u><u>7,857,336</u></u> |

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013

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Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federally assisted programs of the County of Greenville, Virginia. The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule. The information in this schedule is presented in accordance with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Because the schedule presents only a selected portion of the operations of County of Greenville, Virginia, it is not intended to and does not present the financial position, changes in net positions, or cash flows of County of Greenville, Virginia.

Note 2 - Summary of Significant Accounting Policies

1) The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the County's basic financial statements. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for States, Local and Indian Tribal Governments.

2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at fair market value of the commodities received and disbursed.

Note 4 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

|                                    |                     |
|------------------------------------|---------------------|
| General Fund                       | \$ 204,394          |
| General Fund Federal Loan Proceeds | 2,492,926           |
| Capital Projects Fund              | <u>1,005,265</u>    |
| Total primary government           | <u>\$ 3,702,585</u> |

Component Unit School Board:

|                                   |                     |
|-----------------------------------|---------------------|
| School Operating Fund             | \$ 1,998,602        |
| Less Build America Bond subsidy   | (38,601)            |
| School Cafeteria Fund             | <u>995,240</u>      |
| Total component unit school board | <u>\$ 2,955,241</u> |

|  |                     |
|--|---------------------|
| Component Unit Department of Social Services | <u>\$ 1,199,510</u> |
|--|---------------------|

|  |                     |
|--|---------------------|
| Total federal expenditures per the Schedule of Expenditures<br>of Federal Awards | <u>\$ 7,857,336</u> |
|--|---------------------|

COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2013

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**Section I - Summary of Auditors' Results**

**Financial Statements**

|   |               |
|---|---------------|
| Type of auditors' report issued:                      | Unmodified    |
| Internal control over financial reporting:            |               |
| Material weaknesses identified?                       | No            |
| Significant deficiencies identified?                  | None reported |
| Noncompliance material to financial statements noted? | No            |

**Federal Awards**

|  |               |
|--|---------------|
| Internal control over major programs:  |               |
| Material weaknesses identified?  | No            |
| Significant deficiencies identified?   | None reported |
| Type of auditors' report issued on compliance for major programs:  | Unmodified    |
| Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510 (a)? | No            |

Identification of major programs:

| <u>CFDA #</u> | <u>Name of Federal Program or Cluster</u>  |
|---------------|--|
| 93.558        | Temporary Assistance for Needy Families  |
| 10.561        | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program |
| 84.116        | Fund for the Improvement of Postsecondary Education                                    |
| 84.010        | Title I Grants to Local Educational Agencies   |

Child Nutrition Cluster:

|        |  |
|--------|--|
| 10.553 | School Breakfast Program                 |
| 10.555 | National School Lunch Program            |
| 10.559 | Summer Food Service Program for Children |

|   |           |
|---|-----------|
| Dollar threshold used to distinguish between Type A and Type B programs | \$300,000 |
| Auditee qualified as low-risk auditee?                                  | Yes       |

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.



**COUNTY OF GREENSVILLE, VIRGINIA**

Schedule of Prior Year Audit Findings  
Year Ended June 30, 2013

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There were no items reported in the prior year.

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