



FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

COUNTY OF GREENSVILLE, VIRGINIA
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015

COUNTY OF GREENSVILLE, VIRGINIA

Financial Report
For The Year Ended June 30, 2015

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COUNTY OF GREENSVILLE, VIRGINIA

BOARD OF SUPERVISORS

Peggy R. Wiley, Chairman

Michael W. Ferguson, Vice-Chairman

Margaret T. Lee, Ed. D.

James C. Vaughan

COUNTY SCHOOL BOARD

Bessie Reed-Moore, Chairman

Rhonda Jones-Gilliam, Vice-Chairman

Janey V. Bush
Tony M. Conwell

Walter D. Rook, Jr.

OTHER OFFICIALS

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
Stephen D. Bloom
Patricia T. Watson
Martha S. Swenson
Pamela Lifsey
James R. Edwards, Jr.
Dr. Angela B. Wilson
John Holtkamp
K. David Whittington

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

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, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greensville, Virginia, as of and for the year ended June 30, 2015, 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 based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greensville, Virginia, as of June 30, 2015, 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.

Change in Accounting Principle

As described in Note 17 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement Nos. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. 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, budgetary comparison information, and schedules related to pension and OPEB funding on pages 4-9, 78-79, and 80-82 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 Greensville, 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 basic 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.

Other Information (continued)

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 schedules 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.

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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2016, on our consideration of the County of Greensville, 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 the County of Greensville, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer Cox Associates
(Charlottesville, Virginia
February 5, 2016

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Management's Discussion and Analysis

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, 2015.

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 \$36,376,175 (net position) compared to \$34,684,752 in the prior year, an increase of \$1,691,413.

Our combined (governmental and business-type activities) long-term obligations decreased by a net of \$2,437,751 during the current fiscal year. This decrease is due to bonds and other loans' principal being paid during the year.

Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues in excess of expenditures and other financing sources by \$1,086,963 (Exhibit 5) after making contributions totaling \$1,907,063 (net of debt service adjustment) to the School Board. In the prior year, fund balance increased by \$1,089,942.

- As of the close of the current fiscal year; the County's funds reported ending fund balances of \$4,760,535, an increase of \$1,086,963 in comparison with the prior year. The major increase of fund balance can be attributed to an increase in property taxes and increase in sales taxes received.
-
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,809,596, or 23% 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 \$36,376,165 at the close of the fiscal year ended June 30, 2015.

County of Greenville, Virginia's Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 14,310,549	\$ 12,869,879	\$ 5,922,327	\$ 6,583,640
Capital assets	37,974,839	39,751,456	33,327,635	33,593,669
Total assets	<u>\$ 52,285,388</u>	<u>\$ 52,621,335</u>	<u>\$ 39,249,962</u>	<u>\$ 40,177,309</u>
Deferred outflows of resources	\$ 423,042	\$ -	\$ 79,340	\$ 92,564
Long-term liabilities outstanding	\$ 30,895,343	\$ 32,491,259	\$ 13,716,371	\$ 14,558,206
Current liabilities	985,910	1,035,518	347,622	423,811
Total liabilities	<u>\$ 31,881,253</u>	<u>\$ 33,526,777</u>	<u>\$ 14,063,993</u>	<u>\$ 14,982,017</u>
Deferred inflows of resources	\$ 9,716,321	\$ 8,309,302	\$ -	\$ -
Net position:				
Net investment in capital assets	\$ 8,617,330	\$ 7,606,145	\$ 22,261,976	\$ 21,421,348
Restricted for:				
Debt Service	851,942	801,830	-	-
Unrestricted	<u>1,641,584</u>	<u>2,377,281</u>	<u>3,003,333</u>	<u>3,866,508</u>
Total net position	<u>\$ 11,110,856</u>	<u>\$ 10,785,256</u>	<u>\$ 25,265,309</u>	<u>\$ 25,287,856</u>

At the end of the current fiscal year, the County's net investment in capital assets is \$8,617,330. 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, 2015 is \$1,641,584.

Government-wide Financial Analysis (Continued)

The total net position of the County increased \$1,691,413. 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>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:				
Program revenues:				
Charges for services	\$ 1,859,966	\$ 1,997,115	\$ 4,892,192	\$ 4,470,720
Operating grants and contributions	2,117,437	2,528,983	-	-
Capital grants and contributions	715,698	1,663,397	141,629	115,398
General revenues:				
Property taxes	7,483,451	7,173,293	-	-
Other local taxes	2,311,528	2,004,316	-	-
Other revenue	642,079	479,749	89,482	75,702
Grants and other contributions unrestricted	<u>2,070,660</u>	<u>1,344,778</u>	<u>6,357</u>	<u>6,366</u>
Total revenues	<u>\$ 17,200,819</u>	<u>\$ 17,191,631</u>	<u>\$ 5,129,660</u>	<u>\$ 4,668,186</u>
Expenses:				
General government	\$ 2,097,464	\$ 2,145,815	-	-
Judicial administration	969,469	986,086	-	-
Public safety	3,684,666	3,797,846	-	-
Public works	1,269,576	1,236,062	5,152,207	4,789,944
Health and welfare	1,163,185	622,999	-	-
Education	3,428,331	3,026,037	-	-
Parks, recreation and culture	390,015	397,328	-	-
Community development	1,293,747	1,162,375	-	-
Interest	<u>1,190,406</u>	<u>1,296,837</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 15,486,859</u>	<u>\$ 14,671,385</u>	<u>\$ 5,152,207</u>	<u>\$ 4,789,944</u>
Increase (decrease) in net position	\$ 1,713,960	\$ 2,520,246	\$ (22,547)	\$ (121,758)
Net position - beginning, as restated	<u>9,396,896</u>	<u>8,265,010</u>	<u>25,287,856</u>	<u>25,409,614</u>
Net position - ending	<u>\$ 11,110,856</u>	<u>\$ 10,785,256</u>	<u>\$ 25,265,309</u>	<u>\$ 25,287,856</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 \$1,713,960 in governmental activities only. The net position of business-type activities decreased \$22,547 due to increased landfill closure costs.

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 \$4,760,535, an increase of \$1,086,963 in comparison with the prior year. Approximately 74% 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 \$1,584,004 and can be briefly summarized as follows:

- \$771,707 in increases in Public Safety
- \$546,007 in increases in Community Development
- \$266,290 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, 2015 amounted to \$37,974,839 (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, 2015:

	Governmental Activities		Business-type Activities	
	2015	2014	2015	2014
Land	\$ 2,106,648	\$ 2,092,164	\$ 415,207	\$ 415,207
Land and landfill improvements	-	-	1,076,107	1,076,107
Infrastructure	-	-	43,378,966	40,461,524
Land improvements	1,416,126	1,416,126	-	-
Buildings and other improvements	22,456,422	22,456,422	2,803,808	2,803,808
Equipment	3,090,486	2,968,919	2,555,461	2,305,745
Tenancy in common (buildings)	13,897,304	15,361,185	-	-
Construction in progress	6,780,679	6,467,298	666,119	3,017,217
Total	\$ 49,747,665	\$ 50,762,114	\$ 50,895,668	\$ 50,079,608
Less accumulated depreciation	<u>(11,772,826)</u>	<u>(11,010,658)</u>	<u>(17,568,033)</u>	<u>(16,485,939)</u>
Net capital assets	<u>\$ 37,974,839</u>	<u>\$ 39,751,456</u>	<u>\$ 33,327,635</u>	<u>\$ 33,593,669</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 \$30,895,343. Of this amount \$8,272,439 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>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Literary loans	\$ 5,250,000	\$ 5,625,000	\$ -	\$ -
VPSA bonds	3,022,439	3,838,751	-	-
Revenue bonds	13,338,105	14,711,712	11,119,485	12,124,434
Loans payable	7,651,056	7,824,497	128,496	140,451
Landfill closure/post-closure	-	-	2,269,435	2,095,109
Bond Premiums	562,144	31,350	-	-
Compensated absences	399,851	366,249	183,455	184,512
Net OPEB Obligation	106,400	93,700	15,500	13,700
Net pension liability	565,348	-	-	-
Total	\$ <u>30,895,343</u>	\$ <u>32,491,259</u>	\$ <u>13,716,371</u>	\$ <u>14,558,206</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 decreased by a net of \$2,437,751 during the current fiscal year. Governmental activities debt decreased \$1,595,916 due to scheduled debt repayments while business-type activities debt decreased \$841,835 due to bond principal payments.

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, 2015 was 5.8 percent, which is a decrease from a rate of 7.7 percent a year ago. This compares unfavorably to the state's average unemployment rate of 4.9 percent and unfavorably to the national average rate of 5.3 percent.

Inflationary trends in the region compare favorably to national indices.

The fiscal year 2016 General Fund budget increased from \$15,771,269 to \$16,070,432 or \$299,163 (2%). Fiscal year 2016 tax rates are as follows: \$0.67/\$100 Real Estate; \$5.00/\$100 Personal Property; \$4.00/\$100 Machinery and Tools; \$0.000/\$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, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,965,426	\$ 4,548,877	\$ 6,514,303
Receivables (net of allowance for uncollectibles):			
Taxes receivable	8,962,471	-	8,962,471
Accounts receivable	120,600	713,938	834,538
Notes receivable	-	-	-
Loan receivable	-	14,239	14,239
Lease receivable	-	-	-
Prepaid items	100,156	-	100,156
Due from component units	1,521,885	-	1,521,885
Long-term advance to Greensville County School Board	275,000	-	275,000
Due from other governmental units	495,114	-	495,114
Due from City of Emporia, Virginia	-	-	-
Net pension asset	-	-	-
Restricted assets:			
Cash and cash equivalents	851,942	-	851,942
Other assets:			
Loan receivable	-	645,273	645,273
Investment in industrial land	-	-	-
Investment in MaMaC	17,955	-	17,955
Capital assets (net of accumulated depreciation):			
Land	2,106,648	415,207	2,521,855
Infrastructure	-	29,715,424	29,715,424
Buildings and other improvements	28,702,319	1,910,827	30,613,146
Machinery and equipment	385,193	620,058	1,005,251
Construction in progress	6,780,679	666,119	7,446,798
Total assets	<u>\$ 52,285,388</u>	<u>\$ 39,249,962</u>	<u>\$ 91,535,350</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	\$ -	\$ 79,340	\$ 79,340
Pension contributions subsequent to measurement date	423,042	-	423,042
Total deferred outflows of resources	<u>\$ 423,042</u>	<u>\$ 79,340</u>	<u>\$ 502,382</u>
LIABILITIES			
Reconciled overdraft payable	\$ 474,557	\$ -	\$ 474,557
Accounts payable	89,649	319,287	408,936
Accrued liabilities	-	-	-
Accrued interest payable	321,627	28,335	349,962
Deferred grant	33,000	-	33,000
Due to primary government	-	-	-
Long-term advance from primary government	-	-	-
Due to City of Emporia	67,077	-	67,077
Long-term advance from Emporia	-	-	-
Debt service reserve - Greensville	-	-	-
Long-term liabilities:			
Due within one year	2,482,364	761,423	3,243,787
Due in more than one year	28,412,979	12,954,948	41,367,927
Total liabilities	<u>\$ 31,881,253</u>	<u>\$ 14,063,993</u>	<u>\$ 45,945,246</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	\$ 8,582,665	\$ -	\$ 8,582,665
Changes in proportionate share of employer contributions	-	-	-
Net difference of actual and expected pension asset earnings	1,133,656	-	1,133,656
Total deferred inflows of resources	<u>\$ 9,716,321</u>	<u>\$ -</u>	<u>\$ 9,716,321</u>
NET POSITION			
Net investment in capital assets	\$ 8,617,330	\$ 22,261,976	\$ 30,879,306
Restricted:			
Debt service	851,942	-	851,942
Employee benefits	-	-	-
Unrestricted	1,641,584	3,003,333	4,644,917
Total net position	<u>\$ 11,110,856</u>	<u>\$ 25,265,309</u>	<u>\$ 36,376,165</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 52,708,430</u>	<u>\$ 39,329,302</u>	<u>\$ 92,037,732</u>

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

Exhibit 1

			Component Units		
			Department	Industrial	
School	Department	Industrial	of Social	Development	Authority
Board	of Social	Development	Services	Authority	
\$ 3,570,117	\$ 256,574	\$ 209,662			
-	-	-			
-	-	-			
-	-	7,405			
-	-	-			
-	-	3,750			
174,183	-	-			
-	-	-			
-	-	-			
1,771,936	144,155	-			
-	383,990	-			
192,203	-	-			
-	36,716	263,015			
-	-	-			
-	-	18,331,098			
-	-	-			
442,775	-	-			
-	-	2,238,040			
10,960,935	-	-			
2,192,597	21,453	-			
-	-	-			
<u>\$ 19,304,746</u>	<u>\$ 842,888</u>	<u>\$ 21,052,970</u>			
\$ -	\$ -	\$ -			
1,793,153	149,373	-			
<u>\$ 1,793,153</u>	<u>\$ 149,373</u>	<u>\$ -</u>			
\$ -	\$ -	\$ -			
725,758	-	-			
1,889,178	-	-			
-	-	3,151			
-	-	-			
987,959	533,926	-			
275,000	-	-			
292,844	-	-			
225,000	-	-			
-	-	159,186			
-	12,978	176,418			
19,765,100	1,363,958	1,670,637			
<u>\$ 24,160,839</u>	<u>\$ 1,910,862</u>	<u>\$ 2,009,392</u>			
\$ -	\$ -	\$ -			
717,000	-	-			
3,238,271	334,997	-			
<u>\$ 3,955,271</u>	<u>\$ 334,997</u>	<u>\$ -</u>			
\$ 13,596,307	\$ 21,453	\$ 494,814			
-	-	-			
-	36,716	-			
(20,614,518)	(1,311,767)	18,548,764			
<u>\$ (7,018,211)</u>	<u>\$ (1,253,598)</u>	<u>\$ 19,043,578</u>			
<u>\$ 21,097,899</u>	<u>\$ 992,261</u>	<u>\$ 21,052,970</u>			

COUNTY OF GREENSVILLE, VIRGINIA

Statement of Activities
 For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government administration	\$ 2,097,464	\$ 133,197	\$ 200,114	\$ -
Judicial administration	969,469	206,681	1,009,675	-
Public safety	3,684,666	1,415,704	857,940	25,813
Public works	1,269,576	104,384	-	-
Health and welfare	1,163,185	-	-	-
Education	3,428,331	-	15,529	-
Parks, recreation, and cultural	390,015	-	-	-
Community development	1,293,747	-	34,179	689,885
Interest on long-term debt	1,190,406	-	-	-
Total governmental activities	\$ 15,486,859	\$ 1,859,966	\$ 2,117,437	\$ 715,698
Business-type activities:				
Solid Waste	\$ 1,023,273	\$ 841,831	\$ -	\$ -
Water and Sewer Authority	4,128,934	4,050,361	-	141,629
Total business-type activities	\$ 5,152,207	\$ 4,892,192	\$ -	\$ 141,629
Total primary government	\$ 20,639,066	\$ 6,752,158	\$ 2,117,437	\$ 857,327
Component Units:				
School Board	\$ 27,052,427	\$ 4,184,471	\$ 20,437,964	\$ -
Department of Social Services	2,099,187	-	1,993,958	-
Industrial Development Authority	313,017	302,192	-	-
Total component units	\$ 29,464,631	\$ 4,486,663	\$ 22,431,922	\$ -
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				
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, as restated				
Net position - ending				

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

Net (Expense) Revenue and Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	School Board	Department of Social Services	Industrial Development Authority	
\$ (1,764,153)	\$ -	\$ (1,764,153)	\$ -	\$ -	\$ -	\$ -
246,887	-	246,887	-	-	-	-
(1,385,209)	-	(1,385,209)	-	-	-	-
(1,165,192)	-	(1,165,192)	-	-	-	-
(1,163,185)	-	(1,163,185)	-	-	-	-
(3,412,802)	-	(3,412,802)	-	-	-	-
(390,015)	-	(390,015)	-	-	-	-
(569,683)	-	(569,683)	-	-	-	-
(1,190,406)	-	(1,190,406)	-	-	-	-
<u>\$ (10,793,758)</u>	<u>\$ -</u>	<u>\$ (10,793,758)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ (181,442)	\$ (181,442)	\$ -	\$ -	\$ -	\$ -
-	63,056	63,056	-	-	-	-
<u>\$ -</u>	<u>\$ (118,386)</u>	<u>\$ (118,386)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ (10,793,758)</u>	<u>\$ (118,386)</u>	<u>\$ (10,912,144)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (2,429,992)	\$ -	\$ -	\$ -
-	-	-	-	(105,229)	-	-
-	-	-	-	-	-	(10,825)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,429,992)</u>	<u>\$ (105,229)</u>	<u>\$ -</u>	<u>\$ (10,825)</u>
\$ 7,483,451	\$ -	\$ 7,483,451	\$ -	\$ -	\$ -	\$ -
292,793	-	292,793	-	-	-	-
996,244	-	996,244	-	-	-	-
417,991	-	417,991	-	-	-	-
189,988	-	189,988	-	-	-	-
192,835	-	192,835	-	-	-	-
221,677	-	221,677	-	-	-	-
307,672	34,112	341,784	173	195	-	155
334,407	55,370	389,777	228,719	5,169	-	-
2,070,660	6,357	2,077,017	3,325,208	-	-	-
<u>\$ 12,507,718</u>	<u>\$ 95,839</u>	<u>\$ 12,603,557</u>	<u>\$ 3,554,100</u>	<u>\$ 5,364</u>	<u>\$ -</u>	<u>\$ 155</u>
\$ 1,713,960	\$ (22,547)	\$ 1,691,413	\$ 1,124,108	\$ (99,865)	\$ -	\$ (10,670)
9,396,896	25,287,856	34,684,752	(8,142,319)	(1,153,733)	-	19,054,248
<u>\$ 11,110,856</u>	<u>\$ 25,265,309</u>	<u>\$ 36,376,165</u>	<u>\$ (7,018,211)</u>	<u>\$ (1,253,598)</u>	<u>\$ -</u>	<u>\$ 19,043,578</u>

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Fund Financial Statements

Balance Sheet
 Governmental Funds
 June 30, 2015

	General	Comprehensive Services Act Fund	Capital Projects Fund	Total
ASSETS				
Cash and cash equivalents	\$ 1,909,262	\$ 56,164	\$ -	\$ 1,965,426
Receivables (net of allowance for uncollectibles):				
Taxes receivable	8,962,471	-	-	8,962,471
Accounts receivable	120,600	-	-	120,600
Prepaid items	100,156	-	-	100,156
Due from component units	1,521,885	-	-	1,521,885
Advance to Component Unit - School Board	275,000	-	-	275,000
Due from other governmental units	329,332	165,782	-	495,114
Due from other funds		43,529		43,529
Restricted assets:				
Cash and cash equivalents	851,942	-	-	851,942
Total assets	\$ 14,070,648	\$ 265,475	\$ -	\$ 14,336,123
LIABILITIES				
Reconciled overdraft	\$ -	\$ -	\$ 474,557	\$ 474,557
Accounts payable	89,649	-	-	89,649
Deferred grant	33,000	-	-	33,000
Due to City of Emporia	-	67,077	-	67,077
Due to other funds	43,529	-	-	43,529
Total liabilities	\$ 166,178	\$ 67,077	\$ 474,557	\$ 707,812
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	\$ 8,867,776	\$ -	\$ -	\$ 8,867,776
FUND BALANCES:				
Nonspendable	\$ 100,156	\$ -	\$ -	\$ 100,156
Restricted:				
Debt service	851,942	-	-	851,942
Education	275,000	-	-	275,000
Unassigned	3,809,596	198,398	(474,557)	3,533,437
Total fund balances	\$ 5,036,694	\$ 198,398	\$ (474,557)	\$ 4,760,535
Total liabilities, deferred inflows of resources and fund balances	\$ 14,070,648	\$ 265,475	\$ -	\$ 14,336,123

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, 2015

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds		\$ 4,760,535
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		37,974,839
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Unavailable property taxes	\$ 285,111	
Items related to measurement of net pension liability	<u>(1,133,656)</u>	(848,545)
Investment in joint venture - MaMaC		17,955
Pension contributions subsequent to the measurement date will be a reduction to the net pension liability in the next fiscal year and, therefore, are not reported in the funds.		423,042
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	\$ (321,627)	
Long-term obligations	<u>(30,895,343)</u>	<u>(31,216,970)</u>
Net position of governmental activities		<u>\$ 11,110,856</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, 2015

	General	Comprehensive Services Act Fund	Capital Projects Fund	Total
REVENUES				
General property taxes	\$ 7,563,155	\$ -	\$ -	\$ 7,563,155
Other local taxes	2,311,528	-	-	2,311,528
Permits, privilege fees, and regulatory licenses	65,548	-	-	65,548
Fines and forfeitures	1,352,443	-	-	1,352,443
Revenue from the use of money and property	307,672	-	-	307,672
Charges for services	441,975	-	-	441,975
Miscellaneous	192,151	15,534	126,722	334,407
Recovered costs	1,385,910	135,331	-	1,521,241
Intergovernmental:				
Commonwealth	3,775,295	689,121	27,205	4,491,621
Federal	367,466	-	44,708	412,174
Total revenues	<u>\$ 17,763,143</u>	<u>\$ 839,986</u>	<u>\$ 198,635</u>	<u>\$ 18,801,764</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,709,267	\$ -	\$ -	\$ 1,709,267
Judicial administration	1,192,644	-	-	1,192,644
Public safety	4,360,275	-	-	4,360,275
Public works	1,513,883	-	-	1,513,883
Health and welfare	314,452	1,005,389	-	1,319,841
Education	2,020,476	-	-	2,020,476
Parks, recreation, and cultural	363,576	-	-	363,576
Community development	1,458,607	-	-	1,458,607
Nondepartmental	31,198	-	-	31,198
Capital projects	-	-	317,898	317,898
Debt service:				
Principal retirement	2,342,227	-	-	2,342,227
Interest and other fiscal charges	1,219,570	-	-	1,219,570
Total expenditures	<u>\$ 16,526,175</u>	<u>\$ 1,005,389</u>	<u>\$ 317,898</u>	<u>\$ 17,849,462</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,236,968</u>	<u>\$ (165,403)</u>	<u>\$ (119,263)</u>	<u>\$ 952,302</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 18,649	\$ 165,403	\$ 112,533	\$ 296,585
Transfers (out)	(277,936)	-	(18,649)	(296,585)
Payments on bond anticipation note	(4,163,295)	-	-	(4,163,295)
Issuance of loan	4,221,914	-	-	4,221,914
Issuance of bonds	-	-	76,042	76,042
Total other financing sources (uses)	<u>\$ (200,668)</u>	<u>\$ 165,403</u>	<u>\$ 169,926</u>	<u>\$ 134,661</u>
Net change in fund balances	\$ 1,036,300	\$ -	\$ 50,663	\$ 1,086,963
Fund balances - beginning	<u>4,000,394</u>	<u>198,398</u>	<u>(525,220)</u>	<u>3,673,572</u>
Fund balances - ending	<u>\$ 5,036,694</u>	<u>\$ 198,398</u>	<u>\$ (474,557)</u>	<u>\$ 4,760,535</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, 2015

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

Net change in fund balances - total governmental funds	\$	1,086,963
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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	\$	449,432	
Depreciation expense		(807,905)	
Net transfer of assets to School Board		<u>(1,418,144)</u>	(1,776,617)

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

Property taxes	\$	(79,704)	
Change in deferred inflows of resources related to the measurement of the net pension liability		<u>(1,133,656)</u>	(1,213,360)

Net change in investment in joint venture			(17,906)
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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 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	\$	(4,297,956)	
Principal retirement on long-term obligations		<u>6,505,522</u>	2,207,566

Decrease in accrued interest payable	\$	29,164	
(Increase) in compensated absences		(33,602)	
Decrease in net pension liability		1,459,643	
(Decrease) in deferred outflows of resources related to pension contributions subsequent to measurement date		(15,191)	
(Increase) in net OBEB obligation		<u>(12,700)</u>	<u>1,427,314</u>

Change in net position of governmental activities	\$	<u><u>1,713,960</u></u>
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The notes to the financial statements are an integral part of this statement.

Statement of Net Position
 Proprietary Funds
 June 30, 2015

	Enterprise Funds		
	Solid Waste	Water & Sewer Authority	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,680,670	\$ 738,144	\$ 4,418,814
Cash in hands of trustee	-	130,063	130,063
Accounts receivable, net of allowance for uncollectibles	162,931	551,007	713,938
Loan receivable, current portion	-	14,239	14,239
Total current assets	\$ 3,843,601	\$ 1,433,453	\$ 5,277,054
Noncurrent assets:			
Loan receivable, net of current portion	\$ -	\$ 645,273	\$ 645,273
Capital assets:			
Land	\$ -	\$ 415,207	\$ 415,207
Infrastructure	4,729,910	39,725,163	44,455,073
Building and other improvements	-	2,803,808	2,803,808
Equipment	1,614,058	941,403	2,555,461
Less accumulated depreciation	(2,061,004)	(15,507,029)	(17,568,033)
Construction in progress	-	666,119	666,119
Total capital assets	\$ 4,282,964	\$ 29,044,671	\$ 33,327,635
Total noncurrent assets	\$ 4,282,964	\$ 29,689,944	\$ 33,972,908
Total assets	\$ 8,126,565	\$ 31,123,397	\$ 39,249,962
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	\$ -	\$ 79,340	\$ 79,340
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 29,394	\$ 289,893	\$ 319,287
Accrued interest payable	28,335	-	28,335
Compensated absences - current portion	2,313	16,033	18,346
Long-term obligations - current portion	103,731	639,346	743,077
Total current liabilities	\$ 163,773	\$ 945,272	\$ 1,109,045
Noncurrent liabilities:			
Accrued closure and postclosure landfill costs	\$ 2,269,435	\$ -	\$ 2,269,435
Compensated absences - net of current portion	20,809	144,300	165,109
Net OPEB obligation	-	15,500	15,500
Bonds and notes payable - net of current portion	2,885,746	7,619,158	10,504,904
Total noncurrent liabilities	\$ 5,175,990	\$ 7,778,958	\$ 12,954,948
Total liabilities	\$ 5,339,763	\$ 8,724,230	\$ 14,063,993
NET POSITION			
Net Investment in capital assets	\$ 1,397,218	\$ 20,864,758	\$ 22,261,976
Unrestricted	1,389,584	1,613,749	3,003,333
Total net position	\$ 2,786,802	\$ 22,478,507	\$ 25,265,309

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, 2015

	Enterprise Funds		
	Solid Waste	Water & Sewer Authority	Total
OPERATING REVENUES			
Charges for services:			
Disposal fees	\$ 841,831	\$ -	\$ 841,831
Metered sales - water	-	1,781,165	1,781,165
User fees - sewer	-	2,170,960	2,170,960
Penalties	-	43,403	43,403
Other revenues	-	54,833	54,833
Total operating revenues	\$ 841,831	\$ 4,050,361	\$ 4,892,192
OPERATING EXPENSES			
Personnel services	\$ 156,495	\$ -	\$ 156,495
Fringe benefits	56,348	-	56,348
Contractual services	128,022	-	128,022
Internal services	95,000	-	95,000
Other charges	136,088	-	136,088
Water and sewer operations	-	2,793,026	2,793,026
Depreciation	176,843	905,251	1,082,094
Landfill closure costs	174,326	-	174,326
Total operating expenses	\$ 923,122	\$ 3,698,277	\$ 4,621,399
Operating income (loss)	\$ (81,291)	\$ 352,084	\$ 270,793
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	\$ 6,357	\$ -	\$ 6,357
Interest expense	(100,151)	(321,749)	(421,900)
Interest income	7,025	27,087	34,112
Other nonoperating revenues	-	55,370	55,370
Other nonoperating expenses	-	(108,908)	(108,908)
Total nonoperating revenues (expenses)	\$ (86,769)	\$ (348,200)	\$ (434,969)
Income before capital contributions	\$ (168,060)	\$ 3,884	\$ (164,176)
Capital contributions and connection charges	\$ -	\$ 141,629	\$ 141,629
Total capital contributions	\$ -	\$ 141,629	\$ 141,629
Change in net position	\$ (168,060)	\$ 145,513	\$ (22,547)
Total net position - beginning	2,954,862	22,332,994	25,287,856
Total net position - ending	\$ 2,786,802	\$ 22,478,507	\$ 25,265,309

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, 2015

	Enterprise Funds		
	Solid Waste	Water & Sewer Authority	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 833,322	\$ 4,018,655	\$ 4,851,977
Payments to suppliers of goods and services	(98,628)	(1,739,149)	(1,837,777)
Payments to employees	(212,849)	(1,101,480)	(1,314,329)
Payments for interfund services used	(95,000)	-	(95,000)
Payments for other charges	(136,088)	-	(136,088)
Net cash provided by (used for) operating activities	<u>\$ 290,757</u>	<u>\$ 1,178,026</u>	<u>\$ 1,468,783</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Nonoperating grants from Commonwealth of Virginia	\$ 6,357	\$ -	\$ 6,357
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	\$ (246,262)	\$ (569,798)	\$ (816,060)
Other nonoperating income	-	55,370	55,370
Capital contributions and connection charges	-	141,629	141,629
Interest payments	(100,692)	(365,217)	(465,909)
Proceeds from bonds receivable	-	138,566	138,566
Premium received on bond issuance	-	132,945	132,945
Proceeds from bonds payable	-	2,105,000	2,105,000
Principal payments on loans receivable	-	232,808	232,808
Other nonoperating expenses	-	(108,908)	(108,908)
Retirement of indebtedness	(103,731)	(3,151,118)	(3,254,849)
Net cash provided by (used for) capital and related financing activities	<u>\$ (450,685)</u>	<u>\$ (1,388,723)</u>	<u>\$ (1,839,408)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	\$ 7,025	\$ 27,087	\$ 34,112
Net increase (decrease) in cash and cash equivalents	\$ (146,546)	\$ (183,610)	\$ (330,156)
Cash and cash equivalents - beginning	3,827,216	1,051,817	4,879,033
Cash and cash equivalents - ending	<u>\$ 3,680,670</u>	<u>\$ 868,207</u>	<u>\$ 4,548,877</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (81,291)	\$ 352,084	\$ 270,793
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	\$ 176,843	\$ 905,251	\$ 1,082,094
Amortization of closure and postclosure costs	174,326	-	174,326
(Increase) decrease in accounts receivable	(8,509)	(31,706)	(40,215)
Increase (decrease) in accounts payable	29,394	(48,351)	(18,957)
Increase (decrease) in compensated absences	(6)	(1,052)	(1,058)
Increase in net OPEB obligation	-	1,800	1,800
Total adjustments	<u>\$ 372,048</u>	<u>\$ 825,942</u>	<u>\$ 1,197,990</u>
Net cash provided by (used for) operating activities	<u>\$ 290,757</u>	<u>\$ 1,178,026</u>	<u>\$ 1,468,783</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, 2015

Note 1—Summary of Significant Accounting Policies:

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 accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board, and the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia. 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 component units. 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 (governmental 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.

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

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, 2014 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, 2015 (Continued)

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

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 Governmental 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 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, 2015 (Continued)

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

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 Greensville and the City of Emporia. The Authority is governed by a Board of Directors appointed by the Board of Supervisors of the County of Greensville and City of Emporia, Virginia. The Board of Directors has appointed the Treasurer of Greensville 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.

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

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.

c. Comprehensive Services Act Fund

The Comprehensive Services Act Fund accounts for and reports activity of the CSA program as mandated by the Commonwealth of Virginia. The CSA fund is considered a major fund for reporting purposes.

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

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

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.

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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

E. Budgets and Budgetary Accounting: (Continued)

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.

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). All other outstanding balances between funds are reported as "advances 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 \$203,254 at June 30, 2015 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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

H. Capital Assets: (Continued)

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, 2015 was immaterial.

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. 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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

L. 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 2015 Lease Revenue Bond		380,787
Series 2011 Lease Revenue Bond		85,447
Total restricted cash, Exhibit 3	\$	<u>851,942</u>
Total restricted cash, Exhibit 1	\$	<u><u>851,942</u></u>

M. 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 Balance Reporting and Governmental Fund Type Definitions*, 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, 2015 (Continued)

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

M. Fund Balances: (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.

N. Designated Cash

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

Designated for new equipment	\$ 198,057
Designated for postclosure monitoring	1,147,332
Designated for landfill closure	<u>1,444,611</u>
Total designated cash	<u>\$ 2,790,000</u>

O. 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.

P. 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.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County of Greensville, Virginia's Retirement Plan and the additions to/deductions from the County of Greensville, Virginia's Retirement Plan net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

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 has two items that qualify for reporting in this category. One item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is comprised of contributions to the pension plan made during the current year and subsequent to the net pension liability measurement date, which will be recognized as a reduction of the net pension liability next fiscal year. For more detailed information on these items, reference the pension note.

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 two types of items that qualify 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 uncollected property taxes due prior to June 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension liability are reported as deferred inflows of resources. These include differences between expected and actual experience, change in assumptions, and the net difference between projected and actual earnings on pension plan investments. For more detailed information on these items, reference the pension note.

Note 2—Deposits and Investments:

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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 2—Deposits and Investments: (Continued)

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, 2015 were rated by Standard & Poor's and the ratings are presented below using Standard & Poor's rating scale.

<u>County's Rated Debt Investments' Values</u>			
<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>		
	<u>AAA</u>	<u>AAAm</u>	
U.S. Agencies Money Market	\$ 811,983	\$	-
Virginia State Non-Arbitrage Pool	-		85,447
Local Government Investment Pool	-		366,048
Total	\$ <u>811,983</u>	\$	<u>451,495</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, 2015 (Continued)

Note 3—Due From/To Other Governmental Units:

At June 30, 2015, the County has receivables from other governments as follows:

Primary Government:

Commonwealth of Virginia:

Local Sales Tax	\$	89,594
Communications Tax		29,008
Comprehensive Services Act		165,782
Other State Funds		190,488
Total due from Commonwealth of Virginia	\$	<u>474,872</u>

Federal government:

Highway Construction	\$	
Emergency Preparedness		
Community Development Block Grant		20,242
Total due from federal government	\$	<u>20,242</u>

Total Due From Other Governmental Units \$ 495,114

Discretely Presented Component Units:

School Board:

State Sales Tax	\$	448,424
Federal School Funds		<u>1,323,512</u>
Total School Board	\$	<u>1,771,936</u>

Department of Social Services:

State Public assistance	\$	44,356
Federal Public assistance		<u>99,799</u>

Total Department of Social Services \$ 144,155

Total Discretely Presented Component Units \$ 1,916,091

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 4—Capital Assets:

Primary Government:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,092,164	\$ 14,484	\$ -	\$ 2,106,648
Construction in progress	<u>6,467,298</u>	<u>313,381</u>	<u>-</u>	<u>6,780,679</u>
Total capital assets not being depreciated	<u>\$ 8,559,462</u>	<u>\$ 327,865</u>	<u>\$ -</u>	<u>\$ 8,887,327</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 22,456,422	\$ -	\$ -	\$ 22,456,422
Land Improvements	1,416,126	-	-	1,416,126
Machinery and Equipment	2,968,919	121,567	-	3,090,486
Jointly owned assets	<u>15,361,185</u>	<u>-</u>	<u>1,463,881</u>	<u>13,897,304</u>
Total capital assets being depreciated	<u>\$ 42,202,652</u>	<u>\$ 121,567</u>	<u>\$ 1,463,881</u>	<u>\$ 40,860,338</u>
Accumulated depreciation:				
Buildings and improvements	\$ 5,037,108	\$ 561,411	\$ -	\$ 5,598,519
Land Improvements	485,492	70,806	-	556,298
Machinery and Equipment	2,529,605	175,688	-	2,705,293
Jointly owned assets	<u>2,958,453</u>	<u>338,545</u>	<u>384,282</u>	<u>2,912,716</u>
Total accumulated depreciation	<u>\$ 11,010,658</u>	<u>\$ 1,146,450</u>	<u>\$ 384,282</u>	<u>\$ 11,772,826</u>
Total capital assets being depreciated, net	<u>\$ 31,191,994</u>	<u>\$ (1,024,883)</u>	<u>\$ 1,079,599</u>	<u>\$ 29,087,512</u>
Governmental activities capital assets, net	<u>\$ 39,751,456</u>	<u>\$ (697,018)</u>	<u>\$ 1,079,599</u>	<u>\$ 37,974,839</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 415,207	\$ -	\$ -	\$ 415,207
Construction in progress	<u>3,017,217</u>	<u>502,807</u>	<u>2,853,905</u>	<u>666,119</u>
Total capital assets not being depreciated	<u>\$ 3,432,424</u>	<u>\$ 502,807</u>	<u>\$ 2,853,905</u>	<u>\$ 1,081,326</u>
Capital assets being depreciated:				
Infrastructure	\$ 41,537,631	\$ 2,917,442	\$ -	\$ 44,455,073
Buildings and other improvements	2,803,808	-	-	2,803,808
Machinery and Equipment	<u>2,305,745</u>	<u>249,716</u>	<u>-</u>	<u>2,555,461</u>
Total capital assets being depreciated	<u>\$ 46,647,184</u>	<u>\$ 3,167,158</u>	<u>\$ -</u>	<u>\$ 49,814,342</u>
Accumulated depreciation:				
Infrastructure	\$ 13,782,882	\$ 956,767	\$ -	\$ 14,739,649
Buildings and other improvements	891,165	1,816	-	892,981
Machinery and Equipment	<u>1,811,892</u>	<u>123,511</u>	<u>-</u>	<u>1,935,403</u>
Total accumulated depreciation	<u>\$ 16,485,939</u>	<u>\$ 1,082,094</u>	<u>\$ -</u>	<u>\$ 17,568,033</u>
Total capital assets being depreciated, net	<u>\$ 30,161,245</u>	<u>\$ 2,085,064</u>	<u>\$ -</u>	<u>\$ 32,246,309</u>
Business-type activities, net	<u>\$ 33,593,669</u>	<u>\$ 2,587,871</u>	<u>\$ 2,853,905</u>	<u>\$ 33,327,635</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 4—Capital Assets: (Continued)

Discretely Presented Component Unit School Board:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</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	5,313,589	556,903	-	5,870,492
Jointly owned assets	(15,361,185)	1,463,881	-	(13,897,304)
Total capital assets being depreciated	\$ 25,458,638	\$ 2,020,784	\$ -	\$ 27,479,422
Accumulated depreciation:				
Buildings and improvements	\$ 12,721,063	\$ 839,648	\$ -	\$ 13,560,711
Machinery and equipment	3,346,568	331,327	-	3,677,895
Jointly owned assets	(2,958,453)	384,282	338,545	(2,912,716)
Total accumulated depreciation	\$ 13,109,178	\$ 1,555,257	\$ 338,545	\$ 14,325,890
Total capital assets being depreciated, net	\$ 12,349,460	\$ 465,527	\$ (338,545)	\$ 13,153,532
Governmental activities capital assets, net	\$ 12,792,235	\$ 465,527	\$ (338,545)	\$ 13,596,307

Discretely Presented Component Unit Department of Social Services:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Capital assets being depreciated:				
Machinery and equipment	\$ 87,183	\$ -	\$ -	\$ 87,183
Accumulated depreciation:				
Machinery and equipment	\$ 55,003	\$ 10,727	\$ -	\$ 65,730
Total capital assets being depreciated, net	\$ 32,180	\$ (10,727)	\$ -	\$ 21,453

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 4—Capital Assets: (Continued)

Discretely Presented Component Unit Industrial Development Authority:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Capital assets being depreciated:				
Buildings	\$ 4,012,951	\$ -	\$ -	\$ 4,012,951
Accumulated depreciation:				
Buildings	\$ 1,641,146	\$ 133,765	\$ -	\$ 1,774,911
Total accumulated depreciation	\$ 1,641,146	\$ 133,765	\$ -	\$ 1,774,911
Total capital assets being depreciated, net	<u>\$ 2,371,805</u>	<u>\$ (133,765)</u>	<u>\$ -</u>	<u>\$ 2,238,040</u>

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

Governmental activities

General government administration	\$ 461,121
Judicial administration	42,124
Public safety	95,897
Public works	41,967
Education	363,011
Parks and recreation	11,146
Community development	<u>131,184</u>

Total \$ 1,146,450

Business-type activities \$ 1,082,094

Component Unit-School Board \$ 1,555,257

Component Unit-School Department of Social Services \$ 10,727

Component Unit-School Industrial Development Authority \$ 133,765

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

<u>Fund</u>	<u>Due From Primary Government/ Component Unit</u>	<u>Due To Primary Government/ Component Unit</u>
Primary Government:		
Governmental Funds	\$ 1,529,992	\$ -
Discretely Presented Component Units:		
School Board:		
School Operating Fund	-	987,959
Department of Social Services:		
Virginia Public Assistance Fund	-	542,033
Total	<u>\$ 1,529,992</u>	<u>\$ 1,529,992</u>
Interfund Transfers:		
<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ 18,649	\$ 277,936
Comprehensive Services Act Fund	165,403	-
Capital Projects Fund	112,533	18,649
Total	<u>\$ 296,585</u>	<u>\$ 296,585</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (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, 2015:

	Balance July 1, 2014, as restated	Issuances/ Additions	Retirements/ Deletions	Balance June 30, 2015	Due Within One Year
Primary Government:					
<u>Governmental Activities</u>					
Revenue bonds	\$ 14,711,712	\$ 3,690,000	\$ 5,063,607	\$ 13,338,105	\$ 939,753
Premium on bonds	31,350	531,914	1,120	562,144	42,036
USDA loans	6,499,009	76,042	178,054	6,396,997	186,247
Note payable	1,325,488	-	71,429	1,254,059	74,450
Literary fund loans	5,625,000	-	375,000	5,250,000	375,000
VPSA bonds	3,838,751	-	816,312	3,022,439	824,893
Net OPEB obligation	93,700	16,200	3,500	106,400	-
Net pension liability	2,024,991	1,727,119	3,186,762	565,348	-
Compensated absences	366,249	33,602	-	399,851	39,985
Total Governmental Activities	<u>\$ 34,516,250</u>	<u>\$ 6,074,877</u>	<u>\$ 9,695,784</u>	<u>\$ 30,895,343</u>	<u>\$ 2,482,364</u>
<u>Business-type Activities</u>					
Revenue bonds	\$ 11,205,000	\$ 2,105,000	\$ 3,155,000	\$ 10,155,000	\$ 665,000
Premium on bonds	919,434	132,945	87,894	964,485	65,700
Note payable	140,451	-	11,955	128,496	12,377
Landfill closure and postclosure liability	2,095,109	174,326	-	2,269,435	-
Net OPEB obligation	13,700	4,600	2,800	15,500	-
Compensated absences	184,512	-	1,057	183,455	18,346
Total Business-type Activities	<u>\$ 14,558,206</u>	<u>\$ 2,416,871</u>	<u>\$ 3,258,706</u>	<u>\$ 13,716,371</u>	<u>\$ 761,423</u>
Component Unit Industrial Development Authority					
Notes payable	<u>\$ 1,816,092</u>	<u>\$ 1,075,000</u>	<u>\$ 1,044,037</u>	<u>\$ 1,847,055</u>	<u>\$ 176,418</u>
Component Unit Department of Social Services					
Compensated absences	\$ 136,231	\$ -	\$ 6,447	\$ 129,784	\$ 12,978
Net pension liability	1,650,663	548,565	952,076	1,247,152	-
Total Department of Social Services	<u>\$ 1,786,894</u>	<u>\$ 548,565</u>	<u>\$ 958,523</u>	<u>\$ 1,376,936</u>	<u>\$ 12,978</u>
Component Unit Department School Board					
Net OPEB obligation	\$ 185,800	\$ 65,200	\$ 35,900	\$ 215,100	\$ -
Net pension liability	23,160,000	1,388,000	4,998,000	19,550,000	-
Total School Board	<u>\$ 23,345,800</u>	<u>\$ 1,453,200</u>	<u>\$ 5,033,900</u>	<u>\$ 19,765,100</u>	<u>\$ -</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Primary Government—Governmental Activities:

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

Year Ending June 30,	Primary Government					
	Revenue Bonds		VPSA Bonds		Note payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 939,753	\$ 507,034	\$ 824,893	\$ 152,664	\$ 74,450	\$ 50,638
2017	962,004	481,029	833,971	110,452	77,600	47,489
2018	999,362	421,541	843,575	67,715	80,882	44,206
2019	1,047,834	394,638	160,000	43,289	84,303	40,785
2020	1,090,425	348,773	45,000	40,356	87,869	37,219
2021	750,141	311,491	45,000	40,356	91,586	33,503
2022	777,987	281,454	45,000	40,356	95,460	29,629
2023	813,971	250,090	45,000	40,356	99,498	25,591
2024	844,098	217,280	45,000	40,356	103,706	21,382
2025	835,530	183,655	45,000	40,356	108,093	16,996
2026	847,000	150,899	45,000	40,356	112,665	12,423
2027	880,000	117,011	45,000	40,356	117,431	7,658
2028	908,000	85,509	-	-	120,516	417
2029	552,000	62,722	-	-	-	-
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>\$ 13,338,105</u>	<u>\$ 4,150,703</u>	<u>\$ 3,022,439</u>	<u>\$ 696,968</u>	<u>\$ 1,254,059</u>	<u>\$ 367,936</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (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 June 30,	Primary Government					
	Capital Lease		Literary Loans		USDA Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ -	\$ -	\$ 375,000	\$ 105,000	\$ 186,247	\$ 244,310
2017	-	-	375,000	97,500	183,479	237,795
2018	-	-	375,000	90,000	188,333	231,005
2019	-	-	375,000	82,500	167,465	224,003
2020	-	-	375,000	75,000	153,639	217,799
2021	-	-	375,000	67,500	159,323	212,115
2022	-	-	375,000	60,000	165,293	206,145
2023	-	-	375,000	52,500	171,450	199,988
2024	-	-	375,000	45,000	177,838	193,600
2025	-	-	375,000	37,500	184,432	187,006
2026	-	-	375,000	30,000	191,341	180,097
2027	-	-	375,000	22,500	198,476	172,962
2028	-	-	375,000	15,000	205,879	165,559
2029	-	-	375,000	7,500	213,529	157,909
2030	-	-	-	-	221,528	149,910
2031	-	-	-	-	229,797	141,641
2032	-	-	-	-	225,213	133,061
2033	-	-	-	-	219,525	124,653
2034	-	-	-	-	132,948	115,552
2035	-	-	-	-	135,952	110,362
2036	-	-	-	-	121,693	105,020
2037	-	-	-	-	126,445	100,269
2038	-	-	-	-	131,431	95,282
2039	-	-	-	-	136,591	90,122
2040	-	-	-	-	141,957	84,756
2041	-	-	-	-	147,518	79,195
2042	-	-	-	-	153,335	73,378
2043	-	-	-	-	159,366	67,347
2044	-	-	-	-	165,637	61,076
2045	-	-	-	-	172,145	54,568
2046	-	-	-	-	178,936	47,777
2047	-	-	-	-	185,986	40,727
2048	-	-	-	-	193,316	33,397
2049	-	-	-	-	200,932	25,781
2050	-	-	-	-	179,284	17,849
2051	-	-	-	-	143,796	10,707
2052	-	-	-	-	127,605	5,321
2053	-	-	-	-	19,337	688
Total	\$ -	\$ -	\$ 5,250,000	\$ 787,500	\$ 6,396,997	\$ 4,598,732

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Primary Government—Business-type Activities:

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

Year Ended Sept. 30,	Water and Sewer Revenue Bonds							
	2004		2013 Refunding		2012B		2011B	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 15,000	\$ 18,086	\$ 335,000	\$ 51,744	\$ 5,000	\$ 9,375	\$ 60,000	\$ 71,500
2016	15,000	17,422	345,000	43,625	5,000	9,169	60,000	68,625
2017	15,000	16,808	355,000	36,519	5,000	8,963	65,000	66,150
2018	15,000	16,192	365,000	25,425	5,000	8,706	65,000	63,019
2019	15,000	15,578	375,000	15,469	5,000	8,450	70,000	60,588
2020	15,000	14,962	-	-	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	\$ 400,000	\$ 219,011	\$ 1,775,000	\$ 172,782	\$ 230,000	\$ 125,704	\$ 1,480,000	\$ 736,090
Premium on bonds payable			111,576		-		185,692	
Less unamortized discount on bond issuance			-		-		-	
Total			\$ 1,886,576		\$ 230,000		\$ 1,665,692	

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (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 Ended Sept. 30,	Infrastructure Revenue Bonds		Note Payable	
	Principal	Interest	Principal	Interest
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	\$ 3,665,000	\$ 1,695,918	\$ 128,496	\$ 22,351
Premium on bonds payable	<u>282,740</u>			
Total	\$ <u>3,947,740</u>			

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (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 Ended June 30,	Landfill Revenue Bonds	
	2013	
	Principal	Interest
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	<u>200,000</u>	<u>4,250</u>
Total	\$ 2,605,000	\$ <u>1,251,422</u>
Premium	<u>384,477</u>	
Total	\$ <u>2,989,477</u>	

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Details of Long-term Indebtedness:

	<u>Amount Outstanding</u>
<u>Primary Government--Governmental Activities:</u>	
<u>State Literary Fund Loans:</u>	
Authorized \$7,500,000, issued February 2009, payable annually at \$375,000 principal over 20 years through 2029, plus interest payable at 2%	\$ <u>5,250,000</u>
Total State Literary Fund Loans	\$ <u>5,250,000</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	\$ 897,439
Authorized \$760,000 QSC Bonds, Series 2010-1, issued July 1, 2010, payable annually at \$85,356 annually through 2027, plus interest paid semi-annually and reimbursed by a federal tax credit equal to the interest paid of 5.31%	540,000
Authorized \$7,570,000 General Obligation Bonds, Series 1997-A, issued 1997, 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%	1,125,000
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>460,000</u>
Total Virginia Public School Authority Bonds	\$ <u>3,022,439</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%	\$ 1,640,000
Authorized \$6,440,000 refunding revenue bonds, issued December 20, 2013, payable at various amounts from \$505,484 to \$507,289 annually through fiscal year 2029, interest at 2.93%	5,749,000
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%	359,625

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>
<u>Primary Government--Governmental Activities: (Continued)</u>	
<u>Revenue Bonds: (Continued)</u>	
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%	\$ 169,480
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%	1,290,000
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%	440,000
Authorized \$3,690,000 lease revenue bonds, issued May 28, 2015, payable at various amounts from \$375,344 to \$380,788 annually through fiscal year 2028, plus interest at 2.78%	<u>3,690,000</u>
Total Revenue Bonds	<u>\$ 13,338,105</u>
<u>USDA Loans:</u>	
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%	\$ 1,262,210
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%	358,690
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%	1,373,532
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%	299,547
Authorized \$482,000 USDA Rural Development bonds, issued November 16, 2012, payable at \$33,919 annually through fiscal year 2028, interest at 3.50%	429,177
Authorized \$90,000 USDA Rural Development bonds, issued August 27, 2013, payable at \$19,935 annually through fiscal year 2019, interest at 3.50%	73,198
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%	81,745
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%	1,161,378
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>1,357,520</u>
Total USDA Loans	<u>\$ 6,396,997</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>
<u>Primary Government--Governmental Activities: (Continued)</u>	
<u>Note 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%.	\$ <u>1,254,059</u>
Total Note Payable	\$ <u>1,254,059</u>
Compensated Absences	\$ <u>399,851</u>
Premium on bonds	\$ <u>562,144</u>
Net pension liability	\$ <u>565,348</u>
Net OPEB obligation	\$ <u>106,400</u>
Total Primary Government-Governmental Activities	\$ <u><u>30,895,343</u></u>
<u>Primary Government--Business-type Activities:</u>	
<u>Solid Waste Fund:</u>	
Landfill closure and postclosure liability	\$ <u>2,269,435</u>
<u>Revenue Bonds:</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>2,605,000</u>
Premium on bonds	\$ <u>384,477</u>
Compensated absences	\$ <u>23,122</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>
<u>Primary Government--Business-type Activities: (Continued)</u>	
<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>128,496</u>
<u>Revenue Bonds:</u>	
\$2,105,000 Water & Sewer Refunding Revenue Bonds series 2013C issued November 6, 2013, due in various semi-annual installments of principal and interest through October 1, 2019, interest of 1.74% payable semi-annually	\$ 1,775,000
Premiums on bonds	580,008
\$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.	230,000
\$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.	1,480,000
\$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.	3,665,000
\$515,000 Water and Sewer Revenue Bonds Series 2004B, issued October 27, 2004, due in various semi-annual payments of principal and interest through 2034, interest at 4.65%.	<u>400,000</u>
Total revenue bonds	\$ <u>8,130,008</u>
Net OPEB obligation	\$ 15,500
Compensated absences	<u>160,333</u>
Total Primary Government--Business-type Activities	\$ <u><u>13,716,371</u></u>
Total Primary Government	\$ <u><u>44,611,714</u></u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Long-term Obligations: (Continued)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>
<u>Discretely Presented Component Unit-Greenville County School Board</u>	
Net OPEB obligation	\$ 215,100
Net pension liability	<u>19,550,000</u>
Total School Board	<u>\$ 19,765,100</u>
<u>Discretely Presented Component Unit-Greenville/Emporia Department of Social Services:</u>	
Compensated absences	\$ 129,784
Net pension liability	<u>1,247,152</u>
Total Department of Social Services	<u>\$ 1,376,936</u>
<u>Discretely Presented Component Unit-Industrial Development Authority of Greenville County, Virginia:</u>	
<u>Notes Payable:</u>	
On May 28, 2015, the Authority issued 2015A lease revenue refunding bonds in the amount of \$1,075,000 to currently refund in full the note payable agreement issued on March 31, 1998. Principal is payable annually starting October 1, 2015 through October 1, 2027 in varying amounts with interest payable semi-annually at rates varying from .653% - 4.507%.	\$ 1,075,000
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%.	74,380
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. On May 13, 2013, \$103,749 was refinanced. Payments are due monthly in the amount of \$2,554 through November 30, 2016, interest at 3.00%.	43,832
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%.	653,843
Total Industrial Development Authority	<u>\$ 1,847,055</u>
Total long-term obligations, reporting entity	<u>\$ 67,600,805</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan:

Plan Description

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

All full-time, salaried permanent employees of the County are automatically covered by VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees - Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

RETIREMENT PLAN PROVISIONS		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p>	<p>About Plan 2 Plan 2 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. (see “Eligible Members”)</p> <ul style="list-style-type: none"> • The defined benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 (Cont.)</p>	<p>About Plan 2 (Cont.)</p>	<p>About the Hybrid Retirement Plan (Cont.)</p> <ul style="list-style-type: none"> In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> Political subdivision employees* School division employees Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. <p>*Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>*Non-Eligible Members (Cont.) Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>
<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016.</p>	<p>Retirement Contributions A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Creditable Service Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Creditable Service Same as Plan 1.</p>	<p>Creditable Service <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Vesting (Cont.)	Vesting (Cont.)	<p>Vesting (Cont.)</p> <p><u>Defined Contributions Component: (Cont.)</u></p> <ul style="list-style-type: none"> • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution is not required by law until age 70½.</p>
<p>Calculating the Benefit The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.</p> <p>An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.</p>	<p>Calculating the Benefit See definition under Plan 1.</p>	<p>Calculating the Benefit <u>Defined Benefit Component:</u> See definition under Plan 1</p> <p><u>Defined Contribution Component:</u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Service Retirement Multiplier VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.</p> <p>Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p> <p>Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.</p>	<p>Service Retirement Multiplier VRS: Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.</p> <p>Sheriffs and regional jail superintendents: Same as Plan 1.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Service Retirement Multiplier Defined Benefit Component: VRS: The retirement multiplier for the defined benefit component is 1.00%.</p> <p>For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p> <p>Sheriffs and regional jail superintendents: Not applicable.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p>Defined Contribution Component: Not applicable.</p>
<p>Normal Retirement Age VRS: Age 65.</p> <p>Political subdivisions hazardous duty employees: Age 60.</p>	<p>Normal Retirement Age VRS: Normal Social Security retirement age.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Normal Retirement Age Defined Benefit Component: VRS: Same as Plan 2.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p>Defined Contribution Component: Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.</p>	<p>Earliest Unreduced Retirement Eligibility VRS: Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Unreduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility VRS: Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: 50 with at least five years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility VRS: Age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Reduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p>Eligibility: For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p>Exceptions to COLA Effective Dates: The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. 	<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p>Eligibility: Same as Plan 1</p> <p>Exceptions to COLA Effective Dates: Same as Plan 1</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement Defined Benefit Component: Same as Plan 2.</p> <p>Defined Contribution Component: Not applicable.</p> <p>Eligibility: Same as Plan 1 and Plan 2.</p> <p>Exceptions to COLA Effective Dates: Same as Plan 1 and Plan 2</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u></p> <ul style="list-style-type: none"> • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member’s survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins. 	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u></p>	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u></p>
<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Employees of political subdivisions and School divisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.</p>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Plan Description: (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Disability Coverage (Cont.)</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>	<p>Disability Coverage (Cont.)</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.</p>	<p>Disability Coverage (Cont.)</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>
<p>Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p>Purchase of Prior Service Same as Plan 1.</p>	<p>Purchase of Prior Service <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> • Hybrid Retirement Plan members are ineligible for ported service. • The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation. • Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one-year period, the rate for most categories of service will change to actuarial cost. <p><u>Defined Contribution Component:</u> Not applicable.</p>

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 website at <http://www.varetire.org/Pdf/Publications/2014-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Employees Covered by Benefit Terms

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Primary Government</u>
Inactive members or their beneficiaries currently receiving benefits	57
Inactive members:	
Vested inactive members	12
Non-vested inactive members	16
Inactive members active elsewhere in VRS	<u>66</u>
Total inactive members	94
Active members	<u>95</u>
Total covered employees	<u><u>246</u></u>

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been 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 5.00% member contribution. This could be phased in over a period of 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.

The County's contractually required contribution rate for the year ended June 30, 2015 was 9.90% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$423,043 and \$438,233 for the years ended June 30, 2015 and June 30, 2014, respectively.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Net Pension Liability

The County's net pension liabilities were measured as of June 30, 2014. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Actuarial Assumptions - General Employees (Continued)

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Actuarial Assumptions - Public Safety Employees

The total pension liability for Public Safety employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 4.75%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees (Continued)

Mortality rates: 60% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	<u>100.00%</u>		<u>5.83%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>8.33%</u>

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the County Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2013	\$ 18,041,016	\$ 16,016,025	\$ 2,024,991
Changes for the year:			
Service cost	\$ 473,859	\$ -	\$ 473,859
Interest	1,239,710	-	1,239,710
Differences between expected and actual experience	-	-	-
Contributions - employer	-	438,233	(438,233)
Contributions - employee	-	211,106	(211,106)
Net investment income	-	2,537,289	(2,537,289)
Benefit payments, including refunds of employee contributions	(661,734)	(661,734)	-
Administrative expenses	-	(13,550)	13,550
Other changes	-	134	(134)
Net changes	\$ 1,051,835	\$ 2,511,478	\$ (1,459,643)
Balances at June 30, 2014	\$ 19,092,851	\$ 18,527,503	\$ 565,348

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the County using the discount rate of 7.00%, as well as what the County's and Component Unit School Board's (nonprofessional) net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	(6.00%)	(7.00%)	(8.00%)
County of Greensville			
Net Pension Liability (Asset)	\$ 3,010,558	\$ 565,348	\$ (1,466,118)

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

For the year ended June 30, 2015, the County recognized pension expense of \$112,246, respectively. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,133,656
Employer contributions subsequent to the measurement date	423,042	-
Total	\$ 423,042	\$ 1,133,656

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 7—Pension Plan: (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

\$423,042 reported as deferred outflows of resources related to pensions resulting from the County's contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30</u>	<u>Primary Government</u>
2016	\$ (283,414)
2017	(283,414)
2018	(283,414)
2019	(283,414)
Thereafter	-

Note 8—Deferred/Unavailable/Unearned Revenue:

Deferred/unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable but not available. Under the accrual basis assessments for future periods are deferred.

The following is a summary of unearned revenue for the year ended June 30, 2015

	<u>Government- wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
Primary Government:		
General Fund:		
Deferred/Unavailable property tax revenue:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 285,111
2015 assessments due in December 2015	8,563,676	8,563,676
Prepaid property taxes due in December 2015, but paid in advance by the taxpayers	18,989	18,989
Total unavailable revenue	<u>\$ 8,582,665</u>	<u>\$ 8,867,776</u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 9—Landfill Closure and Postclosure Care Cost:

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 \$2,269,435 reported as landfill closure and postclosure care liability at June 30, 2015 represents the cumulative amount reported based on the use of 84 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$432,273 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:

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:

At June 30, 2015, 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:

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, 2015 (Continued)

Note 13—Surety Bonds:

	<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:	
Dr. Angela B. Wilson, Superintendent of Schools	10,000
Rick Pirkey, Deputy Clerk of the School Board	10,000
Paige Crewe, Clerk of the School Board	10,000
Alicia Hargrove, 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:

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, 2015 (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 \$16,200 for fiscal year 2015. The County paid \$3,500 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	\$ 16,400
Interest on net OPEB obligation	3,700
Adjustment to annual required contribution	(3,900)
Annual OPEB cost (expense)	<u>\$ 16,200</u>
Estimated contributions made	(3,500)
Increase in net OPEB obligation	<u>\$ 12,700</u>
Net OPEB obligation - beginning of year	<u>\$ 93,700</u>
Net OPEB obligation - end of year	<u><u>\$ 106,400</u></u>

For 2015, the County's cash payment of \$3,500 was \$12,700 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 2015 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, 2013	\$ 21,000	20.48%	\$ 81,400
June 30, 2014	22,000	44.09%	93,700
June 30, 2015	16,200	21.60%	106,400

D. Funded Status and Funding Progress

The funded status of the plan as of July 1, 2014, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 162,000
Actuarial value of plan assets	\$ -
Unfunded actuarial accrued liability	\$ 162,000
Funded ratio (actuarial value of plan assets / AAL)	0%
Covered payroll (active plan members)	\$ 2,837,000
UAAL as a percentage of covered payroll	5.71%

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

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	8.00%
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, 2014 was thirty years.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 15—Other Postemployment Benefits-Health Insurance Credit:

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.

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 2015 was -16% 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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 15—Other Postemployment Benefits-Health Insurance Credit: (Continued)

C. Annual OPEB Cost and Net OPEB Obligation: (Continued)

For 2015, the County's contribution of \$3,039 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 2015 and the preceding two years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	\$ 775	100%	\$ -
June 30, 2014	1,283	100%	-
June 30, 2015	3,039	100%	-

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2014, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 80,343
Actuarial value of plan assets	72,287
Unfunded actuarial accrued liability	8,056
Funded ratio (actuarial value of plan assets / AAL)	89.97%
Covered payroll (active plan members)	1,917,775
UAAL as a percentage of covered payroll	0.42%

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.

Note 15—Other Postemployment Benefits-Health Insurance Credit: (Continued)

E. Actuarial Methods and Assumptions: (Continued)

The entry age normal cost method was used to determine the plan's funding liabilities and costs. The actuarial assumptions included a 7.0% 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, 2014 was 20-29 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.

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 1.11% of annual covered payroll. The School Board's contribution to VRS for the years ended June 30, 2015, 2014 and 2013 was \$129,952, \$131,794, and \$123,074, and equaled the required contributions for each year.

Note 16—Commitments and Contingencies:

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.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 17—Adoption of Accounting Principles:

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*:

The County implemented the financial reporting provisions of the above Statements for the fiscal year ended June 30, 2015. These Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and required supplementary information requirements about pensions are also addressed. The requirements of this Statement will improve financial reporting by improving accounting and financial reporting by state and local governments for pensions. The implementation of these Statements resulted in the following restatement of net position:

	<u>County</u>	<u>School Board</u>	<u>Social Services</u>
Net Position as reported at June 30, 2014	\$ 10,785,256	\$ 13,801,973	\$ 545,973
Inclusion of CSA fund into County report	198,398	-	-
Remove CSA fund from reporting entity	-	-	34,501
Write-off amount due from CSA fund	-	-	(232,899)
Implementation of GASB Statement No. 68	<u>(1,586,758)</u>	<u>(21,944,292)</u>	<u>(1,501,308)</u>
Net Position as restated at June 30, 2014	<u>\$ 9,396,896</u>	<u>\$ (8,142,319)</u>	<u>\$ (1,153,733)</u>

Note 18—Upcoming Pronouncements:

Statement No. 72, *Fair Value Measurement and Application*, amends the definitions of fair value used throughout GASB literature to be consistent with the definition and principles provided in FASB Accounting Standards Codification Topic 820, *Fair Value Measurement*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes and for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. No formal study or estimate of the impact of this standard has been performed.

Note 18—Upcoming Pronouncements: (Continued)

Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68 and amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. No formal study or estimate of the impact of this standard has been performed.

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, improves the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. No formal study or estimate of the impact of this standard has been performed.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. This Statement is effective for fiscal years beginning after June 15, 2017. No formal study or estimate of the impact of this standard has been performed.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, objective is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. No formal study or estimate of the impact of this standard has been performed.

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 18—Upcoming Pronouncements: (Continued)

Statement No. 77, *Tax Abatement Disclosures*, will increase the disclosure of tax abatement agreements to disclose information about the agreements. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. No formal study or estimate of the impact of this standard has been performed.

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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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 7,275,209	\$ 7,275,209	\$ 7,563,155	\$ 287,946
Other local taxes	1,963,657	1,963,657	2,311,528	347,871
Permits, privilege fees, and regulatory licenses	61,680	68,518	65,548	(2,970)
Fines and forfeitures	1,457,000	1,457,000	1,352,443	(104,557)
Revenue from the use of money and property	282,203	282,203	307,672	25,469
Charges for services	393,660	475,277	441,975	(33,302)
Miscellaneous	226,708	249,852	192,151	(57,701)
Recovered costs	1,198,954	1,316,796	1,385,910	69,114
Intergovernmental:				
Commonwealth	2,854,198	3,401,075	3,775,295	374,220
Federal	58,000	363,171	367,466	4,295
Total revenues	\$ 15,771,269	\$ 16,852,758	\$ 17,763,143	\$ 910,385
EXPENDITURES				
Current:				
General government administration	\$ 1,681,801	\$ 1,742,778	\$ 1,709,267	\$ 33,511
Judicial administration	1,179,995	1,205,155	1,192,644	12,511
Public safety	3,976,533	4,748,240	4,360,275	387,965
Public works	1,550,445	1,547,550	1,513,883	33,667
Health and welfare	357,302	438,230	314,452	123,778
Education	2,089,810	2,133,598	2,020,476	113,122
Parks, recreation, and cultural	338,049	364,558	363,576	982
Community development	1,001,083	1,547,090	1,458,607	88,483
Nondepartmental	-	-	31,198	(31,198)
Debt service:				
Principal retirement	1,520,312	1,520,312	2,342,227	(821,915)
Interest and other fiscal charges	1,602,870	1,634,693	1,219,570	415,123
Total expenditures	\$ 15,298,200	\$ 16,882,204	\$ 16,526,175	\$ 356,029
Excess (deficiency) of revenues over (under) expenditures	\$ 473,069	\$ (29,446)	\$ 1,236,968	\$ 1,266,414
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 18,649	\$ 18,649
Transfers (out)	(473,069)	(303,069)	(277,936)	25,133
Payment to refunding bond escrow agent	-	-	(4,163,295)	(4,163,295)
Issuance of bonds	-	-	4,221,914	4,221,914
Total other financing sources (uses)	\$ (473,069)	\$ (303,069)	\$ (200,668)	\$ 102,401
Net change in fund balances	\$ -	\$ (332,515)	\$ 1,036,300	\$ 1,368,815
Fund balances - beginning	-	332,515	4,000,394	3,667,879
Fund balances - ending	\$ -	\$ -	\$ 5,036,694	\$ 5,036,694

Schedule of Components of and Changes in Net Pension Liability and Related Ratios
 Primary Government
 For the Year Ended June 30, 2015

	<u>2014</u>
Total pension liability	
Service cost	\$ 473,859
Interest	1,239,710
Benefit payments, including refunds of employee contributions	(661,734)
Net change in total pension liability	<u>\$ 1,051,835</u>
Total pension liability - beginning	<u>18,041,016</u>
Total pension liability - ending (a)	<u><u>\$ 19,092,851</u></u>
 Plan fiduciary net position	
Contributions - employer	\$ 438,233
Contributions - employee	211,106
Net investment income	2,537,289
Benefit payments, including refunds of employee contributions	(661,734)
Administrative expense	(13,550)
Other	134
Net change in plan fiduciary net position	<u>\$ 2,511,478</u>
Plan fiduciary net position - beginning	<u>16,016,025</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 18,527,503</u></u>
 County's net pension liability - ending (a) - (b)	 \$ 565,348
 Plan fiduciary net position as a percentage of the total pension liability	 97.04%
 Covered-employee payroll	 \$ 4,194,830
 County's net pension liability as a percentage of covered-employee payroll	 13.48%

Schedule is intended to show information for 10 years. 2015 is the first year for this presentation, no other data is available. Additional years will be included as available.

Schedule of Employer Contributions
 For the Year Ended June 30, 2015

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Employee Payroll (4)	Contributions as a % of Covered Employee Payroll (5)
Primary Government					
2015	\$ 423,042	\$ 423,042	-	\$ 4,273,150	9.90%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Notes to Required Supplementary Information
For the Year Ended June 30, 2015

Changes of benefit terms - There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013 and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.

Changes of assumptions - The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four-year period ending June 30, 2012:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

Component Unit School Board - Professional Employees

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates withdrawals for 3 through 9 years of service
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

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

OTHER POSTEMPLOYMENT BENEFITS - HEALTH INSURANCE:

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)
7/1/2010 \$	- \$	215,500 \$	215,500	0.00%	5,633,739	3.83%
7/1/2012	-	195,000	195,000	0.00%	5,418,978	3.60%
7/1/2014	-	162,000	162,000	0.00%	2,837,000	5.71%

DISCRETELY PRESENTED COMPONENT UNIT - HEALTH INSURANCE:

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)
7/1/2010 \$	- \$	1,075,800 \$	1,075,800	0.00%	11,004,477	9.78%
7/1/2012	-	874,300	874,300	0.00%	10,584,982	8.26%
7/1/2014	-	778,600	778,600	0.00%	13,635,727	5.71%

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)
6/30/2012 \$	61,953 \$	79,751 \$	17,798	77.68%	1,670,883	1.07%
6/30/2013	65,771	76,431	10,660	86.05%	1,761,217	0.61%
6/30/2014	72,287	80,343	8,056	89.97%	1,917,775	0.42%

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OTHER SUPPLEMENTARY INFORMATION

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Comprehensive Services Act Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 15,534	\$ 15,534
Recovered costs	-	-	135,331	135,331
Intergovernmental:				
Commonwealth	-	-	689,121	689,121
Total revenues	\$ -	\$ -	\$ 839,986	\$ 839,986
EXPENDITURES				
Health and welfare	\$ -	\$ -	\$ 1,005,389	\$ (1,005,389)
Total expenditures	\$ -	\$ -	\$ 1,005,389	\$ (1,005,389)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (165,403)	\$ (165,403)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 165,403	\$ 165,403
Total other financing sources (uses)	\$ -	\$ -	\$ 165,403	\$ 165,403
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning, as restated	-	-	198,398	198,398
Fund balances - ending	\$ -	\$ -	\$ 198,398	\$ 198,398

Capital Projects Fund

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

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ 143,225	\$ 126,722	\$ (16,503)
Intergovernmental:				
Commonwealth	-	1,500	27,205	25,705
Federal	319,172	319,172	44,708	(274,464)
Total revenues	\$ 319,172	\$ 463,897	\$ 198,635	\$ (265,262)
EXPENDITURES				
Capital projects	\$ 431,705	\$ 635,405	\$ 317,898	\$ 317,507
Total expenditures	\$ 431,705	\$ 635,405	\$ 317,898	\$ 317,507
Excess (deficiency) of revenues over (under) expenditures	\$ (112,533)	\$ (171,508)	\$ (119,263)	\$ 52,245
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 112,533	\$ 112,533	\$ 112,533	\$ -
Transfers out	-	-	(18,649)	(18,649)
Issuance of bonds	-	-	76,042	76,042
Total other financing sources (uses)	\$ 112,533	\$ 112,533	\$ 169,926	\$ 57,393
Net change in fund balances	\$ -	\$ (58,975)	\$ 50,663	\$ 109,638
Fund balances - beginning	-	58,975	(525,220)	(584,195)
Fund balances - ending	\$ -	\$ -	\$ (474,557)	\$ (474,557)

Supporting Schedules

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Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 4,090,659	\$ 4,090,659	\$ 4,063,130	\$ (27,529)
Real and personal public service corporation taxes	330,000	330,000	392,538	62,538
Personal property taxes	1,650,000	1,650,000	1,879,155	229,155
Mobile home taxes	29,550	29,550	33,830	4,280
Machinery and tools taxes	950,000	950,000	975,734	25,734
Penalties	130,000	130,000	128,543	(1,457)
Interest	60,000	60,000	56,742	(3,258)
Administrative fee	35,000	35,000	33,483	(1,517)
Total general property taxes	\$ 7,275,209	\$ 7,275,209	\$ 7,563,155	\$ 287,946
Other local taxes:				
Local sales and use taxes	\$ 575,000	\$ 575,000	\$ 996,244	\$ 421,244
Consumers' utility taxes	300,000	300,000	292,793	(7,207)
Business license taxes	400,000	400,000	417,991	17,991
Franchise license taxes	-	-	1,552	1,552
Motor vehicle licenses	190,000	190,000	189,988	(12)
Taxes on recordation and wills	32,000	32,000	40,566	8,566
E-911 taxes	161,657	161,657	40,597	(121,060)
Utility consumption taxes	50,000	50,000	48,830	(1,170)
Restaurant food taxes	200,000	200,000	192,835	(7,165)
Transient lodging tax	55,000	55,000	90,132	35,132
Total other local taxes	\$ 1,963,657	\$ 1,963,657	\$ 2,311,528	\$ 347,871
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 6,481	\$ 6,481	\$ 4,940	\$ (1,541)
Building permits	35,000	35,000	29,110	(5,890)
Transfer fees	-	-	274	274
Permits and other licenses	20,199	27,037	31,224	4,187
Total permits, privilege fees, and regulatory licenses	\$ 61,680	\$ 68,518	\$ 65,548	\$ (2,970)
Fines and forfeitures:				
Court fines and forfeitures	\$ 1,450,000	\$ 1,450,000	\$ 1,345,226	\$ (104,774)
Collections interest	7,000	7,000	7,217	217
Total fines and forfeitures	\$ 1,457,000	\$ 1,457,000	\$ 1,352,443	\$ (104,557)
Revenue from use of money and property:				
Revenue from use of money	\$ 5,000	\$ 5,000	\$ 3,863	\$ (1,137)
Revenue from use of property	277,203	277,203	303,809	26,606
Total revenue from use of money and property	\$ 282,203	\$ 282,203	\$ 307,672	\$ 25,469

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Charges for services:				
Data processing reimbursement	\$ 25,000	\$ 25,000	\$ 27,114	\$ 2,114
Landfill administration	75,000	75,000	75,000	-
Courthouse maintenance fees	40,000	40,000	33,088	(6,912)
Courthouse security fees	175,000	175,000	168,420	(6,580)
Regional jail fiscal agent fees	26,460	26,460	26,460	-
Sheriff's fees	1,200	1,200	637	(563)
DSS cost allocation	42,000	42,000	-	(42,000)
Law library fees	-	1,037	1,155	118
Charges for Commonwealth's Attorney	2,000	2,000	2,193	193
Jail admission	2,000	2,000	1,825	(175)
Other charges	5,000	85,580	106,083	20,503
Total charges for services	\$ 393,660	\$ 475,277	\$ 441,975	\$ (33,302)
Miscellaneous revenue:				
Other	\$ 160,000	\$ 160,337	\$ 113,694	\$ (46,643)
CSA reimbursement	66,708	66,708	55,325	(11,383)
Probation fees	-	22,807	23,132	325
Total miscellaneous revenue	\$ 226,708	\$ 249,852	\$ 192,151	\$ (57,701)
Recovered costs:				
Reimbursement regional jail authority	\$ 3,000	\$ 3,000	\$ 3,000	-
School resource officer	123,719	123,719	123,858	139
Shared expenses City of Emporia	974,895	974,895	1,045,736	70,841
Circuit court salaries	36,845	36,845	36,663	(182)
Collection disposal fees - Schools	31,000	31,000	34,755	3,755
Collection disposal fees - Department of Social Services	2,100	2,100	2,317	217
Insurance recoveries	-	20,125	23,247	3,122
Other recovered costs	27,395	125,112	116,334	(8,778)
Total recovered costs	\$ 1,198,954	\$ 1,316,796	\$ 1,385,910	\$ 69,114
Total revenue from local sources	\$ 12,859,071	\$ 13,088,512	\$ 13,620,382	\$ 531,870
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Payment in lieu of taxes	\$ 27,500	\$ 27,500	\$ 19,465	\$ (8,035)

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	\$ 2,000	\$ 2,000	\$ 14,451	\$ 12,451
Railroad rolling stock taxes	50,000	50,000	95,182	45,182
State recordation tax	15,000	15,000	10,302	(4,698)
Communication sales and use taxes	55,000	55,000	176,720	121,720
Personal property tax relief funds	1,065,419	1,065,419	1,065,419	-
Total noncategorical aid	\$ 1,187,419	\$ 1,187,419	\$ 1,362,074	\$ 174,655
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 420,000	\$ 420,000	\$ 435,190	\$ 15,190
Sheriff	740,000	740,000	737,328	(2,672)
Commissioner of revenue	88,179	88,179	91,869	3,690
Treasurer	70,000	70,000	71,974	1,974
Registrar/electoral board	35,000	35,000	36,271	1,271
Clerk of the Circuit Court	230,000	235,405	236,722	1,317
Total shared expenses	\$ 1,583,179	\$ 1,588,584	\$ 1,609,354	\$ 20,770
Other categorical aid:				
Animal sterilization	\$ -	\$ 138	\$ 138	\$ -
Southside Pretrial Services & Community Corrections	-	326,943	326,943	-
Jury reimbursement	10,000	10,000	10,170	170
Tobacco funds	-	100,017	304,689	204,672
Victim witness	2,000	2,000	650	(1,350)
Challenge grant	5,000	5,000	5,000	-
DMV vehicle registration	8,100	16,109	8,009	(8,100)
Transportation	-	70,734	58,587	(12,147)
Fire programs funds	31,000	36,879	36,766	(113)
Disaster aid	-	3,939	7,637	3,698
Asset forfeiture funds	-	25,813	25,813	-
Total other categorical aid	\$ 56,100	\$ 597,572	\$ 784,402	\$ 186,830
Total categorical aid	\$ 1,639,279	\$ 2,186,156	\$ 2,393,756	\$ 207,600
Total revenue from the Commonwealth	\$ 2,854,198	\$ 3,401,075	\$ 3,775,295	\$ 374,220

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Homeland security grant	\$ -	\$ -	\$ 7,500	\$ 7,500
Byrne grant	-	1,975	1,975	-
Community development block grant	25,000	328,196	357,991	29,795
State and community highway safety grants	33,000	33,000	-	(33,000)
Total categorical aid	<u>\$ 58,000</u>	<u>\$ 363,171</u>	<u>\$ 367,466</u>	<u>\$ 4,295</u>
Total revenue from the federal government	<u>\$ 58,000</u>	<u>\$ 363,171</u>	<u>\$ 367,466</u>	<u>\$ 4,295</u>
Total General Fund	<u>\$ 15,771,269</u>	<u>\$ 16,852,758</u>	<u>\$ 17,763,143</u>	<u>\$ 910,385</u>
Comprehensive Services Act Fund:				
Miscellaneous:				
Other miscellaneous	\$ -	\$ -	\$ 15,534	\$ 15,534
Recovered cost:				
City of Emporia	\$ -	\$ -	\$ 135,331	\$ 135,331
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Comprehensive services act	\$ -	\$ -	\$ 689,121	\$ 689,121
Total Comprehensive Services Act Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 839,986</u>	<u>\$ 839,986</u>
Capital Projects Fund:				
Miscellaneous:				
Other miscellaneous	\$ -	\$ 143,225	\$ 126,722	\$ (16,503)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Tobacco commission grants	\$ -	\$ 1,500	\$ 27,205	\$ 25,705
Total categorical aid	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 27,205</u>	<u>\$ 25,705</u>
Total revenue from the Commonwealth	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 27,205</u>	<u>\$ 25,705</u>
Revenue from the federal government:				
Categorical aid:				
Highway planning and construction	\$ 319,172	\$ 319,172	\$ 15,529	\$ (303,643)
USDA	-	-	29,179	29,179
Total categorical aid	<u>\$ 319,172</u>	<u>\$ 319,172</u>	<u>\$ 44,708</u>	<u>\$ (274,464)</u>
Total revenue from the federal government	<u>\$ 319,172</u>	<u>\$ 319,172</u>	<u>\$ 44,708</u>	<u>\$ (274,464)</u>
Total Capital Projects Fund	<u>\$ 319,172</u>	<u>\$ 463,897</u>	<u>\$ 198,635</u>	<u>\$ (265,262)</u>
Total Primary Government	<u>\$ 16,090,441</u>	<u>\$ 17,316,655</u>	<u>\$ 18,801,764</u>	<u>\$ 1,485,109</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 95,150	\$ 84,801	\$ 84,786	\$ 15
General and financial administration:				
County administrator	\$ 457,393	\$ 451,396	\$ 450,596	\$ 800
Information technology	114,677	138,386	138,331	55
Commissioner of revenue	274,526	274,526	266,941	7,585
Treasurer	268,185	279,535	279,120	415
Accounting	296,800	342,392	328,558	13,834
County attorney	65,375	67,631	67,630	1
Total general and financial administration	<u>\$ 1,476,956</u>	<u>\$ 1,553,866</u>	<u>\$ 1,531,176</u>	<u>\$ 22,690</u>
Board of elections:				
Electoral board and officials	\$ 109,695	\$ 104,111	\$ 93,305	\$ 10,806
Total general government administration	<u>\$ 1,681,801</u>	<u>\$ 1,742,778</u>	<u>\$ 1,709,267</u>	<u>\$ 33,511</u>
Judicial administration:				
Courts:				
Circuit court	\$ 79,731	\$ 79,731	\$ 76,031	\$ 3,700
General district court	41,361	41,361	35,034	6,327
Courthouse security	129,473	129,780	129,777	3
Law library	-	1,177	1,112	65
Special magistrates	1,700	2,080	2,080	-
Clerk of the circuit court	306,533	317,065	314,682	2,383
Total courts	<u>\$ 558,798</u>	<u>\$ 571,194</u>	<u>\$ 558,716</u>	<u>\$ 12,478</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 621,197	\$ 633,961	\$ 633,928	\$ 33
Total judicial administration	<u>\$ 1,179,995</u>	<u>\$ 1,205,155</u>	<u>\$ 1,192,644</u>	<u>\$ 12,511</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,019,320	\$ 2,104,663	\$ 1,954,971	\$ 149,692
School resource officer	164,959	164,959	164,439	520
Asset Forfeiture	-	192,715	28,094	164,621
Selective enforcement	344,679	344,679	342,576	2,103
Total law enforcement and traffic control	<u>\$ 2,528,958</u>	<u>\$ 2,807,016</u>	<u>\$ 2,490,080</u>	<u>\$ 316,936</u>
Fire and rescue services:				
Fire and rescue	\$ 188,587	\$ 198,545	\$ 178,157	\$ 20,388
Contributions to squads	10,219	45,719	67,120	(21,401)
Total fire and rescue services	<u>\$ 198,806</u>	<u>\$ 244,264</u>	<u>\$ 245,277</u>	<u>\$ (1,013)</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2015 (Continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Correction and detention:				
Jail	\$ 919,633	\$ 866,598	\$ 874,144	\$ (7,546)
Juvenile probation	32,750	66,238	66,238	-
Community corrections grant	-	413,671	339,461	74,210
Total correction and detention	<u>\$ 952,383</u>	<u>\$ 1,346,507</u>	<u>\$ 1,279,843</u>	<u>\$ 66,664</u>
Inspections:				
Building	<u>\$ 138,724</u>	<u>\$ 159,543</u>	<u>\$ 158,627</u>	<u>\$ 916</u>
Other protection:				
Animal control	\$ 109,530	\$ 143,420	\$ 140,421	\$ 2,999
E-911	48,132	47,490	46,027	1,463
Total other protection	<u>\$ 157,662</u>	<u>\$ 190,910</u>	<u>\$ 186,448</u>	<u>\$ 4,462</u>
Total public safety	<u>\$ 3,976,533</u>	<u>\$ 4,748,240</u>	<u>\$ 4,360,275</u>	<u>\$ 387,965</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Highways, streets, bridges and sidewalks	<u>\$ 28,820</u>	<u>\$ 28,820</u>	<u>\$ 25,194</u>	<u>\$ 3,626</u>
Sanitation and waste removal:				
Refuse collection and disposal	\$ 146,076	\$ 149,926	\$ 149,925	\$ 1
Dumpster site maintenance	345,007	340,524	325,572	14,952
Total sanitation and waste removal	<u>\$ 491,083</u>	<u>\$ 490,450</u>	<u>\$ 475,497</u>	<u>\$ 14,953</u>
Maintenance of general buildings and grounds:				
General properties	<u>\$ 1,030,542</u>	<u>\$ 1,028,280</u>	<u>\$ 1,013,192</u>	<u>\$ 15,088</u>
Total public works	<u>\$ 1,550,445</u>	<u>\$ 1,547,550</u>	<u>\$ 1,513,883</u>	<u>\$ 33,667</u>
Health and welfare:				
Health:				
Supplement of local health department	<u>\$ 97,410</u>	<u>\$ 178,338</u>	<u>\$ 99,387</u>	<u>\$ 78,951</u>
Mental health and mental retardation:				
Chapter X board	<u>\$ 50,986</u>	<u>\$ 50,986</u>	<u>\$ 50,986</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Health and welfare: (Continued)				
Welfare:				
Welfare administration	\$ 208,906	\$ 208,906	\$ 164,079	\$ 44,827
Total welfare	<u>\$ 208,906</u>	<u>\$ 208,906</u>	<u>\$ 164,079</u>	<u>\$ 44,827</u>
 Total health and welfare	 <u>\$ 357,302</u>	 <u>\$ 438,230</u>	 <u>\$ 314,452</u>	 <u>\$ 123,778</u>
 Education:				
Other instructional costs:				
Contributions to community colleges	\$ 2,862	\$ 46,650	\$ 2,862	\$ 43,788
Contribution to County school board	1,965,174	1,965,174	1,907,063	58,111
Other contributions	14,964	14,964	3,741	11,223
Workforce development center	86,810	86,810	86,810	-
Head Start program	20,000	20,000	20,000	-
Total education	<u>\$ 2,089,810</u>	<u>\$ 2,133,598</u>	<u>\$ 2,020,476</u>	<u>\$ 113,122</u>
 Parks, recreation, and cultural:				
Parks and recreation:				
Recreational facilities	\$ 143,750	\$ 143,750	\$ 143,750	\$ -
Golden leaf commons	60,761	85,615	85,613	2
Total parks and recreation	<u>\$ 204,511</u>	<u>\$ 229,365</u>	<u>\$ 229,363</u>	<u>\$ 2</u>
 Cultural enrichment:				
Meherrin River Arts Council	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
 Library:				
Contribution to regional library	\$ 123,538	\$ 125,193	\$ 124,213	\$ 980
Total parks, recreation, and cultural	<u>\$ 338,049</u>	<u>\$ 364,558</u>	<u>\$ 363,576</u>	<u>\$ 982</u>
 Community development:				
Planning and community development:				
Planning	\$ 167,059	\$ 177,836	\$ 177,815	\$ 21
Housing - local contributions	43,737	43,737	41,774	1,963
Industrial Development Authority	370,710	370,710	-	370,710
Economic development	272,548	626,780	781,465	(154,685)
MAMAC	-	179,401	314,487	(135,086)
Geographic information systems	83,564	84,274	83,846	428
Total planning and community development	<u>\$ 937,618</u>	<u>\$ 1,482,738</u>	<u>\$ 1,399,387</u>	<u>\$ 83,351</u>
 Environmental management:				
Other environmental management	\$ 17,018	\$ 17,018	\$ 16,968	\$ 50

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Community development: (Continued)				
Cooperative extension program:				
Extension office	\$ 46,447	\$ 47,334	\$ 42,252	\$ 5,082
Total community development	<u>\$ 1,001,083</u>	<u>\$ 1,547,090</u>	<u>\$ 1,458,607</u>	<u>\$ 88,483</u>
Nondepartmental:				
Remittance of sales tax revenue to towns	\$ -	\$ -	\$ 31,198	\$ (31,198)
Debt service:				
Principal retirement	\$ 1,520,312	\$ 1,520,312	\$ 2,342,227	\$ (821,915)
Interest and other fiscal charges	1,602,870	1,634,693	1,219,570	415,123
Total debt service	<u>\$ 3,123,182</u>	<u>\$ 3,155,005</u>	<u>\$ 3,561,797</u>	<u>\$ (406,792)</u>
Total General Fund	<u><u>\$ 15,298,200</u></u>	<u><u>\$ 16,882,204</u></u>	<u><u>\$ 16,526,175</u></u>	<u><u>\$ 356,029</u></u>
Comprehensive Services Act Fund:				
Health and welfare expenditures:				
Comprehensive services act	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,005,389</u>	<u>\$ (1,005,389)</u>
Capital Projects Fund:				
Capital projects expenditures:				
Airport improvements	\$ -	\$ -	\$ 7,659	\$ (7,659)
Exit 13	-	143,225	126,722	16,503
Boys and girls club	15,000	15,000	13,058	1,942
HVAC improvements	37,500	37,500	37,037	463
301 N Sidewalk	359,069	359,069	26,863	332,206
Classroom wiring	-	12,176	12,176	-
Classroom equipment	-	17,003	17,003	-
Other	20,136	33,774	62,576	(28,802)
SVEC	-	1,500	5,407	(3,907)
Radium road extension	-	-	1,425	(1,425)
Staffed waste collection site	-	16,158	7,972	8,186
Total capital projects fund	<u>\$ 431,705</u>	<u>\$ 635,405</u>	<u>\$ 317,898</u>	<u>\$ 317,507</u>
Total Primary Government	<u><u>\$ 15,729,905</u></u>	<u><u>\$ 17,517,609</u></u>	<u><u>\$ 17,849,462</u></u>	<u><u>\$ (331,853)</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 Government Administration										Interest on Long-Term Debt	Total
	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development				
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		
2013-14	2,145,815	986,086	3,797,846	1,236,062	622,999	3,026,037	397,328	1,162,375	1,296,837	14,671,385		
2014-15	2,097,464	969,469	3,684,666	1,269,576	1,163,185	3,428,331	390,015	1,293,747	1,190,406	15,486,859		

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	
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
2013-14	1,997,115	2,539,221	1,663,397	7,173,293	2,004,316	282,595	197,154	1,334,540	17,191,631
2014-15	1,859,966	2,117,437	715,698	7,483,451	2,311,528	307,672	334,407	2,070,660	17,200,819

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	
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
2013-14	\$ 1,692,499	\$ 1,244,857	\$ 4,211,852	\$ 1,429,729	\$ 3,898,595	\$ 25,862,158	\$ 340,361	\$ 2,545,619	\$ 8,532	\$ 4,018,037	\$ 45,252,239
2014-15	\$ 1,709,267	\$ 1,192,644	\$ 4,360,275	\$ 1,513,883	\$ 3,483,280	\$ 26,946,844	\$ 363,576	\$ 1,771,624	\$ 31,198	\$ 3,561,797	\$ 44,934,388

(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 4

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
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
2013-14	7,108,436	2,004,316	58,067	1,530,075	282,934	4,856,227	465,031	1,255,018	27,622,033	45,182,137
2014-15	7,563,155	2,311,528	65,548	1,352,443	308,195	4,928,638	441,573	1,521,241	27,093,259	45,585,580

(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
	Tax Levy (1)		Current Tax Collections (1)			Delinquent Tax Collections (1)	Total Tax Collections		Total Tax Collections to Tax Levy		Outstanding Delinquent Taxes (1,2)			
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%
2013-14	8,093,243		7,697,196		95.11%	242,640		7,939,836		98.10%		645,192		7.97%
2014-15	8,497,798		8,136,780		95.75%	273,026		8,409,806		98.96%		602,049		7.08%

(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
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	
2013-14	693,196,100	56,440,707	5,463,675	142,460	25,280,610	51,493,338	832,016,890	
2014-15	608,734,100	59,208,760	5,208,150	79,410	25,284,460	52,610,221	751,125,101	

(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
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
2013-14	0.56	5.00	0.56	4.00	0.50
2014-15	0.67	5.00	0.67	4.00	0.10

(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				
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
2013-14	11,581	832,017	10,789,239	-	-	10,789,239	1.30%	932
2014-15	11,605	751,125	9,526,498	-	-	9,526,498	1.27%	821

(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

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*

To the Honorable Members of the Board of Supervisors
County of Greensville, 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 Greensville, Virginia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County of Greensville, Virginia's basic financial statements, and have issued our report dated February 5, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Greensville, 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 Greensville, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Greensville, 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 Greenville, 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, Cox Associates
Charlottesville, Virginia
February 5, 2016

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

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

Report on Compliance for Each Major Federal Program

We have audited the County of Greenville, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Greenville, Virginia's major federal programs for the year ended June 30, 2015. County of Greenville, 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 Greenville, 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 Greenville, 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 Greenville, Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, County of Greenville, 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, 2015.

Report on Internal Control over Compliance

Management of the County of Greenville, 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 Greenville, 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 Greenville, 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, Cox Associates
(Charlottesville, Virginia
February 5, 2016

COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950113	\$ 14,555
Temporary Assistance for Needy Families	93.558	0400114/0400115	317,815
Refugee and Entrant Assistance - State Administered Programs	93.566	0500114/0500115	406
Low-Income Home Energy Assistance	93.568	0600414/0600415	30,654
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760114/0760115	43,937
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900114/0900115	1,920
Foster Care - Title IV-E	93.658	1100114/1100115	109,732
Adoption Assistance	93.659	1120114/1120115	26,655
Social Services Block Grant	93.667	1000114/1000115	192,391
Chafee Foster Care Independence Program	93.674	9150114/9150115	1,879
Children's Health Insurance Program	93.767	0540114/0540115	8,057
Medical Assistance Program	93.778	1200114/1200115	281,636
Total Department of Health and Human Services			<u>\$ 1,029,637</u>
Department of Agriculture:			
Direct Payments:			
Community Facilities Loans and Grants	10.766	N/A	\$ 76,042
Rural Business Enterprise Grants	10.769	N/A	<u>29,179</u>
Pass Through Payments:			
Child Nutrition Cluster:			
Virginia Department of Agriculture and Consumer Services:			
Food Commodities Distribution	10.555	406230	\$ 66,587
Department of Education:			
National School Lunch Program	10.555	406230	<u>688,345</u> \$ 754,932
School Breakfast Program	10.553	405910	312,207
Summer Food Service Program for Children	10.559	Unknown	612
Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010114/0010115 0040114/0040115	<u>249,277</u>
Total Department of Agriculture			<u>\$ 1,422,249</u>
Department of Housing and Urban Development			
Pass Through Payments:			
Office of Community Planning and Development			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-04-DC-51-0001	<u>\$ 357,991</u>

COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended June 30, 2015

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Justice: Direct Payments: Bulletproof Vest Partnership Program	16.607	N/A	\$ <u>1,975</u>
Department of Transportation Pass Through Payments: National Highway Traffic Safety Administration (NHTSA) Highway Planning and Construction	20.205	N/A	\$ <u>15,529</u>
Department of Homeland Security Pass Through Payments: Department of Emergency Management: Emergency Management Performance Grants	97.042	77501-52708/52709	\$ <u>7,500</u>
Department of Defense: Direct Payments: ROTC	12.000	N/A	\$ <u>60,916</u>
Department of Education: Pass Through Payments: Department of Education: Title I Grants to Local Educational Agencies	84.010	S010A120046/S010A130046	\$ 801,745
Special Education Cluster (IDEA): Special Education - Grants to States	84.027	H027A120107/H027A130107	739,398
Special Education - Preschool Grants	84.173	H173A110113	18,704
Twenty-First Century Community Learning Centers	84.287	S287C120047/S287C130047/S287C140047	621,528
Improving Teacher Quality State Grants	84.367	S367A130044	129,276
Career and Technical Education - Basic Grants to States	84.048	V048A130046/V048A140046	29,722
Rural Education	84.358	S358B130046	37,293
English Language Acquisition State Grants	84.365	S365A120046	<u>2,862</u>
Total Department of Education			\$ <u>2,380,528</u>
Total Expenditures of Federal Awards			\$ <u><u>5,276,325</u></u>

COUNTY OF GREENSVILLE, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

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 Greensville, 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 Greensville, Virginia, it is not intended to and does not present the financial position, changes in net positions, or cash flows of County of Greensville, 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	\$	367,466
General Fund Federal Loan Proceeds		76,042
Capital Projects Fund		44,708
Total primary government	\$	<u>488,216</u>

Component Unit School Board:

School Operating Fund	\$	2,441,444
School Cafeteria Fund		1,067,751
Total component unit school board	\$	<u>3,509,195</u>

Component Unit Department of Social Services

	\$	<u>1,278,914</u>
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Total expenditures of federal awards per the Schedule of Expenditures of Federal Awards	\$	<u><u>5,276,325</u></u>
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COUNTY OF GREENSVILLE, VIRGINIA

Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2015

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) 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>
84.010	Title I Grants to Local Educational Agencies
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
93.778	Medical Assistance Program

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
For The Year Ended June 30, 2015

There were no items reported in the prior year.

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