

**County of Greene,
Pennsylvania**

Single Audit

December 31, 2012

MaherDuessel
Certified Public Accountants

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COUNTY OF GREENE, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2012

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Independent Auditor's Report

Board of County Commissioners
County Controller
County of Greene, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Greene, Pennsylvania (County), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining

fund information of the County as of December 31, 2012, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information on pages i through xvii and 35 through 37, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. Supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is also not a required part of the financial statements of the County. Similarly, the accompanying schedule of DPW expenditures is presented for purposes of additional analysis as required by the Commonwealth of Pennsylvania Department of Public Welfare and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the DPW expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mahe Duessel

Pittsburgh, Pennsylvania
September 12, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The County is presenting its financial statements as required by Governmental Accounting Standards Board Statement No. 34 (GASB #34), "Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments." This discussion and analysis of Greene County's (County) financial performance presents a narrative overview for the fiscal year ended December 31, 2012. It should be read in conjunction with the accompanying basic financial statements and the notes to those statements.

Financial Highlights

- The County received its first allocation of monies generated by Act 13 in the amount of \$3,130,609 in December. This money was mainly earmarked for infrastructure upgrades within the County and \$2.43 million was transferred to the Capital Projects Fund. \$300,000 was transferred to Children and Youth Services for 2012 and \$299,500 was deferred in the General Fund for Human Services as a Block Grant for County Year 2013. \$101,000 was retained in the General Fund for various Information Technology infrastructure upgrades, of which \$67,641 was actually spent and the remainder was deferred until 2013.
- Following a change in actuaries for the Pension Fund, it was determined that the County pension was funded at 91.7% for the year ending 2011 and, due to the County contribution in 2012, that the funding level would increase to 95% for the year ending 2012.
- The County's net position increased by \$3,920,687 in 2012, mainly due to the distribution of Act 13 funds mentioned above. The General Fund balance increased by \$290,717 and the Capital Projects Fund by \$2,182,181.
- In early 2012, it was determined that the renovations to the Courthouse performed in the late 1990s had caused some structural damage to the original roof under-structure. The County quickly moved to design and implement a repair for this situation. The majority of this work was completed in late 2012 and early 2013.
- Royalties from county-owned Marcellus Shale natural gas assets fell from 2011 levels, but still provided the County with over \$235,000 in revenue.

MANAGEMENT'S DISCUSSION AND ANALYSIS

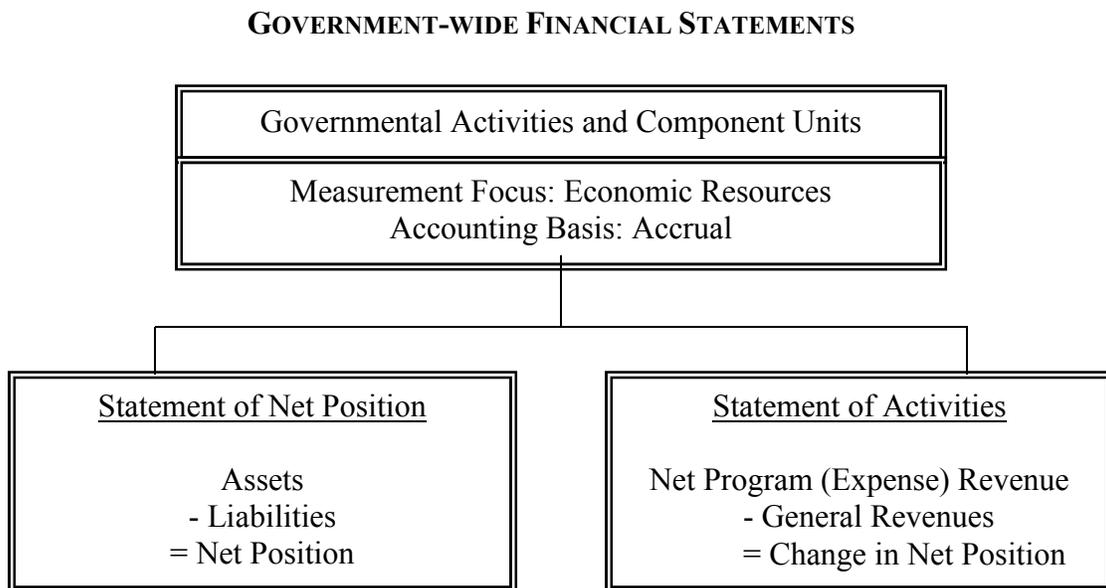
other governmental units. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the County's programs.

The financial statements also include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements as well as required supplementary information regarding the County's budget. In addition to these required elements, a section is included with detailed individual statements about non-major funds.

The remainder of this overview explains the structure and contents of the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The primary features are reflected in the following diagram.



The Statement of Net Position includes all of the County's assets and liabilities, except fiduciary funds, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance of a private-sector business. The Statement of Activities focuses on how the County's net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not generated by a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net position are reported using the accrual method of accounting, which requires that revenues be

MANAGEMENT'S DISCUSSION AND ANALYSIS

reported when they are earned and expenses be reported when the goods and/or services are received, regardless of when cash is received or paid.

Net position is one way to measure the County's financial position. Over time, increases or decreases in the County's net position are one indicator of whether the County's financial position is improving or deteriorating. However, other non-financial factors must be considered to assess the overall position of the County.

The County's government-wide financials include the County's basic services, segregated by type. General government activity is comprised of both administrative and judicial functions. This differs from the fund statements presentation, which presents administrative government as general government, and judicial government is presented separately. Four years are shown for comparative purposes.

Statement of Net Position

	Governmental Activities			
	2012	2011	2010	2009
Assets:				
Current and other assets	\$ 15,764,968	\$ 14,167,220	\$ 14,003,169	\$ 14,958,605
Capital assets	36,523,844	36,200,780	36,637,176	36,774,931
Total Assets	52,288,812	50,368,000	50,640,345	51,733,536
Liabilities:				
Current liabilities	4,090,561	5,400,153	5,664,401	8,928,003
Other liabilities	11,703,045	12,393,328	12,375,389	12,375,378
Total Liabilities	15,793,606	17,793,481	18,039,790	21,303,381
Net Position:				
Net investment in capital assets	25,468,524	25,069,375	25,759,579	25,839,161
Restricted	6,502,366	2,687,426	2,796,805	2,895,778
Unrestricted	4,524,316	4,817,718	4,044,171	1,695,216
Total Net Position	36,495,206	32,574,519	32,600,555	30,430,155
Total Liabilities and Net Position	\$ 52,288,812	\$ 50,368,000	\$ 50,640,345	\$ 51,733,536

	2012	2011	2010	2009
Asset-to-Liability Ratios	335%	283%	281%	243%

The County owns approximately \$36.5 million in assets and the County debt directly related to these assets is just over \$11 million. The difference of \$25 million is the equity the County has in those assets. The chart below shows that for every dollar of debt the County has, it has \$3.30 of assets to match it. The County's restricted assets increased significantly in 2012, as Act 13 revenues came into the County too late in the year to spend through the General Fund, prompting their shift to the Capital Reserve Fund. All of these funds have been allocated to various projects in accordance with Act 13.

MANAGEMENT'S DISCUSSION AND ANALYSIS

	2012	2011	2010	2009
Asset-to-Debt Ratios	330%	325%	337%	336%

The County's liabilities fall into two categories; long-term and short-term. Our long-term liabilities are the 2008, and 2011 bonds. A specified portion of the collected taxes are paid into funds each year to make the payments on these bonds and the full schedule of bonds can be seen in the notes accompanying the financial statements.

The short-term liabilities, generally speaking, can be divided into two categories: money the County has received for a specific purpose, but not yet spent; and money the County owes, but has not yet paid out. This first category, *Unearned Revenue*, decreased \$1.2 million in 2012 and reflects both the spending of past years' grant revenues and the actual slowdown in the state and federal grant programs, i.e., we are spending the money we have been granted in the past but new money is not coming into the system from these sources. The second category primarily consists of *Accounts Payable*. From 2009 to 2012, the County cut its accounts payable considerably, in part due to a slowdown in capital projects, but also due to several large pass-through grants that had increased the 2009 numbers. The chart below reflects the accounts payable levels over the past four years. The County has refined its payment terms to Net 28 and makes timely payments on all Accounts Payable.

	2012	2011	2010	2009
Accounts Payable	\$1,696,819	\$1,828,055	\$1,780,389	\$3,448,466

While the County's equity in capital assets has been discussed above in relation to assets, the net position portion of the statement also contains restricted and unrestricted net position. The County's restricted net position is twofold: Capital projects, which is the remaining bond money; and Debt Service, which is the money dedicated to paying off the County bonds.

To put all the sections and numbers of the Statement of Net Assets in perspective, consider the following:

1. In the simplest terms, the Statement of Net Position shows what the County has in cash and the value of the properties it owns, what the County owes, and the difference between those two numbers. As an analogy, a person has their cash in the bank, their car and house, but they also have bills, a car loan, and a mortgage to pay. If the County were a person, he would have more than three times more money in the bank than bills and loans to pay, and his house would be worth over three times what was left to pay on the mortgage.
2. A local lending institution in Waynesburg, when making a home loan, requires that a person's debt payments be less than 35% of what they make. The County has to allocate only 8% of its revenue for debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS

3. Greene County's asset-to-liability ratio is 3.35:1. This means that for every \$1 we owe, we hold \$3.35 in cash or assets. The County asset-to-debt ratio is \$3.30:1, which again means that for every \$1 of debt we have, we hold \$3.30 in assets. These ratios are exceptional and the chart below compares Greene County numbers to some other counties in southwestern Pennsylvania.

	<u>Greene</u>	<u>Allegheny</u>	<u>Westmoreland</u>	<u>Erie</u>
Asset to Liability Ratios	3.35 : 1	0.86 : 1	1.40: 1	1.27:1
Asset to Debt Ratios	3.30 : 1	0.95 : 1	0.76 : 1	1.37: 1
<i>Based on 2012 CAFRs, Governmental Activities</i>				

- Statement of Activities

When the benefit of a service provided by the County goes to an individual or a corporation, the County charges a fee to the individual (fines are also in this same line item) and this is known as program revenue. The Statement of Activities requires program revenue, and any operating or capital grants and contributions, to be associated with the major department that generated the revenue and also shows separately stated general revenues. Expenses for the departments are shown as well and this statement, therefore, shows what parts of County government are being funded with tax dollars and what parts are funded by user fees and grants. The statement below is condensed to allow comparative year data to be shown.

	2012			2011		
	<u>Expenses</u>	<u>Program Revenues</u>	<u>General Revenue Required (Provided)</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>General Revenue Required (Provided)</u>
Primary Government:						
General government	\$ 9,381,608	\$ 5,176,552	\$ (4,205,056)	\$ 9,112,478	\$ 2,900,437	\$ (6,212,041)
Public safety	4,403,562	1,666,377	(2,737,185)	4,050,305	957,221	(3,093,084)
Public works	110,744	193,767	83,023	950,383	403,336	(547,047)
Human services	10,130,379	9,599,230	(531,149)	8,588,904	8,310,657	(278,247)
Culture and recreation	2,322,778	1,057,913	(1,264,865)	2,291,545	1,093,511	(1,198,034)
Community and economic dev.	2,132,268	1,438,316	(693,952)	4,457,091	3,535,603	(921,488)
Unallocated depreciation	-	-	-	136,624	-	(136,624)
Interest on long-term debt	396,510	-	(396,510)	444,081	-	(444,081)
Total activities	<u>\$ 28,877,849</u>	<u>\$ 19,132,155</u>	<u>(9,745,694)</u>	<u>\$ 30,031,411</u>	<u>\$ 17,200,765</u>	<u>(12,830,646)</u>
General Revenues:						
Property taxes, levied for general purposes			11,013,494			10,619,848
Property taxes, levied for debt service			1,089,384			1,047,986
Property taxes, levied for library expenditures			109,399			106,468
Interest			49,721			46,821
Rental income			550,602			489,241
Special/misc. - transfers			-			58,482
Gain (loss) on sale of assets			(6,844)			(278,735)
Reimbursement of prior period expenditures			860,625			714,498
Total general revenues			<u>13,666,381</u>			<u>12,804,609</u>
Change in Net Position			3,920,687			(26,036)
Net Position:						
Beginning of year			32,574,519			32,600,555
End of year			<u>\$ 36,495,206</u>			<u>\$ 32,574,519</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Statement of Activities shows that the County supported its operations with \$13.7 million in general revenues, of which \$1 million was general tax revenue. While tax revenues (not rates) increased slightly, program revenues increased significantly for General Government, Public Safety, and Human Services, and decreased significantly for Public Works and Economic Development. As expenses fell in Public Works and Economic Development as well, the County ended the year with a noteworthy positive increase in its net position, the best increase since 2007.

Program Revenue Source	2012	2011	2010
Charges for services	\$ 6,757,965	\$ 3,324,617	\$ 3,333,590
Operating grants and contributions	11,666,117	10,527,125	11,829,412
Capital grants and contributions	708,073	3,349,023	2,235,483
General revenues	13,666,381	12,804,609	13,040,624

These numbers indicate renewed support by the state for County programs – but only in very specific areas and only in the area of operations; not for capital expenditures. The County has been able to offset this trend with the revenue received from Act 13 (Unconventional Gas Well Impact Fees) and other charges for service, specifically, with regard to the County Prison and the Recorder of Deeds office.

Changes in Net Position	2012	2011	2010	2009	2008	2007	2006	2005
	11%	0%	7%	5%	5%	44%	25%	6%

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the County's most significant funds (determined by GASB #34), not the County as a whole. Funds are accounting groups that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. The County has two kinds of funds:

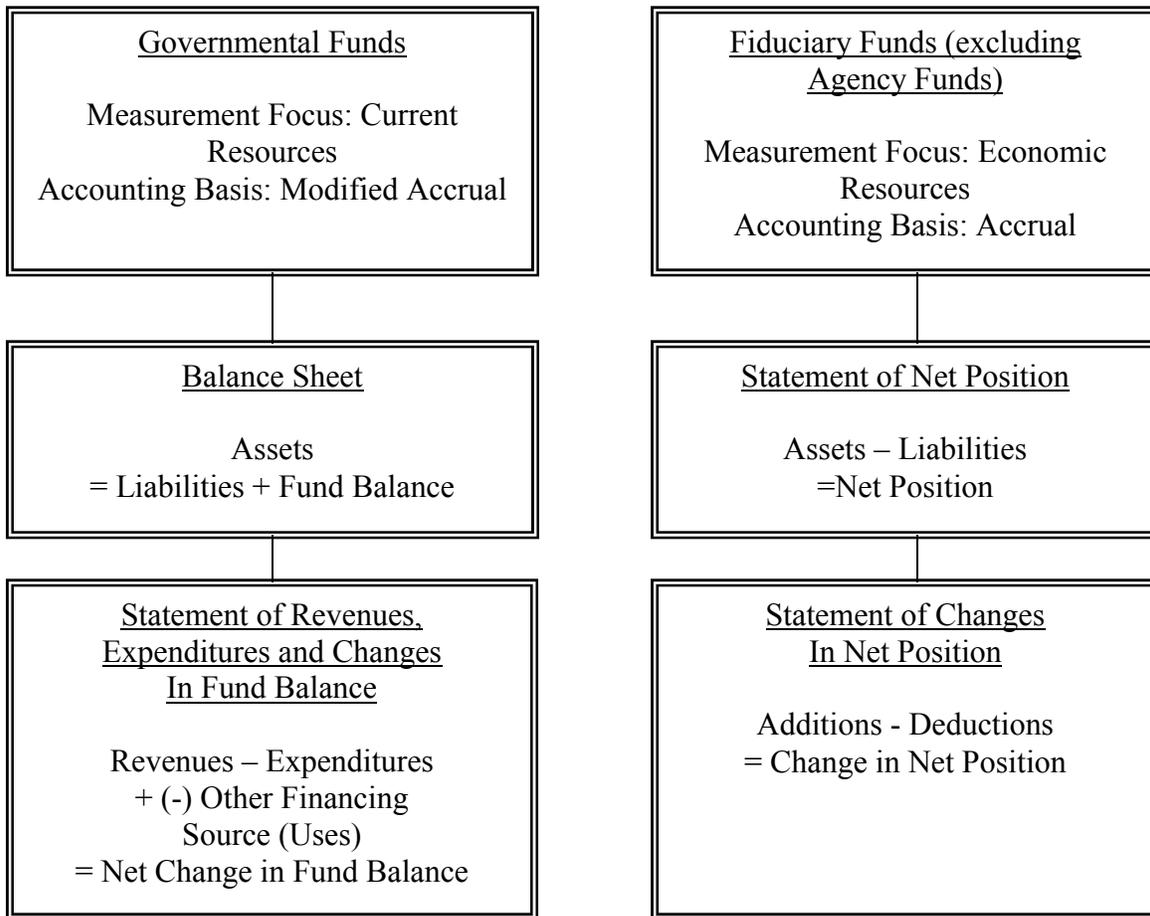
- *Governmental funds* – The County's basic services are included in governmental funds, which focus on: (1) the in and out flow of cash and other financial assets that can be readily converted into cash, and; (2) the balance left at year-end that is available for spending. These funds are reported using the modified accrual accounting basis and a current financial resources measurement focus. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance County programs. The relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements. The County adopts an annual budget for the General Fund and the Liquid Fuels Tax Fund. Because it is considered one of the County's major funds, a budgetary comparison schedule is presented for the General Fund, reflecting the following: (1) the original budget; (2) the final amended budget; (3)

MANAGEMENT'S DISCUSSION AND ANALYSIS

actual revenues and expenditures, and; (4) the variance between the final budget and actual revenues and expenditures. The other County major funds rely on the availability of federal and state support and, in certain cases, County support which is budgeted in the General Fund. For this reason no budget is incorporated for these other major funds.

- *Fiduciary funds* – The County is the trustee, or fiduciary, for the Employee’s Retirement System. In addition, the County is also responsible for certain agency funds, which are clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations, or government agencies to which they belong. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These funds are excluded from the County’s government-wide financial statements because the County cannot use these assets to finance operations.

The following diagram presents the major features of the fund financial statements, including the information contained therein.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds

Greene County has four funds this year that are considered *Major* funds for the purpose of GASB #34 reporting: the General Fund, Capital Projects Fund, Behavioral Health Fund, and Transportation Fund. There are 26 *other* funds that make up the “Other Governmental Funds” on the Governmental Funds Balance Sheet and Statement of Revenue and Expenditures.

- Major Funds Balance Sheet

The following statement is the major funds balance sheet in its entirety. The General Fund is the primary fund for the County as a whole; it is the fund where property taxes are reported and where most of the non-Human Services/Capital expenditures are recorded.

<u>Assets</u>	General Fund	Capital Projects Fund	Behavioral Health Fund	Other Governmental Funds	Total Governmental Funds
Cash	\$ 1,902,439	\$ 3,390,657	\$ 1,377,497	\$ 4,207,131	\$ 10,877,724
Investments	-	1,254,969	-	20,041	1,275,010
Due from other funds	2,391,966	200,000	-	77,682	2,669,648
Due from other governments	205,025	-	-	800,505	1,005,530
Taxes receivable	1,381,871	-	-	97,843	1,479,714
Accounts receivable	515,256	-	11,402	59,606	586,264
Other assets	-	-	-	1,694	1,694
Total Assets	\$ 6,396,557	\$ 4,845,626	\$ 1,388,899	\$ 5,264,502	\$ 17,895,584
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	404,506	-	814,242	407,952	1,626,700
Accrued liabilities and withholdings	332,108	-	-	-	332,108
Due to other funds	297,672	297,012	278,396	1,799,497	2,672,577
Due to other governments	800	-	-	-	800
Unearned revenue	1,733,929	-	296,261	886,936	2,917,126
Total Liabilities	2,769,015	297,012	1,388,899	3,094,385	7,549,311
Fund Balance:					
Nonspendable	-	-	-	1,694	1,694
Restricted	2,021	4,548,614	-	1,951,731	6,502,366
Committed	-	-	-	216,692	216,692
Assigned	2,097	-	-	-	2,097
Unassigned	3,623,424	-	-	-	3,623,424
Total Fund Balance	3,627,542	4,548,614	-	2,170,117	10,346,273
Total Liabilities and Fund Balance	\$ 6,396,557	\$ 4,845,626	\$ 1,388,899	\$ 5,264,502	\$ 17,895,584

The General Fund balance sheet shows the cash available at the end of 2012 for operations in the unassigned fund balance of \$3.6 million. This fund balance allows County operations, in conjunction with the TAN Loan, to continue at the beginning of the year (prior to tax collection) and allows the General Fund to assist the other funds of the County regulate cash flow. The fund balance is also used to cushion accounts receivable

MANAGEMENT'S DISCUSSION AND ANALYSIS

and *due from* when the state or federal government is slow to reimburse the County for expenditures.

The overall fund balance increased in 2012 by \$2.64 million. Royalties on the extraction of Marcellus Shale natural gas under County property, Act 13 revenue, and higher-than-expected charges for service, both at the County prison where inmates from other counties are taken for a fee, and at the Recorder of Deeds office, which was also directly related to the Marcellus Shale gas extraction, are the main factors that contributed to this increase.

As was noted above, the General Fund fund balance is used in part to regulate cash flow and this can be seen in the *due from other funds* line for the General Fund, which directly correlates to the *due to other funds* for the 29 other County funds (3 major, 26 other).

As major funds can change from year to year, comparative figures are not shown; but the General Fund liabilities decreased and the fund balance and assets increased for 2012. The liabilities decrease is mainly related to a decrease in *unearned revenue* indicating the expenditure of grant funds.

The Capital Projects Fund remained on the major funds list for 2012. Bond spending slowed as grants were being utilized first, but a transfer in of \$2.4 million from the General Fund of Act 13 monies late in 2012 gave a significant boost to this fund.

The Behavioral Health Fund shows no fund balance as, by law, it cannot “carry” funds from one year to the next. However, unspent monies are not sent back to the issuing agency, but are instead shown as deferred revenue.

- Revenue & Expenditures & Change in Fund Balance (R&E)

The statement below is a very condensed version of the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances for 2012. This statement shows the three major funds, what revenues they generated, what expenditures were incurred, any other activity, and then the change in fund balance from the previous year.

The General Fund

The revenue shown for the General Fund is all normal revenue types that the County collects. Additional revenue, such as the money received from the sale of an asset, is shown under other financing sources (uses).

Of note are the large increases in *charges for service* and in *transfers out*. The County received its first allocation of the Unconventional Gas Well Impact Fee in the amount of \$3,130,609 in December. This money was mainly earmarked for infrastructure upgrades within the County to include: \$720,000 for County bridges, \$700,000 for upgrades in the 911 Center, \$684,000 for repairs to the County Courthouse roof and other County facilities, \$169,000 for County pool repairs, and \$74,000 for the County Fairgrounds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

\$2.43 million of the Gas Well Impact Fee was transferred to the Capital Projects Fund. \$300,000 was transferred to Children and Youth Services for 2012 and \$299,500 was deferred in the General Fund for Human Services as a Block Grant for County year 2013. \$101,000 was retained in the General Fund for various Information Technology infrastructure upgrades, of which \$67,641 was actually spent and the remainder was deferred until 2013.

	General Fund	Capital Projects	Behavioral Health
Revenues:			
Taxes	\$ 11,010,826	\$ -	\$ -
Intergovernmental	989,203	581,247	3,078,307
Charges for services, fines, and permits	5,309,137	-	-
Interest	5,587	36,248	408
Rental income	535,912	-	-
Donations	76,199	-	-
Total revenues	<u>17,926,864</u>	<u>617,495</u>	<u>3,078,715</u>
Expenditures:			
Administration	5,267,768	392,277	-
Judicial	3,162,897	-	-
Public safety	3,681,632	-	-
Public works	182,199	56,028	-
Human services	-	-	3,045,108
Culture and recreation	1,486,265	4,600	-
Conservation and economic development	1,254,325	412,811	-
Debt service	76,083	-	-
Total expenditures	<u>15,111,169</u>	<u>865,716</u>	<u>3,045,108</u>
Excess (Deficiency of Revenues Over Expenditures)	<u>2,815,695</u>	<u>(248,221)</u>	<u>33,607</u>
Other Financial Sources (Uses):			
Transfers in	673,882	2,430,110	106,039
Other sources from sale of assets/ prior period reimbursement	311,880	292	-
Transfers out	(3,504,876)	-	(139,646)
Other uses	(5,864)	-	-
Total other financing sources (uses)	<u>(2,524,978)</u>	<u>2,430,402</u>	<u>(33,607)</u>
Net Change in Fund Balance	290,717	2,182,181	-
Fund Balance:			
Beginning of year	3,336,825	2,366,433	-
End of year	<u>\$ 3,627,542</u>	<u>\$ 4,548,614</u>	<u>\$ -</u>

The other financing sources (uses) section shows specifically *transfers in*, *other sources*, and *transfers out* and *other uses*. *Transfers in* are made up of administrative fees paid to the General Fund by departments that have their own source of revenues and that are allowed to reimburse the County for specific expenses (i.e., phone service, office space, payroll services, and computer services). These include all Human Services departments, Tourism, Domestic Relations, the 911 Center, and a portion of Adult Probation.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The calculation of the fund balance increase is shown at the bottom of this statement and is then carried over to the Balance Sheet. For 2012, the fund balance increased \$290,717 for the General Fund and increased \$2,182,181 for the Capital Projects Fund. While the Balance Sheet tells us what the fund balance is at the end of a year, the Revenue and Expense Statement tells us how the money was spent, and who paid for it.

Behavioral Health

This fund covers Mental Health and Intellectual & Developmental Disabilities Programs. The revenue section shows that the majority of the funding for these programs comes from state and federal sources. Expenditures basically match revenue and, as noted above in the Balance Sheet section, these funds are not allowed to show a fund balance, i.e., they have no "equity," only money that they are given to spend that they may have not spent in the current year. The *other financing sources (uses)* section of this statement shows the County contribution to these programs (*transfers in*) and the reimbursement from the programs to the County for services (*transfers out*).

The Capital Projects Fund

Expenses under *Administration* are mainly related to two projects: In 2012, it was discovered that the roof of the original section of the Courthouse required significant reinforcement and that work was designed, performed, and completed in 2012. Additionally, all the carpeting in the Greene County Office Building was torn out and replaced due to damage from the fire in the summer of 2011. A dispute with the insurance company over the extent of the carpet replacement had held up this process.

Kirby Development LLC was again the recipient of a Redevelopment Assistance Capital Program grant in the amount of \$412,000 for 2012 that was utilized to build additional capacity at the Mt. Morris Meadow Ridge Industrial Park. Pass-through grants are monies that flow through the County, but which have a specific purpose not set by the County, and where the actual expenditures are not administered by the County.

This statement clearly shows where the bond and capital grants are being spent within County government. The largest single expenditure for 2012 is in *Economic Development* and is related to the pass-through grants mentioned above.

As noted previously, this year was a little unusual with respect to both the General Fund and the Capital Projects Fund, as Act 13 monies flowed into the County very late in the year. The County knew this money was coming and the Board of Commissioners had budgeted the money for a variety of projects, but as those projects could not all be completed in the three weeks prior to the end of the year, the majority of the money, \$2.43 million, was transferred to the Capital Projects Fund, as allowed by Act 13 guidelines.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Unlike the General Fund, the Capital Projects Fund is a multi-year fund and does not “close out” at the end of the year. There are no deferred revenues with respect to the bond or Act 13 (though there are deferred revenues with respect to the grants) and the budget does not end until that money is spent or all the grant projects are complete. With this in mind, the *fund balance* for the Capital Projects Fund simply reflects the remaining bond, Act 13, and grant funds at the end of the year.

Other Governmental Funds

The 26 funds that make up this group are not shown on the above statements and are too numerous to list and discuss. Activity for all these funds can be seen in the accompanying basic financial statements and the notes to those statements. It is worth noting here, and of concern to management, that the Debt Service Fund ended 2009 with a negative change in fund balance of \$105,352 after a negative change in fund balance in 2008 of \$94,214 and for 2007 of \$376,000. The County increased debt millage in 2010 and this situation is beginning to improve and the fund balance of this fund increased to \$395,056 for 2012, although the County's General Fund still had to contribute funds to regulate cash flow during the year for that fund.

Fiduciary Funds

The County reports three funds under the Statement of Net Assets – Fiduciary Funds. Of these, two are *Agency* funds (the Tax Claim Bureau, and Other Escrow Accounts) and, at the end of the year, the assets will equal the liabilities.

The third fund in this group is a *Trust* fund; the County Pension Plan. The chart below shows the growth and decline of the Pension Net Position in relation to the S&P 500 Index, as well as showing the County contribution to the fund over the past several years.

County Pension Plan	2012	2011	2010	2009	2008
S&P Index growth (decline)	13.41%	0.00%	12.78%	23.00%	-35.61%
Pension net position growth (decline)	14.04%	5.85%	18.36%	24.31%	-15.68%
County contribution	\$799,125	\$736,803	\$755,000	\$528,000	\$413,000

The County annually contributes to the pension fund when, as in the past few years, the investment performance is not sufficient to provide excess interest. This contribution is based on an actuarial valuation and is partially reimbursed by state programs such as Children & Youth Services and Human Services.

The County pension was funded at 91.7% for the year ending 2011 and, due to the County contribution in 2012, the funding level would increase to 95% for the year ending 2012. This is significant, as the entire pension investments are expected to return at least 7% per year. The unfunded portion of that investment, of course, has no return so the higher the funded percentage and the better the investment performance, the lower the contribution burden on the County's General Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

	<u>Greene</u>	<u>Allegheny</u>	<u>Westmoreland</u>	<u>Erie</u>
Pension funding levels	91.70%	55.40%	83.90%	84.60%
	<i>as of 1/1/2012</i>	<i>as of 1/1/2012</i>	<i>As of 1/1/2013</i>	<i>As of 1/1/2013</i>

The Plan is, and will continue to be, a significant financial consideration for the County.

**GENERAL FUND BUDGETARY HIGHLIGHTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS SUMMARY**

The County budget process for any given year starts five months before the year begins and continues throughout the 12 months of that year. For 2012, when the preliminary budget was passed in 2011, the County did not yet have many of the benefit rates for the upcoming year, various assessment issues had not been finalized, and several grants for various departments were not yet guaranteed.

During the course of the year, these issues were resolved and the budget was amended to reflect these changes accurately. Additionally, unanticipated revenues and reductions in revenue were incorporated along with additions or reductions in spending in accordance with the County Code.

The chart below is an exact version of the Budget and Actual Statement that is contained in the accompanying basic financial statements. In the revenue section of this statement, it can be seen that very few revenue additions/subtractions were made in 2012 and the main additions were to include grants that were approved or funded after the budget cycle.

As noted throughout this document, the Act 13 allocation was received in December so charges for service in the revenue section and Transfers Out are completely outside the budget for 2012. While we knew the allocation was coming and had an amount told to us, as this was the first time we had received the allocation, we did not, per County Code guidelines, include it in the budget. To amend the budget in late December served no purpose.

Federal grants came in over budget mainly due to the HUD (Housing) grant being renewed for 2012.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Budget & Actual – General Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 10,860,498	\$ 10,860,498	\$ 11,010,826	\$ 150,328
Licenses and permits	20,700	20,700	31,887	11,187
Fines and forfeits	210,000	210,000	170,822	(39,178)
Intergovernmental	890,013	990,407	989,203	(1,204)
Charges for services	1,562,460	1,663,035	5,106,428	3,443,393
Interest	10,000	10,000	5,587	(4,413)
Rental income	473,132	481,432	535,912	54,480
Donations	54,812	73,812	76,199	2,387
Total revenues	14,081,615	14,309,884	17,926,864	3,616,980
Expenditures:				
General government - administration	6,078,793	5,069,093	5,267,768	(198,675)
General government - judicial	2,511,707	2,977,563	3,162,897	(185,334)
Public safety:				
Corrections	2,520,746	2,977,158	3,150,401	(173,243)
EMA/911	426,796	455,292	531,231	(75,939)
Public works:				
Airport	103,235	154,705	182,199	(27,494)
Culture and recreation:				
Parks and recreation	1,132,057	1,298,072	1,486,265	(188,193)
Tourism	6,954	10,613	13,963	(3,350)
Conservation and economic development:				
Conservation/development	97,628	102,871	94,020	8,851
Housing/community development	71,454	123,759	102,422	21,337
Economic development	1,076,511	1,145,326	1,043,920	101,406
Debt service:				
Debt principal payment	-	-	76,083	(76,083)
Total expenditures	14,025,881	14,314,452	15,111,169	(796,717)
Excess (Deficiency) of Revenues Over Expenditures	55,734	(4,568)	2,815,695	2,820,263
Other Financing Sources (Uses):				
Transfers in	417,230	417,230	673,882	256,652
Other sources from sale of assets/prior perio	155,925	222,682	311,880	89,198
Transfers out	(725,792)	(725,792)	(3,504,876)	(2,779,084)
Other uses	-	-	(5,864)	(5,864)
Total other financing sources (uses)	(152,637)	(85,880)	(2,524,978)	(2,439,098)
Net Change in Fund Balance	\$ (96,903)	\$ (90,448)	\$ 290,717	\$ 381,165

The uncollected local revenue, for the most part, is due to the 911 Center. The County expected approximately \$188,000 from the wireless fund for reimbursements but is shown near the bottom of the statement as a *transfer in*. The additional difference was not paid due to a shortfall in the wireline/wireless funds. This entire situation is

MANAGEMENT'S DISCUSSION AND ANALYSIS

dependent on the state distributing funds back to the County that they collect from the wireless service providers operating in the County.

Unbudgeted revenue was also up significantly for the Register and Records office, where gas leases are researched, and the Jail, which rents out excess capacity to other Pennsylvania counties.

On the expenses, as benefit rates were finalized, budget moves to allocate the funds to the departments and out of the "holding lines" in general administration account for the reduction in the budget of administration and some of the increases in the other sections.

Actual expenditures in *Community and Economic Development* were under budget, as budgeted grant funds were not fully expended. Under-spending in *Conservation* was the result of salary savings. Many departments throughout the County ended the year under budget.

The over-budget amounts in many departments are related to Act 13 expenditures. Other departments (specifically the Jail and Maintenance) had higher expenses, but these were covered by higher revenues. Finally, some projects/expenses were approved without offsetting revenue (but covered by fund balance): namely, a self-service fuel system at the airport, higher costs in the court system related to changes imposed by the judges and the number of court cases, and unforeseen maintenance costs in various buildings.

Other sources from assets/prior period reimbursements was up significantly due to payments from the state on previous years' District Attorneys' salary and the Community Services Block Grant prior period payment.

The difference between the original and final amended General Fund budget was insignificant. The actual General Fund revenue came in over the budget figure by \$3,616,980, while expenditures (and other items) were under budget by \$2,439,098. Taking the Act 13 money out of these numbers yields revenue over budget by \$486,371 and expenditures over budget by only \$8,988.

Summary

The many favorable financial ratios, reduction of debt, and the completion of major development projects indicate that the County continues to be well-managed with respect to budget, policy, investment, control, and audit.

In many respects, the County has been insulated from the national economic slowdown. Our unemployment rates remain lower than the state and national averages, we have no variable rate debt and have been decreasing debt at every opportunity, and our borrowing is limited mainly to the TAN and that has decreased, as our cash reserves have increased, over the past couple years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In point of fact, the County residents and County government have prospered over the last several years, due to the Marcellus Shale gas deposits both in the form of royalties from the gas extracted and from the companies and employee's that have moved into the County to drill the wells, extract the gas, and pipe it out of the County. The County government has benefited in the same way and the Act 13 revenue has helped offset the reduction in federal and state spending.

Decreases in interest rates, sharp reductions in state and federal grants, and slow reimbursements are, however, all causes for concern and warrant increased watchfulness on the part of the County financial personnel and elected officials.

This report is designed to provide citizens, taxpayers, investors, customers, and creditors with a general overview of Greene County finances and to demonstrate accountability for the funds it receives. Questions concerning this report, the financial management policies of the County, or requests for additional information should be directed to:

Jeff Marshall, Chief Clerk
93 East High Street
Waynesburg, PA 15370

COUNTY OF GREENE, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2012

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 10,877,724
Investments	1,275,010
Receivables:	
Taxes receivable, net of allowance	1,479,714
Due from other governments	1,005,530
Accounts receivable	653,454
Prepaid expenses/other assets	1,694
Deferred bond issue costs	211,725
Net pension asset	260,117
Capital assets not being depreciated	4,518,540
Capital assets, net of accumulated depreciation	13,657,883
Infrastructure assets, net of accumulated depreciation	18,347,421
Total Assets	<u>52,288,812</u>
Liabilities	
Accounts payable	1,696,819
Accrued liabilities and withholdings	332,108
Accrued interest payable	148,695
Due to other governments	800
Unearned revenue	1,535,255
Accrued compensated absences	376,884
Bonds and lease payable:	
Amount due within one year	709,154
Amount due in more than one year	11,129,589
Bond discount	(135,698)
Total Liabilities	<u>15,793,606</u>
Net Position	
Net investment in capital assets	25,468,524
Restricted for:	
Capital projects	4,548,614
Debt service	395,056
Other purposes	1,558,696
Unrestricted	4,524,316
Total Net Position	<u>\$ 36,495,206</u>

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 9,381,608	\$ 4,262,241	\$ 914,311	\$ -	\$ (4,205,056)
Public safety	4,403,562	1,419,648	246,729	-	(2,737,185)
Public works	110,744	38,144	155,623	-	83,023
Human services	10,130,379	179,433	9,419,797	-	(531,149)
Culture and recreation	2,322,778	719,826	338,087	-	(1,264,865)
Community and economic development	2,132,268	138,673	591,570	708,073	(693,952)
Interest on long-term debt	396,510	-	-	-	(396,510)
Total governmental activities	\$ 28,877,849	\$ 6,757,965	\$ 11,666,117	\$ 708,073	(9,745,694)
General revenues:					
					11,013,494
					1,089,384
					109,399
					49,721
					550,602
					(6,844)
					860,625
Total general revenues					13,666,381
Change in Net Position					3,920,687
Net Position:					
Beginning of year					32,574,519
End of year					\$ 36,495,206

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2012

	General Fund	Behavioral Health	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 1,902,439	\$ 1,377,497	\$ 3,390,657	\$ 4,207,131	\$ 10,877,724
Investments	-	-	1,254,969	20,041	1,275,010
Due from other funds	2,391,966	-	200,000	77,682	2,669,648
Due from other governments	205,025	-	-	800,505	1,005,530
Taxes receivable	1,381,871	-	-	97,843	1,479,714
Accounts receivable	515,256	11,402	-	59,606	586,264
Other assets	-	-	-	1,694	1,694
Total Assets	\$ 6,396,557	\$ 1,388,899	\$ 4,845,626	\$ 5,264,502	\$ 17,895,584
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ 404,506	\$ 814,242	\$ -	\$ 407,952	\$ 1,626,700
Accrued liabilities and withholdings	332,108	-	-	-	332,108
Due to other funds	297,672	278,396	297,012	1,799,497	2,672,577
Due to other governments	800	-	-	-	800
Unearned revenue	1,733,929	296,261	-	886,936	2,917,126
Total Liabilities	2,769,015	1,388,899	297,012	3,094,385	7,549,311
Fund Balance:					
Non-spendable	-	-	-	1,694	1,694
Restricted	2,021	-	4,548,614	1,951,731	6,502,366
Committed	-	-	-	216,692	216,692
Assigned - General Fund - HRA	2,097	-	-	-	2,097
Unassigned	3,623,424	-	-	-	3,623,424
Total Fund Balance	3,627,542	-	4,548,614	2,170,117	10,346,273
Total Liabilities and Fund Balance	\$ 6,396,557	\$ 1,388,899	\$ 4,845,626	\$ 5,264,502	\$ 17,895,584

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

YEAR ENDED DECEMBER 31, 2012

Total Fund Balance - Governmental Funds					\$ 10,346,273
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets, including infrastructure and construction in progress used in governmental activities, are not current financial resources and, therefore, are not reported as assets in governmental funds.					36,523,844
Property taxes receivable will be collected next year but are not considered available soon enough to pay for the current period's expenditures and, therefore, are unearned in the funds.					1,381,871
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these accounts are deferred and amortized in the statement of activities.					347,423
Net pension asset/(obligation) is reflected in the statement of net position but is not considered a use of available resources in the fund financial statements.					260,117
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:					
	Compensated absences	\$	(376,884)		
	GO bonds/leases		(11,838,743)		
	Accrued interest on bonds		(148,695)		
					<u>(12,364,322)</u>
Total Net Position - Governmental Activities					<u>\$ 36,495,206</u>

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2012

	General Fund	Behavioral Health	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 11,010,826	\$ -	\$ -	\$ 1,408,910	\$ 12,419,736
Licenses and permits	31,887	-	-	-	31,887
Fines and forfeits	170,822	-	-	-	170,822
Intergovernmental	989,203	3,078,307	581,247	7,907,324	12,556,081
Charges for services	5,106,428	-	-	966,337	6,072,765
Interest	5,587	408	36,248	7,478	49,721
Rental income	535,912	-	-	14,690	550,602
Donations	76,199	-	-	13,452	89,651
Total revenues	17,926,864	3,078,715	617,495	10,318,191	31,941,265
Expenditures:					
General government - administration	5,267,768	-	392,277	99,750	5,759,795
General government - judicial	3,162,897	-	-	778,228	3,941,125
Public safety:					
Corrections	3,150,401	-	-	-	3,150,401
EMA/911	531,231	-	-	379,526	910,757
Public works:					
Highways and bridges	-	-	-	697,094	697,094
Sanitation/solid waste	-	-	56,028	-	56,028
Airport	182,199	-	-	-	182,199
Human services:					
Child/youth services	-	-	-	2,481,329	2,481,329
Drug and alcohol	-	-	-	549,330	549,330
Mental health/intellectual disability	-	3,045,108	-	-	3,045,108
Other human services	-	-	-	4,005,564	4,005,564
Culture and recreation:					
Parks and recreation	1,486,265	-	4,600	351,179	1,842,044
Libraries	-	-	-	269,361	269,361
Conservation and economic development:					
Conservation/development	94,020	-	-	253,949	347,969
Housing/community development	102,422	-	-	26,043	128,465
Economic development	1,043,920	-	412,811	-	1,456,731
Tourist promotion	13,963	-	-	193,140	207,103
Debt service:					
Debt interest	-	-	-	396,596	396,596
Debt principal payments	76,083	-	-	625,000	701,083
Total expenditures	15,111,169	3,045,108	865,716	11,106,089	30,128,082
Excess (Deficiency) of Revenues Over Expenditures	2,815,695	33,607	(248,221)	(787,898)	1,813,183
Other Financing Sources (Uses):					
Transfers in	673,882	106,039	2,430,110	968,729	4,178,760
Other sources from sale of assets/ prior period reimbursement	311,880	-	292	548,453	860,625
Transfers out	(3,504,876)	(139,646)	-	(534,238)	(4,178,760)
Other uses	(5,864)	-	-	(27,701)	(33,565)
Total other financing sources (uses)	(2,524,978)	(33,607)	2,430,402	955,243	827,060
Net Change in Fund Balance	290,717	-	2,182,181	167,345	2,640,243
Fund Balance:					
Beginning of year	3,336,825	-	2,366,433	2,002,772	7,706,030
End of year	\$ 3,627,542	\$ -	\$ 4,548,614	\$ 2,170,117	\$ 10,346,273

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2012

Net Change in Fund Balance - Governmental Funds \$ 2,640,243

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

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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

	Capital outlays	\$ 1,369,694	
	Less: Depreciation expense	<u>(1,039,786)</u>	329,908

The governmental funds record revenue when it is available and measurable, whereas these revenues are recorded when earned in the statement of activities. This is the difference in revenue recognition between the two methods. 3,490

This issuance of long term obligations (e.g., bonds, loans, leases) provide 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. 701,083

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items. (34,298)

Governmental funds recognize interest on long-term obligations as an expenditure when it is due and thus, requires the use of current financial resources in the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The change in interest accrued in the statement of activities over the amount due is shown here. 86

The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of the capital assets is removed from the capital asset account on the statement of net position and offset against proceeds from the sale of capital assets resulting in a gain (loss) from the sale of capital assets on the statement of activities. Thus, less revenue is reported in the governmental funds than in the statement of activities.

	Proceeds from the sale of capital assets	-	
	Gain (loss) on the sale of capital assets	<u>(6,844)</u>	(6,844)

The change in net pension asset is reflected in the statement of activities, but is not considered an available resource in the fund financial statements. 301,253

In the statement of activities, certain operating expenses-accumulated employee benefits (service and buy-back of unused sick days) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used. (14,234)

Change in Net Position of Governmental Activities \$ 3,920,687

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 10,860,498	\$ 10,860,498	\$ 11,010,826	\$ 150,328
Licenses and permits	20,700	20,700	31,887	11,187
Fines and forfeits	210,000	210,000	170,822	(39,178)
Intergovernmental	890,013	990,407	989,203	(1,204)
Charges for services	1,562,460	1,663,035	5,106,428	3,443,393
Interest	10,000	10,000	5,587	(4,413)
Rental income	473,132	481,432	535,912	54,480
Donations	54,812	73,812	76,199	2,387
Total revenues	<u>14,081,615</u>	<u>14,309,884</u>	<u>17,926,864</u>	<u>3,616,980</u>
Expenditures:				
General government - administration	6,078,793	5,069,093	5,267,768	(198,675)
General government - judicial	2,511,707	2,977,563	3,162,897	(185,334)
Public safety:				
Corrections	2,520,746	2,977,158	3,150,401	(173,243)
EMA/911	426,796	455,292	531,231	(75,939)
Public works:				
Airport	103,235	154,705	182,199	(27,494)
Culture and recreation:				
Parks and recreation	1,132,057	1,298,072	1,486,265	(188,193)
Tourism	6,954	10,613	13,963	(3,350)
Conservation and economic development:				
Conservation/development	97,628	102,871	94,020	8,851
Housing/community development	71,454	123,759	102,422	21,337
Economic development	1,076,511	1,145,326	1,043,920	101,406
Debt service:				
Debt principal payment	-	-	76,083	(76,083)
Total expenditures	<u>14,025,881</u>	<u>14,314,452</u>	<u>15,111,169</u>	<u>(796,717)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>55,734</u>	<u>(4,568)</u>	<u>2,815,695</u>	<u>2,820,263</u>
Other Financing Sources (Uses):				
Transfers in	417,230	417,230	673,882	256,652
Other sources from sale of assets/prior period reimbursement	155,925	222,682	311,880	89,198
Transfers out	(725,792)	(725,792)	(3,504,876)	(2,779,084)
Other uses	-	-	(5,864)	(5,864)
Total other financing sources (uses)	<u>(152,637)</u>	<u>(85,880)</u>	<u>(2,524,978)</u>	<u>(2,439,098)</u>
Net Change in Fund Balance	<u>\$ (96,903)</u>	<u>\$ (90,448)</u>	<u>\$ 290,717</u>	<u>\$ 381,165</u>

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

DECEMBER 31, 2012

	Employees Pension Plan	Tax Claim Bureau	Escrow Accounts	Total
Assets				
Cash and cash equivalents	\$ 83,476	\$ 174,781	\$ 642,726	\$ 900,983
Investments	17,257,714	-	-	17,257,714
Due from other funds	41,495	-	28,624	70,119
Accounts receivable	69,930	-	-	69,930
Total Assets	17,452,615	174,781	671,350	18,298,746
Liabilities				
Due to other governments	-	174,781	604,160	778,941
Due to other funds	-	-	67,190	67,190
Total Liabilities	-	174,781	671,350	846,131
Net Position				
Net Position Held in Trust for Pension Benefits	\$ 17,452,615	\$ -	\$ -	\$ 17,452,615

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2012

Additions:

Contributions:

County	\$ 799,125
Plan member	649,391

Total contributions 1,448,516

Investment earnings:

Net increase in fair value of investments	1,248,771
Interest and dividends	449,604

Net investment earnings 1,698,375

Total additions 3,146,891

Deductions:

Pension benefits	333,577
Refund of contributions	529,109
Administrative expenses	134,942

Total deductions 997,628

Change in Net Position 2,149,263

Net Position Held in Trust for Pension Benefits:

Beginning of year 15,303,352

End of year \$ 17,452,615

See accompanying notes to financial statements.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County of Greene (County), located in western Pennsylvania, is a sixth class county established under the "Pennsylvania County Code," as amended.

The reporting entity for the County includes the accounts of all County operations, including administrative and judicial government, corrections, and health and welfare.

Management has evaluated all potential component units, and has determined the County has no component units that will be included. Consistent with applicable guidance, the criteria used by the County to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given situation, the County reviews the applicability of the following criteria:

1. Organizations that make up the legal County entity.
2. Legally separate organizations if the Commissioners appoint a voting majority of the organization's governing body and the County is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.
 - a. Impose its Will - If the County can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.
 - b. Financial Benefit or Burden - Exists if the County (1) is entitled to the organization's resources, (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.
3. Organizations that are fiscally dependent on the County. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the County.
4. In management's judgment, exclusion of the component unit would render the financial statements misleading.

The following agencies were reviewed and were determined to be component units of the County and are recorded as blended component units:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

- Greene County Fair Board
- Greene County Soil Conservation District
- Greene County Library System
- Greene County Tourism Promotion Agency
- Greene County Redevelopment Authority

The following agencies were reviewed and were determined not to be component units of the County, and are considered to be related organizations:

- Greene County Food Bank
- Greene County Memorial Hospital Authority
- Washington-Greene Community Action Corporation
- Washington-Greene Job Training Council
- Greene County Housing Authority
- Greene County Industrial Development Authority

Upon review, it was determined that these agencies are either not fiscally dependent on the County, the County does not appoint the majority of the governing board, or are joint ventures in which the County has no equity interest.

The Greene County Industrial Development Authority was reported as a component unit of the County in prior years. As of December 31, 2012, the financial statements of the Greene County Industrial Development Authority are not material to the financial statements of the County and therefore the County has chosen not to include as a component unit. Separate financial statements for the Greene County Industrial Development Authority unit may be obtained by contacting the County.

B. Basis of Presentation

The financial statements of the County are prepared in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental units.

Government-wide and Fund Financial Statements

The basic financial statements included both government-wide (based on the County as a whole) and fund financial statements.

Both the government-wide and the fund financial statements (within the basic financial statements) categorized primary activities as governmental. In the government-wide statement of net position, governmental activities are presented on a consolidated basis, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt obligations. Inter-fund activity has been eliminated from these statements. The County

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

generally uses restricted resources before unrestricted resources when an expense incurred for a purpose that both restricted and unrestricted net position is available.

The government-wide statement of activities reflects both the gross and net cost per functional category (public safety, public works, etc.) that are being supported by general government revenues (property tax, interest and other general revenues). 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. Program revenues include 1) charges for service (including fines) to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Taxes or other items not properly included among program revenues are reported as general revenues. The County allocates indirect expenses. The capital grants column reflects capital-specific grants.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of major funds and non-major funds are aggregated. The operation of each fund is considered to be an independent 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 charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. The fund statements are presented on a current financial resources and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

The County's fiduciary funds are presented in the fund financial statements by type (pension and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, litigants, pensions participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The following is a brief description of the major fund types presented in this report:

The *General Fund* is the principal operating fund of the County. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Behavioral Health Fund* accounts for expenditures and reimbursement of Commonwealth of Pennsylvania Medical Assistance revenue related to the provision of a mandatory Behavioral Health Managed Care Program. The Fund includes expenditures and reimbursement of revenue related to providing treatment services to individuals who suffer from mental disabilities or with drug and alcohol issues.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The County also reports the following other governmental funds:

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

The *Debt Service Fund* accounts for the servicing of general long-term debt not being financed by proprietary trust funds.

Additionally, the County reports the following fund types:

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. These include the Pension Trust Fund, the Tax Claim Bureau, and Escrow Accounts.

The *Employees' Pension Plan (Plan)* is used to account for the pension plan for the County employees. The Plan is accounted for in essentially the same manner as a proprietary fund, since capital maintenance is critical.

The *Tax Claim Bureau* and *Escrow Accounts* are custodial in nature and do not involve measurement of results of operations. The Escrow Accounts are used to account for cash collected by elected row officers (Register of Wills, Recorder of Deeds, Prothonotary, Sheriff, Clerk of Courts, and District Magistrates) and other County offices that are subsequently disbursed to the County General Fund, other governments, or individuals for whom it was collected.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

Governmental and Tax Claim and Escrow Agency Funds utilize the modified accrual basis of accounting. Under this method of accounting, revenues are recognized when received except for revenues subject to accrual, which are recorded when measurable and available to finance current

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

period expenditures. Such revenue items include real estate and other taxes (property and hotel taxes received within 60 days of year-end) and federal and state subsidies.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for long-term debt and certain other long-term obligations, which are recognized when paid.

Revenues from federal, state, and other grants designated for payment of specific expenditures are recognized when the related expenditures are incurred. Any excess revenues or expenditures at the fiscal year-end are recorded as deferred revenue or as a receivable, respectively.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied to the extent collectible. Hotel/motel taxes passed through the County are reported net of the related expenditures to be consistent with budget reporting. Grants and similar items are recognized as soon as all eligibility requirements imposed by the grantor have been met.

D. Budgets and Budgetary Accounting

Budgets and Budgetary Accounting

Annual budgets are required to be adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. The budgetary controls for all other governmental funds are maintained through enforcement of related grant provisions or debt indentures.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Starting in August and September, the Budget Director prepares a budget package that is sent to each department and row officer. The department or agency heads use this budget package to develop financial projections for their programs for the ensuing year, which are then submitted to the budget staff.
2. The budget staff enters this information into budget spreadsheets. The Chief Clerk then reviews the information that is obtained, accumulates questions, and schedules a meeting to discuss the proposed budget with the department heads and row officers.
3. Once the budget staff is satisfied with the department's budget numbers, the budget is presented in preliminary form to the County Board of Commissioners (Commissioners). The County Commissioners can interview department or agency heads to discuss their budgets if deemed necessary.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

4. Upon consolidation of the department and agency expenditure projections, the County Commissioners ascertain the most viable method of financing them.
5. Subsequently, the Budget Director assembles the preliminary projections of revenues and expenditures into a final budget incorporating any revisions or adjustments resulting from the aforementioned County Commissioners' review.
6. By early December, the final budget is presented to the County Commissioners. Pursuant to budgetary requirements as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.
7. After the 20-day inspection period, but no later than December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

Legally, management of the County may make budgetary transfers between departments as long as overall fund expenditures are not affected. Department heads may make budgetary transfers within their own department as long as overall department expenditures are not affected. However, as a matter of control, all such transfers are ratified by the County Commissioners. The County Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. The County Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof. The County Commissioners must approve changes to overall appropriations at the fund level. Therefore, the legal level of budgetary responsibility is by fund.

During the year, there were no significant supplemental appropriations enacted. Budget transfers did occur between accounts within funds. The statement of revenues, expenditures, and changes in fund balance - budget and actual, reflects the originally adopted budget and the originally adopted budget adjusted for budget transfers for the General Fund. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

Budgets are not implemented for the Capital Projects Fund. All transactions of the Capital Projects Fund are approved by the County Commissioners prior to commitment, thereby constructively achieving budgetary control.

Expenditures in Excess of Appropriations

The County exceeded certain budgetary appropriations in the General Fund. The excess was covered by actual revenues exceeding budgeted by approximately \$3.6 million.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds, are recorded in order to reserve that portion of the applicable appropriation, is

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

employed as an extension of formal budgetary integration in governmental funds. Encumbrances at year-end are reported as reservations of fund balances, since they do not constitute expenditures or liabilities but serve as authorization for expenditures in the subsequent year. As of December 31, 2012, the County had no such material encumbrances.

F. Cash and Cash Equivalents

The County considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

G. Investments

All investments of the County are carried at fair market value. Premiums and discounts on the pension trust fund notes are not amortized and are not material. All investments, except those of the pension trust fund, are U.S. government treasury notes and certificates of deposit with local banking institutions.

Income earned on the investments from the various funds was allocated back to the fund that made the investment.

H. Interfund Balances and Transfers

Interfund receivables and payables are used to account for loans between funds and legal obligations for one fund to pay another. Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Transfers between funds represent administration fees and payments made for required matches on grants.

Fund	Due From	Due To
General	\$ 2,391,966	\$ 297,672
BHS MH/ID	-	278,396
Capital Projects	200,000	297,012
Other governmental funds	77,682	1,799,497
Fiduciary	70,119	67,190
	\$ 2,739,767	\$ 2,739,767

Individual fund transfers at December 31, 2012 were as follows:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Fund	Transfer In	Transfers Out
General	\$ 673,882	\$ 3,504,876
BHS MH/ID	106,039	139,646
Capital Projects	2,430,110	-
Other governmental funds	968,729	534,238
	<u>\$ 4,178,760</u>	<u>\$ 4,178,760</u>

I. Inventories

General Fund inventories of consumable materials and supplies are not valued or recorded on the balance sheet. The cost is recorded as an expenditure at the time individual inventory items are purchased.

J. Capital Assets

Capital outlays are recorded as expenditures in the fund financial statements and as assets in the government-wide financial statements to the extent the County's capitalization threshold of \$5,000 is met. The capital assets are depreciated over their estimated useful lives for the government-wide statements, using the straight line method with mid-year convention and the following estimated useful lives:

Infrastructure	40 – 60 years
Building	40 years
Equipment	3 – 15 years
Vehicles	10 years

All capital assets and infrastructure are valued at historical cost or estimated historical cost if actual cost is not available.

Donated capital assets are valued at their fair market value on the date donated.

K. Unearned Revenues

Unearned revenues represent amounts received, which will be included in revenues of future fiscal years. In the General Fund and Special Revenue Funds, unearned revenues consist of carry-over balances of various federal and state operating grants. Tax revenues not received within 60 days of year end are also considered to be unearned.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

L. Accrued Compensated Absences

The balance in this account represents the amount to be provided for accrued employee benefits. This is the amount that the County would pay for the buy-back of accrued sick leave and severance pay. The County policy for buying back sick days is, once a year, employees may exchange any number of accrued sick days at a rate of \$50 per day for the number of days greater than 22. The policy also provides that, at retirement, the County will buy back all accrued sick days at the rate of \$50 per day. Severance pay is a one-time payment of \$5,000 to a retiring employee who has 20 years of service at age 55 or has five years of service and is at least 62 years of age. Severance pay is accrued as employees approach service limits. The balances of accrued employee benefits are as follows:

Amount for potential sick day buy-backs non-retirement eligible	\$ 82,550
Amount for sick day buy-backs retirement eligible	49,524
Amount for severance pay	225,000
Amount for compensated absences for non-exempt and union	<u>19,810</u>
Total Compensated Absences Liability	<u>\$ 376,884</u>

M. Reporting Groups

The County groups expenditures in a manner which eases the readability of the financial statements. Traditionally, most governmental statements are grouped similarly to this format. We have provided detail for the three combined groups and all others are self-explanatory.

1. General Government - Administration – Includes the Commissioners Administration, Elections, Human Resources, Information Technology, Veterans Affairs, Weights & Measures, Buildings & Grounds, Maintenance, Central Purchasing, Commissioners Finance, Controller, Tax Assessment, Tax Claim Bureau, Treasurer’s Office, and Planning Office.
2. General Government - Judicial – Includes the Courts, Clerk of Courts, Coroner, District Attorney, District Justices, Register & Recorder, Prothonotary, Jury Commissioners, Sheriff, Public Defender, and Domestic Relations.
3. Public Safety - Corrections – Includes the Jail, Adult Probation, Juvenile Probation, and Community Service.

N. Classification of Fund Balance

GASB Statement No. 54 establishes accounting and financial standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions as follow:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

- Nonspendable -- This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally required to be maintained intact.
- Restricted -- This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. The County's restricted fund balances consist of external enabling legislation for the state, federal, or local government grants.
- Committed -- This classification consists of amounts used for specific purposes imposed by formal action of the County's highest level of decision-making authority (Chief Executive/Council). The removal or modification of the use of committed funds can only be accomplished by formal action prior to fiscal year-end by the County's highest level of authority.
- Assigned — This classification consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted nor committed. The present procedure is for the Chief Executive to assign amounts to be used for specific purposes before issuance of audited financial statements.
- Unassigned — This classification consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance.

The County's policy is to apply expenditures against any restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

O. Classification of Net Position

The government-wide financial statements are required to report three components of net position:

- Net investment in capital assets -- This component of net position consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted -- This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

- Unrestricted -- This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

P. Adoption of Accounting Pronouncements

GASB Statement No. 61, *"The Financial Reporting Entity."* The objective of this statement is to have financial reporting entity financial statements be more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity.

GASB has issued Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements."* The objective of this statement is to codify into the GASB standards guidance located in FASB and AICPA pronouncements.

GASB has issued Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,"* effective for the year ending December 31, 2012. This statement establishes guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position.

Q. Pending Pronouncements

GASB has issued Statement No. 65, *"Items Previously Reported as Assets and Liabilities,"* effective for the year ending December 31, 2013. Statement No. 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 67, *"Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25,"* effective for the year ending December 31, 2014. Statement No. 67 replaces the requirements of Statements No. 25, *"Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,"* and No. 50, *"Pension Disclosures,"* as they relate to pension plans that are administered through trusts or equivalent arrangements. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 68, *"Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,"* effective for the year ending December 31, 2015. Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this statement, as well as for nonemployer governments that have a legal obligation

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

to contribute to those plans. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 69, "*Government Combinations and Disposals of Government Operations*," effective for financial statements for periods beginning after December 15, 2013. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 70, "*Accounting and Financial Reporting for Nonexchange Financial Guarantees*," effective for financial statements for periods beginning after June 15, 2013. This statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government be required to make a payment on the liability. The effect of implementation of this statement has not yet been determined.

R. Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental funds, fiduciary fund investments may also be made in corporate stocks and bonds, real estate, and other investments consistent with sound business practice.

The deposit and investment policy of the County adheres to state statutes and prudent business practice. Deposits of the governmental funds are either maintained in demand deposits, savings accounts, and/or certificates of deposit. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the County.

GASB Statement No. 40, "*Deposit and Investment Risk Disclosures*," requires disclosures related to the following deposits and investment risks: credit risks (including custodial credit risk and concentrations of credit risk), and interest rate risk. The following is a description of the County's deposit and investment risk:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Custodial Credit Risk - The risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2012, \$1,331,156 of the County's \$11,683,512 bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of \$10,352,356 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$10,863,153 as of December 31, 2012 and are classified as cash and cash equivalents in the statement of net position.

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. The County does not have a formal investment policy for custodial credit risk.

The County uses an external investment pool to ensure safety and maximize efficiency, liquidity, and yield for County funds. These funds are invested in the Pennsylvania Local Government Investment Trust (PLGIT), which separately issues audited financial statements that are available to the public. The fair value of the County's position in the external investment pool is equivalent to the value of the pool shares. The Commonwealth of Pennsylvania provides external regulatory oversight for the external investment pool. As of December 31, 2012, the bank balance of the investment in PLGIT is \$14,571. The carrying value of the investment in PLGIT of \$14,571 is considered to be a cash equivalent for presentation on the statement of net position and governmental fund balance sheet.

The County also has investments of \$1,275,010 invested in certificates of deposits at local financial institutions. These accounts are recorded as an investment on the statement of net position and the governmental funds balance sheet. As of December 31, 2012, \$270,041 of the balance of \$1,275,010 was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of \$1,004,969 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

Credit risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2012, the County's investments in PLGIT have received an AAA rating from Standard & Poor's.

Interest Rate Risk - The County has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

All investments in PLGIT have an average maturity of less than one year. The certificate of deposit bear interest at a rate of 2.75% and will mature in January 2014.

Agency Funds

The County maintains bank accounts for the elected row officers, other County offices, and tax claim. The balance of these accounts is reflected in the statement of fiduciary net position. Receipts and disbursements for these programs were \$4,987,796 and \$5,271,110, respectively, for the year ended December 31, 2012. The carrying amount of deposits for the row offices and other County offices was \$642,726 and the bank balance was \$937,383. The carrying amount of deposits for the Tax Claim Bureau was \$174,781 and the bank balance was \$171,498. \$572,147 of the bank balances were covered by federal depository insurance and the remaining were collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name.

Employees' Pension Plan

The Employees' Pension Plan (Plan) investments are held separately from those of other County Funds. Investments were consistent with those authorized. The Plan investments must be liquid or marketable. The County's investment policy expressly prohibits investments in high risk derivatives securities, options, selling short commodities, and letter stock.

As of December 31, 2012, the County had the following cash and investments in the Plan:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Investment Maturities (In Years) from December 31, 2012					
Cash or Investment Type	Fair Market Value	Less than 1 year	1-5 Years	6 -10 Years	11 or more Years
U.S. Treasuries	\$ 2,017,605	\$ 355,885	\$ 1,371,994	\$ 289,726	\$ -
U.S. Government Agency Obligations	455,976	10,771	260,917	88,577	95,711
Municipal Bonds and Notes	623,979	90,810	266,178	166,991	100,000
Corporate Bonds	4,008,238	-	1,403,243	1,786,454	818,541
Euroclear Bonds and Notes	103,500	103,500	-	-	-
Total debt securities	7,209,298	\$ 560,966	\$ 3,302,332	\$ 2,331,748	\$ 1,014,252
Cash and cash equivalents	83,476				
Money market accounts	712,053				
Common stock equities	9,336,363				
Total cash, cash equivalents, and other investments	10,131,892				
Total cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 17,341,190				

The following is a description of the Plan deposit and investment risks:

Credit risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Plan has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2012, the Plan investments in fixed income bonds have received the following ratings from Moody's:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Investment Type	Rating	Percentage of Total Plan Debt Securities
Municipal Bonds	A2	5.45%
Municipal Bonds	A3	1.64%
Municipal Bonds	Aa3	1.41%
Municipal Bonds	Unrated	2.76%
Governmental Bonds	Aaa	4.55%
Governmental Bonds	Unrated	3.67%
Corporate Bonds	A1	11.51%
Corporate Bonds	A2	15.49%
Corporate Bonds	A3	11.86%
Corporate Bonds	Aa1	3.47%
Corporate Bonds	Aa3	2.95%
Corporate Bonds	Baa1	10.03%
Corporate Bonds	Baa2	12.87%
Corporate Bonds	Baa3	8.36%
Corporate Bonds	Unrated	2.13%
Euroclear Bonds and Notes	Unrated	1.87%
		<hr/> <hr/> 100%

Custodial Credit Risk - Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Plan will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The Plan does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2012, the County's entire pension investment balance of \$17,341,190 (bank and book balance) was exposed to custodial credit risk.

Concentration of Credit Risk - The County places no limit on the amount the Plan may invest in any one issuer.

Interest Rate Risk - The Plan does not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

3. REAL ESTATE TAXES

Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on April 1. Taxes paid through May 31 are given a 2% discount. Amounts paid after July 31 are assessed a 10% penalty. The assessed value, upon which the 2012 levy was based, was \$1,575,567,381. The tax rate to finance General Government Services other than the payment of principal and interest on long-term debt for the year ended December 31, 2012, was 6.77 mills per \$1,000. The tax rate to

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

finance the payment of principal and interest on long-term debt for the year ended December 31, 2012 was 0.7 mills per \$1,000. The tax rate related to library services for the year ended December 31, 2012 was 0.07 mills per \$1,000.

4. REAL ESTATE TAXES RECEIVABLE

Uncollected real estate taxes on the current tax duplicate are returned by the County Treasurer to the tax claim bureau of the County on January 15th following the year of the unpaid levy as required by local tax collection law. The County also collects delinquent real estate taxes on behalf of other taxing authorities.

The statement of net position contains the balance of all taxes receivable, regardless of when they will be collected, and includes an allowance for uncollectible taxes. The County calculates its allowance for uncollectible accounts based on historical collection data.

The balances for the General Fund are calculated as follows:

<u>Year Tax is Levied</u>	<u>Amount of Unpaid Tax</u>	<u>Percentage of Tax Believed to be Uncollectible</u>	<u>Taxes Receivable Net of Allowance for Uncollectible</u>
1943-2007	\$ 198,348	20.0%	\$ 158,679
2008-2009	50,670	1.0%	50,164
2010-2011	401,765	0.3%	400,559
2012	<u>772,469</u>	0.0%	<u>772,469</u>
	<u>\$ 1,423,252</u>		<u>\$ 1,381,871</u>

5. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments represent receivables for revenues earned by the County or collections made by another governmental unit on behalf of the County. Most significant are carry-forward receivable balances on various federal and state operating programs.

6. CAPITAL ASSETS

The following table illustrates the changes in capital assets as they have occurred in fiscal year 2012.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

	Balance at January 1, 2012	Additions	Transfers	Deletions	Balance at December 31, 2012
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 2,444,785	\$ -	\$ -	\$ -	\$ 2,444,785
Construction in progress	1,159,813	1,069,327	155,385	-	2,073,755
Total capital assets not being depreciated	3,604,598	1,069,327	155,385	-	4,518,540
Capital assets being depreciated:					
Buildings and improvements	17,245,491	176,984	-	-	17,422,475
Vehicles	2,001,128	148,180	-	15,497	2,133,811
Furniture and equipment	2,749,103	121,457	-	-	2,870,560
Total capital assets being depreciated	21,995,722	446,621	-	15,497	22,426,846
Less accumulated depreciation for:					
Buildings and improvements	5,413,353	408,238	-	-	5,821,591
Vehicles	992,748	164,526	-	14,484	1,142,790
Furniture and equipment	1,575,940	228,642	-	-	1,804,582
Total accumulated depreciation	7,982,041	801,406	-	14,484	8,768,963
Total capital assets being depreciated, net of accumulated depreciation	14,013,681	(354,785)	-	1,013	13,657,883
Infrastructure assets	21,180,825	9,131	-	31,566	21,158,390
Less accumulated depreciation	2,598,324	238,380	-	25,735	2,810,969
Infrastructure assets, net of accumulated depreciation	18,582,501	(229,249)	-	5,831	18,347,421
Governmental assets capital assets, net	\$ 36,200,780	\$ 485,293	\$ 155,385	\$ 6,844	36,523,844

Included in equipment above is \$411,033 of assets purchased under a capital lease. These assets have a net value of \$328,743 at December 31, 2012.

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

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

<u>Governmental Activities:</u>	
General government	\$ 193,732
Public safety	143,349
Public works	294,901
Human services	108,374
Culture and recreation	160,632
Community and economic development	2,174
Unallocated depreciation	<u>136,624</u>
Total depreciation expense - governmental activities	<u><u>\$ 1,039,786</u></u>

7. PENSION PLAN

Plan Description

The County contributes to the Greene County Employee Pension Plan (Plan), a single employer defined benefit public employee retirement system, which is self-administered by the County. The Plan is governed by County Pension Law Act 96 of 1971 (Act), as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. The Plan was established January 1, 1993, with its most recent amendment dated January 1, 1999. The latest actuarial valuation is dated January 1, 2012.

Substantially, all full-time employees of the County are participants in the Plan. The County's payroll for employees covered by the Plan as of January 1, 2012 was \$9,148,757.

All full-time employees, with 1,000 hours of service, are eligible to participate in the Plan. Benefits vest 100% after five years of credit service.

Normal retirement benefits are attained at age 55 and the completion of 20 years of service or age 60, if earlier. A monthly members' annuity, which is the actuarial equivalent of the participant's accumulated member contributions plus interest, plus a monthly County annuity, calculates as follows: Monthly benefit equal to 1/100 (1.0%) of average compensation multiplied by the participant's past service.

At January 1, 2012, the date of the most recent valuation, participants in the Plan were as follows:

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Participants:	
Retirees and beneficiaries	68
Deferred vested	16
Active plan members	<u>249</u>
Total	<u><u>333</u></u>

State statutes and the County Commissioners establish these benefit provisions and all other requirements. A more detailed description of the Plan is available from the County Administration Office.

Summary of Significant Accounting Policies

Financial information of the County's Plan is presented on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due as required by the Act. Benefits and refunds are recognized when due and payable in accordance with the terms of the individual plan.

Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximate fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

Contributions and Funding Policy

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal method and the same actuarial assumptions used to calculate the pension benefit calculation.

As a condition of participation, employees are to currently contribute 7% of their salary as stipulated in the Plan. Interest is credited to employee accounts each year at the annual rate of 4.5% as voted upon by the County Retirement Board. Employees who terminate prior to retirement eligibility receive their accumulated member contributions plus credited interest through the date of termination. The rate was 4.0% through December 31, 1995, 5.0% through December 31, 1997, and 5.5% through December 31, 2008. The rate became 4.5% starting January 1, 2009.

Employer contributions for funding of normal costs of \$500,103 or 5.47% of covered payroll, were calculated in accordance with actuarially determined contribution requirements based on an actuarial valuation dated January 1, 2012.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Required Governmental Accounting Standards Board Statements No. 25 and No. 27 Disclosures

<u>Annual Pension Cost and Net Pension Obligation</u>	<u>2012</u>
Annual Required Contribution ARC	\$ 500,103
Interest on Net Pension Obligation (Asset)	3,085
Adjustment to the ARC	<u>(5,316)</u>
Annual Pension Cost APC	497,872
Contributions made	<u>799,125</u>
Change in Net Pension Obligation (Asset)	(301,253)
Net Pension Obligation (Asset) Beginning of Year	<u>41,136</u>
Net Pension Obligation (Asset) End of Year	<u><u>\$ (260,117)</u></u>

Accounting Information

- A. The funding requirement method was changed from the Aggregate Method in 2008 to the Entry Age Normal Cost Method in 2010 using a 20-year open amortization period.
- B. Annual pension costs for the year beginning January 1, 2012:

Annual Required Contribution	\$ 500,103
Interest on NPO (Asset)	3,085
Adjustment to the ARC	<u>(5,316)</u>
Annual pension cost	<u><u>\$ 497,872</u></u>

Other disclosure information:

Actuarial cost method	Entry age (% Pay)
Asset valuation method	Fair value
Amortization method	Level dollar, open
Amortization remaining amortization period	20 years
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.50%
Underlying inflation rate	3.00%

The projected salary increase percentage was decreased from 5.0% to 4.5% for the January 1, 2012 valuation. The initial unfunded actuarial accrued liability has been established as of January 1, 2010, the first adoption by the Plan of the entry age normal actuarial cost method.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Trend Information

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
12/31/2010	\$ 634,198	119.0%	\$ 54,238
12/31/2011	723,701	101.8%	41,136
12/31/2012	497,872	160.5%	(260,117)

Funded Status

The County's funded status and related information as of the latest actuarial valuation date, January 1, 2012, is as follows:

<u>Actuarial Value of Assets</u>	<u>Actuarial Liability (AAL) Entry Age</u>	<u>Excess of Assets Over (Under) AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Excess (Deficiency) as a Percentage of Covered Payroll</u>
\$ 15,303,352	\$ 16,684,016	\$ (1,380,664)	91.72%	\$ 9,148,757	(15.09)%

The required schedule of funding progress included as required supplementary information immediately following the notes to 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 Plan is invested in various types of financial instruments. This diversification of the investment portfolio serves to assist in mitigating the various types of risks associated with different types of financial instruments. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments could occur and that such a change could materially affect the amount reported on the statement of fiduciary net position.

8. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to full-time County employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

It is the opinion of the County's legal counsel that the County has no liability for losses under the Plan, but does have the duty of due care that would be required of an ordinary and prudent investor.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

9. LONG-TERM DEBT OBLIGATIONS

The changes in long-term obligations payable during the year ended December 31, 2012 are as follows:

	At December 31, 2011	Issuances	Repayments	At December 31, 2012	Due Within One Year
G. O. Bond 2008	\$ 6,425,000	\$ -	\$ 575,000	\$ 5,850,000	\$ 590,000
G. O. Bond 2011	5,710,000	-	50,000	5,660,000	40,000
Capital Lease	404,826	-	76,083	328,743	79,154
Total	<u>\$ 12,539,826</u>	<u>\$ -</u>	<u>\$ 701,083</u>	<u>\$ 11,838,743</u>	<u>\$ 709,154</u>

General Obligation Bonds

During 2008, the County issued \$7,320,000 in General Obligation Bonds to currently refund the 1998 refunding series bond issuance, to provide for capital projects, to pay capitalized interest, and to pay bond issuance costs. Interest payments are payable semi-annually on January 15 and July 15 with rates ranging from 2.50% to 3.90%.

Year Ending December 31,	Principal Amount	Interest Amount	Total
2013	\$ 590,000	\$ 195,865	\$ 785,865
2014	610,000	177,560	787,560
2015	630,000	158,025	788,025
2016	650,000	136,895	786,895
2017	675,000	113,864	788,864
2018-2021	<u>2,695,000</u>	<u>196,121</u>	<u>2,891,121</u>
Total	<u>\$ 5,850,000</u>	<u>\$ 978,330</u>	<u>\$ 6,828,330</u>

During 2011, the County issued \$5,710,000 in General Obligation Bonds to currently refund the 2006 Bonds and to acquire or construct various capital improvement projects and additions. Interest payments are payable semi-annually on March 1 and September 1 with rates ranging from 2.00% to 3.70%.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

<u>Year Ending December 31,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2013	\$ 40,000	\$ 189,791	\$ 229,791
2014	40,000	188,991	228,991
2015	40,000	188,191	228,191
2016	40,000	187,391	227,391
2017	40,000	186,416	226,416
2018-2022	1,305,000	887,709	2,192,709
2023-2027	4,155,000	339,868	4,494,868
Total	<u>\$ 5,660,000</u>	<u>\$ 2,168,357</u>	<u>\$ 7,828,357</u>

Maturities of all outstanding bonds of the County, in the aggregate, are as follows:

<u>Year Ending December 31,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2013	\$ 630,000	\$ 385,656	\$ 1,015,656
2014	650,000	366,551	1,016,551
2015	670,000	346,216	1,016,216
2016	690,000	324,286	1,014,286
2017	715,000	300,280	1,015,280
2018-2022	4,000,000	1,083,830	5,083,830
2023-2027	4,155,000	339,868	4,494,868
Total	<u>\$ 11,510,000</u>	<u>\$ 3,146,687</u>	<u>\$ 14,656,687</u>

Capital Lease One

During 2011, the County signed a lease with PNC Equipment Finance in the amount of \$411,033 with an interest rate of 3.97% for a period of 60 months for the purpose of leasing 28 copiers. The payments on the lease are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2013	\$ 79,154	\$ 11,602	\$ 90,756
2014	82,349	8,407	90,756
2015	85,673	5,083	90,756
2016	81,567	1,625	83,192
Total	<u>\$ 328,743</u>	<u>\$ 26,717</u>	<u>\$ 355,460</u>

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

10. SHORT-TERM DEBT OBLIGATIONS

The County utilizes short-term financing, when needed, in the form of a Tax Anticipation Note (TAN). The TAN is secured to finance general operations through periods of uneven property tax collection, so that cash flows are not restricted. The County received a TAN on January 3, 2012 for a total of \$2,000,000, of which only \$1,650,000 was drawn down, with an interest rate of 1.59%, and subsequently paid off the balance by December 31, 2012.

	<u>Beginning Balance</u>	<u>Draws</u>	<u>Repayments</u>	<u>Ending Balance</u>
Tax Anticipation Note	<u>\$ -</u>	<u>\$ 1,650,000</u>	<u>\$ 1,650,000</u>	<u>\$ -</u>

11. CONTINGENT LIABILITIES

A. Grant Programs

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor, cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

B. Litigation

At this time, the County is not involved in any material litigation.

12. 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; and natural disasters for which the County carries commercial insurance. There have been no significant changes in insurance coverage in any of the past three years.

**Required Supplementary
Information**

COUNTY OF GREENE, PENNSYLVANIA

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYERS AND OTHER CONTRIBUTING ENTITIES - EMPLOYEES RETIREMENT FUND

<u>Annual Calendar Year</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2007	\$ 447,615	101%
2008	424,472	97%
2009	445,695	118%
2010	638,240	118%
2011	736,803	102%
2012	500,103	160%

The information presented above was determined as part of the actuarial valuations for the dates indicated.

See accompanying note to supplementary schedules.

COUNTY OF GREENE, PENNSYLVANIA

SCHEDULE OF FUNDING PROGRESS FOR THE PENSION TRUST FUND

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess (Deficiency) of Assets Over (Under) AAL (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	Excess (Deficiency) as a Percentage of Covered Payroll [(b)-(a)]/(c)
1/1/2012	\$ 15,303,352	\$ 16,684,016	\$ (1,380,664)	91.72%	\$ 9,148,757	(15.09%)
1/1/2010	11,993,510	14,494,466	(2,500,956)	82.75%	8,379,320	(29.85%)

Source: Actuarial reports

Note: For the 2010 valuation, the County uses the entry age funding method. The County used the aggregate actuarial funding method prior to 2010. That method did not require a Schedule of Funding Progress prior to implementation of GASB 50. As a result, information prior to the 2010 year is not available.

See accompanying note to supplementary schedules.

COUNTY OF GREENE, PENNSYLVANIA

NOTE TO SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2012

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

Actuarial valuation date	1/1/2012
Actuarial cost method	Entry Age
Asset valuation method	Fair Value
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.50%
Underlying inflation rate	3.00%

Supplementary Information

COUNTY OF GREENE, PENNSYLVANIA

COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2012

Special Revenue Funds

	Redevelopment Authority	Election Grant	DA Grant	Affordable Housing Trust	Probation Supervision	Probation DUI	Community Service	Clerk of Courts Automation	Prothonotary Automation
Assets									
Cash and cash equivalents	\$ 12,053	\$ 347	\$ 1	\$ 100,641	\$ 45,986	\$ 26,249	\$ 20,137	\$ 10,916	\$ 1,719
Investments	-	-	-	-	-	-	-	-	-
Due from other funds	42,988	-	-	2,410	4,904	878	497	251	185
Due from other governments	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total Assets	\$ 55,041	\$ 347	\$ 1	\$ 103,051	\$ 50,890	\$ 27,127	\$ 20,634	\$ 11,167	\$ 1,904
Liabilities and Fund Balance									
Liabilities:									
Accounts payable	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220	\$ -
Due to other funds	-	-	-	-	-	11,016	-	-	-
Total Liabilities	150	-	-	-	-	11,016	-	220	-
Fund Balance:									
Non-spendable	-	-	-	-	-	-	-	-	-
Restricted	54,891	347	1	103,051	50,890	16,111	20,634	10,947	1,904
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balance	54,891	347	1	103,051	50,890	16,111	20,634	10,947	1,904
Total Liabilities and Fund Balance	\$ 55,041	\$ 347	\$ 1	\$ 103,051	\$ 50,890	\$ 27,127	\$ 20,634	\$ 11,167	\$ 1,904

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2012

(Continued)

	Special Revenue Funds									
	Adoption Counseling	RI Fund County	RI Fund R&R	Conservation District	Community Development	Child Support Enforcement	911 and Hazmat	Liquid Fuels	Tourism	Library System
Assets										
Cash and cash equivalents	\$ 822	\$ 53,595	\$ 25,450	\$ 601,499	\$ 20,350	\$ 519	\$ 469,130	\$ 370,510	\$ 92,068	\$ 37,173
Investments	-	-	-	-	-	-	-	-	-	20,041
Due from other funds	-	1,110	1,665	-	-	-	-	-	-	812
Due from other governments	-	-	-	19,987	-	148,107	-	54,191	-	-
Taxes receivable	-	-	-	-	-	-	-	-	71,072	4,456
Accounts receivable	-	-	-	-	-	187	25,326	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 822	\$ 54,705	\$ 27,115	\$ 621,486	\$ 20,350	\$ 148,813	\$ 494,456	\$ 424,701	\$ 163,140	\$ 62,482
Liabilities and Fund Balance										
Liabilities:										
Accounts payable	\$ -	\$ 24,897	\$ -	\$ -	\$ -	\$ -	\$ 5,150	\$ 20,106	\$ 2,878	\$ -
Due to other funds	-	-	28,403	20,246	-	148,813	268,150	2,178	11,017	-
Unearned revenue	-	-	-	16,770	20,350	-	164,319	-	-	-
Total Liabilities	-	24,897	28,403	37,016	20,350	148,813	437,619	22,284	13,895	-
Fund Balance:										
Non-spendable	-	-	-	-	-	-	-	-	-	-
Restricted	822	29,808	(1,288)	584,470	-	-	56,837	402,417	149,245	62,482
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	822	29,808	(1,288)	584,470	-	-	56,837	402,417	149,245	62,482
Total Liabilities and Fund Balance	\$ 822	\$ 54,705	\$ 27,115	\$ 621,486	\$ 20,350	\$ 148,813	\$ 494,456	\$ 424,701	\$ 163,140	\$ 62,482

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2012
(Continued)

	Special Revenue Funds						Debt Service	Total Other Governmental Funds
	Children and Youth	Human Services Transportation	Fair Board	BHS D&A	Human Services	Coroner		
Assets								
Cash and cash equivalents	\$ 267,648	\$ 452,765	\$ 198,555	\$ 380,161	\$ 107,990	\$ 13,106	\$ 897,741	\$ 4,207,131
Investments	-	-	-	-	-	-	-	20,041
Due from other funds	-	-	-	13,437	8,545	-	-	77,682
Due from other governments	298,756	72,753	18,010	18,030	170,671	-	-	800,505
Taxes receivable	-	-	-	-	-	-	22,315	97,843
Accounts receivable	2,571	20,685	2,164	8,658	15	-	-	59,606
Other assets	-	-	1,694	-	-	-	-	1,694
Total Assets	\$ 568,975	\$ 546,203	\$ 220,423	\$ 420,286	\$ 287,221	\$ 13,106	\$ 920,056	\$ 5,264,502
Liabilities and Fund Balance								
Liabilities:								
Accounts payable	\$ 141,119	\$ 9,052	\$ -	\$ 15,448	\$ 188,932	\$ -	\$ -	\$ 407,952
Due to other funds	275,331	345,473	477	78,457	84,936	-	525,000	1,799,497
Due to other governments	-	-	-	-	-	-	-	-
Unearned revenue	152,525	191,678	1,560	326,381	13,353	-	-	886,936
Total Liabilities	568,975	546,203	2,037	420,286	287,221	-	525,000	3,094,385
Fund Balance:								
Non-spendable	-	-	1,694	-	-	-	-	1,694
Restricted	-	-	-	-	-	13,106	395,056	1,951,731
Committed	-	-	216,692	-	-	-	-	216,692
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balance	-	-	218,386	-	-	13,106	395,056	2,170,117
Total Liabilities and Fund Balance	\$ 568,975	\$ 546,203	\$ 220,423	\$ 420,286	\$ 287,221	\$ 13,106	\$ 920,056	\$ 5,264,502

(Concluded)

COUNTY OF GREENE, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS YEAR ENDED DECEMBER 31, 2012

	Special Revenue Funds								
	Redevelopment Authority	Election Grant	DA Grant Fund	Affordable Housing Trust	Probation Supervision	Probation DUI	Community Service	Clerk of Courts Automation	Prothonotary Automation
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	7,525	-	-	-	-	-	-	-
Charges for services	-	-	-	25,570	98,549	18,841	7,755	2,931	4,650
Interest	7	1	3	373	31	49	82	12	3
Rental income	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-
Total revenues	<u>7</u>	<u>7,526</u>	<u>3</u>	<u>25,943</u>	<u>98,580</u>	<u>18,890</u>	<u>7,837</u>	<u>2,943</u>	<u>4,653</u>
Expenditures:									
Administration:									
General government	-	-	-	-	-	-	-	-	11,474
Judicial	-	-	818	-	-	19,332	7,378	4,197	-
Public safety:									
EMA/911	-	-	-	-	-	-	-	-	-
Public works:									
Highways and bridges	-	-	-	-	-	-	-	-	-
Human services:									
Child/youth services	-	-	-	-	-	-	-	-	-
Drug and alcohol	-	-	-	-	-	-	-	-	-
Other human services	-	-	-	-	-	-	-	-	-
Culture and recreation:									
Parks and recreation	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Community and economic development:									
Conservation/development	-	-	-	-	-	-	-	-	-
Housing/community development	1,360	-	-	22,610	-	-	-	-	-
Tourist promotion	-	-	-	-	-	-	-	-	-
Debt service:									
Debt interest	-	-	-	-	-	-	-	-	-
Debt principal payments	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	<u>1,360</u>	<u>-</u>	<u>818</u>	<u>22,610</u>	<u>-</u>	<u>19,332</u>	<u>7,378</u>	<u>4,197</u>	<u>11,474</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,353)</u>	<u>7,526</u>	<u>(815)</u>	<u>3,333</u>	<u>98,580</u>	<u>(442)</u>	<u>459</u>	<u>(1,254)</u>	<u>(6,821)</u>
Other Financing Sources (Uses):									
Transfers in	42,988	-	541	-	-	-	-	-	1,000
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-
Bond discount	-	-	-	-	-	-	-	-	-
Other sources from sale of assets/ prior period reimbursement	-	-	-	-	-	-	-	-	-
Transfers out	-	(5,828)	-	-	(95,510)	-	-	-	-
Total other financing sources (uses)	<u>42,988</u>	<u>(5,828)</u>	<u>541</u>	<u>-</u>	<u>(95,510)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Net Change in Fund Balance	41,635	1,698	(274)	3,333	3,070	(442)	459	(1,254)	(5,821)
Fund Balance:									
Beginning of year	13,256	(1,351)	275	99,718	47,820	16,553	20,175	12,201	7,725
End of year	<u>\$ 54,891</u>	<u>\$ 347</u>	<u>\$ 1</u>	<u>\$ 103,051</u>	<u>\$ 50,890</u>	<u>\$ 16,111</u>	<u>\$ 20,634</u>	<u>\$ 10,947</u>	<u>\$ 1,904</u>

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2012

(Continued)

	Special Revenue Funds									
	Adoption Counseling	RI Fund County	RI Fund R&R	Conservation District	Community Development	Child Support Enforcement	911 and Hazmat	Liquid Fuels	Tourism	Library System
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,949	\$ 109,323
Intergovernmental	-	-	-	115,054	30,219	567,360	271,542	282,448	4,400	158,468
Charges for services	-	15,862	23,793	75,165	-	3,718	293,182	-	17,045	0
Interest	3	52	22	967	-	13	590	1,050	35	2,318
Rental income	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	7,277	-	-	-	-	-	6,175
Total revenues	<u>3</u>	<u>15,914</u>	<u>23,815</u>	<u>198,463</u>	<u>30,219</u>	<u>571,091</u>	<u>565,314</u>	<u>283,498</u>	<u>232,429</u>	<u>276,284</u>
Expenditures:										
Administration:										
General government	-	33,449	48,747	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	746,503	-	-	-	-
Public safety:										
EMA/911	-	-	-	-	-	-	379,526	-	-	-
Public works:										
Highways and bridges	-	-	-	-	-	-	697,094	-	-	-
Human services:										
Child/youth services	-	-	-	-	-	-	-	-	-	-
Drug and alcohol	-	-	-	-	-	-	-	-	-	-
Other human services	-	-	-	-	-	-	-	-	-	-
Culture and recreation:										
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	269,361
Community and economic development:										
Conservation/development	-	-	-	253,949	-	-	-	-	-	-
Housing/community development	-	-	-	-	2,073	-	-	-	-	-
Tourist promotion	-	-	-	-	-	-	-	193,140	-	-
Debt service:										
Debt interest	-	-	-	-	-	-	-	-	-	-
Debt principal payments	-	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>33,449</u>	<u>48,747</u>	<u>253,949</u>	<u>2,073</u>	<u>746,503</u>	<u>379,526</u>	<u>697,094</u>	<u>193,140</u>	<u>269,361</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3</u>	<u>(17,535)</u>	<u>(24,932)</u>	<u>(55,486)</u>	<u>28,146</u>	<u>(175,412)</u>	<u>185,788</u>	<u>(413,596)</u>	<u>39,289</u>	<u>6,923</u>
Other Financing Sources (Uses):										
Transfers in	-	-	-	-	-	217,967	5,121	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-
Bond discount	-	-	-	-	-	-	-	-	-	-
Other sources from sale of assets/ prior period reimbursement	-	-	-	61,992	-	-	-	486,461	-	-
Other uses	-	-	-	(27,701)	-	-	-	-	-	-
Transfers out	-	-	-	-	(28,146)	(49,209)	(177,357)	(12,681)	(4,078)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,291</u>	<u>(28,146)</u>	<u>168,758</u>	<u>(172,236)</u>	<u>473,780</u>	<u>(4,078)</u>	<u>-</u>
Net Change in Fund Balance	<u>3</u>	<u>(17,535)</u>	<u>(24,932)</u>	<u>(21,195)</u>	<u>-</u>	<u>(6,654)</u>	<u>13,552</u>	<u>60,184</u>	<u>35,211</u>	<u>6,923</u>
Fund Balance:										
Beginning of year	819	47,343	23,644	605,665	-	6,654	43,285	342,233	114,034	55,559
End of year	<u>\$ 822</u>	<u>\$ 29,808</u>	<u>\$ (1,288)</u>	<u>\$ 584,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,837</u>	<u>\$ 402,417</u>	<u>\$ 149,245</u>	<u>\$ 62,482</u>

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2012

(Continued)

	Special Revenue Funds							Totals
	Children and Youth	Human Services Transportation	Fair Board	BHS D&A	Human Services	Coroner	Debt Service	
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,088,638	\$ 1,408,910
Intergovernmental	1,824,661	1,707,349	128,817	488,495	2,320,986	-	-	7,907,324
Charges for services	74,508	30,303	215,508	55,781	-	3,176	-	966,337
Interest	125	106	228	564	45	58	741	7,478
Rental income	-	-	14,690	-	-	-	-	14,690
Donations	-	-	-	-	-	-	-	13,452
Total revenues	1,899,294	1,737,758	359,243	544,840	2,321,031	3,234	1,089,379	10,318,191
Expenditures:								
Administration:								
General government	-	-	-	-	-	5,977	103	99,750
Judicial	-	-	-	-	-	-	-	778,228
Public safety:								
EMA/911	-	-	-	-	-	-	-	379,526
Public works:								
Highways and bridges	-	-	-	-	-	-	-	697,094
Human services:								
Child/youth services	2,481,329	-	-	-	-	-	-	2,481,329
Drug and alcohol	-	-	-	549,330	-	-	-	549,330
Other human services	-	1,695,028	-	-	2,310,536	-	-	4,005,564
Culture and recreation:								
Parks and recreation	-	-	351,179	-	-	-	-	351,179
Libraries	-	-	-	-	-	-	-	269,361
Community and economic development:								
Conservation/development	-	-	-	-	-	-	-	253,949
Housing/community development	-	-	-	-	-	-	-	26,043
Tourist promotion	-	-	-	-	-	-	-	193,140
Debt service:								
Debt interest	-	-	-	-	-	-	396,596	396,596
Debt principal payments	-	-	-	-	-	-	625,000	625,000
Total expenditures	2,481,329	1,695,028	351,179	549,330	2,310,536	5,977	1,021,699	11,106,089
Excess (Deficiency) of Revenues Over Expenditures	(582,035)	42,730	8,064	(4,490)	10,495	(2,743)	67,680	(787,898)
Other Financing Sources (Uses):								
Transfers in	685,739	-	-	8,990	-	-	6,383	968,729
Other sources from sale of assets/ prior period reimbursement	-	-	-	-	-	-	-	548,453
Other uses	-	-	-	-	-	-	-	(27,701)
Transfers out	(103,704)	(42,730)	-	(4,500)	(10,495)	-	-	(534,238)
Total other financing sources (uses)	582,035	(42,730)	-	4,490	(10,495)	-	6,383	955,243
Net Change in Fund Balance	-	-	8,064	-	-	(2,743)	74,063	167,345
Fund Balance:								
Beginning of year	-	-	210,322	-	-	15,849	320,993	2,002,772
End of year	\$ -	\$ -	\$ 218,386	\$ -	\$ -	\$ 13,106	\$ 395,056	\$ 2,170,117

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS COMBINING BALANCE SHEET

DECEMBER 31, 2012

	Tax Claim	Clerk of Courts - Criminal	Orphan's Court	Register and Recorder	Register and Recorder- Local Realty Transfer	Magistrate 13-03-01	Magistrate 13-03-02	Magistrate 13-03-03	Sheriff
Assets									
Cash and cash equivalents	\$ 174,781	\$ 84,410	\$ 1,295	\$ 45,425	\$ 85,321	\$ 6,134	\$ 17,849	\$ 16,332	\$ 23,806
Due from other funds	-	221	-	28,403	-	-	-	-	-
Total Assets	\$ 174,781	\$ 84,631	\$ 1,295	\$ 73,828	\$ 85,321	\$ 6,134	\$ 17,849	\$ 16,332	\$ 23,806
Liabilities									
Liabilities:									
Due to other governments	\$ 174,781	\$ 64,873	\$ 1,295	\$ 38,705	\$ 85,321	\$ 4,044	\$ 14,108	\$ 16,332	\$ 20,289
Due to other funds	-	19,758	-	35,123	-	2,090	3,741	-	3,517
Total Liabilities	\$ 174,781	\$ 84,631	\$ 1,295	\$ 73,828	\$ 85,321	\$ 6,134	\$ 17,849	\$ 16,332	\$ 23,806
Assets									
	Sheriff-Validation System	Prothonotary	Prothonotary - Escrow Accts	Jail	Airport Security	Domestic Relations	Fire Damage Escrow	Juvenile Probation	Children and Youth
Cash and cash equivalents	\$ 334	\$ 163,130	\$ 9,592	\$ 49,133	\$ 5,883	\$ 23,342	\$ 67	\$ 2,536	\$ 27,533
Due from other funds	-	-	-	-	-	-	-	-	-
Total Assets	\$ 334	\$ 163,130	\$ 9,592	\$ 49,133	\$ 5,883	\$ 23,342	\$ 67	\$ 2,536	\$ 27,533
Liabilities									
Liabilities:									
Due to other governments	\$ 334	\$ 160,169	\$ 9,592	\$ 49,133	\$ 5,883	\$ 23,342	\$ 67	\$ 2,536	\$ 27,533
Due to other funds	-	2,961	-	-	-	-	-	-	-
Total Liabilities	\$ 334	\$ 163,130	\$ 9,592	\$ 49,133	\$ 5,883	\$ 23,342	\$ 67	\$ 2,536	\$ 27,533
Assets									
	Commonwealth Treasurer	District Attorney	Farmland Preservation	Human Services - M. Howard	Wire Transfer Account	Total			
Cash and cash equivalents	\$ 21,860	\$ 26,105	\$ 29,616	\$ 3,003	\$ 20	\$ 817,507			
Due from other funds	-	-	-	-	-	28,624			
Total Assets	\$ 21,860	\$ 26,105	\$ 29,616	\$ 3,003	\$ 20	\$ 846,131			
Liabilities									
Liabilities:									
Due to other governments	\$ 21,860	\$ 26,105	\$ 29,616	\$ 3,003	\$ 20	\$ 778,941			
Due to other funds	-	-	-	-	-	67,190			
Total Liabilities	\$ 21,860	\$ 26,105	\$ 29,616	\$ 3,003	\$ 20	\$ 846,131			

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2012

	<u>Balance</u> <u>January 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2012</u>
Tax Claim				
Assets				
Cash and cash equivalents	\$ 111,392	\$ 3,724,658	\$ (3,661,269)	\$ 174,781
	<u>\$ 111,392</u>	<u>\$ 3,724,658</u>	<u>\$ (3,661,269)</u>	<u>\$ 174,781</u>
Liabilities				
Due to other governments	\$ 111,392	\$ 3,724,658	\$ (3,661,269)	\$ 174,781
	<u>\$ 111,392</u>	<u>\$ 3,724,658</u>	<u>\$ (3,661,269)</u>	<u>\$ 174,781</u>
Clerk of Courts - Criminal:				
Assets				
Cash and cash equivalents	\$ 129,626	\$ 1,114,411	\$ (1,159,627)	\$ 84,410
Due from other funds	153	221	(153)	221
	<u>\$ 129,779</u>	<u>\$ 1,114,632</u>	<u>\$ (1,159,780)</u>	<u>\$ 84,631</u>
Liabilities				
Due to other governments	\$ 120,901	\$ 1,094,874	\$ (1,150,902)	\$ 64,873
Due to other funds	8,878	19,758	(8,878)	19,758
	<u>\$ 129,779</u>	<u>\$ 1,114,632</u>	<u>\$ (1,159,780)</u>	<u>\$ 84,631</u>
Orphan's Court:				
Assets				
Cash and cash equivalents	\$ 992	\$ 19,596	\$ (19,293)	\$ 1,295
Liabilities				
Due to other governments	\$ 992	\$ 19,596	\$ (19,293)	\$ 1,295
Register and Recorder:				
Assets				
Cash and cash equivalents	\$ 79,931	\$ 655,281	\$ (689,787)	\$ 45,425
Due from other funds	-	28,403	-	28,403
	<u>\$ 79,931</u>	<u>\$ 683,684</u>	<u>\$ (689,787)</u>	<u>\$ 73,828</u>
Liabilities				
Due to other governments	\$ 74,306	\$ 648,561	\$ (684,162)	\$ 38,705
Due to other funds	5,625	35,123	(5,625)	35,123
	<u>\$ 79,931</u>	<u>\$ 683,684</u>	<u>\$ (689,787)</u>	<u>\$ 73,828</u>
Register and Recorder (Local Realty Transfer)				
Assets				
Cash and cash equivalents	\$ 292,965	\$ 756,467	\$ (964,111)	\$ 85,321
Liabilities				
Due to other governments	\$ 292,965	\$ 756,467	\$ (964,111)	\$ 85,321

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2012
(Continued)

	Balance				Balance
	January 1, 2012	Additions	Deductions		December 31, 2012
Magistrate 13-03-1:					
Assets					
Cash and cash equivalents	\$ 6,722	\$ 203,795	\$ (204,383)		\$ 6,134
Liabilities					
Due to other governments	\$ 4,162	\$ 201,705	\$ (201,823)		\$ 4,044
Due to other funds	2,560	2,090	(2,560)		2,090
	<u>\$ 6,722</u>	<u>\$ 203,795</u>	<u>\$ (204,383)</u>		<u>\$ 6,134</u>
Magistrate 13-03-2:					
Assets					
Cash and cash equivalents	\$ 18,258	\$ 481,432	\$ (481,841)		\$ 17,849
Liabilities					
Due to other governments	\$ 14,729	\$ 477,691	\$ (478,312)		\$ 14,108
Due to other funds	3,529	3,741	(3,529)		3,741
	<u>\$ 18,258</u>	<u>\$ 481,432</u>	<u>\$ (481,841)</u>		<u>\$ 17,849</u>
Magistrate 13-03-03:					
Assets					
Cash and cash equivalents	\$ 19,336	\$ 331,313	\$ (334,317)		\$ 16,332
Liabilities					
Due to other governments	\$ 16,002	\$ 331,313	\$ (330,983)		\$ 16,332
Due to other funds	3,334	-	(3,334)		-
	<u>\$ 19,336</u>	<u>\$ 331,313</u>	<u>\$ (334,317)</u>		<u>\$ 16,332</u>
Sheriff:					
Assets					
Cash and cash equivalents	\$ 23,072	\$ 311,745	\$ (311,011)		\$ 23,806
Liabilities					
Due to other governments	\$ 19,988	\$ 308,228	\$ (307,927)		\$ 20,289
Due to other funds	3,084	3,517	(3,084)		3,517
	<u>\$ 23,072</u>	<u>\$ 311,745</u>	<u>\$ (311,011)</u>		<u>\$ 23,806</u>

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2012
(Continued)

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
Sheriff - Validation System:				
Assets				
Cash and cash equivalents	\$ 256	\$ 868	\$ (790)	\$ 334
Liabilities				
Due to other governments	\$ 256	\$ 868	\$ (790)	\$ 334
Prothonotary:				
Assets				
Cash and cash equivalents	\$ 166,226	\$ 153,353	\$ (156,449)	\$ 163,130
Liabilities				
Due to other governments	\$ 162,104	\$ 150,392	\$ (152,327)	\$ 160,169
Due to other funds	4,122	2,961	(4,122)	2,961
	\$ 166,226	\$ 153,353	\$ (156,449)	\$ 163,130
Prothonotary - Escrow Accts:				
Assets				
Cash and cash equivalents	\$ 9,588	\$ 4	\$ -	\$ 9,592
Liabilities				
Due to other governments	\$ 9,293	\$ 299	\$ -	\$ 9,592
Due to other funds	295	-	(295)	-
	\$ 9,588	\$ 299	\$ (295)	\$ 9,592
Jail:				
Assets				
Cash and cash equivalents	\$ 14,815	\$ 333,542	\$ (299,224)	\$ 49,133
Liabilities				
Due to other governments	\$ 14,815	\$ 333,542	\$ (299,224)	\$ 49,133

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2012
(Continued)

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
Airport Security:				
Assets				
Cash and cash equivalents	\$ 5,863	\$ 20	\$ -	\$ 5,883
Liabilities				
Due to other	\$ 5,863	\$ 20	\$ -	\$ 5,883
Domestic Relations:				
Assets				
Cash and cash equivalents	\$ 53,420	\$ 187,902	\$ (217,980)	\$ 23,342
Liabilities				
Due to other governments	\$ 53,420	\$ 187,902	\$ (217,980)	\$ 23,342
Fire Damage Escrow:				
Assets				
Cash and cash equivalents	\$ 66	\$ 1	\$ -	\$ 67
Liabilities				
Due to other	\$ 66	\$ 1	\$ -	\$ 67
Juvenile Probation:				
Assets				
Cash and cash equivalents	\$ 2,546	\$ 20	\$ (30)	\$ 2,536
Liabilities				
Due to other	\$ 792	\$ 1,774	\$ (30)	\$ 2,536
Due to other funds	1,754	-	(1,754)	-
	\$ 2,546	\$ 1,774	\$ (1,784)	\$ 2,536
Children and Youth:				
Assets				
Cash and cash equivalents	\$ 32,521	\$ 2,972	\$ (7,960)	\$ 27,533
Liabilities				
Due to other governments	\$ 32,521	\$ 2,972	\$ (7,960)	\$ 27,533

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2012
(Continued)

	<u>Balance</u> <u>January 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2012</u>
Commonwealth Treasurer:				
Assets				
Cash and cash equivalents	\$ 21,017	\$ 386,058	\$ (385,215)	\$ 21,860
Liabilities				
Due to other governments	\$ 21,017	\$ 386,058	\$ (385,215)	\$ 21,860
District Attorney:				
Assets				
Cash and cash equivalents	\$ 41,731	\$ 2,569	\$ (18,195)	\$ 26,105
Liabilities				
Due to other governments	\$ 41,731	\$ 2,569	\$ (18,195)	\$ 26,105
Farmland Preservation:				
Assets				
Cash and cash equivalents	\$ 33,004	\$ 10,349	\$ (13,737)	\$ 29,616
Liabilities				
Due to other governments	\$ 33,004	\$ 10,349	\$ (13,737)	\$ 29,616
Human Services - M. Howard:				
Assets				
Cash and cash equivalents	\$ 3,289	\$ 7,474	\$ (7,760)	\$ 3,003
Liabilities				
Due to other governments	\$ 3,289	\$ 7,474	\$ (7,760)	\$ 3,003
Wire Transfer Account				
Assets				
Cash and cash equivalents	\$ 20	\$ -	\$ -	\$ 20
Liabilities				
Due to other governments	\$ 20	\$ -	\$ -	\$ 20

(Concluded)

COUNTY OF GREENE, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY- GREENE COUNTY STOP GRANT PROGRAM SUBGRANT NO. VA-06-20578

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED DECEMBER 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Federal	\$ 375,000	\$ 335,662	\$ (39,338)
Cash match	48,000	-	(48,000)
In-kind match	14,508	6,543	(7,965)
Total revenues	<u>437,508</u>	<u>342,205</u>	<u>(95,303)</u>
Expenditures:			
Personnel	154,718	99,228	55,490
Employee benefits	50,784	29,650	21,134
Travel	30,269	3,197	27,072
Supplies and other operating expenditures	14,237	419	13,818
Consultants	187,500	190,223	(2,723)
Total expenditures	<u>437,508</u>	<u>322,717</u>	<u>114,791</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ 19,488</u>	<u>\$ 19,488</u>

COUNTY OF GREENE, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY- VICTIM/WITNESS ASSISTANCE PROGRAM SUBGRANT NO. 2011/12-VF-05-22384

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED JUNE 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
<u>Federal</u>	\$ 45,307	\$ 27,259	\$ (18,048)
<u>In-kind match</u>	11,860	-	(11,860)
Total revenues	<u>57,167</u>	<u>27,259</u>	<u>(29,908)</u>
Expenditures:			
<u>Personnel</u>	30,030	32,698	(2,668)
<u>Employee benefits</u>	2,858	3,012	(154)
<u>Travel</u>	2,280	-	2,280
<u>Supplies and other operating expenditures</u>	24,132	15,723	8,409
Total expenditures	<u>59,300</u>	<u>51,433</u>	<u>7,867</u>
Excess of Revenues Over Expenditures	<u>\$ (2,133)</u>	<u>\$ (24,174)</u>	<u>\$ (22,041)</u>

COUNTY OF GREENE, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
SERVICES TO VICTIMS OF JUVENILE OFFENDERS
SUBGRANT NO. 2012-VJ-ST-23815

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED DECEMBER 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
State	\$ 3,864	\$ -	\$ (3,864)
Expenditures:			
Personnel	3,625	4,332	(707)
Employee benefits	239	362	(123)
Travel	-	-	-
Supplies and other operating expenditures	-	-	-
Total expenditures	3,864	4,694	(830)
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ (4,694)</u>	<u>\$ (4,694)</u>

COUNTY OF GREENE, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
RIGHTS AND SERVICES ACT
SUBGRANT NO. 2011-VS-ST-21984

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED DECEMBER 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
<u>State</u>	<u>\$ 59,618</u>	<u>\$ 59,618</u>	<u>\$ -</u>
Expenditures:			
Personnel	44,928	47,007	(2,079)
Employee benefits	3,438	3,975	(537)
Travel	2,656	340	2,316
Supplies and other operating expenditures	<u>8,596</u>	<u>8,330</u>	<u>266</u>
Total expenditures	<u>59,618</u>	<u>59,652</u>	<u>(34)</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ (34)</u>	<u>\$ (34)</u>

* Budget and actual amounts represent the first year of two-year grant award.

COUNTY OF GREENE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2012

Federal Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Cash Receipts	Expenditures
U.S. Department of Health and Human Services				
Passed Through the Pennsylvania Department of Public Welfare:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150		\$ 22,000	\$ 22,000
Promoting Safe and Stable Families	93.556	4100044225	300,853	233,053
Temporary Assistance for Needy Families - MH/ID	93.558		-	(5,500)
Temporary Assistance for Needy Families - CYF	93.558		-	72,744
Temporary Assistance for Needy Families - CCIS Day Care	93.558		-	19,529
Subtotal 93.558			<u>83,158</u>	<u>86,773</u>
Child Support Enforcement	93.563		451,663	505,102
Child Support Enforcement - Incentive on Welfare Collections	93.563		-	62,258
Subtotal 93.563			<u>451,663</u>	<u>567,360</u>
Community-Based Child Abuse Prevention Grants	93.590		13,709	21,503
Stephanie Tubbs Jones Child Welfare Services Program - Title IV (B) - Children and Youth	93.645		35,333	35,333
Foster Care - Title IV-E - Children and Youth	93.658		563,966	393,223
ARRA - Foster Care - Title IV-E - Children and Youth	93.658		3,201	-
Subtotal 93.658			<u>567,167</u>	<u>393,223</u>
Adoption Assistance	93.659		95,865	71,084
ARRA - Adoption Assistance	93.659		250	-
Subtotal 93.659			<u>96,115</u>	<u>71,084</u>
Social Services Block Grant - Title XX - Children and Youth	93.667		32,653	32,653
Social Services Block Grant - CCIS Day Care	93.667		54,022	54,924
Social Services Block Grant - MH/ID	93.667		36,197	30,915
Subtotal 93.667			<u>122,872</u>	<u>118,492</u>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DC09-305336	227,949	113,503
Child Care and Development Block Grant	93.575	DC09-305336	151,128	300,428
Subtotal CCDF Cluster				<u>413,931</u>
Chafee Foster Care Independence Program	93.674		15,597	18,726
Medical Assistance Program - MATP	93.778	3900034161A, EG00000090	588,988	588,988
Medical Assistance Program - CYF	93.778		2,762	2,067
Medical Assistance Program - Early Intervention	93.778		6,936	6,936
Medical Assistance Program - MH/ID	93.778		35,508	47,024
Subtotal 93.778				<u>645,015</u>
Block Grants for Community Mental Health Services	93.958		128,102	95,874
Passed Through the Pennsylvania Department of Health:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	4100027143	25,103	25,103
Block Grants for Prevention and Treatment of Substance Abuse	93.959	4100027143	97,358	104,829
Passed Through the Pennsylvania Department of Drug and Alcohol:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959		54,005	75,223
Subtotal 93.959			<u>151,363</u>	<u>180,052</u>
Passed Through the University of Pittsburgh				
ARRA - Prevention and Wellness-State, Territories and Pacific Islands	93.723			5,125
Total U.S. Department of Health and Human Services				<u>2,932,647</u>

(Continued)

See notes to schedule of expenditures of federal awards.

COUNTY OF GREENE, PENNSYLVANIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2012

(Continued)

<u>Federal Grantor/Program Title (continued)</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Cash Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>				
Passed Through Pennsylvania Department of Community and Economic Development:				
Community Development Block Grants/State's Program and Non-Entitlement Grants	14.228	C000029567		44,675
Community Development Block Grants/State's Program and Non-Entitlement Grants	14.228	C000036748		43,961
Community Development Block Grants/State's Program and Non-Entitlement Grants	14.228	C0000046534		33,233
Subtotal 14.228			121,869	121,869
Emergency Solutions Grant Programs	14.231		423,761	430,651
HOME Investment Partnerships Program	14.239	C000026939	63,392	84,614
ARRA - Homelessness Prevention and Rapid Re-housing	14.257	C000046534	37,179	37,179
Total U.S. Department of Housing and Urban Development				674,313
<u>U.S. Department of Agriculture</u>				
Passed Through the Pennsylvania Department of Public Welfare: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
	10.561		1,954	3,454
Passed Through Pennsylvania Department of Agriculture:				
Emergency Food Assistance Program (Administrative Costs)	10.568		7,663	10,217
Emergency Food Assistance Program (Food Commodities)	10.569		22,677	7,172
ARRA - Emergency Food Assistance Program (Food Commodities)	10.569			693
Subtotal 10.568				18,082
Total U.S. Department of Agriculture				21,536
<u>U.S. Department of Transportation</u>				
Passed Through the Pennsylvania Department of Transportation:				
Highway Planning and Construction	20.205			105,215
Capital Assistance Program for Elderly and Disabled Persons	20.513			92,382
Total U.S. Department of Transportation				197,597
<u>U.S. Department of Justice</u>				
Passed Through the Pennsylvania Commission on Crime and Delinquency:				
Crime Victim Assistance	16.575	VF-05-22384		16,514
Violence Against Women Formula Grants	16.588	VA-06-20578		85,499
Edward Byrne Memorial Justice Assistance Grant Program	16.738			14,505
Total U.S. Department of Justice				116,518
<u>U.S. Department of Homeland Security</u>				
Passed Through the Pennsylvania Emergency Management Agency (PEMA):				
Emergency Management Performance Grants	97.042			44,895
Total U.S. Department of Homeland Security				44,895
<u>U.S. Election Assistance Commission</u>				
Passed Through the PA Department of State				
Help America Vote Act Requirements Payments	90.401			5,534
<u>U.S. General Services Administration</u>				
Passed Through the PA Department of State				
Election Reform Payments	39.011			1,991
<u>U.S. Department of Education</u>				
Passed Through the Pennsylvania Department of Public Welfare:				
Special Education - Grants for Infants and Families	84.181		27,886	27,886
Total Expenditures of Federal Awards				\$ 4,022,917

(Concluded)

See notes to schedule of expenditures of federal awards.

COUNTY OF GREENE, PENNSYLVANIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2012

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the Federal grant activity of the County of Greene, Pennsylvania (County) and is presented on the modified accrual basis of accounting which is consistent with the basis of accounting used in the preparation of County's financial statements. The information in this schedule is presented in accordance with the requirements of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements of the County.

2. SUBRECIPIENTS

The County did pass-through federal funds to subrecipients during the year ended December 31, 2012. The County maintained contracts with their subrecipients, which contained appropriate audit provisions.

3. REQUIRED FUNDING SOURCE DISCLOSURES

Cash receipts are shown on the schedule on the cash basis of accounting as required by the Pennsylvania Department of Public Welfare and the Department of Community and Economic Development (DCED).

In addition, the County has the following contracts with the DCED with remaining balances as of December 31, 2012:

<u>CFDA Number</u>	<u>Contract Number</u>	<u>Remaining Balance</u>
14.257	C000052923	\$ 165,000
14.257	C000053466	60,440
14.228	C000036748	148,864
14.228	C000046534	59,966
14.228	C000049984	258,026
14.228	C000052069	212,789
14.228	C000052922	217,502

COUNTY OF GREENE, PENNSYLVANIA

SCHEDULE OF PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE - FINANCIAL ASSISTANCE

DECEMBER 31, 2012

<u>Program</u>	<u>Combined Federal/ State Expenditures</u>
Child Support Enforcement Program	\$ 567,360
County Children and Youth Programs	1,824,661 *
Medical Assistance Transportation Program	1,239,201
County Child Care Information Services for Subsidized Child Day Care	831,129
Mental Health/Intellectual Disabilities	3,565,870 *
Combined Homeless Assistance Program: Housing Assistance Program	<u>59,529</u>
	<u>\$ 8,087,750</u>

* Denotes major programs for DPW testing purpose. The 2012 dollar threshold used to distinguish between type A and type B was \$300,000.

**County of Greene,
Pennsylvania**

Department of Public Welfare–Funded
Financial Assistance Program Exhibits

Independent Accountant’s Report on Applying “Agreed-Upon Procedures” for Department of Public Welfare-Funded Financial Assistance Programs, Schedules, and Exhibits

Board of County Commissioners
County Controller
County of Greene, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania Department of Public Welfare (DPW), and the County of Greene, Pennsylvania (County) solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the DPW. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- a. We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DPW for fiscal year June 30, 2012, have been accurately compiled and reflect the audited books and records of the County. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Exhibit</u>	<u>Schedules</u>
Title IV-D Child Support Enforcement	A-1 (a)	Comparison of Single Audit Expenditures with the Reported Expenditures
	A-1 (b)	Child Support Enforcement - PACSES OCSE 157 Data Reliability Validation
Medical Assistance Transportation	III	Schedule of Revenues and Expenditures
Mental Health Services	IV (a) MH	Schedule of Revenues, Expenditures, and Carryover Funds
	IV (b) MH	Report of Income and Expenditures Single Audit Supplement
Intellectual Disabilities Services	IV (c) ID	Schedule of Revenues, Expenditures, and Carryover Funds
	IV (d) ID	Report of Income and Expenditures Single Audit Supplement
Early Intervention Services	V (a) EI	Schedule of Revenues, Expenditures, and Carryover Funds
	V (b) EI	Report of Income and Expenditures Single Audit Supplement
CCIS Daycare	VIII (b)	Schedule of Child Care Information Services Recap for Fiscal Year 2012
Combined Homeless Assistance	XIX(a)	Revenues and Expenses
Family Center	n/a	Schedule of Revenues and Expenditures

- b. We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DPW for the period in question.
- c. The processes detailed in paragraphs (a) and (b) above disclosed no adjustments and/or findings.

Board of County Commissioners
County Controller
County of Greene, Pennsylvania
Independent Accountant's Report on Applying
"Agreed-Upon Procedures"

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

* * * * *

This report is intended solely for the use of the Department of Public Welfare and should not be used by those who have not agreed to the procedures, and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Maher Duessel

Pittsburgh, Pennsylvania
September 12, 2013

COUNTY OF GREENE, PENNSYLVANIA
CHILD SUPPORT ENFORCEMENT PROGRAM
COMPARISON OF SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1 (a)

	Single Audit Expenditures					Reported Expenditures					Single Audit Over (Under) Reported				
	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
Quarter Ending: 9/30/11															
1. Salary & Overhead	\$ 191,066	\$ 6,251	\$ 25,193	\$ 159,622	\$ 105,351	\$ 191,066	\$ 6,251	\$ 25,193	\$ 159,622	\$ 105,351	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	1	-	-	1	1	1	-	-	1	1	-	-	-	-	-
3. Interest & Program Income	894	12	-	882	582	894	12	-	882	582	-	-	-	-	-
4. Blood Testing Fees	621	-	-	621	410	621	-	-	621	410	-	-	-	-	-
5. Blood Testing Costs	672	-	-	672	444	672	-	-	672	444	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 190,222	\$ 6,239	\$ 25,193	\$ 158,790	\$ 104,802	\$ 190,222	\$ 6,239	\$ 25,193	\$ 158,790	\$ 104,802	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 12/31/11															
1. Salary & Overhead	\$ 239,751	\$ 8,242	\$ 12,890	\$ 218,619	\$ 144,289	\$ 239,751	\$ 8,242	\$ 12,890	\$ 218,619	\$ 144,289	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	1	-	-	1	1	1	-	-	1	1	-	-	-	-	-
3. Interest & Program Income	814	19	-	795	525	814	19	-	795	525	-	-	-	-	-
4. Blood Testing Fees	294	-	-	294	193	294	-	-	294	193	-	-	-	-	-
5. Blood Testing Costs	800	-	-	800	528	800	-	-	800	528	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 239,442	\$ 8,223	\$ 12,890	\$ 218,329	\$ 144,098	\$ 239,442	\$ 8,223	\$ 12,890	\$ 218,329	\$ 144,098	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 3/31/12															
1. Salary & Overhead	\$ 190,226	\$ 6,718	\$ -	\$ 183,508	\$ 121,116	\$ 190,226	\$ 6,718	\$ -	\$ 183,508	\$ 121,116	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	1	-	-	1	1	1	-	-	1	1	-	-	-	-	-
3. Interest & Program Income	804	16	-	788	520	804	16	-	788	520	-	-	-	-	-
4. Blood Testing Fees	410	-	-	410	271	410	-	-	410	271	-	-	-	-	-
5. Blood Testing Costs	544	-	-	544	358	544	-	-	544	358	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 189,555	\$ 6,702	\$ -	\$ 182,853	\$ 120,682	\$ 189,555	\$ 6,702	\$ -	\$ 182,853	\$ 120,682	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 6/30/12															
1. Salary & Overhead	\$ 210,048	\$ 7,642	\$ 34,914	\$ 167,492	\$ 110,545	\$ 210,048	\$ 7,642	\$ 34,914	\$ 167,492	\$ 110,545	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	733	13	-	720	475	733	13	-	720	475	-	-	-	-	-
4. Blood Testing Fees	446	-	-	446	294	446	-	-	446	294	-	-	-	-	-
5. Blood Testing Costs	480	-	-	480	317	480	-	-	480	317	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 209,349	\$ 7,629	\$ 34,914	\$ 166,806	\$ 110,093	\$ 209,349	\$ 7,629	\$ 34,914	\$ 166,806	\$ 110,093	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF GREENE, PENNSYLVANIA

CHILD SUPPORT ENFORCEMENT PACSES OCSE 157 DATA RELIABILITY VALIDATION FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1 (b)

County Greene Year Ended 6/30/2012

OCSE 157 Report Line Number	Number of Cases Reviewed	Case Problems Found
Line #1 IV-D cases open at the end of the fiscal year.	*	*
Line #2 IV-D cases open at the end of the fiscal year with support orders established.	*	*
Line #5 Children in IV-D cases open at the end of the fiscal year that were born out of wedlock.	*	*
Line #6 Children in IV-D cases open at the end of the fiscal year that were born out of wedlock with paternity resolved.	*	*
Line #21 IV-D cases open at the end of the fiscal year with medical support ordered.	*	*
Line #23 IV-D cases open at the end of the fiscal year with health insurance provided as ordered.	*	*
Line #24 Total amount of current support due for the fiscal year for IV-D cases, excluding emancipated children.	*	*
Line #25 Total amount of support disbursed as current support during the fiscal year for IV-D cases, excluding emancipated children.	*	*
Line #28 Cases with arrears due during the fiscal year (10/1/09 - 9/30/10).	*	*
Line #29 Cases with disbursements on arrears during the fiscal year (10/1/09 - 9/30/10).	*	*

* Domestic Relations was not audited as major during fiscal year ended 2012.

COUNTY OF GREENE, PENNSYLVANIA

MEDICAL ASSISTANCE TRANSPORTATION PROGRAM SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit III

	<u>Reported</u>	<u>Actual</u>
<u>Service Data:</u>		
Expenditures:		
Group I clients	\$ 1,059,552	\$ 1,059,552
Group II clients	24,588	24,588
	<u> </u>	<u> </u>
Total expenditures	<u>\$ 1,084,140</u>	<u>\$ 1,084,140</u>
<u>Allocation Data:</u>		
Revenues:		
Department of Public Welfare	\$ 1,084,140	\$ 1,084,140
Interest income	-	-
	<u> </u>	<u> </u>
Total revenues	<u>1,084,140</u>	<u>1,084,140</u>
Funds expended:		
Operating costs	1,022,306	1,022,306
Administrative costs	61,834	61,834
	<u> </u>	<u> </u>
Total funds expended	<u>1,084,140</u>	<u>1,084,140</u>
Excess Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF GREENE, PENNSYLVANIA

MENTAL HEALTH SERVICES SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (a) MH

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	CSR State Grant Fund Adjustments (6B)	CSR - Promise Adjustments (6C)	TOTAL FUND BALANCE (7)
	Carryover (1)	Allotment (2)	Total Allocation (3)						
A. MH Services	\$ -	\$ 1,273,445	\$ 1,273,445	\$ 1,270,440	\$ 3,005	\$ -	\$ -	\$ -	\$ 3,005
B. OTHER STATE FUNDS									
1. Spec. Res.	-	-	-	-	-	-	-	-	-
2. BH Initiative	-	98,308	98,308	98,308	-	-	-	-	-
3. New Directions	-	-	-	-	-	-	-	-	-
4. Personal Care Homes	-	-	-	-	-	-	-	-	-
5. County Assistance Offices	-	-	-	-	-	-	-	-	-
6. Autism Intervention Services	-	-	-	-	-	-	-	-	-
7. Facility and Services Enhancements	-	-	-	-	-	-	-	-	-
8. Reserved	-	-	-	-	-	-	-	-	-
9. Total Other State	-	98,308	98,308	98,308	-	-	-	-	-
C. SSBG	-	14,129	14,129	14,129	-	-	-	-	-
D. CMHSBG	-	127,617	127,617	127,617	-	-	-	-	-
E. OTHER FEDERAL FUNDS									
1. Max. Part. Project	5,500	(5,500)	-	-	-	-	-	-	-
2. Medical Assistance/TTI	-	-	-	-	-	-	-	-	-
3. PATH Homeless	44,000	29,333	73,333	39,025	34,308	-	-	-	34,308
4. Capitalization of POMS	-	-	-	-	-	-	-	-	-
5. MH Systems Transformation	-	-	-	-	-	-	-	-	-
6. Youth Suicide Prevention	-	-	-	-	-	-	-	-	-
7. Jail Diversion and Trauma Recovery	-	-	-	-	-	-	-	-	-
8. Terrorism Related Disaster Relief	-	-	-	-	-	-	-	-	-
9. Hospital Prep. Prog - Crisis Counseling	-	-	-	-	-	-	-	-	-
10. Bioterrorism Hosp Prep/Pub Hth Prep Rsp	-	-	-	-	-	-	-	-	-
11. Reserved	-	-	-	-	-	-	-	-	-
12. Total Other Federal	49,500	23,833	73,333	39,025	34,308	-	-	-	34,308
F. TOTAL	\$ 49,500	\$ 1,537,332	\$ 1,586,832	\$ 1,549,519	\$ 37,313	\$ -	\$ -	\$ -	\$ 37,313

COUNTY OF GREENE, PENNSYLVANIA

MENTAL HEALTH SERVICES REPORT OF INCOME AND EXPENDITURES SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (b) MH

	Adult Dvpt Training	Admin Mgmt	Admin Office	Community Employ Svcs	Crisis Intervention	Child Psych Rehab	Community Services	Community Trtmnt Teams	Day Trtmnt
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
II. TOTAL EXPENDITURES	-	282,896	544,794	-	82,539	-	112,982	17,186	23,555
III. Costs Over Allocation									
A. County Funded Eligible	-	-	-	-	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-	-	-	-	-
C. Other Eligible	-	-	-	-	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-	-	-	-	-
IV. REVENUES									
A. Program Service Fees	-	-	-	-	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-	-	-	-	-
C. Medical Assistance	-	-	-	-	-	-	-	-	644
D. Medical Assistance - Administrative Claims	-	-	-	-	-	-	-	-	-
E. Room and Board	-	-	-	-	-	-	-	-	-
F. Earned Interest	-	-	200	-	-	-	-	-	-
G. Other	-	-	600	-	-	-	-	-	-
H. Total Revenue	-	-	800	-	-	-	-	-	644
V. DPW REIMBURSEMENT									
A. Base Allocation 90%	-	-	276,229	-	-	-	64,422	-	-
B. Base Allocation 100%	-	-	-	-	82,539	-	-	17,186	22,911
C. DPW Categorical Funding 90%	-	-	14,667	-	-	-	-	-	-
D. DPW Categorical Funding 100%	-	265,706	220,776	-	-	-	41,402	-	-
E. SSBG 90% Adult	-	-	-	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	-	-	-	-	-
SSBG 100% Child	-	-	-	-	-	-	-	-	-
F. CMHSBG 90% Non-Categorical Funding	-	-	-	-	-	-	-	-	-
CMHSBG 100% Non-Categorical Funding	-	17,190	-	-	-	-	-	-	-
CMHSBG Categorical Funding	-	-	-	-	-	-	-	-	-
VI. COUNTY MATCH									
10% County Match	-	-	32,322	-	-	-	7,158	-	-
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	-	282,896	543,994	-	82,539	-	112,982	17,186	22,911
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

MENTAL HEALTH SERVICES REPORT OF INCOME AND EXPENDITURES SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (b) MH, Continued

	Emergency Services	Fam Based Services	Family Sup Services	Housing Support Svcs	Int Case Mgmt	Psychiatric Inpt Hosp	Outpatient
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
II. TOTAL EXPENDITURES	50,000	784	-	59,856	122,899	-	69,659
III. Costs Over Allocation							
A. County Funded Eligible	-	-	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-	-	-
C. Other Eligible	-	-	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-	-	-
IV. REVENUES							
A. Program Service Fees	-	-	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-	-	-
C. Medical Assistance	-	-	-	3,696	-	-	-
D. Medical Assistance - Administrative Claims	-	-	-	-	-	-	-
E. Room and Board	-	-	-	-	-	-	-
F. Earned Interest	-	-	-	-	-	-	-
G. Other	-	-	-	-	-	-	-
H. Total Revenue	-	-	-	3,696	-	-	-
V. DPW REIMBURSEMENT							
A. Base Allocation 90%	-	-	-	-	-	-	-
B. Base Allocation 100%	-	784	-	-	119,203	-	-
C. DPW Categorical Funding 90%	-	-	-	-	-	-	-
D. DPW Categorical Funding 100%	50,000	-	-	-	-	-	69,659
E. SSBG 90% Adult	-	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	-	-	-
SSBG 100% Child	-	-	-	-	-	-	-
F. CMHSBG 90% Non-Categorical Funding	-	-	-	-	-	-	-
CMHSBG 100% Non-Categorical Funding	-	-	-	59,856	-	-	-
CMHSBG Categorical Funding	-	-	-	-	-	-	-
VI. COUNTY MATCH							
10% County Match	-	-	-	-	-	-	-
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	50,000	784	-	59,856	119,203	-	69,659
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

MENTAL HEALTH SERVICES REPORT OF INCOME AND EXPENDITURES SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (b) MH, Continued

	Other	Psychiatric Rehab	Comm Res Services	Resource Coordination	Social Rehab Services	Vocational Rehab	Totals
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,586,832
II. TOTAL EXPENDITURES	-	50,571	97,092	-	80,784	-	1,595,597
III. Costs Over Allocation							
A. County Funded Eligible	-	-	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-	-	-
C. Other Eligible	-	-	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-	-	-
IV. REVENUES							
A. Program Service Fees	-	-	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-	-	-
C. Medical Assistance	-	-	-	-	-	-	4,340
D. Medical Assistance - Administrative Claims	-	-	-	-	-	-	-
E. Room and Board	-	-	-	-	-	-	-
F. Earned Interest	-	-	-	-	-	-	200
G. Other	-	-	-	-	-	-	600
H. Total Revenue	-	-	-	-	-	-	5,140
V. DPW REIMBURSEMENT							
A. Base Allocation 90%	-	-	-	-	13,123	-	353,774
B. Base Allocation 100%	-	-	-	-	-	-	242,623
C. DPW Categorical Funding 90%	-	-	-	-	-	-	14,667
D. DPW Categorical Funding 100%	-	-	97,092	-	52,074	-	796,709
E. SSBG 90% Adult	-	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	14,129	-	14,129
SSBG 100% Child	-	-	-	-	-	-	-
F. CMHSBG 90% Non-Categorical Funding	-	-	-	-	-	-	-
CMHSBG 100% Non-Categorical Funding	-	50,571	-	-	-	-	127,617
CMHSBG Categorical Funding	-	-	-	-	-	-	-
VI. COUNTY MATCH							
10% County Match	-	-	-	-	1,458	-	40,938
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	-	50,571	97,092	-	80,784	-	1,590,457
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,313

(Concluded)

COUNTY OF GREENE, PENNSYLVANIA

INTELLECTUAL DISABILITIES SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS
SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (c) ID

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	CSR State Grant Fund Adjustments (6B)	CSR-Promise Adjustments (6C)	TOTAL FUND BALANCE (7)
	Carryover (1)	Allotment (2)	Total Allocation (3)						
A. ID Services									
1. Community (NR/Res)	\$ 247,356	\$ 103,603	\$ 350,959	\$ 195,050	\$ 155,909	\$ -	\$ -	\$ -	\$ 155,909
2. SSBG	-	21,128	21,128	21,128	-	-	-	-	-
3. Reserved	-	-	-	-	-	-	-	-	-
4. Subtotal ID Services	247,356	124,731	372,087	216,178	155,909	-	-	-	155,909
B. Waiver									
1. Waiver Administration	2	75,960	75,962	75,962	-	-	-	-	-
2. Reserved	-	-	-	-	-	-	-	-	-
3. Subtotal Waiver	2	75,960	75,962	75,962	-	-	-	-	-
C. Other									
1. Elwyn	-	-	-	-	-	-	-	-	-
2. Money Follows the Person	-	-	-	-	-	-	-	-	-
3. Services for Individuals with Autism	-	-	-	-	-	-	-	-	-
4. Reserved	-	-	-	-	-	-	-	-	-
5. Subtotal Other	-	-	-	-	-	-	-	-	-
D. TOTAL	\$ 247,358	\$ 200,691	\$ 448,049	\$ 292,140	\$ 155,909	\$ -	\$ -	\$ -	\$ 155,909

COUNTY OF GREENE, PENNSYLVANIA

INTELLECTUAL DISABILITIES SERVICES REPORT OF INCOME AND EXPENDITURES SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (d) ID

	Admin Office	Community Hab	Community Res
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -
II. TOTAL EXPENDITURES	208,021	-	10,750
III. Costs Over Allocation			
A. County Funded Eligible	-	-	-
B. County Funded Ineligible	-	-	-
C. Other Eligible	-	-	-
D. Other Ineligible	-	-	-
E. Total Costs Over Allocation	-	-	-
IV. REVENUES			
A. Program Service Fees	-	-	-
B. Private Insurance Fees	-	-	-
C. Medical Assistance	-	-	-
D. Medical Assistance - Administrative Claims	1,212	-	-
E. Room and Board	-	-	-
F. Earned Interest	200	-	-
G. Other	11,280	-	-
H. Total Revenue	12,692	-	-
V. DPW REIMBURSEMENT			
A. Base Allocation 90%	106,340	-	4,535
B. Base Allocation 100%	-	-	-
C. DPW Categorical Funding 90% Subtotal	-	-	-
D. DPW Categorical Funding 100% Subtotal	77,174	-	-
E. SSBG 90% Adult	-	-	4,819
SSBG 90% Child	-	-	-
SSBG 100 % Adult	-	-	357
SSBG 100% Child	-	-	-
VI. COUNTY MATCH			
10% County Match	11,815	-	1,039
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	195,329	-	10,750
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

INTELLECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (d) ID, Continued

	Emp Services	FD/FS	Home & Community	Other	Pre-Voc
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -
II. TOTAL EXPENDITURES	-	15,952	-	-	-
III. Costs Over Allocation					
A. County Funded Eligible	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-
C. Other Eligible	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-
IV. REVENUES					
A. Program Service Fees	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-
C. Medical Assistance	-	-	-	-	-
D. Medical Assistance-Administrative Claims	-	-	-	-	-
E. Room and Board	-	-	-	-	-
F. Earned Interest	-	-	-	-	-
G. Other	-	-	-	-	-
H. Total Revenue	-	-	-	-	-
V. DPW REIMBURSEMENT					
A. Base Allocation 90%	-	-	-	-	-
B. Base Allocation 100%	-	-	-	-	-
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-
D. DPW Categorical Funding 100% Subtotal	-	-	-	-	-
E. SSBG 90% Adult	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-
SSBG 100 % Adult	-	15,952	-	-	-
SSBG 100% Child	-	-	-	-	-
VI. COUNTY MATCH					
10% County Match	-	-	-	-	-
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	-	15,952	-	-	-
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

INTELLECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit IV (d) ID, Continued

	Respite	Spec Supp	Supp Coor	Trans	Totals
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ 487,969
II. TOTAL EXPENDITURES	-	-	91,073	1,108	326,904
III. Costs Over Allocation					
A. County Funded Eligible	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-
C. Other Eligible	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-
IV. REVENUES					
A. Program Service Fees	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-
C. Medical Assistance	-	-	-	-	-
D. Medical Assistance-Administrative Claims	-	-	-	-	1,212
E. Room and Board	-	-	-	-	-
F. Earned Interest	-	-	-	-	200
G. Other	-	-	-	-	11,280
H. Total Revenue	-	-	-	-	12,692
V. DPW REIMBURSEMENT					
A. Base Allocation 90%	-	-	-	997	111,872
B. Base Allocation 100%	-	-	-	-	-
C. DPW Categorical Funding 90% Subtotal	-	-	81,966	-	81,966
D. DPW Categorical Funding 100% Subtotal	-	-	-	-	77,174
E. SSBG 90% Adult	-	-	-	-	4,819
SSBG 90% Child	-	-	-	-	-
SSBG 100 % Adult	-	-	-	-	16,309
SSBG 100% Child	-	-	-	-	-
VI. COUNTY MATCH					
10% County Match	-	-	9,107	111	22,072
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	-	-	91,073	1,108	314,212
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ 155,909

(Concluded)

COUNTY OF GREENE, PENNSYLVANIA

EARLY INTERVENTION SERVICES SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit V (a) EI

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
	Carryover Funds (1)	Allotment (2)	Total Allocation (3)				
A Early Intervention							
1. State Early Intervention	\$ 84,361	\$ 231,658	\$ 316,019	\$ 292,403	\$ 23,616	\$ -	\$ 23,616
2. State EI - Training	-	2,477	2,477	2,477	-	-	-
3. EI Administration	-	28,484	28,484	28,484	-	-	-
4. Infants & Toddlers w/ Disabilities (Part C)	-	28,582	28,582	28,582	-	-	-
5. Infants, Toddlers & Families Waiver Administration	-	13,872	13,872	13,872	-	-	-
6. Infants and Toddlers w/ Disabilities (Part C) ARRA	-	22,338	22,338	22,338	-	-	-
7 TOTAL	\$ 84,361	\$ 327,411	\$ 411,772	\$ 388,156	\$ 23,616	\$ -	\$ 23,616

COUNTY OF GREENE, PENNSYLVANIA

EARLY INTERVENTION SERVICES REPORT OF INCOME AND EXPENDITURES SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit V (b) EI

	Administrator's Office	Early Intervention	Supports Coordination	Totals
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ 436,432
II. TOTAL EXPENDITURES	49,445	515,754	158,719	723,918
III. Costs Over Allocation				
A. County Funded Eligible	-	-	-	-
B. County Funded Ineligible	-	-	-	-
C. Other Eligible	-	-	-	-
D. Other Ineligible	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-
IV. REVENUES				
A. Program Service Fees	-	-	-	-
B. Private Insurance Fees	-	-	-	-
C. Medical Assistance - MA EI	-	234,293	58,440	292,733
D. Medical Assistance - Administrative Claims	-	-	-	-
E. Earned Interest	-	-	-	-
F. Other	-	-	-	-
G. Total Revenue	-	234,293	58,440	292,733
V. DPW REIMBURSEMENT				
A. Base Allocation 90%	-	-	-	-
B. Base Allocation 100%	-	-	-	-
C. DPW Categorical Funding 90% Subtotal	28,484	233,211	90,251	351,946
D. DPW Categorical Funding 100% Subtotal	13,872	22,338	-	36,210
VI. COUNTY MATCH				
10% County Match	7,089	25,912	10,028	43,029
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	49,445	281,461	100,279	431,185
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ 23,616

COUNTY OF GREENE, PENNSYLVANIA

CCIS DAYCARE SCHEDULE OF CHILD CARE INFORMATION SERVICES RECAP FOR FISCAL YEAR 2012

Exhibit VIII (b)

CONTRACTOR Greene County Human Services
 FEDERAL ID NO: 25-6001034
 CONTRACT NO: DC10305336

COUNTY Greene
 PREPARED BY Amy Switalski
 PHONE NO.: 724-852-5277

	Low Income		Former TANF		LI & FT TOTAL
	ADMIN/FSS	SERVICE	ADMIN/FSS	SERVICE	
REVENUE					
DPW Funds	\$ 162,246.00	\$ 462,803.00	\$ 10,325.00	\$ 103,964.00	\$ 739,338.00
Interest	-	13.00	-	2.00	15.00
Audit Adjustments	-	-	-	-	-
Other (e.g., Penalties)	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
TOTAL REVENUE	162,246.00	462,816.00	10,325.00	103,966.00	739,353.00
EXPENDITURES					
Final Report Totals	148,284.00	465,616.00	9,660.00	100,938.00	724,498.00
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
TOTAL EXPENDITURES	148,284.00	465,616.00	9,660.00	100,938.00	724,498.00
TOTAL DUE DPW	\$ 13,962.00	\$ (2,800.00)	\$ 665.00	\$ 3,028.00	\$ 14,855.00

(Continued)

COUNTY OF GREENE, PENNSYLVANIA

CCIS DAYCARE SCHEDULE OF CHILD CARE INFORMATION SERVICES RECAP FOR FISCAL YEAR 2012

Exhibit VIII (b), Continued

CONTRACTOR	Greene County Human Services	COUNTY	Greene
FEDERAL ID NO:	25-6001034	PREPARED BY	Amy Switalski
CONTRACT NO:	DC10305336	PHONE NO.:	724-852-5277

	TANF FSS	TANF		TANF TOTAL	STATE MOE/GA FSS	SERVICE	STATE MOE/GA TOTAL	FOOD STAMPS		
		Training	Working			State Moe		FSS	Service	Total
REVENUE										
DPW Funds	\$ 10,004	\$ 63,419	\$ 36,714	\$ 110,137	\$ 899	\$ 16,230	\$ 17,129	\$ 2,503	\$ 16,097	\$ 18,600
Interest	-	1	1	2	-	-	-	-	-	-
Audit Adjustments	-	-	-	-	-	-	-	-	-	-
Other (e.g., Penalties)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	\$ 10,004	\$ 63,420	\$ 36,715	\$ 110,139	\$ 899	\$ 16,230	\$ 17,129	\$ 2,503	\$ 16,097	\$ 18,600
EXPENDITURES										
Final Report Totals	\$ 8,932	\$ 62,233	\$ 37,548	\$ 108,713	\$ 802	\$ 14,872	\$ 15,674	\$ 2,235	\$ 15,722	\$ 17,957
Adjustment from prior year	-	(140)	-	(140)	-	-	-	-	(364)	(364)
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	8,932	62,093	37,548	108,573	802	14,872	15,674	2,235	15,358	17,593
TOTAL DUE DPW	\$ 1,072	\$ 1,327	\$ (833)	\$ 1,566	\$ 97	\$ 1,358	\$ 1,455	\$ 268	\$ 739	\$ 1,007

(Concluded)

COUNTY OF GREENE, PENNSYLVANIA

(COMBINED) HOMELESS ASSISTANCE PROGRAMS REVENUES AND EXPENSES

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

Exhibit XIX (a)

I. SOURCES OF FUNDING	TOTAL AVAILABLE FUNDS	
DPW Allocation	A	\$ 59,524
Client Contributions	B	-
Other	C	-
Interest Earned	D	5
TOTAL HAP FUNDING (A+B+C+D=E)	E	59,529

II. EXPENSES	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing Services	TOTAL EXPENSES	
On Behalf of Clients	-	-	32,894	1,196	232	F	34,322
Personnel	-	15,814	-	-	-	G	15,814
Operation	-	3,441	-	-	-	H	3,441
Fixed Assets\Equipment	-	-	-	-	-	I	-
SUBTOTAL	-	19,255	32,894	1,196	232	J	53,577

County Administration	K	5,952
Total HAP Expenses (J+K=L)	L	\$ 59,529
Total Unexpended HAP Funds (E-L=)		\$ -

COUNTY OF GREENE, PENNSYLVANIA

FAMILY CENTER

SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
<u>Personnel:</u>			
Salaries and benefits	<u>\$ 185,520</u>	<u>\$ 183,624</u>	<u>\$ 1,896</u>
Total personnel	<u>185,520</u>	<u>183,624</u>	<u>1,896</u>
<u>Operations:</u>			
Training/conferences	-	-	-
Transportation/travel	9,250	8,634	616
Service contracts	-	-	-
Communications	2,962	2,962	-
Facility expenses	15,256	15,256	-
Supplies	24,942	20,938	4,004
FC PAT training	930	930	-
Other: Participant incentives	4,677	4,674	3
Indirect costs	<u>19,561</u>	<u>19,561</u>	<u>-</u>
Total operating	<u>77,578</u>	<u>72,955</u>	<u>4,623</u>
Equipment (\$500 or less)	-	-	-
Equipment (\$500 or more)	<u>3,724</u>	<u>3,724</u>	<u>-</u>
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ 266,822</u></u>	<u><u>\$ 260,303</u></u>	<u><u>\$ 6,519</u></u>

**County of Greene,
Pennsylvania**

Independent Auditor's Reports in
Accordance with OMB Circular A-133

Year Ended December 31, 2012

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*

Board of County Commissioners
County Controller
County of Greene, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Greene, Pennsylvania (County), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 12, 2013.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 over financial reporting 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's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

Board of County Commissioners
County Controller
County of Greene, Pennsylvania
Report on Internal Control over Financial Reporting
and on Compliance and Other Matters

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 the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maher Duessel

Pittsburgh, Pennsylvania
September 12, 2013

Independent Auditor's Report on Compliance with Requirements for Each Major Federal and Pennsylvania Department of Public Welfare Program and on Internal Control over Compliance Required by OMB Circular A-133 and the Pennsylvania Department of Public Welfare Compliance Supplement

Board of County Commissioners
County Controller
County of Greene, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited the County of Greene, Pennsylvania's (County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the Pennsylvania Department of Public Welfare (DPW) *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The County's major DPW programs are identified on the Schedule of DPW Financial Assistance.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the DPW *Compliance Supplement*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Booard of County Commissioners
County Controller
Independent Auditor's Report on Compliance
With Requirements Applicable to Each
Major Federal and Pennsylvania DPW Program

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal and DPW program to determine the auditing procedures 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 the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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 and the DPW *Compliance Supplement*. Accordingly, this report is not suitable for any other purpose.

Mahe Duessel

Pittsburgh, Pennsylvania
September 12, 2013

COUNTY OF GREENE, PENNSYLVANIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)?
 yes none reported

3. Noncompliance material to financial statements noted? yes no

4. Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)?
 yes none reported

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

6. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

7. Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Solutions Grant Program
93.556	Promoting Safe and Stable Families
93.658	Foster Care – Title IV-E

8. Dollar threshold used to distinguish between type A and type B programs: \$300,000

9. Auditee qualified as low-risk auditee? yes no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

No matters were reported.

III. Findings and questioned costs for federal awards.

No matters were reported.

COUNTY OF GREENE, PENNSYLVANIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2012

None