

# **County of Greene, Pennsylvania**

## **Financial Statements and Required Supplementary Information and Supplementary Information**

**Year Ended December 31, 2021  
with Independent Auditor's Report**

**MaherDuessel**

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# COUNTY OF GREENE, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2021

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YEAR ENDED DECEMBER 31, 2021

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## Independent Auditor's Report

**Board of County Commissioners  
County Controller  
County of Greene, Pennsylvania**

### Report on the Audit of the Financial Statements

#### Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, 2021, and the respective changes in financial position thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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 under separate cover, our report dated June 28, 2022 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in

Board of Commissioners  
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accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Mahe Duessel*

Pittsburgh, Pennsylvania  
June 28, 2022

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **Introduction**

The County of Greene (County is presenting its financial statements as required by Governmental Accounting Standards Board Statement No. 34 (GASB No. 34), *“Basic Financial Statements – and Management’s Discussion and Analysis (MD&A) – for State and Local Governments.”* This MD&A of the County’s financial performance presents a narrative overview for the fiscal year ended December 31, 2021. It should be read in conjunction with the accompanying basic financial statements and the notes to those statements.

## **Financial Highlights**

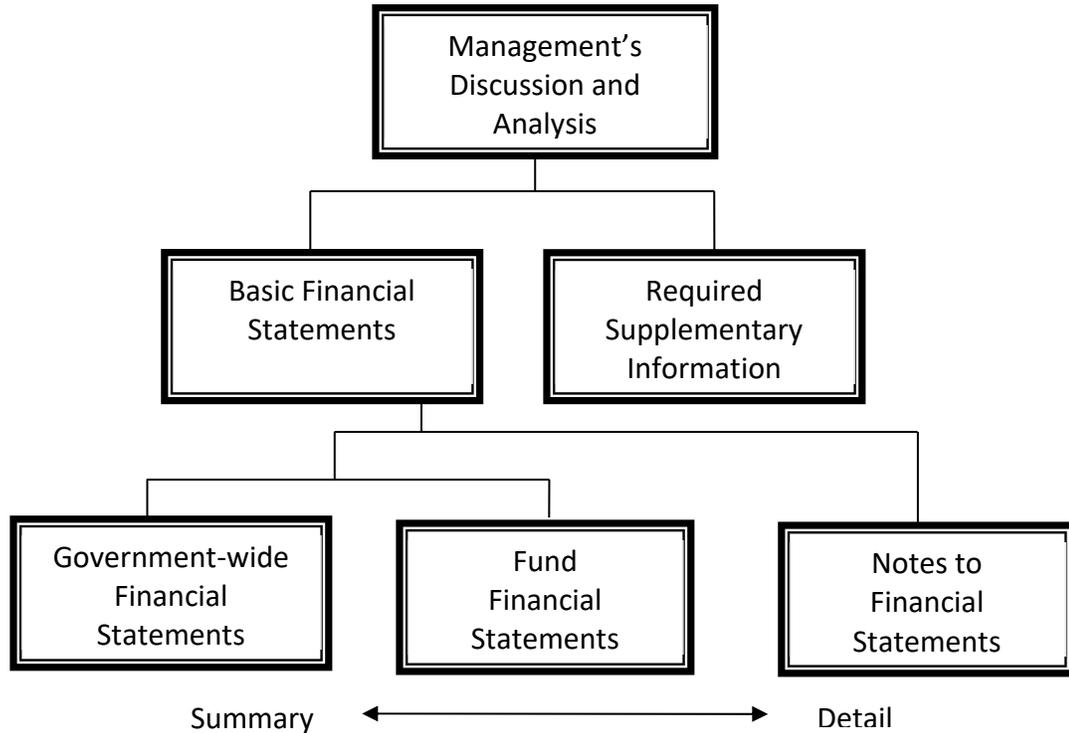
- The County received its tenth allocation of monies generated by Act 13 in the amount of \$3,215,463 in July 2021. This money was deferred until 2022 and was transferred to the Capital Reserve Fund (\$3,215,463).
- The County's Governmental Funds Fund balance at December 31, 2021 was \$11,129,900, an increase of \$1,237,838 from the prior year.
- The County's General Fund balance at December 31, 2021 was \$2,968,149, an increase of \$1,404,280 from the prior year.
- The unrestricted net position of its governmental activities at December 31, 2021 was \$4,267,904.

## **Overview of the Financial Statements**

This report consists of a series of financial statements. The management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the County's government. The statement of net position and the statement of activities provide information about the activities of the County as a whole (government-wide statements) and present a long-term view of the County’s finances. Fund financial statements follow and show how services were financed in the short-term and report the County’s operations in more detail than the government-wide statements. The remaining statements provide financial information about activities which the County acts solely as a trustee or agent for the benefit of those outside of the County. The following diagram shows the relationship of these statements:

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## REQUIRED COMPONENTS OF THE FINANCIAL STATEMENTS



The first two statements are government-wide statements that provide information about the County's overall financial status. The remaining statements are fund financial statements that focus on individual parts of County government, reporting the County's operations in more detail than the government-wide statements.

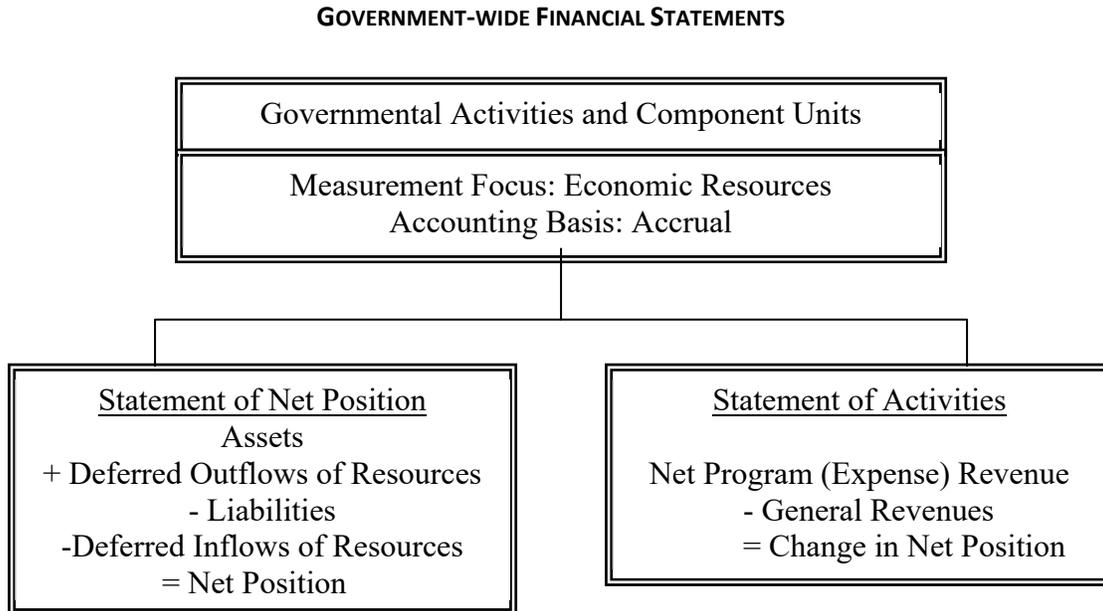
The financial statements also include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements as well as required supplementary information regarding the County's budget. In addition to these required 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.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## 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, deferred outflows of resources liabilities, and deferred inflows of resources, except fiduciary funds, with the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources reported as net position. This statement serves a purpose similar to that of the balance sheet 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 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Statement of Net Position

	Governmental Activities			
	2021	2020	2019	2018
<b>Assets:</b>				
Current and Other Assets	\$ 34,688,420	\$ 26,098,328	\$ 22,811,359	\$ 22,613,695
Capital Assets	51,532,624	51,884,357	51,793,453	51,205,018
<b>Total Assets</b>	<u>86,221,044</u>	<u>77,982,685</u>	<u>74,604,812</u>	<u>73,818,713</u>
<b>Deferred Outflow of Resources:</b>				
Pension	650,793	197,006	2,520,315	3,772,628
<b>Liabilities:</b>				
Current Liabilities	21,381,055	13,607,830	13,979,977	11,404,556
Other Liabilities	7,130,534	7,615,461	8,176,340	10,473,020
<b>Total Liabilities</b>	<u>28,511,589</u>	<u>21,223,291</u>	<u>22,156,317</u>	<u>21,877,576</u>
<b>Deferred Inflows of Resources:</b>				
Pension	1,510,625	2,350,283	3,142,701	959,335
<b>Net Position:</b>				
Net Investment in Capital Assets	44,402,090	44,268,896	44,737,113	43,215,870
Restricted	8,179,629	8,094,848	7,100,476	8,645,407
Unrestricted	4,267,904	2,242,373	(11,480)	2,893,153
<b>Total Net Position</b>	<u>\$ 56,849,623</u>	<u>\$ 54,606,117</u>	<u>\$ 51,826,109</u>	<u>\$ 54,754,430</u>

The County owns approximately \$51.5 million in capital assets and the County debt directly related to these assets is \$7.1 million. The difference of \$44.4 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 \$7.23 of assets to match it.

	2021	2020	2019	2018
Asset-to-Debt Ratios	723%	681%	633%	641%

In the above statement, deferred outflows (inflows) of resources is defined as a consumption (acquisition) of net assets by the government that is applicable to a future reporting period and reflects the differences between expected and actual experience and the difference between projected and actual earnings on the County's pension plan investments.

The County's liabilities fall into two categories; long-term and short-term. Our long-term liability is the 2021 bonds since the 2014 bonds were paid off in early 2021. 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.

	2021	2020	2019	2018
Asset-to-Liability Ratios	302%	367%	337%	337%

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*, reflects deferral of an increase of 90% in 2021. The second category primarily consists of *Accounts Payable*. The chart below reflects

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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 bill payments.

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Accounts payable	\$ 2,857,468	\$ 2,836,530	\$ 2,478,107	\$ 1,585,234

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 the restricted and unrestricted net position. The County's restricted net position are twofold: Debt Service, which is the money dedicated to paying off the County bonds and other purposes, which are restricted for use in various manners. The unrestricted net position is cash or other assets that have no external or legal restrictions regarding their use.

To put all the sections and numbers of the statement of net position 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 over three and a half times more money in the bank than bills and loans to pay, and his house would be worth over six times what was left to pay on the mortgage.
2. The County's asset-to-liability ratio is 3.02:1. This means that for every \$1 owed, we hold \$3.02 in cash or assets.
3. The County asset-to-debt ratio is 7.23:1, which again means that for every \$1 of debt we have, we hold \$7.23 in assets.

These ratios are exceptional and have remained stable, or increased positively, over several years.

### 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Functions/Programs	2021			2020		
	Expenses	Program Revenues	General Revenue Required (Provided)	Expenses	Program Revenues	General Revenue Required (Provided)
<b>Primary government:</b>						
Governmental activities:						
General government	\$ 11,261,580	\$ 2,715,017	\$ (8,546,563)	\$ 14,143,608	\$ 6,772,956	\$ (7,370,652)
Public safety	5,155,410	1,683,413	(3,471,997)	5,119,662	3,487,191	(1,632,471)
Public works	1,170,697	1,954,304	783,607	1,196,157	1,646,797	450,640
Human services	12,401,814	13,885,528	1,483,714	12,128,161	11,945,689	(182,472)
Culture and recreation	1,979,682	1,220,267	(759,415)	1,721,738	1,089,686	(632,052)
Conservation and econ dev	4,460,824	2,734,427	(1,726,397)	3,162,006	2,624,903	(537,103)
Unallocated depreciation	136,624	-	(136,624)	136,624	-	(136,624)
Interest and amortization	224,424	-	(224,424)	137,407	-	(137,407)
<b>Total activities</b>	<b><u>\$ 36,791,055</u></b>	<b><u>\$ 24,192,956</u></b>	<b><u>(12,598,099)</u></b>	<b><u>\$ 37,745,363</u></b>	<b><u>\$ 27,567,222</u></b>	<b><u>(10,178,141)</u></b>
<b>General revenues:</b>						
Property taxes, levied for general purposes			13,243,315			11,002,271
Property taxes, levied for debt service			780,582			920,065
Property taxes, levied for library expenditures			120,149			107,614
Interest			67,357			96,412
Rental income			504,504			258,577
Reimbursement of prior period expenditures			125,698			573,210
<b>Total general revenues</b>			<b><u>14,841,605</u></b>			<b><u>12,958,149</u></b>
<b>Change in Net Position</b>			<b>2,243,506</b>			<b>2,780,008</b>
<b>Net Position:</b>						
Beginning of year			<u>54,606,117</u>			<u>51,826,109</u>
End of year			<u>\$ 56,849,623</u>			<u>\$ 54,606,117</u>

The statement of activities shows that the County supported its operations with \$14.8 million in general revenues, of which \$14.1 million was general tax revenue. Tax revenues (not rates) increased and program revenues decreased while expenses decreased overall. It is important to note that Act 13 funds are considered program revenue, not tax revenue, and therefore as the County focuses those resources in different departments over the years, large swings in the program revenue can occur.

Program Revenue Source	2021	2020	2019
Charges for Services	\$ 4,357,140	\$ 7,742,763	\$ 8,123,515
Operating Grants and Contributions	19,116,128	17,671,739	15,455,846
Capital Grants and Contributions	719,688	2,152,720	1,428,250
<b>General Revenues</b>	<b><u>\$ 24,192,956</u></b>	<b><u>\$ 27,567,222</u></b>	<b><u>\$ 25,007,611</u></b>

As the above chart shows, the County revenue streams have been unstable over the last few years. The County has been able to normalize its cash flows with the revenue received from Act 13 (Unconventional Gas Well Impact Fees) revenue. The County remained at a positive return for 2021 but slightly lower than 2020.

Changes in Net Position	2021	2020	2019	2018	2017	2016	2015	2014
	4%	5%	-5%	-2%	6%	0%	12%	11%

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

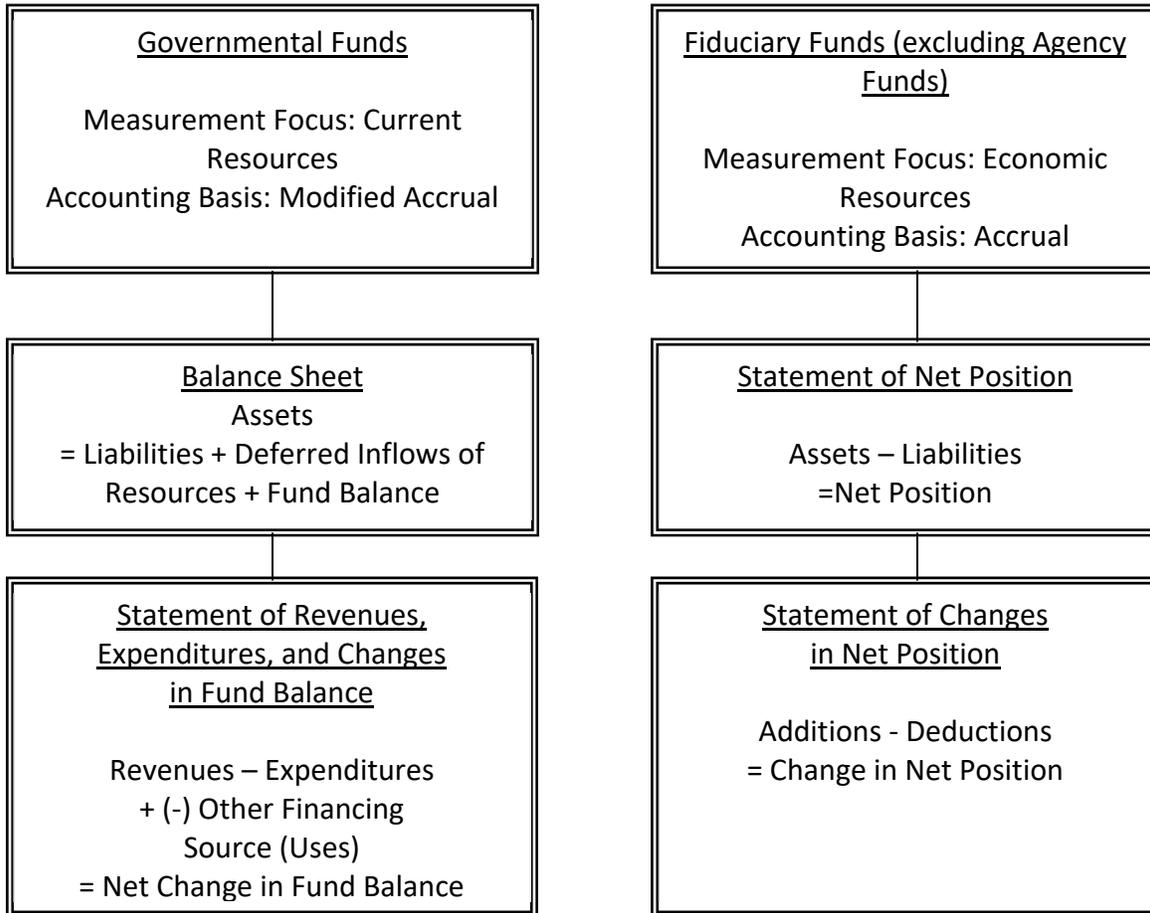
### **FUND FINANCIAL STATEMENTS**

The fund financial statements provide more detailed information about the County's most significant funds (determined by GASB No. 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 position 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) 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 County Pension Fund is 99.6% funded.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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



### Governmental Funds

The County has five funds this year that are considered *Major* funds for the purpose of GASB No. 34 reporting: the General Fund, the Behavioral Health Fund, the Human Services Fund, the Children and Youth Services Fund, and the Capital Projects Fund. There are 22 *other* funds that make up the “Other Governmental Funds” on the governmental funds balance sheet and statement of revenues and expenditures.

### Major Funds Balance Sheet

The major funds balance sheet can be seen in its entirety in the audit report. 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.

The General Fund balance sheet shows the cash available at the end of 2021 for operations in the unassigned fund balance of \$2.8 million. This fund balance allows County operations 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

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

This statement also has *deferred inflows of resources*; in this case, *unavailable revenues - property taxes*. Where *unearned revenue* is money, the County has received but not spent, *deferred inflows* are money the County is owed but has not yet collected.

The General Fund total fund balance increased in 2021 by \$1,404,280. As will be noted in the budget section of this report, when Act 13 revenue is brought into the General Fund and either spent, transferred or deferred into the following year, large swings in assets, liabilities, revenues, expenses, and the budget occur.

As was noted above, the General 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 26 other County funds (four major, 22 other).

The Capital Projects Fund is on the major funds list for 2021, as assets increased by \$5,698,953 and the fund balance decreased by \$58,155.

The Behavioral Health Fund, Human Services Fund and Children and Youth Fund show no fund balance as, by law, it cannot "carry" funds from one year to the next. Unspent monies are not sent back to the issuing agency, but are instead shown as unearned revenue.

### **Revenue and Expenditures and Change in Fund Balance (R&E)**

This statement is included within the audit and shows the four 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).

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.

For 2021, the fund balance increased \$1,404,280. While the Balance Sheet tells us what the fund balance is at the end of a year, the revenue and expense statement tells us where the money was spent, and who paid for it.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Behavioral Health and Children and Youth Services Funds and Human Services**

These funds cover the Mental Health and Intellectual & Developmental Disabilities programs and the Children and Youth Services program and Human Services. 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 and ACT 13 Impact Fee Projects**

Many Act 13 projects are ongoing and cross over fiscal years. 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 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.

In 2021, the county received \$3,215,463 in ACT 13 funding, much of the ACT 13 funding received remained uncommitted permitting increases in restricted fund balances.

In 2021, the county also was awarded \$7.02 million in American Rescue Plan (ARP) funding. The second half of ARP will be received in 2022. The U.S. Treasury's Final Rule for State and Local Fiscal Recovery Funds Program has increased the flexibility in use for the first \$10 million in American Rescue Plan (ARP) funding received.

### **Other Governmental Funds**

The 22 funds that make up this group are too numerous to list and discuss here. Activity for all these funds can be seen in the accompanying financial statements and the notes to those statements.

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

The county remains focused on fiscally conservative approaches to increasing fund balances, making smart decisions in health care cost options, leveraging grant funding sources that can offset general fund expenses and wisely investing windfall monies such as ACT 13 and the new American Rescue Plan funding. A draft of a commissioned Strategic Management Planning Program and Five-Year Financial Management Plan (STMP) provided positive indications that the prior year's focus and adjustments were positive. New budget policies resulted in the total expenses for 2020 to finish the year at \$16.7 million, the lowest level since 2015. Additionally, 2020 marked the first time during the 6-year period (2014-2020) that the fund balance grew, instead of declining and government general administration expenses dropped by 13.9% from 2019 to 2020 encouraging the Board of Commissioners to continue current policies. This trend continued for 2021 with a positive change in fund balance of \$1,404,850.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

County leadership and our partners in fiscal management; insurance company, retirement account managers, unions and employees are committed to continuing the initiatives to keep under control government expense and work through opportunities to increase traditional tax revenue to offset inflation and increasing costs of government administration, supplies, materials, transportation and consumables.

Debt principal is not currently budgeted in the General Fund as the County has a Sinking Fund, as required by the covenants in the Bond Issues.

### **Capital Assets and Debt Administration**

The County's net investment in capital assets amounted to \$51,532,624, as of December 31, 2021.

#### **Summary of Capital Assets**

	<u>2021</u>	<u>2020</u>
Capital Assets, net of accumulated depreciation:		
Land	\$ 3,435,628	\$ 3,091,790
Buildings and improvements	13,961,555	13,978,056
Furniture and equipment	1,123,577	1,557,234
Vehicles	791,264	625,008
Infrastructure	30,914,047	30,499,835
Construction in progress	1,306,553	2,132,434
Total	<u>\$ 51,532,624</u>	<u>\$ 51,884,357</u>

The decrease in capital assets from the prior year is largely a result of depreciation expense.

Further details found in Note 6 of the County's financial statements.

### **Long-Term Debt**

As of December 31, 2021, the County had outstanding debt of \$6,691,573. This was a decrease of \$923,888 from the previous year.

### **Outstanding Debt as of December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
General obligation bonds	\$ 5,250,000	\$ 6,090,000
Direct borrowing	1,120,000	1,120,000
Lease rental debt	321,573	405,461
Total	<u>\$ 6,691,573</u>	<u>\$ 7,615,461</u>

Further details found in Note 10 to the County's financial statements.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **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.

Greene County was presented with many challenges to include rising unemployment in the County, mine closures and the decline in the County population but with the changes implemented by the Board of Commissioners the County continues in correcting the imbalance in the General Fund and reduce its dependence on Act 13 Revenue. The increase in the County's net position, the increase in the General Fund Balance and the reductions to the County Budget made during 2021 reflect their commitment.

This report is designed to provide citizens, taxpayers, investors, customers, and creditors with a general overview of 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, 2021

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 26,407,077
Investments	312,661
Receivables:	
Taxes receivable, net of allowance	1,646,023
Due from other governments	4,754,918
Accounts receivable	286,236
Other assets	48,044
Net pension asset	1,233,461
Capital assets not being depreciated	4,742,181
Capital assets, net of accumulated depreciation	46,790,443
<b>Total Assets</b>	<b>86,221,044</b>
<b>Deferred Outflows of Resources</b>	
Deferred outflows of resources for pension	650,793
<b>Liabilities</b>	
Accounts payable	2,502,466
Accrued liabilities and withholdings	355,002
Accrued interest payable	28,133
Due to other governments	93,057
Unearned revenue	17,019,896
Accrued compensated absences	447,167
Lines of credit	935,334
Long-term debt:	
Amount due within one year	217,660
Amount due in more than one year	6,473,913
Bond premium	438,961
<b>Total Liabilities</b>	<b>28,511,589</b>
<b>Deferred Inflows of Resources</b>	
Deferred inflows of resources for pension	1,510,625
<b>Net Position</b>	
Net investment in capital assets	44,402,090
Restricted for:	
Capital projects	187,945
Debt service	644,580
Pension	1,233,461
Other purposes	6,113,643
Unrestricted	4,267,904
<b>Total Net Position</b>	<b>\$ 56,849,623</b>

See accompanying notes to financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

## STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 11,261,580	\$ 1,025,699	\$ 1,689,318	\$ -	\$ (8,546,563)
Public safety	5,155,410	113,078	1,570,335	-	(3,471,997)
Public works	1,170,697	1,123,917	277,289	553,098	783,607
Human services	12,401,814	1,299,311	12,586,217	-	1,483,714
Culture and recreation	1,979,682	635,944	584,323	-	(759,415)
Conservation and economic development	4,460,824	159,191	2,408,646	166,590	(1,726,397)
Unallocated depreciation, excluding direct expense reported as a function above	136,624	-	-	-	(136,624)
Interest and amortization	224,424	-	-	-	(224,424)
Total governmental activities	\$ 36,791,055	\$ 4,357,140	\$ 19,116,128	\$ 719,688	(12,598,099)
General revenues:					
					13,243,315
					780,582
					120,149
					67,357
					504,504
					125,698
Total general revenues					14,841,605
<b>Change in Net Position</b>					2,243,506
<b>Net Position:</b>					
Beginning of year					54,606,117
End of year					\$ 56,849,623

See accompanying notes to financial statements.

**COUNTY OF GREENE, PENNSYLVANIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

DECEMBER 31, 2021

	General Fund	Behavioral Health	Human Services	Children and Youth	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 3,896,433	\$ 2,732,313	\$ 2,670,737	\$ 191,284	\$ 6,267,603	\$ 10,648,707	\$ 26,407,077
Investments	-	-	-	-	-	312,661	312,661
Due from other funds	3,918,233	764,853	576,405	1,005,269	272,134	146,830	6,683,724
Due from other governments	312,654	1,022,952	57,196	2,092,896	53,213	1,216,007	4,754,918
Taxes receivable, net	1,626,210	-	-	-	-	19,813	1,646,023
Accounts receivable	147,413	33,116	1,381	-	-	88,395	270,305
Other assets	23,667	-	-	13,352	-	11,025	48,044
<b>Total Assets</b>	<b>\$ 9,924,610</b>	<b>\$ 4,553,234</b>	<b>\$ 3,305,719</b>	<b>\$ 3,302,801</b>	<b>\$ 6,592,950</b>	<b>\$ 12,443,438</b>	<b>\$ 40,122,752</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 447,257	\$ 775,494	\$ 167,530	\$ 828,256	\$ -	\$ 283,929	\$ 2,502,466
Accrued liabilities and withholdings	355,002	-	-	-	-	-	355,002
Due to other funds	1,569,119	1,131,932	526,199	1,728,422	330,286	1,381,835	6,667,793
Due to other governments	42,755	-	-	-	-	50,302	93,057
Line of credit	-	-	-	660,334	-	275,000	935,334
Unearned revenue	3,123,024	2,645,808	2,611,990	85,789	6,074,719	2,478,566	17,019,896
<b>Total Liabilities</b>	<b>5,537,157</b>	<b>4,553,234</b>	<b>3,305,719</b>	<b>3,302,801</b>	<b>6,405,005</b>	<b>4,469,632</b>	<b>27,573,548</b>
<b>Deferred Inflows of Resources:</b>							
Unavailable revenues - taxes	1,419,304	-	-	-	-	-	1,419,304
<b>Fund Balance:</b>							
Non-spendable	23,667	-	-	-	-	-	23,667
Restricted	2,067	-	-	-	-	7,595,989	7,598,056
Committed	203,756	-	-	-	-	377,817	581,573
Assigned	-	-	-	-	187,945	-	187,945
Unassigned	2,738,659	-	-	-	-	-	2,738,659
<b>Total Fund Balance</b>	<b>2,968,149</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187,945</b>	<b>7,973,806</b>	<b>11,129,900</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 9,924,610</b>	<b>\$ 4,553,234</b>	<b>\$ 3,305,719</b>	<b>\$ 3,302,801</b>	<b>\$ 6,592,950</b>	<b>\$ 12,443,438</b>	<b>\$ 40,122,752</b>

See accompanying notes to financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

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

DECEMBER 31, 2021

**Total Fund Balance - Governmental Funds** \$ 11,129,900

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets including infrastructure is \$76,025,203 and the accumulated depreciation is \$24,492,579. 51,532,624

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 unavailable in the funds. 1,419,304

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these accounts are capitalized and amortized in the statement of activities. (438,961)

The actuarially accrued net pension asset, deferred outflows of resources, and deferred inflows of resources for pension are not recorded on the fund financial statements. 373,629

Long-term liabilities, including compensated absences, bonds payable and accrued interest 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	\$ (447,167)	
GO bonds/leases	(6,691,573)	
Accrued interest on bonds	(28,133)	
		<u>(7,166,873)</u>

**Total Net Position - Governmental Activities** \$ 56,849,623

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, 2021

	General Fund	Behavioral Health	Human Services	Children and Youth	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
Taxes	\$ 12,845,872	\$ -	\$ -	\$ -	\$ -	\$ 1,059,424	\$ 13,905,296
Licenses and permits	42,977	-	-	-	-	-	42,977
Fines and forfeits	164,097	-	-	-	-	-	164,097
Intergovernmental	812,977	2,598,218	1,798,071	6,250,393	601,614	7,271,419	19,332,692
Charges for services	2,337,548	-	-	54,324	923,887	834,307	4,150,066
Interest	8,039	3,959	2,632	679	7,156	44,892	67,357
Rental income	427,848	-	-	-	-	76,656	504,504
Other revenues and donations	214,737	81,630	-	10,619	173,960	22,178	503,124
<b>Total revenues</b>	<b>16,854,095</b>	<b>2,683,807</b>	<b>1,800,703</b>	<b>6,316,015</b>	<b>1,706,617</b>	<b>9,308,876</b>	<b>38,670,113</b>
<b>Expenditures:</b>							
General government - administration	5,108,393	-	-	-	106,687	265	5,215,345
General government - judicial	5,005,926	-	-	-	8,573	708,287	5,722,786
Public safety:							
Corrections	3,728,180	-	-	-	237,772	-	3,965,952
EMA/911	155,045	-	-	-	-	1,149,139	1,304,184
Public works:							
Highways and bridges	-	-	-	-	44,526	431,423	475,949
Sanitation/solid waste	-	-	-	-	159,495	-	159,495
Airport	69,308	-	-	-	-	-	69,308
Human services:							
Child/youth services	-	-	-	6,360,371	-	-	6,360,371
Drug and alcohol	-	-	-	-	-	833,237	833,237
Mental health/intellectual disability	-	2,764,782	-	-	-	-	2,764,782
Other human services	-	-	1,800,703	-	-	-	1,800,703
Transportation	-	-	-	-	-	1,177,949	1,177,949
Culture and recreation:							
Parks and recreation	1,424,975	-	-	-	382,686	400,358	2,208,019
Libraries	-	-	-	-	-	303,465	303,465
Conservation and economic development:							
Conservation/development	20,649	-	-	-	259,505	941,437	1,221,591
Housing/community development	75,663	-	-	-	-	1,374,967	1,450,630
Economic development	760,482	-	-	-	544,725	-	1,305,207
Tourist promotion	13,716	-	-	-	20,803	462,889	497,408
Debt service:							
Debt interest	-	-	-	-	-	186,043	186,043
Debt principal	83,888	-	-	-	-	515,000	598,888
Bond issuance costs	-	-	-	-	-	113,331	113,331
<b>Total expenditures</b>	<b>16,446,225</b>	<b>2,764,782</b>	<b>1,800,703</b>	<b>6,360,371</b>	<b>1,764,772</b>	<b>8,597,790</b>	<b>37,734,643</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>407,870</b>	<b>(80,975)</b>	<b>-</b>	<b>(44,356)</b>	<b>(58,155)</b>	<b>711,086</b>	<b>935,470</b>
<b>Other Financing Sources (Uses):</b>							
Transfers in	1,685,293	141,975	-	335,673	-	336,606	2,499,547
Proceeds of refunding bonds	-	-	-	-	-	5,250,000	5,250,000
Payment to refunding bond escrow agent	-	-	-	-	-	(5,575,000)	(5,575,000)
Premium on refunding bonds	-	-	-	-	-	501,670	501,670
Other sources from sale of assets/ prior period reimbursement	125,371	-	-	-	-	327	125,698
Transfers out	(814,254)	(61,000)	-	(291,317)	-	(1,332,976)	(2,499,547)
<b>Total other financing sources (uses)</b>	<b>996,410</b>	<b>80,975</b>	<b>-</b>	<b>44,356</b>	<b>-</b>	<b>(819,373)</b>	<b>302,368</b>
<b>Net Change in Fund Balance</b>	<b>1,404,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58,155)</b>	<b>(108,287)</b>	<b>1,237,838</b>
<b>Fund Balance:</b>							
Beginning of year	1,563,869	-	-	-	246,100	8,082,093	9,892,062
End of year	\$ 2,968,149	\$ -	\$ -	\$ -	\$ 187,945	\$ 7,973,806	\$ 11,129,900

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, 2021

**Net Change in Fund Balance - Governmental Funds** \$ 1,237,838

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.

	Capital outlays	\$ 1,881,244	
	Less: Depreciation expense	<u>(2,008,347)</u>	(127,103)

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. 238,750

The 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are 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. 484,927

Changes in the net pension asset and related deferred outflows and inflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. 373,629

Interest on long-term obligations in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds 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 accrued interest is shown here. 12,241

In the statement of activities, certain operating expenses-accumulated employee benefits 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. 23,224

**Change in Net Position of Governmental Activities** \$ 2,243,506

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 13,100,255	\$ 13,100,255	\$ 12,845,872	\$ (254,383)
Licenses and permits	44,875	44,875	42,977	(1,898)
Fines and forfeits	247,000	247,000	164,097	(82,903)
Intergovernmental	734,205	734,205	812,977	78,772
Charges for services	2,584,429	2,584,429	2,337,548	(246,881)
Interest	35,550	35,550	8,039	(27,511)
Rental income	306,735	306,735	427,848	121,113
Other revenues and donations	87,333	87,333	214,737	127,404
Total revenues	<u>17,140,382</u>	<u>17,140,382</u>	<u>16,854,095</u>	<u>(286,287)</u>
<b>Expenditures:</b>				
General government - administration	7,796,276	5,799,771	5,108,393	691,378
General government - judicial	4,305,457	5,270,684	5,005,926	264,758
Public safety:				
Corrections	2,952,930	3,632,639	3,728,180	(95,541)
EMA/911	148,414	161,423	155,045	6,378
Public works:				
Airport	55,806	55,806	69,308	(13,502)
Culture and recreation:				
Parks and recreation	1,164,428	1,395,276	1,424,975	(29,699)
Conservation and economic development:				
Conservation/development	70,108	70,118	20,649	49,469
Housing/community development	16,273	18,980	75,663	(56,683)
Economic development	663,384	765,924	760,482	5,442
Tourism	9,599	12,054	13,716	(1,662)
Debt service:				
Debt principal	83,888	83,888	83,888	-
Total expenditures	<u>17,266,563</u>	<u>17,266,563</u>	<u>16,446,225</u>	<u>820,338</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(126,181)</u>	<u>(126,181)</u>	<u>407,870</u>	<u>534,051</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	486,469	486,469	1,685,293	1,198,824
Other sources from sale of assets/prior period reimbursement	232,283	232,283	125,371	(106,912)
Transfers out	(1,592,571)	(1,592,571)	(814,254)	778,317
Total other financing sources (uses)	<u>(873,819)</u>	<u>(873,819)</u>	<u>996,410</u>	<u>1,870,229</u>
<b>Net Change in Fund Balance</b>	<u>\$ (1,000,000)</u>	<u>\$ (1,000,000)</u>	<u>\$ 1,404,280</u>	<u>\$ 2,404,280</u>

See accompanying notes to financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

## STATEMENT OF NET POSITION FIDUCIARY FUNDS

DECEMBER 31, 2021

	Employees Pension Plan	Custodial Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 1,651,121	\$ 1,092,020
Investments	36,101,463	-
Due from other funds	54,558	7,697
Accounts receivable	93,631	-
<b>Total Assets</b>	<b>37,900,773</b>	<b>1,099,717</b>
<b>Liabilities</b>		
Due to other governments	-	1,021,531
Due to other funds	-	78,186
<b>Total Liabilities</b>	<b>-</b>	<b>1,099,717</b>
<b>Net Position</b>		
Restricted for Pension Benefits	<b>\$ 37,900,773</b>	<b>\$ -</b>

See accompanying notes to financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

## STATEMENT OF CHANGES IN NET POSITION FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2021

	Employees Pension Plan	Custodial Funds
<b>Additions:</b>		
Contributions:		
County	\$ 676,129	\$ -
Members	991,578	-
Total contributions	1,667,707	-
Investment income (loss):		
Net increase (decrease) in fair value of investments	3,069,870	-
Interest and dividends	687,122	-
Net investment income (loss)	3,756,992	-
Other income	-	-
Receipts:		
Tax Claim	-	4,171,713
Clerk of Courts - Criminal	-	684,084
Orphan's Court	-	43,364
Register and Recorder	-	608,056
Register and Recorder- Local Realty Transfer	-	2,955,886
Magistrate 13-03-01	-	494,470
Magistrate 13-03-02	-	377,373
Magistrate13-03-03	-	422,698
Sheriff	-	103,663
Sheriff-Validation System	-	1,361
Prothonotary	-	132,104
Prothonotary - Escrow Accts	-	5,655
Jail	-	221,331
Airport Security	-	6
Domestic Relations	-	44,140
Fire Damage Escrow	-	-
Children and Youth	-	2,068
Commonwealth Treasurer	-	131,625
District Attorney	-	2,514
Farmland Preservation	-	2,647
Total receipts	-	10,404,758
Total additions	5,424,699	10,404,758
<b>Deductions:</b>		
Pension benefits	1,413,867	-
Refund of member contributions	330,279	-
Administrative expenses	225,878	-
Disbursements:		
Payments to other governments	-	10,353,974
Other custodial disbursements	-	50,784
Total disbursements	-	10,404,758
Total deductions	1,970,024	10,404,758
<b>Change in Net Position</b>	3,454,675	-
Net position - beginning	34,446,098	-
Net position - ending	\$ 37,900,773	\$ -

See accompanying notes to financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### 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 discretely presented 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.
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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The following agencies were reviewed and were determined to be blended component units of the County and are included as other governmental funds:

### *Greene County Fair Board*

The Greene County Fair Board's Board of Directors (Board) is appointed by the County Commissioners and at least one Commissioner serves as a member of the Board. There is a financial burden in that the County funds the majority of the Greene County Fair Board's operations.

### *Greene County Soil Conservation District*

The Greene County Soil Conservation District's Board of Directors (Board) is appointed by the County Commissioners and at least one Commissioner serves as a member of the Board. There is a financial burden in that the County funds the majority of the Greene County Soil Conservation District's operations. Separately issued audited financial statements are available through the Greene County Soil Conservation District's Board administrative office: 22 West High Street, Suite 204, Waynesburg, PA 15370

### *Greene County Library System*

The Greene Library System's Board of Directors (Board) is appointed by the County Commissioners. There is a financial burden in that the County funds the majority of the Greene County Library System operations.

### *Greene County Tourism Promotion Agency*

The Greene County Tourism Promotion Agency's Board of Directors (Board) is appointed by the County Commissioners at least one Commissioner serves as a member of the Board. There is a financial burden in that the County funds the majority of the Greene County Tourism Promotion Agency Board's operations.

### *Greene County Redevelopment Authority*

The Greene County Redevelopment Authority's Board of Directors (Board) is appointed by the County Commissioners. There is a financial burden in that the County funds the majority of the Greene County Redevelopment Authority Board's operations.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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The following agencies were reviewed and were determined not to be component units of the County; however, they 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.

### **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 generally uses restricted resources before unrestricted resources when an expense is 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

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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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 custodial funds). 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* is a special revenue funds that accounts for the proceeds of revenue received from various federal, state, and County sources 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, 2021

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The *Children and Youth Fund* is a special revenue fund that is used to account for the proceeds of revenue received from various federal, state, and County sources. This fund is restricted for the provision of specified social services to eligible recipients.

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

The *Human Services Fund* is used to account for the provisions of various social services to eligible County residents. These services are funded by various federal, state and county funds.

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 or committed to expenditures for specified purposes.

### Debt Service Fund

The *Debt Service Fund* accounts for the servicing of general long-term debt.

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 Employees' Pension Plan and Custodial Funds.

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 *Custodial Funds* are used to report resources held by the County in a purely custodial capacity (i.e., assets = liabilities). The Custodial 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

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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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 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 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.

Unearned revenues arise when resources are received by the County before it has legal claim to them, such as when intergovernmental funds are received prior to the occurrence of qualifying expenditures. During subsequent periods, when the County has a legal claim to the resources, the unearned revenue is removed as a liability and the revenue is recognized.

Deferred inflows of resources reported on the governmental funds balance sheet arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the unavailable revenue is removed as a deferred inflow of resources and the revenue is recognized.

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.

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.

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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### **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.
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

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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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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.

Budgets are not adopted 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.

Budgets are not adopted for the Human Services Fund, Behavioral Health Fund, and the Children and Youth Fund.

### **E. 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.

### **F. Investments**

Investments are stated at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The County categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Income earned on the investments from the various funds was allocated back to the fund that made the investment.

### **G. 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

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

appropriate interfund receivable and payable accounts. Transfers between funds represent administration fees and payments made for required matches on grants.

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 3,918,233	\$ 1,569,119
Behavioral Health	764,853	1,131,932
Human Services	576,405	526,199
Children and Youth	1,005,269	1,728,422
Capital Projects	272,134	330,286
Other governmental funds	146,830	1,381,835
Fiduciary	62,255	78,186
	<u>\$ 6,745,979</u>	<u>\$ 6,745,979</u>

Individual fund transfers at December 31, 2021 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 1,685,293	\$ 814,254
Behavioral Health	141,975	61,000
Human Services	-	-
Children and Youth	335,673	291,317
Capital Projects	-	-
Other governmental funds	336,606	1,332,976
	<u>\$ 2,499,547</u>	<u>\$ 2,499,547</u>

### H. Inventories

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

### I. 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:

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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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 recorded at acquisition value at the date of donation. Acquisition value is the price that would have been paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

### J. 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 that, 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	\$ 85,700
Amount for sick day buy-backs retirement eligible	72,800
Amount for severance pay	256,961
Amount for compensated absences for non-exempt and union	<u>31,706</u>
Total compensated absences liability	<u>\$ 447,167</u>

### K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position and/or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that

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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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qualifies for reporting in this category:

Certain amounts determined in connection with pension accounting requirements are reported as deferred outflows of resources on the government-wide financial statements. This amount is determined based on an actuarial valuation performed for the pension plan. Note 7 presents additional information about the pension plan.

In addition to liabilities, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and/or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

Certain amounts determined in connection with pension accounting requirements are reported as deferred outflows of resources on the government-wide financial statements. This amount is determined based on an actuarial valuation performed for the pension plan. Note 7 presents additional information about the pension plan.

Unavailable revenue is reported only on the governmental funds' balance sheet and represents property taxes which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

### **L. 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.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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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.

### **M. Classification of Fund Balance**

Governmental Accounting Standards Board (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:

- 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. The County currently does not have any nonspendable funds.
  - 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. This category includes funds that are legally restricted for debt service and by grant programs.
  - 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/County Board of Commissioners). 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. This category includes amounts committed for the health reimbursement arrangement and County Fair Board.
  - 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 County Commissioners have delegated the Authority to assign fund balance to the Chief Clerk and County Controller. The present procedure is for the Clerk and County Controller to assign amounts to be used for specific purposes before issuance of audited financial statements. This category includes funds that are assigned for future capital projects.
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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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- 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.

### **N. 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, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.
- 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.
- 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.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### **O. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures

### **P. Allocation of Indirect Expenses**

The County allocates indirect expenses, primarily comprised of central governmental services, to operating functions and programs benefiting from those services. Central services include overall County management, centralized budgetary formulation and oversight, accounting, financial reporting, information technology services, personnel, purchasing, cash management, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. These charges are included in direct expenses in the statement of activities.

### **Q. Estimates**

The preparation of the financial statements in conformity with accounting standards generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ than those estimates.

### **R. Adopted Pronouncements**

The requirements of the following Governmental Accounting Standards Board (GASB) Statements were adopted for the County's financial statements:

GASB Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period,"* establishes accounting requirements for interest costs incurred before the end of a construction period. The provisions of this statements have been adopted and incorporated into these financial statements.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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GASB Statement No. 93, “*Replacement of Interbank Offered Rates*,” provides guidance for the replacement of an interbank offered rate, most notably the London Interbank Offered Rate (LIBOR).

### **S. Pending Pronouncements**

GASB has issued statements that will become effective in future years, including Statement Nos. 87 (Leases), 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 97 (Deferred Compensation Plans) and 99 (Omnibus 2022). Management has not yet determined the impact of these statements on the financial statements.

## **2. Cash, Cash Equivalents, and Investments**

### Governmental Activities

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.

The following is a description of the County’s deposit and investment risks:

*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, 2021, \$1,020,922 of the County’s \$26,634,948 bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of

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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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\$25,614,026 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 \$26,407,077 as of December 31, 2021 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 also has investments of \$312,661 invested in certificates of deposit 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, 2021, \$0 of the bank balance of \$312,661 was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of \$312,661 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.

*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. All investments in certificates of deposit have an average maturity of less than one year.

### Custodial 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. The carrying amount of deposits for the row offices and other County offices was \$1,092,020 and the bank balance was \$1,147,519. The bank balances were not covered by federal depository insurance; however, they 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.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

### 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, 2021, the County had the following cash equivalents and investments in the Plan:

<u>Cash or Investment Type</u>	<u>Carrying Value</u>	<u>Investment Maturities from December 31, 2021</u>			
		<u>Less than 1 year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
U.S. Treasuries	\$ 4,666,727	\$ 69,703	\$ 2,547,076	\$ 999,610	\$ 1,050,338
U.S. Government Agency Obligations	913,559	-	-	387,297	526,262
Municipal bonds and notes	501,869	-	501,869	-	-
Foreign bonds	106,149	-	-	106,149	-
Corporate bonds	7,301,449	2,252,832	2,518,448	1,199,397	1,330,772
Total debt securities	13,489,753	\$ 2,322,535	\$ 5,567,393	\$ 2,692,453	\$ 2,907,372
Cash and cash equivalents	1,651,121				
Equity funds	9,305,908				
Common stock equities	13,305,802				
Total cash, cash equivalents, and other investments	24,262,831				
<b>Total cash, cash equivalents, and investments reported on statement of net position - fiduciary funds</b>	<b>\$ 37,752,584</b>				

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

The County's Plan has the following recurring fair value measurements at December 31, 2021.

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Debt securities:				
U.S. government securities	\$ 6,082,155	\$ 69,703	\$ 6,012,452	\$ -
Corporate debt obligations	7,301,449	2,252,832	5,048,617	-
Foreign debt obligations	106,149	-	106,149	-
Total debt securities	13,489,753	2,322,535	11,167,218	-
Mutual funds - equity	9,305,908	9,305,908	-	-
Common stock:				
Consumer cyclical	1,301,461	1,301,461	-	-
Consumer defensive	401,412	401,412	-	-
Consumer discretionary	437,134	437,134	-	-
Consumer staples	-	-	-	-
Energy	295,043	295,043	-	-
Financial	1,863,355	1,863,355	-	-
Health care	1,966,163	1,966,163	-	-
Industrials	1,325,631	1,325,631	-	-
Information technology	3,515,337	3,515,337	-	-
Materials	428,358	428,358	-	-
Real estate	308,200	308,200	-	-
Utilities	158,588	158,588	-	-
Telecommunication services	1,305,120	1,305,120	-	-
Total common stock	13,305,802	13,305,802	-	-
Total Investments	\$ 36,101,463	\$ 24,934,245	\$ 11,167,218	\$ -

Debt securities, mutual funds and common stock classified in Level 1 are valued using quoted prices in active markets for those securities. Debt securities classified in Level 2 are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and reference data).

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

*Custodial Credit Risk* - For deposits and investments, custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the pension trust funds 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 pension trust fund does not have a formal deposit or investment policy for custodial credit risk. The County's investments in mutual funds cannot be classified by risk category because they are not evidenced by securities that exist in

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

physical or book entry form. Money market investments include short-term U.S. Treasury and agency obligations. As of December 31, 2021, the County's money markets balance of \$1,651,121 included in cash and cash equivalents (bank and book balance) was exposed to custodial credit risk. As of December 31, 2021, the Plan investment balance, excluding mutual funds of \$9,305,908 (bank and book balance), was exposed to custodial credit risk.

*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, 2021, the Plan investments in fixed income bonds have received the following ratings from Standard & Poor's:

### Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Pension Trust Fund Debt Securities

Standard & Poor's Rating	Fair Value	Percentage of Total Pension Trust Fund Debt Securities
AA	\$ 516,932	3.8%
AA-	85,100	0.6%
A+	587,530	4.4%
A	477,628	3.5%
A-	707,518	5.2%
BBB+	1,958,717	14.5%
BBB	1,909,664	14.2%
BBB-	760,199	5.6%
Unrated	6,486,465	14.9%
	<u>\$ 13,489,753</u>	<u>66.7%</u>

*Concentration of Credit Risk* - The County places no limit on the amount the Plan may invest in any one issuer. At December 31, 2021, the Plan had no investments in any one issuer that exceeded 5% of Plan investments.

*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.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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that such a change could materially affect the amount reported on the statement of net position.

### 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 2021 levy was based, was \$1,441,730,304. The tax rate to finance General Government Services, Debt Service, and Library Service for the year ended December 31, 2021 was 8.543 mills, 0.7 mills, and .07 mills per \$1,000, respectively.

### 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 General Fund taxes receivable balance is calculated as follows:

Year Tax is Levied	Amount of Unpaid Tax	Percentage of Tax Believed to be Uncollectible	Taxes Receivable Net of Allowance for Uncollectible
1943-2015	\$ 286,392	20.0%	\$ 229,114
2016-2018	72,754	1.0%	72,026
2019-2020	301,207	0.3%	300,303
2021	1,024,767	0.0%	1,024,767
	<u>\$ 1,685,120</u>		<u>\$ 1,626,210</u>

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# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

### 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 during 2021:

	Balance at January 1, 2021	Additions	Deletions	Balance at December 31, 2021
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 3,091,790	\$ 343,838	\$ -	\$ 3,435,628
Construction in progress	2,132,434	310,663	1,136,544	1,306,553
Total capital assets not being depreciated	<u>5,224,224</u>	<u>654,501</u>	<u>1,136,544</u>	<u>4,742,181</u>
Capital assets being depreciated:				
Buildings and improvements	24,108,429	635,453	-	24,743,882
Vehicles	2,035,825	503,748	224,630	2,314,943
Furniture and equipment	6,181,372	69,407	-	6,250,779
Infrastructure assets	36,818,739	1,154,679	-	37,973,418
Total capital assets being depreciated	<u>69,144,365</u>	<u>2,363,287</u>	<u>224,630</u>	<u>71,283,022</u>
Less accumulated depreciation for:				
Buildings and improvements	10,130,373	651,954	-	10,782,327
Vehicles	1,410,817	112,862	-	1,523,679
Furniture and equipment	4,624,138	503,064	-	5,127,202
Infrastructure assets	6,318,904	740,467	-	7,059,371
Total accumulated depreciation	<u>22,484,232</u>	<u>2,008,347</u>	<u>-</u>	<u>24,492,579</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>46,660,133</u>	<u>354,940</u>	<u>224,630</u>	<u>46,790,443</u>
Governmental capital assets, net	<u>\$ 51,884,357</u>	<u>\$ 1,009,441</u>	<u>\$ 1,361,174</u>	<u>\$ 51,532,624</u>

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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

<u>Governmental Activities:</u>	
General government	\$ 544,271
Public safety	205,966
Public works	794,743
Human services	76,021
Culture and recreation	245,338
Conservation and economic development	5,384
Unallocated depreciation	<u>136,624</u>
Total depreciation expense - governmental activities	<u>\$ 2,008,347</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 Retirement Board (Board) administers the Plan. Management of the Plan is vested in the Board, which consists of five members - three elected County Commissioners, the County Controller, and the County Treasurer.

All full-time employees, with 1,000 hours of service, are eligible to participate in the Plan.

At December 31, 2021, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	163
Inactive plan members entitled to but not yet receiving benefits	24
Active plan members	<u>282</u>
	<u>469</u>

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### 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. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets.

### Benefits Provided

Participants in the Plan are 100% vested after five years of service. The Plan provides the following benefits:

*Retirement Benefit* - A participant is entitled to begin receiving retirement benefits at age 60 or after completing 20 years of service and attaining age 55. A participant is eligible for voluntary early retirement upon completion of 20 years of service and involuntary retirement upon completion of eight years of service. The scheduled monthly retirement benefit is 1.00% and 1.25% of 1/12 of the participant's final average salary multiplied by years of credited service on the 1/100 and 1/80 Class, respectively, plus a monthly annuity based on the actuarial equivalent of the member's accumulated contribution with credited interest. A member may elect to receive the actuarial equivalent of his retirement benefit as a full cash refund annuity (Option One) or a reduced joint and survivor pension payable for the remainder of his life with either 100% or 50% of the member's pension continuing after death to the designated beneficiary. A member may also elect to receive, in one payment, the full amount of his accumulated deductions and continue to receive the annuity provided by the County.

*Disability Benefit* - If a participant becomes totally and permanently disabled prior to normal retirement age and after completion of five years of credited service, the participant is entitled to receive a monthly disability benefit. The scheduled benefit is a total monthly pension commencing on the last day of the month following disability retirement equal to 25% of the 1/12th of Final Average Salary at time of retirement. Such total monthly pension

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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shall include the monthly disability that is actuarially equivalent to the member's accumulated contributions at retirement.

*Death Benefit* - If a participant's death occurs after having attained age 60 or having completed 10 years of credited service, the beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated above based on the member's Final Average Salary and credited service at time of death plus the member's accumulated contributions with interest at time of death. If a participant's death occurs after retirement, the beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must at least equal the member's accumulated contributions with interest.

*Cost-of-Living Adjustments* – Cost-of-living adjustments must be reviewed at least once every three years by the Board.

### 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 funding 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 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.

The County's actuarially determined contribution to the Plan for 2021 was \$676,129, which was also the County's contribution.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

### Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) of the County for the year ended December 31, 2021 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balances at December 31, 2020	\$ 32,278,827	\$ 34,446,098	\$ (2,167,271)
Changes for the year:			
Service cost	1,276,255	-	1,276,255
Interest	2,620,127	-	2,620,127
Changes of benefit terms	-	-	-
Differences between expected and actual	728,405	-	728,405
Changes of assumptions	1,507,844	-	1,507,844
Contributions - employer	-	676,129	(676,129)
Contributions - employee	-	991,578	(991,578)
Net investment income (loss)	-	3,756,991	(3,756,991)
Benefit payments, including refunds	(1,744,146)	(1,744,146)	-
Administrative expense	-	(225,877)	225,877
Other changes	-	-	-
Net changes	4,388,485	3,454,675	933,810
Balances at December 31, 2021	\$ 36,667,312	\$ 37,900,773	\$ (1,233,461)
Plan fiduciary net position as a percentage of the total pension liability			103.36%

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation performed on January 1, 2021, and rolled forward to December 31, 2021, using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial assumptions:

Investment rate of return	7.50%
Salary increases	4.50%
Inflation	3.00%

Mortality rates were based on the PubG-2010 Mortality Table for males and females set forward one year with generational mortality improvement using MP20.

The actuarial assumptions used in the valuation for the 2021 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan. An actuarial experience study was performed during 2016; however, no modifications to assumptions were made as a result.

No ad hoc postemployment benefit changes were included in the future liability.

*Change in Actuarial Assumptions* - Effective January 1, 2021, the accumulated deduction valuation method has been changed and the Pub-2010 mortality table has been adopted.

*Investment Policy* – The Plan’s policies in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

*Long-Term Expected Rate of Return* – The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Plan target asset allocation as of December 31, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	40-60%	5.4-6.4%
International equity	Included in above	5.5-6.5%
Fixed income	35-55%	1.3-3.3%
Real estate/alternative	0%	4.5-5.5%
Cash	0-10%	0-1.0%

*Rate of Return* – The annual money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rate of return on the Plan investments, net of investment expense, adjusted for the changing amounts actually invested, was 11.17%.

*Concentrations* – The Plan had no individual investments in excess of 5% of the Plan’s fiduciary net position at December 31, 2021.

*Discount Rate* – The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e., no depletion date is projected to occur).

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate* – The following presents the net pension liability (asset) of the Plan calculated using the discount rate described above, as well as what the Plan’s net pension liabilities (assets) would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 2,132,866	\$ (1,233,461)	\$ (5,203,455)

### Pension Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2021, the County recognized pension expense of \$350,259. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumption	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,226,437
Differences between expected and actual experience	650,793	284,188
Total deferred outflows of resources	\$ 650,793	\$ 1,510,625

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	
2022	\$ (118,432)
2023	(844,881)
2024	(188,289)
2025	165,191
2026	126,579
Thereafter	-
Total	\$ (859,832)

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### **8. Deferred Compensation Plan**

The County offers its employees a deferred compensation plan (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.

### **9. Lines of Credit**

In February 2020, Greene County Children and Youth Services entered into an agreement with a local financial institution for a line of credit, subject to renewal annually. The maximum amount available under the line of credit is \$1,200,000 and interest accrues on the draws at 2.75% as of December 31, 2021. A balance of \$660,334 was outstanding on the line of credit at December 31, 2021. Interest expense totaled \$3,008. The line of credit is secured by revenues and accounts receivable that the Greene County Children and Youth Services receives from the Commonwealth of Pennsylvania.

In February 2020, Green County Human Services entered into an agreement with a local financial institution for a line of credit, subject to renewal annually. The maximum amount available under the line of credit is \$800,000 and interest accrues on the draws at 2.75% as of December 31, 2021. A balance of \$275,000 was outstanding on the line of credit at December 31, 2021. Interest expense totaled \$2,005. The line of credit is secured by revenues and accounts receivable that the Greene County Human Services receives from the Commonwealth of Pennsylvania.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

### 10. Long-Term Debt Obligations

The changes in long-term obligations payable during the year ended December 31, 2021 are as follows:

	Balance at January 1, 2021	Issuances	Refundings	Payments	Balance at December 31, 2021	Due Within One Year
G. O. Bonds 2014	\$ 515,000	\$ -	\$ -	\$ 515,000	\$ -	\$ -
G. O. Bonds 2016	5,575,000	-	5,575,000	-	-	-
G. O. Notes 2021	-	5,250,000	-	-	5,250,000	5,000
Infrastructure Bank Loan - Direct Borrowing	1,120,000	-	-	-	1,120,000	128,772
Capital Lease 2020	405,461	-	-	83,888	321,573	83,888
Total	<u>\$ 7,615,461</u>	<u>\$ 5,250,000</u>	<u>\$ 5,575,000</u>	<u>\$ 598,888</u>	<u>\$ 6,691,573</u>	<u>\$ 217,660</u>

#### General Obligation Notes, Series of 2021

On January 6, 2021, the County issued \$5,250,000 in General Obligation Notes, Series of 2021 (Notes) to (1) refund, on a current refunding basis, the County's General Obligation Bonds, Series of 2016; and (2) pay the costs of issuing the Bonds. Interest is payable semi-annually on March 1 and September 1 with rates ranging from 2.000 % to 4.000% until maturity. The Notes stated to mature on and after March 1, 2027 are subject to redemption prior to maturity at the option of the County in any order of maturities either as a whole, or in part, at any time on or after March 1, 2026, and, if in part, by lot within a maturity, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption. The Notes stated to mature on March 1, 2023 are subject to mandatory redemption, in part, prior to maturity, by lot within a maturity, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon, to the dates fixed for redemption, on March 1 of 2022 and 2023 in the amounts of \$5,000 and \$855,000, respectively. The 2021 Notes have a final maturity date on March 1, 2028. The refunding resulted in cash flow savings and economic gain of approximately \$43,000 and \$102,000, respectively.

#### Infrastructure Bank Loan – Direct Borrowing

During 2018, the County received a bank loan totaling \$1,120,000 to finance bridge repair on two bridges. The loan is fixed at an interest rate of 2.375%. At December 31, 2021, \$1,120,000 is outstanding. The principal payments commence in 2022. Final maturity is

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

January 1, 2029. Monthly payments are based on a 10-year amortization. In the event of default, outstanding amounts become due immediately.

Annual debt service requirements on outstanding notes and loans of the County are as follows:

Year Ending December 31,	Notes		
	Principal Amount	Interest Amount	Total
2022	\$ 5,000	\$ 168,725	\$ 173,725
2023	855,000	155,825	1,010,825
2024	885,000	125,300	1,010,300
2025	920,000	89,200	1,009,200
2026	955,000	51,700	1,006,700
2027-2028	1,630,000	29,200	1,659,200
Total	\$ 5,250,000	\$ 619,950	\$ 5,869,950

Year Ending December 31,	Bank Loans		
	Principal Amount	Interest Amount	Total
2022	\$ 128,772	\$ 26,600	\$ 155,372
2023	131,830	23,542	155,372
2024	134,961	20,411	155,372
2025	138,167	17,205	155,372
2026	141,448	13,924	155,372
2027-2029	444,822	21,294	466,116
Total	\$ 1,120,000	\$ 122,976	\$ 1,242,976

### Capital Lease

In 2020, the County entered into a capital lease with Ford Business Machines Inc. for copiers. The lease agreement expires in 2025 and contains a bargain purchase option. The monthly principal and interest payment is \$6,991.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

A summary of the County's capital lease obligation outstanding as of December 31, 2021 is as follows:

Year Ending December 31,		
2022	\$	83,888
2023		83,888
2024		83,888
2025		69,909
	\$	<u>321,573</u>

### 11. Short-Term Debt Obligation

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 8, 2021 for a total of \$3,500,000, of which only \$1,000,000 was drawn down, with an interest rate of 0.98%, and subsequently paid off the balance by December 31, 2021.

	Balance at January 1, 2021	Issuances	Payments	Balance at December 31, 2021
Tax Anticipation Note	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -
Total	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>

### 12. 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.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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### B. Litigation

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

### **13. 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.

### **14. Subsequent Event**

During May 2022, the County received the second increment of the American Rescue Plan Act (ARPA) funds of \$3,518,917.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**COUNTY OF GREENE, PENNSYLVANIA**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION -  
EMPLOYEES RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE PLAN'S NET  
PENSION LIABILITY (ASSET) AND RELATED RATIOS

YEARS ENDED DECEMBER 31  
LAST TEN YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>								
Service cost	\$ 1,276,255	\$ 1,419,915	\$ 1,406,243	\$ 1,340,640	\$ 1,449,454	\$ 1,286,496	\$ 1,214,584	\$ 1,148,481
Interest	2,620,127	2,313,912	2,194,480	2,053,996	1,873,415	1,688,060	1,527,102	1,397,336
Changes of benefit terms	-	163,402	-	-	203,237	-	-	-
Differences between expected and actual experience	728,405	(267,439)	27,757	(401,155)	440,622	435,273	(13,065)	86,973
Changes of assumptions	1,507,844	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(1,744,146)	(1,742,977)	(2,086,680)	(1,159,825)	(1,019,758)	(1,055,203)	(1,099,066)	(604,441)
<b>Net Changes in Total Pension Liability</b>	<b>4,388,485</b>	<b>1,886,813</b>	<b>1,541,800</b>	<b>1,833,656</b>	<b>2,946,970</b>	<b>2,354,626</b>	<b>1,629,555</b>	<b>2,028,349</b>
<b>Total Pension Liability - Beginning</b>	<b>32,278,827</b>	<b>30,392,014</b>	<b>28,850,214</b>	<b>27,016,558</b>	<b>24,069,588</b>	<b>21,714,962</b>	<b>20,085,407</b>	<b>18,057,058</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 36,667,312</b>	<b>\$ 32,278,827</b>	<b>\$ 30,392,014</b>	<b>\$ 28,850,214</b>	<b>\$ 27,016,558</b>	<b>\$ 24,069,588</b>	<b>\$ 21,714,962</b>	<b>\$ 20,085,407</b>
<b>Plan Fiduciary Net Position:</b>								
Contributions - employer	\$ 676,129	\$ 933,268	\$ 869,557	\$ 739,715	\$ 627,838	\$ 385,000	\$ 329,082	\$ 550,000
Contributions - member	991,578	1,000,520	1,036,991	971,833	910,192	840,823	758,236	716,276
Other income	-	-	-	-	-	2,698	-	-
Net investment income	3,756,991	3,921,763	5,010,574	(1,502,026)	2,843,413	1,497,491	(173,374)	1,473,162
Benefit payments, including refunds of member contributions	(1,744,146)	(1,742,977)	(2,086,680)	(1,159,825)	(1,019,758)	(1,055,203)	(1,099,066)	(604,441)
Administrative expense	(225,877)	(217,094)	(196,784)	(210,098)	(201,278)	(170,793)	(171,005)	(172,137)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>3,454,675</b>	<b>3,895,480</b>	<b>4,633,658</b>	<b>(1,160,401)</b>	<b>3,160,407</b>	<b>1,500,016</b>	<b>(356,127)</b>	<b>1,962,860</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>34,446,098</b>	<b>30,550,618</b>	<b>25,916,960</b>	<b>27,077,361</b>	<b>23,916,954</b>	<b>22,416,938</b>	<b>22,773,065</b>	<b>20,810,205</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 37,900,773</b>	<b>\$ 34,446,098</b>	<b>\$ 30,550,618</b>	<b>\$ 25,916,960</b>	<b>\$ 27,077,361</b>	<b>\$ 23,916,954</b>	<b>\$ 22,416,938</b>	<b>\$ 22,773,065</b>
<b>Net Pension Liability (Asset) - Ending (a-b)</b>	<b>\$ (1,233,461)</b>	<b>\$ (2,167,271)</b>	<b>\$ (158,604)</b>	<b>\$ 2,933,254</b>	<b>\$ (60,803)</b>	<b>\$ 152,634</b>	<b>\$ (701,976)</b>	<b>\$ (2,687,658)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>103.36%</b>	<b>106.71%</b>	<b>100.52%</b>	<b>89.83%</b>	<b>100.23%</b>	<b>99.37%</b>	<b>103.23%</b>	<b>113.38%</b>
<b>Covered Employee Payroll</b>	<b>\$ 14,043,106</b>	<b>\$ 13,226,619</b>	<b>\$ 13,209,045</b>	<b>\$ 12,798,065</b>	<b>\$ 11,735,781</b>	<b>\$ 11,079,081</b>	<b>\$ 10,525,102</b>	<b>\$ 9,905,909</b>
<b>Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll</b>	<b>-8.78%</b>	<b>-16.39%</b>	<b>-1.20%</b>	<b>22.92%</b>	<b>-0.52%</b>	<b>1.38%</b>	<b>-6.67%</b>	<b>-27.13%</b>

\* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to schedules of required supplementary information.

**COUNTY OF GREENE, PENNSYLVANIA**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION -  
EMPLOYEES RETIREMENT PLAN

SCHEDULE OF PLAN CONTRIBUTIONS  
AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31  
LAST TEN YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Contributions</b>								
Actuarially determined contribution	\$ 676,129	\$ 933,268	\$ 869,557	\$ 739,715	\$ 627,838	\$ 460,892	\$ 329,082	\$ 299,640
Contributions in relation to the actuarially determined contribution	676,129	933,268	869,557	739,715	627,838	385,000	329,082	550,000
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,892	\$ -	\$ (250,360)
Covered employee payroll	<u>\$ 14,043,106</u>	<u>\$ 13,226,619</u>	<u>\$ 13,209,045</u>	<u>\$ 12,798,065</u>	<u>\$ 11,735,781</u>	<u>\$ 11,079,081</u>	<u>\$ 10,525,102</u>	<u>\$ 9,905,909</u>
Contributions as a percentage of covered employee payroll	4.81%	7.06%	6.58%	5.78%	5.35%	3.48%	3.13%	5.55%
<b>Investment Returns</b>								
Annual money-weighted rate of return, net of investment expense	11.17%	14.80%	18.97%	-5.17%	11.80%	6.69%	-1.79%	6.45%

\* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to schedules of required supplementary information.

# COUNTY OF GREENE, PENNSYLVANIA

## NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

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### Actuarial Methods and Assumptions

The information presented in the “Required Supplementary Information – Employees’ Retirement Plan” was determined as part of the actuarial valuations at the dates indicated. Methods and assumptions used to determine the actuarially determined contribution rate are as follows:

Actuarial valuation date	1/1/2021
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	15 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	4.5%
Underlying inflation rate	3.0%
Retirement age	Age 60 or 55 with 20 years’ service
Mortality	SOA Pub-2010 for general employees with female ages set forward one yer with generational projection using Scale MP-2020

### Change in Actuarial Assumptions

Effective January 1, 2021, the accumulated deduction valuation method has been changed and the Pub-2010 mortality table has been adopted. No changes noted for the January 1, 2020, 2019, 2018, 2017, 2016, 2015, or 2014 valuations.

### Changes in Benefit Terms

No changes noted for the January 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015, or 2014 valuations.

## **SUPPLEMENTARY INFORMATION**

# COUNTY OF GREENE, PENNSYLVANIA

## COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2021

	Special Revenue Funds							
	Redevelopment Authority	Affordable Housing Trust	Probation Supervision	Probation DUI	Community Service	Clerk of Courts Automation	Prothonotary Automation	
<b>Assets</b>								
Cash and cash equivalents	\$ 2,036,361	\$ 300,413	\$ 15,269	\$ 55,234	\$ 31,787	\$ 29,136	\$ 9,358	\$ 842
Investments	-	-	-	-	-	-	-	-
Due from other funds	-	2,390	4,516	-	800	300	-	-
Due from other governments	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-
Accounts receivable	570	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,036,931</b>	<b>\$ 302,803</b>	<b>\$ 19,785</b>	<b>\$ 55,234</b>	<b>\$ 32,587</b>	<b>\$ 29,436</b>	<b>\$ 9,358</b>	<b>\$ 842</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 38,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	701	-	-	17,039	997	-	-	-
Line of credit	-	-	-	-	-	-	-	-
Unearned revenue	1,477,521	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>1,516,499</b>	<b>-</b>	<b>-</b>	<b>17,039</b>	<b>997</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>								
Non-spendable	-	-	-	-	-	-	-	-
Restricted	520,432	302,803	19,785	38,195	31,590	29,436	9,358	842
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>520,432</b>	<b>302,803</b>	<b>19,785</b>	<b>38,195</b>	<b>31,590</b>	<b>29,436</b>	<b>9,358</b>	<b>842</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,036,931</b>	<b>\$ 302,803</b>	<b>\$ 19,785</b>	<b>\$ 55,234</b>	<b>\$ 32,587</b>	<b>\$ 29,436</b>	<b>\$ 9,358</b>	<b>\$ 842</b>

(Continued)

# COUNTY OF GREENE, PENNSYLVANIA

## COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2021

(Continued)

	Special Revenue Funds							
	RI Fund County	RI Fund R&R	Conservation District	Community Development	Child Support Enforcement	911 and Hazmat	Liquid Fuels	Tourism
<b>Assets</b>								
Cash and cash equivalents	\$ 34,949	\$ 139,021	\$ 2,038,097	\$ 4,257	\$ 336,139	\$ 733,094	\$ 2,401,635	\$ 198,760
Investments	-	-	312,661	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	84,574	45,628	155,083	223,063	306,116	-
Taxes receivable	-	-	-	-	-	-	-	-
Accounts receivable	1	3	-	-	-	-	-	39,826
Other assets	-	-	1,714	-	-	5,099	-	449
<b>Total Assets</b>	<b>\$ 34,950</b>	<b>\$ 139,024</b>	<b>\$ 2,437,046</b>	<b>\$ 49,885</b>	<b>\$ 491,222</b>	<b>\$ 961,256</b>	<b>\$ 2,707,751</b>	<b>\$ 239,035</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities:</b>								
Accounts payable	\$ -	\$ -	\$ 97,827	\$ 45,628	\$ -	\$ -	\$ 55,943	\$ 3
Due to other funds	-	-	-	-	204,315	318,490	8,770	20,827
Line of credit	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	4,257	-	380,562	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>97,827</b>	<b>49,885</b>	<b>204,315</b>	<b>699,052</b>	<b>64,713</b>	<b>20,830</b>
<b>Fund Balance:</b>								
Non-spendable	-	-	-	-	-	-	-	-
Restricted	34,950	139,024	2,339,219	-	286,907	262,204	2,643,038	218,205
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>34,950</b>	<b>139,024</b>	<b>2,339,219</b>	<b>-</b>	<b>286,907</b>	<b>262,204</b>	<b>2,643,038</b>	<b>218,205</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 34,950</b>	<b>\$ 139,024</b>	<b>\$ 2,437,046</b>	<b>\$ 49,885</b>	<b>\$ 491,222</b>	<b>\$ 961,256</b>	<b>\$ 2,707,751</b>	<b>\$ 239,035</b>

(Continued)

# COUNTY OF GREENE, PENNSYLVANIA

## COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2021  
(Continued)

	Special Revenue Funds						Total Other Governmental Funds
	Library System	Human Services Transportation	Fair Board	BHS D&A	Coroner	Debt Service	
<b>Assets</b>							
Cash and cash equivalents	\$ 48,668	\$ 431,416	\$ 343,999	\$ 779,484	\$ 49,935	\$ 630,853	\$ 10,648,707
Investments	-	-	-	-	-	-	312,661
Due from other funds	-	-	-	138,824	-	-	146,830
Due from other governments	-	248,201	35,128	118,214	-	-	1,216,007
Taxes receivable	6,086	-	-	-	-	13,727	19,813
Accounts receivable	-	41,518	-	6,477	-	-	88,395
Other assets	2,588	-	1,175	-	-	-	11,025
<b>Total Assets</b>	<b>\$ 57,342</b>	<b>\$ 721,135</b>	<b>\$ 380,302</b>	<b>\$ 1,042,999</b>	<b>\$ 49,935</b>	<b>\$ 644,580</b>	<b>\$ 12,443,438</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 4,050	\$ 8,849	\$ 102	\$ 33,250	\$ -	\$ -	\$ 283,929
Due to other funds	-	336,195	63	471,632	2,806	-	1,381,835
Due to other governments	-	50,302	-	-	-	-	50,302
Line of credit	-	140,000	-	135,000	-	-	275,000
Unearned revenue	-	185,789	2,320	403,117	25,000	-	2,478,566
<b>Total Liabilities</b>	<b>4,050</b>	<b>721,135</b>	<b>2,485</b>	<b>1,042,999</b>	<b>27,806</b>	<b>-</b>	<b>4,469,632</b>
<b>Fund Balance:</b>							
Non-spendable	-	-	-	-	-	-	-
Restricted	53,292	-	-	-	22,129	644,580	7,595,989
Committed	-	-	377,817	-	-	-	377,817
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>53,292</b>	<b>-</b>	<b>377,817</b>	<b>-</b>	<b>22,129</b>	<b>644,580</b>	<b>7,973,806</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 57,342</b>	<b>\$ 721,135</b>	<b>\$ 380,302</b>	<b>\$ 1,042,999</b>	<b>\$ 49,935</b>	<b>\$ 644,580</b>	<b>\$ 12,443,438</b>

(Concluded)

**COUNTY OF GREENE, PENNSYLVANIA**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
OTHER GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds							
	Redevelopment Authority	Affordable Housing Trust	Probation Supervision	Probation DUI	Community Service	Clerk of Courts Automation	Prothonotary Automation	Adoption Counseling
<b>Revenues:</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Intergovernmental	118,229	-	-	-	-	-	-	-
Charges for services	9,037	26,040	72,901	16,121	12,796	3,589	2,605	-
Interest	38,442	288	11	89	30	14	5	1
Rental income	60,596	-	-	-	-	-	-	-
Donations	675	-	-	-	-	-	-	-
Total revenues	226,979	26,328	72,912	16,210	12,826	3,603	2,610	1
<b>Expenditures:</b>								
Administration:								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	17,039	6,043	67	1,417	-
Public safety:								
EMA/911	-	-	-	-	-	-	-	-
Public works:								
Highways and bridges	-	-	-	-	-	-	-	-
Human services:								
Child/youth services	-	-	-	-	-	-	-	-
Drug and alcohol	-	-	-	-	-	-	-	-
Other human services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Culture and recreation:								
Parks and recreation	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-
Community and economic development:								
Conservation/development	-	-	-	-	-	-	-	-
Housing/community development	353,256	-	-	-	-	-	-	-
Tourist promotion	-	-	-	-	-	-	-	-
Debt service:								
Debt interest	-	-	-	-	-	-	-	-
Debt principal	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	353,256	-	-	17,039	6,043	67	1,417	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(126,277)	26,328	72,912	(829)	6,783	3,536	1,193	1
<b>Other Financing Sources (Uses):</b>								
Transfers in	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-
Discount on refunding bonds	-	-	-	-	-	-	-	-
Other sources from sale of assets/ prior period reimbursement	-	-	-	-	-	-	-	-
Transfers out	-	-	(59,259)	-	-	-	-	-
Total other financing sources (uses)	-	-	(59,259)	-	-	-	-	-
<b>Net Change in Fund Balance</b>	(126,277)	26,328	13,653	(829)	6,783	3,536	1,193	1
<b>Fund Balance:</b>								
Beginning of year	646,709	276,475	6,132	39,024	24,807	25,900	8,165	841
End of year	\$ 520,432	\$ 302,803	\$ 19,785	\$ 38,195	\$ 31,590	\$ 29,436	\$ 9,358	\$ 842

(Continued)

**COUNTY OF GREENE, PENNSYLVANIA**

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

YEAR ENDED DECEMBER 31, 2021  
(Continued)

	Special Revenue Funds							Tourism
	RI Fund County	RI Fund R&R	Conservation District	Community Development	Child Support Enforcement	911 and Hazmat	Liquid Fuels	
<b>Revenues:</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,871
Intergovernmental	-	-	1,117,234	1,515,889	517,625	1,244,605	651,968	-
Charges for services	12,234	16,725	102,365	-	1,142	-	190,555	14,437
Interest	17	66	854	-	165	244	2,829	138
Rental income	-	-	-	-	-	-	-	-
Donations	-	-	16,035	-	-	-	-	3,988
<b>Total revenues</b>	<b>12,251</b>	<b>16,791</b>	<b>1,236,488</b>	<b>1,515,889</b>	<b>518,932</b>	<b>1,244,849</b>	<b>845,352</b>	<b>201,434</b>
<b>Expenditures:</b>								
Administration:								
General government	-	-	-	-	-	-	-	-
Judicial	24,685	2,210	-	-	650,164	-	-	-
Public safety:								
Corrections	-	-	-	-	-	-	-	-
EMA/911	-	-	-	-	-	1,149,139	-	-
Public works:								
Highways and bridges	-	-	-	-	-	-	431,423	-
Human services:								
Child/youth services	-	-	-	-	-	-	-	-
Drug and alcohol	-	-	-	-	-	-	-	-
Other human services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Culture and recreation:								
Parks and recreation	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-
Community and economic development:								
Conservation/development	-	-	941,437	-	-	-	-	-
Housing/community development	-	-	-	1,374,967	-	-	-	-
Tourist promotion	-	-	-	-	-	-	-	109,633
Debt service:								
Debt interest	-	-	-	-	-	-	26,600	-
Debt principal	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>24,685</b>	<b>2,210</b>	<b>941,437</b>	<b>1,374,967</b>	<b>650,164</b>	<b>1,149,139</b>	<b>458,023</b>	<b>109,633</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(12,434)</b>	<b>14,581</b>	<b>295,051</b>	<b>140,922</b>	<b>(131,232)</b>	<b>95,710</b>	<b>387,329</b>	<b>91,801</b>
<b>Other Financing Sources (Uses):</b>								
Transfers in	-	-	-	-	241,918	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-
Discount on refunding bonds	-	-	-	-	-	-	-	-
Other sources from sale of assets/ prior period reimbursement	-	-	17	-	-	-	240	-
Transfers out	-	-	-	(140,922)	(60,345)	(66,665)	(9,887)	(2,871)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>(140,922)</b>	<b>181,573</b>	<b>(66,665)</b>	<b>(9,647)</b>	<b>(2,871)</b>
<b>Net Change in Fund Balance</b>	<b>(12,434)</b>	<b>14,581</b>	<b>295,068</b>	<b>-</b>	<b>50,341</b>	<b>29,045</b>	<b>377,682</b>	<b>88,930</b>
<b>Fund Balance:</b>								
Beginning of year	47,384	124,443	2,044,151	-	236,566	233,159	2,265,356	129,275
End of year	\$ 34,950	\$ 139,024	\$ 2,339,219	\$ -	\$ 286,907	\$ 262,204	\$ 2,643,038	\$ 218,205

(Continued)

**COUNTY OF GREENE, PENNSYLVANIA**

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

YEAR ENDED DECEMBER 31, 2021

(Continued)

	Special Revenue Funds						Totals
	Library System	Human Services Transportation	Fair Board	BHS D&A	Coroner	Debt Service	
<b>Revenues:</b>							
Taxes	\$ 117,917	\$ -	\$ -	\$ -	\$ -	\$ 758,636	\$ 1,059,424
Intergovernmental	102,741	1,088,883	150,842	758,403	5,000	-	7,271,419
Charges for services	-	47,548	232,642	71,318	2,252	-	834,307
Interest	-	518	109	855	50	167	44,892
Rental income	-	-	16,060	-	-	-	76,656
Donations	156	-	1,324	-	-	-	22,178
<b>Total revenues</b>	<b>220,814</b>	<b>1,136,949</b>	<b>400,977</b>	<b>830,576</b>	<b>7,302</b>	<b>758,803</b>	<b>9,308,876</b>
<b>Expenditures:</b>							
Administration:							
General government	-	-	-	-	-	265	265
Judicial	-	-	-	-	6,662	-	708,287
Public safety:							
EMA/911	-	-	-	-	-	-	1,149,139
Public works:							
Highways and bridges	-	-	-	-	-	-	431,423
Human services:							
Child/youth services	-	-	-	-	-	-	-
Drug and alcohol	-	-	-	833,237	-	-	833,237
Other human services	-	-	-	-	-	-	-
Transportation	-	1,177,949	-	-	-	-	1,177,949
Culture and recreation:							
Parks and recreation	-	-	400,358	-	-	-	400,358
Libraries	303,465	-	-	-	-	-	303,465
Community and economic development:							
Conservation/development	-	-	-	-	-	-	941,437
Housing/community development	-	-	-	-	-	-	1,374,967
Tourist promotion	-	-	-	-	-	-	462,889
Debt service:							
Debt interest	-	-	-	-	-	159,443	186,043
Debt principal	-	-	-	-	-	515,000	515,000
Bond issuance costs	-	-	-	-	-	113,331	113,331
<b>Total expenditures</b>	<b>303,465</b>	<b>1,177,949</b>	<b>400,358</b>	<b>833,237</b>	<b>6,662</b>	<b>788,039</b>	<b>8,597,790</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(82,651)</b>	<b>(41,000)</b>	<b>619</b>	<b>(2,661)</b>	<b>640</b>	<b>(29,236)</b>	<b>711,086</b>
<b>Other Financing Sources (Uses):</b>							
Transfers in	-	87,527	-	7,161	-	-	336,606
Proceeds of refunding bonds	-	-	-	-	-	5,250,000	5,250,000
Payment to refunding bond escrow agent	-	-	-	-	-	(5,575,000)	(5,575,000)
Premium on refunding bonds	-	-	-	-	-	501,670	501,670
Other sources from sale of assets/ prior period reimbursement	-	-	70	-	-	-	327
Transfers out	-	(46,527)	-	(4,500)	-	(942,000)	(1,332,976)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>41,000</b>	<b>70</b>	<b>2,661</b>	<b>-</b>	<b>(765,330)</b>	<b>(819,373)</b>
<b>Net Change in Fund Balance</b>	<b>(82,651)</b>	<b>-</b>	<b>689</b>	<b>-</b>	<b>640</b>	<b>(794,566)</b>	<b>(108,287)</b>
<b>Fund Balance:</b>							
Beginning of year	135,943	-	377,128	-	21,489	1,439,146	8,082,093
End of year	\$ 53,292	\$ -	\$ 377,817	\$ -	\$ 22,129	\$ 644,580	\$ 7,973,806

(Concluded)

# COUNTY OF GREENE, PENNSYLVANIA

## COMBINING STATEMENT OF FIDUCIARY NET POSITION

### ALL CUSTODIAL FUNDS

DECEMBER 31, 2021

	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	Sheriff- Validation System	Prothonotary
<b>Assets</b>											
Cash and cash equivalents	\$ 377,422	\$ 48,895	\$ 1	\$ 42,399	\$ 84,527	\$ 14,708	\$ 8,541	\$ 18,327	\$ 16,317	\$ 514	\$ 27,082
Due from other funds	-	6,412	-	-	-	-	-	-	-	-	-
Interest and dividends receivable	-	-	-	-	-	-	-	-	-	-	-
Investments:											
U.S. government obligations	-	-	-	-	-	-	-	-	-	-	-
Corporate and foreign bonds	-	-	-	-	-	-	-	-	-	-	-
Fixed income	-	-	-	-	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-	-	-	-	-
Employer contribution receivable	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>377,422</b>	<b>55,307</b>	<b>1</b>	<b>42,399</b>	<b>84,527</b>	<b>14,708</b>	<b>8,541</b>	<b>18,327</b>	<b>16,317</b>	<b>514</b>	<b>27,082</b>
<b>Liabilities</b>											
Due to other governments	377,422	3,441	1	37,479	84,527	8,907	4,349	12,362	16,317	514	21,880
Due to other funds	-	51,866	-	4,920	-	5,801	4,192	5,965	-	-	5,202
<b>Total Liabilities</b>	<b>377,422</b>	<b>55,307</b>	<b>1</b>	<b>42,399</b>	<b>84,527</b>	<b>14,708</b>	<b>8,541</b>	<b>18,327</b>	<b>16,317</b>	<b>514</b>	<b>27,082</b>
<b>Net Position</b>											
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

**COUNTY OF GREENE, PENNSYLVANIA**

COMBINING STATEMENT OF FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

DECEMBER 31, 2021

(Continued)

	Prothonotary - Escrow Accts	Jail	Airport Security	Domestic Relations	Fire Damage Escrow	Children and Youth	Commonwealth Treasurer	District Attorney	Farmland Preservation	Human Services - M. Howard	Wire Transfer Account	Total
<b>Assets</b>												
Cash and cash equivalents	\$ 226,894	\$ 80,733	\$ 6,027	\$ 65	\$ 68	\$ 21,248	\$ 26,423	\$ 26,715	\$ 65,061	\$ 33	\$ 20	\$ 1,092,020
Due from other funds	-	-	-	-	-	-	1,285	-	-	-	-	7,697
Interest and dividends receivable	-	-	-	-	-	-	-	-	-	-	-	-
Investments:												
U.S. government obligations	-	-	-	-	-	-	-	-	-	-	-	-
Corporate and foreign bonds	-	-	-	-	-	-	-	-	-	-	-	-
Fixed income	-	-	-	-	-	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-	-	-	-	-	-
Employer contribution receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>226,894</b>	<b>80,733</b>	<b>6,027</b>	<b>65</b>	<b>68</b>	<b>21,248</b>	<b>27,708</b>	<b>26,715</b>	<b>65,061</b>	<b>33</b>	<b>20</b>	<b>1,099,717</b>
<b>Liabilities</b>												
Due to other governments	226,894	80,493	6,027	65	68	21,248	27,708	26,715	65,061	33	20	1,021,531
Due to other funds	-	240	-	-	-	-	-	-	-	-	-	78,186
<b>Total Liabilities</b>	<b>226,894</b>	<b>80,733</b>	<b>6,027</b>	<b>65</b>	<b>68</b>	<b>21,248</b>	<b>27,708</b>	<b>26,715</b>	<b>65,061</b>	<b>33</b>	<b>20</b>	<b>1,099,717</b>
<b>Net Position</b>												
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Concluded)

**COUNTY OF GREENE, PENNSYLVANIA**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

DECEMBER 31, 2021

	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	Sheriff- Validation System	Prothonotary
<b>Additions:</b>											
Contributions:											
Plan members	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County	-	-	-	-	-	-	-	-	-	-	-
Total contributions	-	-	-	-	-	-	-	-	-	-	-
Investment income (loss):											
Realized gains	-	-	-	-	-	-	-	-	-	-	-
Net appreciation in fair value of investments	-	-	-	-	-	-	-	-	-	-	-
Interest and dividends	-	-	-	-	-	-	-	-	-	-	-
Net investment income (loss)	-	-	-	-	-	-	-	-	-	-	-
Collections for Other Individuals and Governments:											
Tax Claim	4,171,713	-	-	-	-	-	-	-	-	-	-
Clerk of Courts - Criminal	-	684,084	-	-	-	-	-	-	-	-	-
Orphan's Court	-	-	43,364	-	-	-	-	-	-	-	-
Register and Recorder	-	-	-	608,056	-	-	-	-	-	-	-
Register and Recorder- Local Realty Transfer	-	-	-	-	2,955,886	-	-	-	-	-	-
Magistrate 13-03-01	-	-	-	-	-	494,470	-	-	-	-	-
Magistrate 13-03-02	-	-	-	-	-	-	377,373	-	-	-	-
Magistrate13-03-03	-	-	-	-	-	-	-	422,698	-	-	-
Sheriff	-	-	-	-	-	-	-	-	103,663	-	-
Sheriff-Validation System	-	-	-	-	-	-	-	-	-	1,361	-
Prothonotary	-	-	-	-	-	-	-	-	-	-	132,104
Prothonotary - Escrow Accts	-	-	-	-	-	-	-	-	-	-	-
Jail	-	-	-	-	-	-	-	-	-	-	-
Airport Security	-	-	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-	-
Fire Damage Escrow	-	-	-	-	-	-	-	-	-	-	-
Children and Youth	-	-	-	-	-	-	-	-	-	-	-
Commonwealth Treasurer	-	-	-	-	-	-	-	-	-	-	-
District Attorney	-	-	-	-	-	-	-	-	-	-	-
Farmland Preservation	-	-	-	-	-	-	-	-	-	-	-
Human Services - M. Howard	-	-	-	-	-	-	-	-	-	-	-
PA Court of Common Pleas - 13th Judicial District	-	-	-	-	-	-	-	-	-	-	-
Wire Transfer Account	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,171,713	684,084	43,364	608,056	2,955,886	494,470	377,373	422,698	103,663	1,361	132,104
Total additions	4,171,713	684,084	43,364	608,056	2,955,886	494,470	377,373	422,698	103,663	1,361	132,104
<b>Deductions:</b>											
Disbursements:											
Payments to other governments	4,171,713	654,531	43,364	602,622	2,955,886	490,701	369,616	422,698	103,663	1,361	127,833
Other custodial disbursements	-	29,553	-	5,434	-	3,769	7,757	-	-	-	4,271
Total deductions	4,171,713	684,084	43,364	608,056	2,955,886	494,470	377,373	422,698	103,663	1,361	132,104
Change in Net Position	-	-	-	-	-	-	-	-	-	-	-
<b>Net Position:</b>											
Beginning of year	-	-	-	-	-	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

**COUNTY OF GREENE, PENNSYLVANIA**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

DECEMBER 31, 2021

	Prothonotary - Escrow Accts	Jail	Airport Security	Domestic Relations	Fire Damage Escrow	Children and Youth	Commonwealth Treasurer	District Attorney	Farmland Preservation	Human Services - M. Howard	Wire Transfer Account	Total
<b>Additions:</b>												
Contributions:												
Plan members	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions	-	-	-	-	-	-	-	-	-	-	-	-
Investment income (loss):												
Realized gains	-	-	-	-	-	-	-	-	-	-	-	-
Net appreciation in fair value of investments	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividends	-	-	-	-	-	-	-	-	-	-	-	-
Net investment income (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Collections for Other Individuals and Governments:												
Tax Claim	-	-	-	-	-	-	-	-	-	-	-	4,171,713
Clerk of Courts - Criminal	-	-	-	-	-	-	-	-	-	-	-	684,084
Orphan's Court	-	-	-	-	-	-	-	-	-	-	-	43,364
Register and Recorder	-	-	-	-	-	-	-	-	-	-	-	608,056
Register and Recorder- Local Realty Transfer	-	-	-	-	-	-	-	-	-	-	-	2,955,886
Magistrate 13-03-01	-	-	-	-	-	-	-	-	-	-	-	494,470
Magistrate 13-03-02	-	-	-	-	-	-	-	-	-	-	-	377,373
Magistrate13-03-03	-	-	-	-	-	-	-	-	-	-	-	422,698
Sheriff	-	-	-	-	-	-	-	-	-	-	-	103,663
Sheriff-Validation System	-	-	-	-	-	-	-	-	-	-	-	1,361
Prothonotary	-	-	-	-	-	-	-	-	-	-	-	132,104
Prothonotary - Escrow Accts	5,655	-	-	-	-	-	-	-	-	-	-	5,655
Jail	-	221,331	-	-	-	-	-	-	-	-	-	221,331
Airport Security	-	-	6	-	-	-	-	-	-	-	-	6
Domestic Relations	-	-	-	44,140	-	-	-	-	-	-	-	44,140
Fire Damage Escrow	-	-	-	-	-	-	-	-	-	-	-	-
Children and Youth	-	-	-	-	-	2,068	-	-	-	-	-	2,068
Commonwealth Treasurer	-	-	-	-	-	-	131,625	-	-	-	-	131,625
District Attorney	-	-	-	-	-	-	-	2,514	-	-	-	2,514
Farmland Preservation	-	-	-	-	-	-	-	-	2,647	-	-	2,647
Human Services - M. Howard	-	-	-	-	-	-	-	-	-	-	-	-
PA Court of Common Pleas - 13th Judicial District	-	-	-	-	-	-	-	-	-	-	-	-
Wire Transfer Account	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,655	221,331	6	44,140	-	2,068	131,625	2,514	2,647	-	-	10,404,758
Total additions	5,655	221,331	6	44,140	-	2,068	131,625	2,514	2,647	-	-	10,404,758
<b>Deductions:</b>												
Disbursements:												
Payments to other governments	5,655	221,331	6	44,140	-	2,068	131,625	2,514	2,647	-	-	10,353,974
Other custodial disbursements	-	-	-	-	-	-	-	-	-	-	-	50,784
Total deductions	5,655	221,331	6	44,140	-	2,068	131,625	2,514	2,647	-	-	10,404,758
Change in Net Position	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Position</b>												
Beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Concluded)