



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

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**NEWS RELEASE**

FOR RELEASE

March 23, 2012

Contact: Andy Nielsen  
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Auditor of State David A. Vaudt today released an audit report on Greene County, Iowa.

The County had local tax revenue of \$18,617,186 for the year ended June 30, 2011, which included \$834,268 in tax credits from the state. The County forwarded \$13,413,818 of the local tax revenue to the townships, school districts, cities and other taxing bodies in the County.

The County retained \$5,203,368 of the local tax revenue to finance County operations, a 10.9% increase over the prior year. Other revenues included charges for service of \$1,523,912, operating grants, contributions and restricted interest of \$3,839,555, capital grants, contributions and restricted interest of \$1,972,745, local option sales tax of \$334,826, unrestricted investment earnings of \$20,874 and other general revenues of \$86,507.

Expenses for County operations totaled \$11,023,678, a 6.8% increase over the prior year. Expenses included \$4,767,763 for roads and transportation, \$1,369,370 for public safety and legal services and \$1,285,745 for administration.

A copy of the audit report is available for review in the County Auditor's Office, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1110-0037-B00F.pdf>.

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**GREENE COUNTY**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FINDINGS**  
**JUNE 30, 2011**

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**Greene County**

**Officials**

**(Before January 2011)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Terrance Adams	Board of Supervisors	Jan 2011
Jerry Roberts	Board of Supervisors	Jan 2011
Mary Jane Fields	Board of Supervisors	Jan 2013
John Muir	Board of Supervisors	Jan 2013
Guy Richardson	Board of Supervisors	Jan 2013
Jane Heun	County Auditor	Jan 2013
Donna Lawson	County Treasurer	Jan 2011
Marcia Tasler	County Recorder	Jan 2011
Thomas F. Heater	County Sheriff	Jan 2013
Nicola J. Martino	County Attorney	Jan 2011
Linda Spearman	County Assessor	Jan 2011

**(After January 2011)**

Terrance Adams	Board of Supervisors	(Deceased April 2011)
Mary Jane Fields	Board of Supervisors	Jan 2013
John Muir	Board of Supervisors	Jan 2013
Guy Richardson	Board of Supervisors	Jan 2013
Thomas Contner	Board of Supervisors	Jan 2015
Dawn Rudolph (Elected)	Board of Supervisors	Jan 2015
Jane Heun	County Auditor	Jan 2013
Donna Lawson	County Treasurer	Jan 2015
Marcia Tasler	County Recorder	Jan 2015
Thomas F. Heater	County Sheriff	Jan 2013
Nicola J. Martino	County Attorney	Jan 2015
Linda Spearman	County Assessor	Jan 2015

**Greene County**



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Independent Auditor's Report

To the Officials of Greene County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greene County, Iowa, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements listed in the table of contents. These financial statements are the responsibility of Greene County's management. Our responsibility is to express opinions on these financial statements based on our audit.

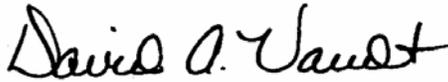
We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Greene County at June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated March 2, 2012 on our consideration of Greene County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis, budgetary comparison information and the Schedule of Funding Progress for the Retiree Health Plan on pages 7 through 13 and 46 through 50 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Greene County's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the nine years ended June 30, 2010 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



DAVID A. VAUDT, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

March 2, 2012

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

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Greene County provides this Management's Discussion and Analysis of its annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2011. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

### **2011 FINANCIAL HIGHLIGHTS**

- Revenues of the County's governmental activities increased 9.20%, or approximately \$1,094,000, from fiscal year 2010 to fiscal year 2011. Property tax increased 11.85%, or approximately \$526,000, over fiscal year 2010. Charges for service increased approximately \$322,000 and capital grants, contributions and restricted interest increased approximately \$114,000.
- Total program expenses of the County's governmental activities increased 6.83%, or approximately \$705,000. Non-program expenses increased approximately \$381,000. The greatest program expense increases were in the areas of public safety and legal services, approximately \$114,000 (9.08%), and mental health, approximately \$139,000 (12.78%). Roads and transportation expenses increased less than 2%, or approximately \$87,000.
- The County's net assets increased 10.32%, or approximately \$1,958,000, from June 30, 2010 to June 30, 2011.

### **USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the County's financial activities.
- The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Greene County as a whole and present an overall view of the County's finances.
- The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Greene County's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Greene County acts solely as an agent or custodian for the benefit of those outside of county government (Agency Funds).
- Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.
- Required Supplementary Information further explains and supports the financial statements with a comparison of the County's budget for the year, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan.
- Other Supplementary Information provides detailed information about the nonmajor governmental and the individual Agency Funds.

## **REPORTING THE COUNTY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statements*

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information which helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Assets presents all of the County's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the County's net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The County's governmental activities are presented in the Statement of Net Assets and the Statement of Activities. Governmental activities include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, interest on long-term debt and non-program activities. Property tax and state and federal grants finance most of these activities.

### *Fund Financial Statements*

The County has three kinds of funds:

1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund and 2) the Special Revenue Funds, such as Mental Health, Rural Services and Secondary Roads. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.

2) A proprietary fund accounts for the County's Internal Service, Employee Group Health Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

The required financial statements for proprietary funds include a statement of net assets, a statement of revenues, expenses and changes in fund net assets and a statement of cash flows.

3) Fiduciary funds are used to report assets held in a trust or agency capacity for others and cannot be used to support the County's own programs. These fiduciary funds include Agency Funds that account for drainage districts, emergency management services, the County Assessor and all the property tax funds necessary to collect and distribute property tax to schools, cities, townships and all other taxing authorities. Greene County excludes these activities from the government-wide financial statements because these assets cannot be used to finance its operations. Fiduciary funds report a liability, due to other governments, and, therefore, no fund balance is reported.

The required financial statement for fiduciary funds is a statement of fiduciary assets and liabilities.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of financial position. The analysis below focuses on the changes in the County's net assets of governmental activities.

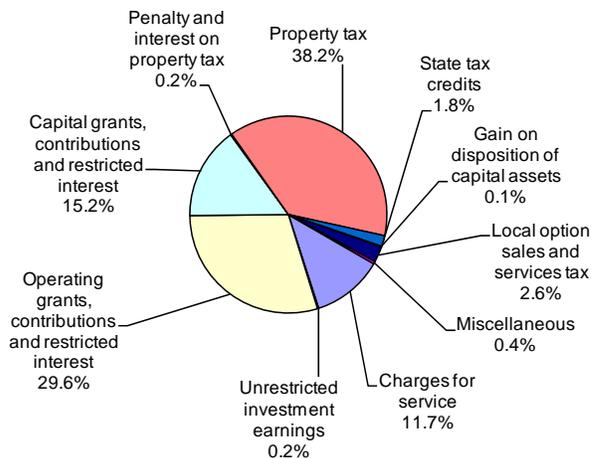
Net Assets of Governmental Activities		
(Expressed in Thousands)		
	June 30,	
	2011	2010
Current and other assets	\$ 10,630	10,337
Capital assets	16,115	14,852
Total assets	<u>26,745</u>	<u>25,189</u>
Long-term liabilities	608	602
Other liabilities	5,209	5,616
Total liabilities	<u>5,817</u>	<u>6,218</u>
Net assets:		
Invested in capital assets	16,115	14,852
Restricted	3,483	2,906
Unrestricted	1,330	1,212
Total net assets	<u>\$ 20,928</u>	<u>18,970</u>

Net assets of Greene County's governmental activities increased approximately \$1,958,000, or 10.32%. The largest portion of the County's net assets is invested in capital assets (e.g., land, infrastructure, buildings and equipment). Restricted net assets represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from approximately \$1,212,000 at June 30, 2010 to approximately \$1,330,000 at the end of this year, an increase of 9.74%.

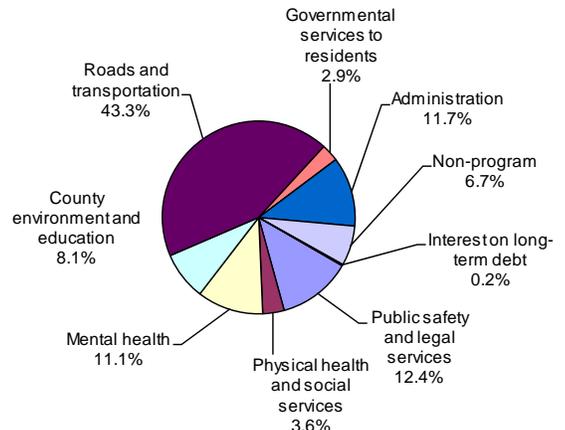
**Changes in Net Assets of Governmental Activities**  
(Expressed in Thousands)

	Year ended June 30,	
	2011	2010
<b>Revenues:</b>		
<b>Program revenues:</b>		
Charges for service	\$ 1,524	1,202
Operating grants, contributions and restricted interest	3,839	3,620
Capital grants, contributions and restricted interest	1,973	1,859
<b>General revenues:</b>		
Property tax	4,965	4,439
Penalty and interest on property tax	32	29
Local option sales and services tax	335	360
State tax credits	239	253
Unrestricted investment earnings	21	19
Gain on disposition of capital assets	7	41
Miscellaneous	47	66
<b>Total revenues</b>	<b>12,982</b>	<b>11,888</b>
<b>Program expenses:</b>		
Public safety and legal services	1,369	1,255
Physical health and social services	398	433
Mental health	1,227	1,088
County environment and education	897	939
Roads and transportation	4,768	4,681
Governmental services to residents	321	321
Administration	1,286	1,220
Non-program	735	354
Interest on long-term debt	23	28
<b>Total expenses</b>	<b>11,024</b>	<b>10,319</b>
<b>Change in net assets</b>	<b>1,958</b>	<b>1,569</b>
<b>Net assets beginning of year</b>	<b>18,970</b>	<b>17,401</b>
<b>Net assets end of year</b>	<b>\$ 20,928</b>	<b>18,970</b>

**Revenues by Source**



**Expenses by Program**



Greene County increased property tax levied county-wide by \$280,382, or 8.7%, and increased rural property tax levied by \$166,126, or 12.2%. Taxable valuation (without gas and electric utilities) for each and total dollars levied are as follows:

	For Taxes Levied By Fiscal Year	
	2011	2010
County-wide taxable valuation	\$ 526,949,700	482,484,401
Dollars levied county-wide	3,503,030	3,222,648
Rural taxable valuation	376,264,573	336,440,092
Dollars levied rural area only	1,530,279	1,364,153
Total dollars levied	5,033,309	4,586,801

County-wide property tax revenue is budgeted to decrease approximately \$373,000 in fiscal year 2012, while rural services property tax revenue is budgeted to increase approximately \$16,000. County-wide taxable value (without gas and electric utilities) increased in fiscal year 2012 to \$548,265,551 (4.05%).

### INDIVIDUAL MAJOR FUND ANALYSIS

As Greene County completed the year, its governmental funds reported a combined fund balance of approximately \$4.87 million, an increase of approximately \$1.04 million over last year's total of approximately \$3.83 million. The following are reasons for the more significant changes in fund balances of the major funds from the prior year:

- General Fund revenues increased approximately \$381,000 while expenditures increased approximately \$137,000. The ending fund balance increased approximately \$162,000 from the prior year to \$1,559,079. As noted above, property tax levied increased, so property tax revenue in the General Fund increased approximately \$321,000. During the year, the County implemented Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This resulted in the activity for the Conservation Land Acquisition Fund being reclassified from a Special Revenue Fund to the General Fund. There were \$110,440 of expenditures related to conservation activities reported in the General Fund in fiscal year 2011.
- The County has continued to look for ways to effectively manage the cost of mental health services. The County again levied 100% of the maximum allowable for mental health dollars. The Special Revenue, Mental Health Fund ending fund balance increased approximately \$286,000, or 72.79%, over the prior year ending fund balance to \$679,509.
- The Special Revenue, Rural Services Fund balance increased approximately \$170,000, while transfers to the Secondary Roads Fund from the Rural Services Fund decreased \$60,000. Property tax revenues increased approximately \$194,000.
- Special Revenue, Secondary Roads Fund expenditures decreased approximately \$177,000 from the prior year. The largest decrease in expenditures occurred within the general roadway program. The Secondary Roads fund balance at year end increased approximately \$334,000.

### BUDGETARY HIGHLIGHTS

Over the course of the year, Greene County amended its budget twice. A March 2011 amendment resulted in an increase in budgeted receipts of \$835,358 and an increase in budgeted disbursements of \$252,503. The amendment included an increase for the receipt of FEMA funds

of approximately \$429,000, wind turbine permits of \$47,000 and Board of Health flow through funds estimated at \$100,000. Public safety and legal services, physical health and social services, administration and capital projects budgeted disbursements increased \$11,700, \$100,000, \$20,800 and \$125,003, respectively, while non-program budgeted disbursements decreased \$5,000. The May 2011 amendment resulted in an increase in budgeted receipts of \$20,000 and a decrease in budgeted disbursements of \$7,375. Public safety and legal services and roads and transportation budgeted disbursements increased \$25,625 and \$120,000, respectively, while county environment and education and capital projects budgeted disbursement decreased \$40,000 and \$113,000, respectively.

During the year, the following situations/actions impacted the County's budget:

- County-wide taxable valuation rose approximately \$44.5 million (9.2%) over the prior year's taxable valuation. Likewise, rural taxable valuation gained approximately \$39.8 million (11.8%).
- The local option sales tax to be disbursed for rural tax relief and rural betterment were used to complete some secondary roads projects (\$133,500), replace a sheriff vehicle (\$25,000), replace an ambulance (\$12,600), provide funds toward bike trail repair (\$5,000) and help add a shower house near the bike trail (\$5,000).

The County's cash basis receipts were approximately \$34,000 more than budgeted, a variance of less than 1%.

Total cash basis disbursements were approximately \$543,000 less than the amended budget, a variance of 5.3%. The largest variance occurred within the mental health function where disbursements were approximately \$201,000 less than budgeted.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

At June 30, 2011, Greene County had approximately \$16.1 million invested in a broad range of capital assets, including public safety equipment, building, park facilities, roads and bridges. This is a net increase (including additions and deletions) of approximately \$1,263,000, or 8.5%, over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2011	2010
Land	\$ 1,429	1,353
Construction in progress	-	1,305
Buildings and improvements	1,450	1,422
Equipment and vehicles	2,953	3,236
Infrastructure	10,283	7,536
Total	\$ 16,115	14,852

This year's major additions include completion of construction of the Eureka Bridge for secondary roads totaling approximately \$1,820,000.

The County had depreciation expense of \$903,232 in fiscal year 2011 and total accumulated depreciation of \$11,263,336 at June 30, 2011. More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

## **Long-Term Debt**

At June 30, 2011, Greene County had \$309,005 of outstanding drainage warrants compared to \$300,285 at June 30, 2010.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Greene County's elected and appointed officials carefully considered many factors when setting the fiscal year 2012 budget, tax rates and fees charged for various County activities. County-wide and rural valuations for property taxes rose slightly more than 4% over the previous year's valuations. The county wide/all rural services tax levy was lowered nearly \$1.06 per \$1,000 of taxable valuation, mostly due to decreasing the mental health levy by \$.94 per \$1,000 of taxable valuation in an effort to leverage state funds in the future. That levy is expected to return to 100% in fiscal year 2013. With the increased valuations, the County also eliminated the \$.12 per \$1,000 of taxable valuation rural supplemental levy in fiscal year 2012.

The Board of Supervisors agreed in fiscal year 2007 to provide \$45,000 per year for a total of five years to match funds being sought for the City of Jefferson Streetscape project. The County's contribution to this project was intended for improvements to the courthouse square area, i.e., property owned by the County, not the City. While budgeted, these funds were not expended as the Streetscape project was downsized. During fiscal year 2009, the County re-committed \$45,000 per year for three years, plus \$50,000 of in-kind services for a scaled-down enhancement project. Approximately \$10,500 was expended at the end of fiscal year 2010 for engineering costs related to the project. No construction was begun in fiscal year 2011. Those funds are assigned for a three year period, with construction planned for the summer of 2012.

During the year, the County completed a \$2.9 million reconstruction project on the historic Eureka Bridge and its approach.

## **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Greene County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Greene County Auditor's Office, 114 N. Chestnut, Jefferson, Iowa 50129-2144.

**Greene County**

## **Basic Financial Statements**

Greene County  
Statement of Net Assets  
June 30, 2011

	Governmental Activities
<b>Assets</b>	
Cash and pooled investments	\$ 4,552,170
Receivables:	
Property tax:	
Delinquent	3,181
Succeeding year	4,645,000
Interest and penalty on property tax	6,331
Accounts	2,252
Accrued interest	1,132
Drainage assessments	309,005
Due from other governments	380,042
Inventories	730,704
Capital assets (net of accumulated depreciation)	16,115,193
<b>Total assets</b>	26,745,010
<b>Liabilities</b>	
Accounts payable	369,036
Salaries and benefits payable	6,804
Due to other governments	181,825
Deferred revenue:	
Succeeding year property tax	4,645,000
Other	6,430
Long-term liabilities:	
Portion due or payable within one year:	
Compensated absences	173,166
Portion due or payable after one year:	
Drainage warrants	309,005
Compensated absences	74,748
OPEB liability	50,800
<b>Total liabilities</b>	5,816,814
<b>Net Assets</b>	
Invested in capital assets	16,115,193
Restricted for:	
Supplemental levy purposes	272,499
Mental health purposes	676,539
Rural services	352,320
Secondary roads purposes	1,283,425
Drainage improvements	362,109
Conservation land acquisition	19,648
Other purposes	516,191
Unrestricted	1,330,272
<b>Total net assets</b>	\$ 20,928,196

See notes to financial statements.

Greene County

Statement of Activities

Year ended June 30, 2011

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Service	Operating Contributions and Restricted Interest	Grants, Contributions and Restricted Interest	
<b>Functions/Programs:</b>					
Governmental activities:					
Public safety and legal services	\$ 1,369,370	181,740	12,970	-	(1,174,660)
Physical health and social services	397,911	59,175	116,562	-	(222,174)
Mental health	1,226,772	118,440	763,672	-	(344,660)
County environment and education	897,243	184,014	137,435	153,106	(422,688)
Roads and transportation	4,767,763	224,976	2,713,352	1,819,639	(9,796)
Governmental services to residents	320,390	181,638	-	-	(138,752)
Administration	1,285,745	12,471	-	-	(1,273,274)
Non-program	735,274	561,458	95,564	-	(78,252)
Interest on long-term debt	23,210	-	-	-	(23,210)
<b>Total</b>	<b>\$ 11,023,678</b>	<b>1,523,912</b>	<b>3,839,555</b>	<b>1,972,745</b>	<b>(3,687,466)</b>
<b>General Revenues:</b>					
Property and other county tax levied for general purposes					4,964,632
Penalty and interest on property tax					32,025
Local option sales and services tax					334,826
State tax credits					238,736
Unrestricted investment earnings					20,874
Gain on disposition of capital assets					7,435
Miscellaneous					47,047
<b>Total general revenues</b>					<b>5,645,575</b>
Change in net assets					1,958,109
Net assets beginning of year					18,970,087
Net assets end of year					<b>\$ 20,928,196</b>

See notes to financial statements.

Greene County  
Balance Sheet  
Governmental Funds

June 30, 2011

	General	Mental Health
<b>Assets</b>		
Cash and pooled investments	\$ 1,589,376	839,563
Receivables:		
Property tax:		
Delinquent	2,189	85
Succeeding year	2,994,000	116,000
Interest and penalty on property tax	6,331	-
Accounts	1,043	-
Accrued interest	1,125	-
Drainage assessments	-	-
Due from other funds	-	-
Due from other governments	68,829	23,489
Inventories	-	-
<b>Total assets</b>	<b>\$ 4,662,893</b>	<b>979,137</b>
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable	\$ 60,714	31,933
Salaries and benefits payable	5,465	411
Due to other funds	1,823	-
Due to other governments	29,942	151,199
Deferred revenue:		
Succeeding year property tax	2,994,000	116,000
Other	11,870	85
Total liabilities	<u>3,103,814</u>	<u>299,628</u>
Fund balances:		
Nonspendable - Inventories	-	-
Restricted for:		
Supplemental levy purposes	275,015	-
Mental health purposes	-	679,509
Rural services purposes	-	-
Secondary roads purposes	-	-
Drainage warrants	-	-
Conservation land acquisition	19,648	-
Other purposes	-	-
Assigned for capital improvement projects	300,000	-
Unassigned	964,416	-
Total fund balances	<u>1,559,079</u>	<u>679,509</u>
<b>Total liabilities and fund balances</b>	<b>\$ 4,662,893</b>	<b>979,137</b>

See notes to financial statements.

Special Revenue			
Rural Services	Secondary Roads	Nonmajor	Total
352,988	676,482	836,549	4,294,958
907	-	-	3,181
1,535,000	-	-	4,645,000
-	-	-	6,331
-	1,209	-	2,252
-	4	3	1,132
-	-	309,005	309,005
-	4,439	-	4,439
8,777	224,636	54,311	380,042
-	730,704	-	730,704
1,897,672	1,637,474	1,199,868	10,377,044
5,900	200,431	6,133	305,111
928	-	-	6,804
2,616	-	-	4,439
-	684	-	181,825
1,535,000	-	-	4,645,000
908	18,275	329,469	360,607
1,545,352	219,390	335,602	5,503,786
-	730,704	-	730,704
-	-	-	275,015
-	-	-	679,509
352,320	-	-	352,320
-	687,380	-	687,380
-	-	362,109	362,109
-	-	-	19,648
-	-	502,157	502,157
-	-	-	300,000
-	-	-	964,416
352,320	1,418,084	864,266	4,873,258
1,897,672	1,637,474	1,199,868	10,377,044

**Greene County**

Greene County

Reconciliation of the Balance Sheet -  
Governmental Funds to the Statement of Net Assets

June 30, 2011

**Total governmental fund balances (page 19)** \$ 4,873,258

***Amounts reported for governmental activities in the Statement of Net Assets are different because:***

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$27,378,529 and the accumulated depreciation is \$11,263,336. 16,115,193

Other long-term assets are not available to pay current year expenditures and, therefore, are deferred in the governmental funds. 354,177

The Internal Service Fund is used by management to charge the costs of health insurance to individual departments and funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Assets. 193,287

Long-term liabilities, including drainage warrants, compensated absences and other postemployment benefits payable, are not due and payable in the current year and, therefore, are not reported in the governmental funds. (607,719)

**Net assets of governmental activities (page 16)** \$ 20,928,196

See notes to financial statements.

Greene County

Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds

Year ended June 30, 2011

	General	Mental Health
Revenues:		
Property and other county tax	\$ 2,855,014	598,590
Local option sales and services tax	-	-
Interest and penalty on property tax	32,089	-
Intergovernmental	425,891	889,264
Licenses and permits	6,925	-
Charges for service	408,395	-
Use of money and property	28,250	-
Miscellaneous	73,405	24,501
Total revenues	<u>3,829,969</u>	<u>1,512,355</u>
Expenditures:		
Operating:		
Public safety and legal services	972,872	-
Physical health and social services	397,472	-
Mental health	-	1,226,104
County environment and education	481,056	-
Roads and transportation	-	-
Governmental services to residents	322,498	-
Administration	1,338,824	-
Non-program	-	-
Debt service	-	-
Capital projects	120,443	-
Total expenditures	<u>3,633,165</u>	<u>1,226,104</u>
Excess (deficiency) of revenues over (under) expenditures	<u>196,804</u>	<u>286,251</u>
Other financing sources (uses):		
Drainage warrants issued	-	-
Operating transfers in	15,000	-
Operating transfers out	(50,000)	-
Total other financing sources (uses)	<u>(35,000)</u>	<u>-</u>
Net change in fund balances	161,804	286,251
Fund balances beginning of year, as restated	<u>1,397,275</u>	<u>393,258</u>
Fund balances end of year	<u>\$ 1,559,079</u>	<u>679,509</u>

See notes to financial statements.

Special Revenue			
Rural Services	Secondary Roads	Nonmajor	Total
1,510,875	-	-	4,964,479
-	-	334,826	334,826
-	-	-	32,089
178,253	3,124,105	150,070	4,767,583
-	42,189	-	49,114
-	-	2,079	410,474
-	19,489	43	47,782
7,007	182,787	389,414	677,114
1,696,135	3,368,570	876,432	11,283,461
331,480	-	40,689	1,345,041
-	-	-	397,472
-	-	-	1,226,104
275,140	-	24,000	780,196
-	4,137,876	-	4,137,876
-	-	859	323,357
-	-	-	1,338,824
-	-	36,692	36,692
-	-	263,106	263,106
-	-	521,716	642,159
606,620	4,137,876	887,062	10,490,827
1,089,515	(769,306)	(10,630)	792,634
-	-	248,616	248,616
-	1,103,500	-	1,118,500
(920,000)	-	(148,500)	(1,118,500)
(920,000)	1,103,500	100,116	248,616
169,515	334,194	89,486	1,041,250
182,805	1,083,890	774,780	3,832,008
352,320	1,418,084	864,266	4,873,258

Greene County

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances -  
Governmental Funds to the Statement  
of Activities

Year ended June 30, 2011

**Net change in fund balances - Total governmental funds (page 23)** \$ 1,041,250

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Capital outlay expenditures and contributed capital assets exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 339,536	
Capital assets contributed by the Iowa Department of Transportation	1,819,639	
Depreciation expense	<u>(903,232)</u>	1,255,943

In the Statement of Activities, the gain on the disposition of capital assets is reported, whereas the governmental funds report the proceeds from the disposition as an increase in financial resources. 7,435

Because some revenues will not be collected for several months after the County's year end, they are not considered available revenues and are deferred in the governmental funds, as follows:

Property tax	153	
Other	<u>(428,331)</u>	(428,178)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Current year issuances exceeded repayments, as follows:

Issued	(248,616)	
Repaid	<u>239,896</u>	(8,720)

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

Compensated absences	27,480	
Other postemployment benefits	<u>(24,500)</u>	2,980

The Internal Service Fund is used by management to charge the costs of health insurance to individual departments and funds. The increase in net assets of the Internal Service Fund is included in governmental activities in the Statement of Net Assets. 87,399

**Change in net assets of governmental activities (page 17)** \$ 1,958,109

See notes to financial statements.

Greene County  
Statement of Net Assets  
Proprietary Fund  
June 30, 2011

	<u>Internal Service - Employee Group Health</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 257,212
<b>Liabilities</b>	
Accounts payable	<u>63,925</u>
<b>Net Assets</b>	
Unrestricted	<u>\$ 193,287</u>

See notes to financial statements.

Greene County  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund

Year ended June 30, 2011

		<u>Internal Service - Employee Group Health</u>
Operating revenues:		
Reimbursements from operating funds and other governmental units		\$ 937,624
Reimbursements from employees and others		135,358
Insurance reimbursements		<u>134,337</u>
Total operating revenues		1,207,319
Operating expenses:		
Medical claims	\$ 607,099	
Administrative and other fees	22,830	
Insurance premiums	326,822	
Prescription charges	<u>163,169</u>	<u>1,119,920</u>
Operating income		87,399
Net assets beginning of year		<u>105,888</u>
Net assets end of year		<u>\$ 193,287</u>

See notes to financial statements.

Greene County  
Statement of Cash Flows  
Proprietary Fund  
Year ended June 30, 2011

	Internal Service - Employee Group Health
Cash flows from operating activities:	
Cash received from operating funds and other reimbursements	\$ 1,072,982
Cash received from insurance reimbursements	134,337
Cash paid to suppliers for services	(1,142,231)
Net cash provided by operating activities	65,088
Cash and cash equivalents beginning of year	192,124
Cash and cash equivalents end of year	\$ 257,212
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 87,399
Adjustment to reconcile operating income to net cash provided by operating activities:	
Increase in accounts payable	(22,311)
Net cash provided by operating activities	\$ 65,088

See notes to financial statements.

Greene County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2011

**Assets**

Cash and pooled investments:

County Treasurer	\$ 887,006
Other County officials	21,925

Receivables:

Property tax:

Delinquent	9,680
Succeeding year	12,839,000

Accounts	9,734
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Special assessments	16,671
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<b>Total assets</b>	<u>13,784,016</u>
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**Liabilities**

Accounts payable	87
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Due to other governments	13,728,056
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Trusts payable	46,940
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Compensated absences	8,933
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<b>Total liabilities</b>	<u>13,784,016</u>
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**Net assets**

\$	<u><u>-</u></u>
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See notes to financial statements.

Greene County

Notes to Financial Statements

June 30, 2011

**(1) Summary of Significant Accounting Policies**

Greene County is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance and general administrative services.

The County's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Greene County has included all funds, organizations, agencies, boards, commissions and authorities. The County has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the County.

These financial statements present Greene County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Blended Component Units – The following component units are entities which are legally separate from the County, but are so intertwined with the County they are, in substance, the same as the County. They are reported as part of the County and blended into the appropriate funds.

Certain drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed and supervised by the Greene County Board of Supervisors. The drainage districts are reported as a Special Revenue Fund. The County has other drainage districts that are managed and supervised by elected trustees. The financial transactions of these districts are reported as an Agency Fund. Financial information for the individual drainage districts can be obtained from the Greene County Auditor's office.

The Raccoon River Valley Trail Association has been incorporated under Chapter 504A of the Code of Iowa to receive donations for the benefit of the Greene, Guthrie and Dallas County Conservation Boards. These donations are to be used to purchase items not included in the County's budget. The financial transactions of the Association are reported as a Special Revenue Fund.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Greene County Assessor's Conference Board, County Emergency Management Commission and Greene County E911 Service Board. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported in the Agency Funds of the County.

The County also participates in the Central Iowa Juvenile Detention Center, Region V Hazardous Materials Response Commission and Region XII Council of Governments, jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa. In addition, the County participates in the following jointly governed organizations: Second Judicial District Department of Correctional Services, M & M Divide Resource Conservation & Development, Inc. and Greene County Development Corporation.

#### B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Assets and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

The Statement of Net Assets presents the County's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories.

*Invested in capital assets* consists of capital assets, net of accumulated depreciation.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

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

Fund Financial Statements – Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

Special Revenue:

The Mental Health Fund is used to account for property tax and other revenues designated to be used to fund mental health, mental retardation and developmental disabilities services.

The Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the county outside of incorporated city areas.

The Secondary Roads Fund is used to account for secondary roads construction and maintenance.

Additionally, the County reports the following funds:

Proprietary Fund – An Internal Service Fund is utilized to account for the financing of goods or services purchased by one department of the County and provided to other departments or agencies on a cost reimbursement basis.

Fiduciary Funds – Agency Funds are used to account for assets held by the County as an agency for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the County's policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

The proprietary fund of the County applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Internal Service Fund is charges to customers for sales and services. Operating expenses for Internal Service Funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County maintains its financial records on the cash basis. The financial statements of the County are prepared by making memorandum adjusting entries to the cash basis financial records.

#### D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash and Pooled Investments – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2009 assessed property valuations; is for the tax accrual period July 1, 2010 through June 30, 2011 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2010.

Interest and Penalty on Property Tax Receivable – Interest and penalty on property tax receivable represents the amount of interest and penalty that was due and payable but has not been collected.

Drainage Assessments Receivable – Drainage assessments receivable represent amounts assessed to individuals for work done on drainage districts which benefit their property. These assessments are payable by individuals in not less than 10 nor more than 20 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Delinquent drainage assessments receivable represent assessments which are due and payable but have not been collected. Succeeding year drainage assessments receivable represents remaining assessments which are payable but not yet due.

Special Assessments Receivable – Special assessments receivable represent amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in not less than 10 nor more than 20 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Special assessments receivable represent assessments which have been made but have not been collected.

Due from and Due to Other Funds – During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2011, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method. Inventories in the Special Revenue Funds consist of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, equipment and vehicles and infrastructure assets acquired after July 1, 2003 (e.g., roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the County), are reported in the governmental activities column in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the County as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	\$ 50,000
Intangibles	50,000
Land, buildings and improvements	25,000
Equipment and vehicles	5,000

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)
Buildings and improvements	25 - 50
Infrastructure	10 - 65
Equipment	2 - 20
Vehicles	5 - 15
Intangibles	5 - 20

Due to Other Governments – Due to other governments represents taxes and other revenues collected by the County and payments for services which will be remitted to other governments.

Trusts Payable – Trusts payable represents amounts due to others which are held by various County officials in fiduciary capacities until the underlying legal matters are resolved.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue consists of unspent grant proceeds as well as property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue in the Statement of Net Assets consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied and unspent grant proceeds.

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for

employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2011. The compensated absences liability attributable to the governmental activities will be paid primarily by the General, Mental Health, Rural Services and Secondary Roads Funds.

Long-Term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Assets.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources.

Fund Equity – In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Assigned – Amounts the County intends to use for specific purposes as determined by the County Auditor.

Unassigned – All amounts not included in the preceding classifications.

Net Assets – The net assets of the Internal Service, Employee Group Health Fund is designated for anticipated future catastrophic losses of the County.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

**(2) Cash and Pooled Investments**

The County's deposits in banks at June 30, 2011 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

At June 30, 2011, the County had the following investments:

Type	Fair Value	Maturity
FNMA interest only strip	\$40	February 2017

In addition, the County had investments in the Iowa Public Agency Investment Trust which are valued at an amortized cost of \$10,695 pursuant to Rule 2a-7 under the Investment Company Act of 1940. The investment in the Iowa Public Agency Investment Trust is unrated.

Interest rate risk – The County’s investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the County.

Concentration of credit risk – The County places no limit on the amount that may be invested in any one issuer.

**(3) Due From and Due to Other Funds**

The detail of interfund receivables and payables at June 30, 2011 is as follows:

Receivable Fund	Payable Fund	Amount
Special Revenue: Secondary Roads	General	\$ 1,823
	Special Revenue: Rural Services	2,616
Total		<u>\$ 4,439</u>

These balances result from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

**(4) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2011 is as follows:

Transfer to	Transfer from	Amount
General	Special Revenue: Louis Dreyfus	\$ 5,000
	Local Option Sales Tax	10,000
		<u>15,000</u>
Special Revenue: Secondary Roads	General	50,000
	Special Revenue: Rural Services	920,000
	Local Option Sales Tax	133,500
		<u>1,103,500</u>
Total		<u>\$ 1,118,500</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2011 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,353,106	76,034	-	1,429,140
Construction in progress	1,305,438	1,819,639	(3,125,077)	-
Total capital assets not being depreciated	<u>2,658,544</u>	<u>1,895,673</u>	<u>(3,125,077)</u>	<u>1,429,140</u>
Capital assets being depreciated:				
Buildings	2,378,661	70,085	-	2,448,746
Improvements other than buildings	83,059	-	-	83,059
Equipment and vehicles	7,709,171	205,765	(34,390)	7,880,546
Infrastructure, road network	12,411,961	3,125,077	-	15,537,038
Total capital assets being depreciated	<u>22,582,852</u>	<u>3,400,927</u>	<u>(34,390)</u>	<u>25,949,389</u>
Less accumulated depreciation for:				
Buildings	1,039,920	42,336	-	1,082,256
Equipment and vehicles	4,473,408	483,342	(29,477)	4,927,273
Infrastructure, road network	4,876,253	377,554	-	5,253,807
Total accumulated depreciation	<u>10,389,581</u>	<u>903,232</u>	<u>(29,477)</u>	<u>11,263,336</u>
Total capital assets being depreciated, net	<u>12,193,271</u>	<u>2,497,695</u>	<u>(4,913)</u>	<u>14,686,053</u>
Governmental activities capital assets, net	<u>\$14,851,815</u>	<u>4,393,368</u>	<u>(3,129,990)</u>	<u>16,115,193</u>

Depreciation expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 55,603
County environment and education	44,787
Roads and transportation	783,952
Governmental services to residents	1,700
Administration	<u>17,190</u>
Total depreciation expense - governmental activities	<u>\$ 903,232</u>

**(6) Due to Other Governments**

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments is as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
General	Services	\$ 29,942
Special Revenue:		
Mental Health	Services	151,199
Secondary Roads	Services	684
		<u>151,883</u>
Total for governmental funds		<u>\$ 181,825</u>
Agency:		
County Assessor	Collections	\$ 502,743
Schools		8,070,676
Community Colleges		472,073
Corporations		2,332,729
Auto License and Use Tax		203,958
County Hospital		1,671,408
All other		474,469
Total for agency funds		<u>\$ 13,728,056</u>

**(7) Changes in Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2011 is as follows:

	<u>Drainage Warrants</u>	<u>Compen- sated Absences</u>	<u>Net OPEB Liability</u>	<u>Total</u>
Balance beginning of year	\$ 300,285	275,394	26,300	601,979
Increases	248,616	244,481	31,000	524,097
Decreases	239,896	271,961	6,500	518,357
Balance end of year	<u>\$ 309,005</u>	<u>247,914</u>	<u>50,800</u>	<u>607,719</u>
Due within one year	<u>\$ -</u>	<u>173,166</u>	<u>-</u>	<u>173,166</u>

Drainage Warrants

Drainage warrants are warrants which are legally drawn on drainage district funds but are not paid for lack of funds, in accordance with Chapter 74 of the Code of Iowa. The warrants bear interest at rates in effect at the time the warrants are first presented. Warrants will be paid as funds are available.

Drainage warrants are paid from the Special Revenue Fund solely from drainage assessments against benefited properties and grant money for emergency repairs.

**(8) Contingent Liabilities**

E911 Loan Agreement

On November 11, 2005, the E911 Service Board and the County, as cosigner on the note, entered into a loan agreement to borrow up to \$243,000 from Home State Bank for the purchase of Digital Data and Digital Products. The loan agreement is to be repaid in 10 annual installments of \$35,000, including interest at 4.80% per annum, beginning June 1, 2007. During the year ended June 30, 2011, the E911 Service Board paid principal of \$31,390 and interest of \$3,610 on the loan.

The County is contingently liable on the \$70,616 note outstanding at June 30, 2011. Since the interest and note principal is currently paid out of E911 Service Board revenues, this liability has not been recorded in the Statement of Net Assets. However, since the County has cosigned the note, if the revenues of the E911 Service Board are not adequate, a tax may be levied on all taxable property in the County to repay the note.

The transactions for this loan are accounted for in an Agency Fund. The assets and liabilities of the E911 Service Board Fund, an Agency Fund included as part of Other Agency Funds, are reported on the modified accrual basis. Accordingly, the assets purchased and bank note payable by the E911 Service Board have not been reported in the E911 Service Board Fund.

Medical Center Revenue Bonds

On March 1, 1998, the County issued \$2,405,000 of general obligation refunding bonds, with interest at rates ranging from 3.95% to 4.85% per annum, to refund outstanding general obligation bonds issued in 1991 for the Greene County Medical Center.

The County entered into an irrevocable escrow agreement with Bankers Trust Company and deposited cash sufficient to retire the 1991 bonds when callable on May 1, 2001. These bonds were called on May 1, 2001 and are no longer outstanding.

The County is contingently liable on the general obligation refunding bonds. Since the interest and bond principal are currently paid from an annual tax levy certified by the Hospital Board of Trustees, this liability has not been recorded in the Statement of Net Assets. However, since the bonds are a general obligation of the County, a tax may be levied on all taxable property in the County if the revenues of the Greene County Medical Center in future years are not adequate to pay the bond principal and interest. The transactions for this bond issue are accounted for in an Agency Fund. Final payment of \$261,640 was made during the year ended June 30, 2011.

**(9) Pension and Retirement Benefits**

The County contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Most regular plan members are required to contribute 4.50% of their annual covered salary and the County is required to contribute 6.95% of covered salary. Certain employees in special risk occupations and the County contribute an actuarially determined contribution rate. Contribution requirements are established by state statute. The County's contributions to IPERS for the years ended June 30, 2011, 2010 and 2009 were \$237,664, \$216,560 and \$193,712, respectively, equal to the required contributions for each year.

**(10) Other Postemployment Benefits (OPEB)**

Plan Description – The County operates a single-employer health benefit plan which provides medical/prescription drug benefits for employees and retirees and their spouses. There are 74 active and one retired members in the plan. Retired participants must be age 55 or older at retirement.

The medical/prescription drug benefits which is a partially self-funded medical plan, is administered by First Administrators. Retirees under age 65 pay the same premium for the medical/prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Funding Policy – The contribution requirements of plan members are established and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation – The County’s annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding which, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the County’s annual OPEB cost for the year ended June 30, 2011, the amount actually contributed to the plan and changes in the County’s net OPEB obligation:

Annual required contribution	\$ 28,900
Interest on net OPEB obligation	1,100
Adjustment to annual required contribution	1,000
Annual OPEB cost	<u>31,000</u>
Contributions made	<u>(6,500)</u>
Increase in net OPEB obligation	24,500
Net OPEB obligation beginning of year	<u>26,300</u>
Net OPEB obligation end of year	<u><u>\$ 50,800</u></u>

For calculation of the net OPEB obligation, the actuary has set the transition day as July 1, 2009. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2011.

For the year ended June 30, 2011, the County contributed \$6,500 to the medical plan and there were no contributions by plan members eligible for benefits.

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2011 are summarized as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 28,900	9.0%	\$ 26,300
2011	31,000	21.0	50,800

Funded Status and Funding Progress – As of July 1, 2009, the most recent actuarial valuation date for the period July 1, 2009 through June 30, 2011, the actuarial accrued liability was \$262,200, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$262,200. The covered payroll (annual payroll of active employees covered by the plan) was \$2,881,800 and the ratio of the UAAL to covered payroll was 9.1%. As of June 30, 2011, there were no trust fund assets.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress For the Retiree Health Plan, presented as Required Supplementary Information in the section following the Notes to Financial Statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

As of the July 1, 2009 actuarial valuation date, the unit credit actuarial cost method was used. The actuarial assumptions include a 4% discount rate based on the County's funding policy. The projected annual medical trend rate is 10%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 0.5% each year until reaching the 5% ultimate trend rate.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities mirror those used for IPERS.

Projected claim costs of the medical plan are \$960 per month for retirees less than age 65. The salary increase rate was assumed to be 3% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

## **(11) Risk Management**

The County is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 645 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of

membership and are maintained to equal 150 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2011 were \$144,904.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$350,000 per claim. Claims exceeding \$350,000 are reinsured in an amount not to exceed \$2,650,000 per claim. For members requiring specific coverage from \$3,000,000 to \$12,000,000, such excess coverage is also reinsured. Property and automobile physical damage risks are retained by the Pool up to \$150,000 each occurrence, each location, with excess coverage reinsured by the Travelers Insurance Company.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2011, no liability has been recorded in the County's financial statements. As of June 30, 2011, settled claims have not exceeded the risk pool or reinsurance coverage since the pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund of their capital contributions. If a member withdraws after the sixth year, the member is refunded 100% of its capital contributions. However, the refund is reduced by an amount equal to the annual operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$1,000,000 and \$100,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**(12) Employee Health Insurance Plan**

The Internal Service, Employee Group Health Fund was established January 1, 2010 to account for the partial self funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with First Administrators. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$30,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to First Administrators from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2011 was \$937,624.

Amounts payable from the Employee Group Health Fund at June 30, 2011 total \$63,925, which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior year and current year claims and to establish a reserve for catastrophic losses. That reserve was \$193,287 at June 30, 2011 and is reported as a designation of the Internal Service, Employee Group Health Fund net assets. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

Unpaid claims beginning of year	\$ 86,236
Incurred claims (including claims incurred but not reported at June 30, 2011)	770,268
Payments on claims during the year	<u>(792,579)</u>
Unpaid claims end of year	<u>\$ 63,925</u>

**(13) Accounting Change/Restatement**

Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, was implemented during the year ended June 30, 2011. The effect of fund type reclassifications is as follows:

	General	Special Revenue - Conservation Land Acquisition	Capital Projects
Balances June 30, 2010, as previously reported	\$ 1,403,520	(11,248)	5,003
Change in fund type classification per implementation of GASB Statement No. 54	<u>(6,245)</u>	<u>11,248</u>	<u>(5,003)</u>
Balances July 1, 2010, as restated	<u>\$ 1,397,275</u>	<u>-</u>	<u>-</u>

**Greene County**

**Required Supplementary Information**

Greene County

Budgetary Comparison Schedule of  
Receipts, Disbursements and Changes in Balances -  
Budget and Actual (Cash Basis) – All Governmental Funds

Required Supplementary Information

Year ended June 30, 2011

	Actual	Less Funds not Required to be Budgeted	Net
<b>Receipts:</b>			
Property and other county tax	\$ 5,319,088	-	5,319,088
Interest and penalty on property tax	32,518	-	32,518
Intergovernmental	4,616,641	88,357	4,528,284
Licenses and permits	49,294	-	49,294
Charges for service	410,385	-	410,385
Use of money and property	48,501	-	48,501
Miscellaneous	706,838	335,622	371,216
Total receipts	<u>11,183,265</u>	<u>423,979</u>	<u>10,759,286</u>
<b>Disbursements:</b>			
Public safety and legal services	1,342,366	-	1,342,366
Physical health and social services	378,568	-	378,568
Mental health	1,185,323	-	1,185,323
County environment and education	760,392	-	760,392
Roads and transportation	4,071,308	-	4,071,308
Governmental services to residents	324,515	-	324,515
Administration	1,335,953	-	1,335,953
Non-program	398,545	374,545	24,000
Debt service	23,210	23,210	-
Capital projects	304,111	68,569	235,542
Total disbursements	<u>10,124,291</u>	<u>466,324</u>	<u>9,657,967</u>
Excess (deficiency) of receipts over (under) disbursements	<u>1,058,974</u>	<u>(42,345)</u>	<u>1,101,319</u>
Balance beginning of year	<u>3,235,984</u>	<u>441,659</u>	<u>2,794,325</u>
Balance end of year	<u>\$ 4,294,958</u>	<u>399,314</u>	<u>3,895,644</u>

See accompanying independent auditor's report.

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Budgeted Amounts		Final to Net Variance
Original	Final	
5,216,052	5,316,052	3,036
5,000	15,000	17,518
3,875,097	4,545,909	(17,625)
9,225	51,725	(2,431)
359,425	417,525	(7,140)
36,793	47,189	1,312
368,800	332,350	38,866
<u>9,870,392</u>	<u>10,725,750</u>	<u>33,536</u>
1,327,968	1,365,293	22,927
387,363	487,363	108,795
1,386,235	1,386,235	200,912
880,525	840,525	80,133
3,966,805	4,086,805	15,497
331,168	331,168	6,653
1,393,119	1,413,919	77,966
50,000	45,000	21,000
-	-	-
233,000	245,003	9,461
<u>9,956,183</u>	<u>10,201,311</u>	<u>543,344</u>
(85,791)	524,439	576,880
<u>2,654,946</u>	<u>2,777,822</u>	<u>16,503</u>
<u>2,569,155</u>	<u>3,302,261</u>	<u>593,383</u>

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Greene County  
 Budgetary Comparison Schedule - Budget to GAAP Reconciliation  
 Required Supplementary Information  
 Year ended June 30, 2011

	Governmental Funds		
	Cash Basis	Accrual Adjust- ments	Modified Accrual Basis
Revenues	\$ 11,183,265	100,196	11,283,461
Expenditures	10,124,291	366,536	10,490,827
Net	1,058,974	(266,340)	792,634
Other financing sources (uses), net	-	248,616	248,616
Beginning fund balances	3,235,984	596,024	3,832,008
Ending fund balances	\$ 4,294,958	578,300	4,873,258

See accompanying independent auditor's report.

Greene County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2011

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units, the Internal Service Fund and Agency Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon 10 major classes of expenditures known as functions, not by fund. These 10 functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, two budget amendments increased budgeted disbursements by \$245,128. The budget amendments are reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Extension Office by the County Agricultural Extension Council, for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

During the year ended June 30, 2011, disbursements did not exceed the amounts budgeted by function.

Greene County

Schedule of Funding Progress for the  
Retiree Health Plan  
(In Thousands)

Required Supplementary Information

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2010	Jul 1, 2009	-	\$ 262	262	0.00%	\$ 2,729	9.6%
2011	Jul 1, 2009	-	262	262	0.00	2,882	9.1

See Note 10 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

**Other Supplementary Information**

Greene County  
 Combining Balance Sheet  
 Nonmajor Governmental Funds

June 30, 2011

	County Recorder's Records		
	Management	REAP	Forfeiture
<b>Assets</b>			
Cash and pooled investments	\$ 7,358	2,992	4,025
Receivables:			
Accrued interest	1	2	-
Drainage assessments	-	-	-
Due from other governments	-	14,034	-
<b>Total assets</b>	\$ 7,359	17,028	4,025
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	-	-
Deferred revenue	-	14,034	-
Total liabilities	-	14,034	-
Fund balances:			
Restricted for:			
Drainage warrants	-	-	-
Other purposes	7,359	2,994	4,025
Total fund balances	7,359	2,994	4,025
<b>Total liabilities and fund balances</b>	\$ 7,359	17,028	4,025

See accompanying independent auditor's report.

Special Revenue					
Drainage Districts	Local Option Sales Tax	K-9	Raccoon River Valley Trail Association	Louis Dreyfus	Total
372,719	349,961	1,899	26,595	71,000	836,549
-	-	-	-	-	3
309,005	-	-	-	-	309,005
1,358	38,919	-	-	-	54,311
683,082	388,880	1,899	26,595	71,000	1,199,868
5,538	-	-	595	-	6,133
315,435	-	-	-	-	329,469
320,973	-	-	595	-	335,602
362,109	-	-	-	-	362,109
-	388,880	1,899	26,000	71,000	502,157
362,109	388,880	1,899	26,000	71,000	864,266
683,082	388,880	1,899	26,595	71,000	1,199,868

Greene County

Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Governmental Funds

Year ended June 30, 2011

	County Recorder's Records		
	Management	REAP	Forfeiture
Revenues:			
Local option sales and services tax	\$ -	-	-
Intergovernmental	-	54,506	-
Charges for service	2,079	-	-
Use of money and property	16	27	-
Miscellaneous	-	-	2,781
Total revenues	2,095	54,533	2,781
Expenditures:			
Operating:			
Public safety and legal services	-	-	2,499
Community environment and education	-	-	-
Governmental services to residents	859	-	-
Non-program	-	-	-
Debt service	-	-	-
Capital projects	-	113,001	-
Total expenditures	859	113,001	2,499
Excess (deficiency) of revenues over (under) expenditures	1,236	(58,468)	282
Other financing sources (uses):			
Drainage warrants issued	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,236	(58,468)	282
Fund balances beginning of year	6,123	61,462	3,743
Fund balances end of year	\$ 7,359	2,994	4,025

See accompanying independent auditor's report.

Special Revenue					
Drainage Districts	Local Option Sales Tax	K-9	Raccoon River Valley Trail Association	Louis Dreyfus	Total
-	334,826	-	-	-	334,826
95,564	-	-	-	-	150,070
-	-	-	-	-	2,079
-	-	-	-	-	43
265,140	-	1,010	70,483	50,000	389,414
360,704	334,826	1,010	70,483	50,000	876,432
-	37,412	778	-	-	40,689
-	-	-	-	24,000	24,000
-	-	-	-	-	859
36,692	-	-	-	-	36,692
263,106	-	-	-	-	263,106
339,551	-	-	69,164	-	521,716
639,349	37,412	778	69,164	24,000	887,062
(278,645)	297,414	232	1,319	26,000	(10,630)
248,616	-	-	-	-	248,616
-	(143,500)	-	-	(5,000)	(148,500)
248,616	(143,500)	-	-	(5,000)	100,116
(30,029)	153,914	232	1,319	21,000	89,486
392,138	234,966	1,667	24,681	50,000	774,780
362,109	388,880	1,899	26,000	71,000	864,266

Greene County  
 Combining Schedule of Fiduciary Assets and Liabilities  
 Agency Funds

June 30, 2011

	County Offices	Agricultural Extension Education	County Assessor	Schools
<b>Assets</b>				
Cash and pooled investments:				
County Treasurer	\$ -	2,429	235,561	121,205
Other County officials	21,925	-	-	-
Receivables:				
Property tax:				
Delinquent	-	120	202	5,471
Succeeding year	-	163,000	276,000	7,944,000
Accounts	9,734	-	-	-
Special assessments	-	-	-	-
<b>Total assets</b>	<b>\$ 31,659</b>	<b>165,549</b>	<b>511,763</b>	<b>8,070,676</b>
<b>Liabilities</b>				
Accounts payable	\$ -	-	87	-
Due to other governments	17,526	165,549	502,743	8,070,676
Trusts payable	14,133	-	-	-
Compensated absences	-	-	8,933	-
<b>Total liabilities</b>	<b>\$ 31,659</b>	<b>165,549</b>	<b>511,763</b>	<b>8,070,676</b>

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	County Hospital	Other	Total
7,726	37,419	2,926	8,613	203,958	179,318	87,851	887,006
-	-	-	-	-	-	-	21,925
347	2,310	139	-	-	1,090	1	9,680
464,000	2,293,000	206,000	-	-	1,491,000	2,000	12,839,000
-	-	-	-	-	-	-	9,734
-	-	-	16,671	-	-	-	16,671
472,073	2,332,729	209,065	25,284	203,958	1,671,408	89,852	13,784,016
-	-	-	-	-	-	-	87
472,073	2,332,729	209,065	25,284	203,958	1,671,408	57,045	13,728,056
-	-	-	-	-	-	32,807	46,940
-	-	-	-	-	-	-	8,933
472,073	2,332,729	209,065	25,284	203,958	1,671,408	89,852	13,784,016

Greene County

Combining Schedule of Changes in Fiduciary Assets and Liabilities  
Agency Funds

Year ended June 30, 2011

<b>Assets and Liabilities</b>	County Offices	Agricultural Extension Education	County Assessor	Schools
Balances beginning of year	\$ 41,618	158,253	481,697	7,766,105
Additions:				
Property and other county tax	-	162,850	275,991	7,945,253
State tax credits	-	7,496	12,506	371,803
E911 surcharge	-	-	-	-
Office fees and collections	266,672	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	255,243	-	-	-
Miscellaneous	-	-	144	-
Total additions	521,915	170,346	288,641	8,317,056
Deductions:				
Agency remittances:				
To other funds	131,097	-	-	-
To other governments	138,872	163,050	258,575	8,012,485
Trusts paid out	261,905	-	-	-
Total deductions	531,874	163,050	258,575	8,012,485
Balances end of year	\$ 31,659	165,549	511,763	8,070,676

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	County Hospital	Other	Total
499,906	2,323,704	188,606	21,989	230,807	1,600,628	76,884	13,390,197
464,159	2,272,394	206,460	-		1,489,413	1,766	12,818,286
23,792	102,354	9,093	-		68,403	85	595,532
-	-	-	-	-	-	89,468	89,468
-	-	-	-	-	-	3,180	269,852
-	-	-	-	2,845,385	-	-	2,845,385
-	-	-	20,235	-	-	-	20,235
-	-	-	-	-	-	-	255,243
-	-	-	-	-	-	62,067	62,211
487,951	2,374,748	215,553	20,235	2,845,385	1,557,816	156,566	16,956,212
-	-	-	-	112,277	-	-	243,374
515,784	2,365,723	195,094	16,940	2,759,957	1,487,036	143,598	16,057,114
-	-	-	-	-	-	-	261,905
515,784	2,365,723	195,094	16,940	2,872,234	1,487,036	143,598	16,562,393
472,073	2,332,729	209,065	25,284	203,958	1,671,408	89,852	13,784,016

Greene County

Schedule of Revenues By Source and Expenditures By Function -  
All Governmental Funds

For the Last Ten Years

	2011	2010	2009
<b>Revenues:</b>			
Property and other county tax	\$ 4,964,479	4,438,624	4,220,867
Local option sales and services tax	334,826	359,816	356,170
Interest and penalty on property tax	32,089	26,982	26,415
Intergovernmental	4,767,583	4,010,169	4,300,228
Licenses and permits	49,114	40,939	41,346
Charges for service	410,474	345,286	351,902
Use of money and property	47,782	45,248	70,207
Fines, forfeitures and defaults	-	-	-
Miscellaneous	677,114	618,629	358,326
Total	<u>\$ 11,283,461</u>	<u>9,885,693</u>	<u>9,725,461</u>
<b>Expenditures:</b>			
Operating:			
Public safety and legal services	\$ 1,345,041	1,333,360	1,225,669
Physical health and social services	397,472	432,946	340,039
Mental health	1,226,104	1,087,399	1,240,352
County environment and education	780,196	839,485	734,774
Roads and transportation	4,137,876	4,315,317	3,700,267
Governmental services to residents	323,357	318,275	321,528
Administration	1,338,824	1,247,531	1,185,034
Non-program	36,692	-	-
Debt service	263,106	218,979	137,275
Capital projects	642,159	367,625	477,540
Total	<u>\$ 10,490,827</u>	<u>10,160,917</u>	<u>9,362,478</u>

See accompanying independent auditor's report.

Modified		Accrual Basis				
2008	2007	2006	2005	2004	2003	2002
3,956,141	4,069,403	3,986,253	3,640,552	3,877,732	3,902,119	3,919,675
281,558	127,529	-	-	-	-	-
24,310	24,353	35,501	29,058	27,398	27,660	22,838
3,746,259	3,796,036	3,914,161	3,441,682	3,694,585	3,860,912	3,809,673
43,750	37,922	35,578	32,157	17,760	8,082	2,722
328,665	339,564	343,893	318,495	331,423	378,589	277,477
161,155	198,307	122,668	80,580	44,253	65,497	101,981
-	-	-	-	-	-	4,475
577,460	297,837	252,281	185,920	218,601	787,417	531,250
9,119,298	8,890,951	8,690,335	7,728,444	8,211,752	9,030,276	8,670,091
1,155,960	1,073,381	1,019,817	964,140	1,039,041	1,007,160	1,005,995
269,015	275,513	259,664	250,503	279,004	163,267	146,692
1,437,086	1,362,286	1,276,025	1,189,201	1,195,522	1,305,554	1,204,554
1,078,820	964,617	739,948	691,979	648,394	700,151	642,927
3,950,150	3,399,286	3,325,074	2,999,673	3,368,306	2,967,035	3,934,224
291,266	273,210	340,250	271,529	234,034	223,006	216,302
1,100,080	1,213,871	1,086,544	1,044,304	991,378	965,603	985,066
-	4,296	28,753	7,601	12,717	89,196	88,079
147,472	12,604	369,683	48,197	59,597	514,055	344,386
370,306	223,843	425,752	222,409	601,710	613,615	744,749
9,800,155	8,802,907	8,871,510	7,689,536	8,429,703	8,548,642	9,312,974

**Greene County**



# OFFICE OF AUDITOR OF STATE

STATE OF IOWA

David A. Vaudt, CPA  
Auditor of State

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

To the Officials of Greene County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greene County, Iowa, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements listed in the table of contents, and have issued our report thereon dated March 2, 2012. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

The management of Greene County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Greene County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of Greene County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Greene County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings, we identified a deficiency in internal control over financial reporting we consider to be a material weakness and other deficiencies we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, such that there is a reasonable possibility a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency in internal control described in the accompanying Schedule of Findings as item (A) to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items (B) through (K) to be significant deficiencies.

## Compliance and Other Matters

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

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2011 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Greene County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the County's responses, we did not audit Greene County's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Greene County and other parties to whom Greene County may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Greene County during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

March 2, 2012

Greene County

Schedule of Findings

Year ended June 30, 2011

**Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCIES:**

- (A) Segregation of Duties – During our review of internal control, the existing procedures are evaluated in order to determine incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and, therefore, maximizes the accuracy of the County’s financial statements. Generally, one or two individuals in the offices identified may have control over the following areas for which no compensating controls exist:

	<u>Applicable Offices</u>
(1) Receipts – opening and listing mail receipts (at least on a test basis), collecting, depositing, posting and daily reconciling and change fund custodian.	County Treasurer, County Sheriff and County Extension Office
(2) Indication of independent review of the bank reconciliation was not evidenced by initials of the preparer and the reviewer and the date of review.	County Extension Office

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, each official should review the operating procedures of their office to obtain the maximum internal control possible under the circumstances. The officials should utilize current personnel to provide additional control through review of financial transactions, reconciliations and reports.

Responses –

County Treasurer – I will continue to work on the segregation of checking mail receipts on a test basis, collecting, deposits, posting and daily reconciling and change fund.

County Sheriff – I have been assisting with the opening of the daily mail and noting all incoming checks and monies into a mail log for the past year. I also check our receipts and cash book. I also record and make a secondary review of each month’s reconciliation bank statements and have dated when I do so. I will also begin having another staff person assist with opening mail and checking deposits

County Extension Office – The County Extension Council will work with staff to review procedures in an attempt to better segregate duties. Additionally, in the future, the bank reconciliation will be signed and dated by our off-site bookkeeper. Then, Council treasurer will review the bank reconciliation and acknowledge.

Conclusions – Responses accepted.

Greene County

Schedule of Findings

Year ended June 30, 2011

- (B) Compensated Absences – Certain employees have accumulated vacation and compensatory time hours in excess of the maximum hours allowed to be carried forward to the next year under the County’s personnel policy and union agreement.

Recommendation – The County should comply with its personnel policy and union agreement.

Response – We agree.

Conclusion – Response accepted.

- (C) Computer Systems – During our review of internal control, the existing control activities in the County’s computer systems were evaluated in order to determine activities, from a control standpoint, were designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. The following weaknesses in the County’s computer systems were noted:

- There are no fire alarms, extinguishers, etc. in the server room.
- The County does not have a written disaster recovery plan.
- Certain department supervisors require their staff to share their passwords with the supervisor.

Recommendation – The County should develop written policies addressing the above items in order to improve the County’s control over computer based systems. Staff should be using their own user ID and passwords when logging onto a computer. Also, fire alarms, and fire extinguishers should be installed in the server room for protection of the equipment. A written disaster recovery plan should be developed.

Response –

- The server room now has a fire extinguisher. There currently is a fire alarm immediately outside the server room door and at our upcoming inspection we will inquire about installing one in the server room.
- A disaster recovery plan is scheduled for board review in early February.
- The County’s written policy is to not share passwords. All departments will be reminded of this policy.

Conclusion – Response accepted.

Greene County

Schedule of Findings

Year ended June 30, 2011

- (D) County Treasurer – Monthly reconciliations of the Treasurer’s general ledger accounts to the bank were performed, but variances were not resolved. The general ledger balance exceeded the bank balance by \$2,908 at June 30, 2008, by \$48 at June 30, 2009, by \$2,531 at June 30, 2010 and by \$895 at June 30, 2011.

Recommendation – Monthly bank reconciliations should be performed and variances between book and bank balances should be investigated and resolved in a timely manner to improve financial accountability and control.

Response – I will continue to work on the reconciliation variances and investigate book and bank balances in a timely manner.

Conclusion – Response accepted.

- (E) County Sheriff – After taking the deposit to the bank, the bank deposit receipt received from the bank should be compared to the cash receipt journal to ensure proper recording. The Sheriff’s Office does not compare the deposit receipt to the cash receipt journal.

Recommendation – The bank deposit receipt should be compared to the cash receipt journal and the review should be evidenced by initials of the reviewer and the date of the review.

Response – Bank deposit receipts will be compared to the cash receipt journal and initialed and dated.

Conclusion – Response accepted.

- (F) County Sheriff – The cash box is not maintained on an imprest basis. The Sheriff’s Office is being reimbursed for some items purchased by the inmates as well as the Auditor’s Office.

Recommendation – The cash box should be maintained on an imprest basis. When an inmate makes a purchase, this should not be reimbursed by the Auditor’s Office.

Response – Starting November 30, 2011, an inmate stamp account was started to deal with only inmate stamp funds. This account will be used to purchase stamps for jail inmates only. Any indigent inmate’s stamps will be taken from the administrative stamp account.

Conclusion – Response accepted.

- (G) County Extension Change Fund – The County Extension Office does not have a policy regarding the authorized amount to be maintained on hand in the change fund. The bank reconciliation indicates there is \$100 in the change fund. However, the actual amount in the cash box was \$75.

Recommendation – The County Extension Office should develop a policy for the authorized amount to be maintained on hand in the change fund and ensure this authorized amount is maintained.

Greene County

Schedule of Findings

Year ended June 30, 2011

Response – The County Extension Council Treasurer will ask for a motion to be considered by the Council to establish a change fund balance of \$75. The Office Assistant currently balances the change fund on a weekly basis.

Conclusion – Response accepted

- (H) County Extension Office Receipts – Part of good internal control is depositing cash timely and posting receipts to the cash journal daily. The County Extension Office makes deposits two or three times a month and receipts are posted to the cash receipts journal at the time the deposit is made. Undeposited receipts were observed which had been received the prior week.

Recommendation – The County Extension Office should develop policies and procedures to ensure receipts are posted to the cash journal on a daily basis and deposits are made on a timely basis.

Response – The County Extension Council will ensure procedures are put in place for receipts to be posted on a daily basis and deposits be made at least weekly.

Conclusion – Response accepted.

- (I) Timesheet approval – Certain department supervisors approve their own timesheets.

Recommendation – Procedures should be implemented to ensure timesheets are approved by an independent person.

Response – After the prior year audit, a designated County Supervisor began reviewing and approving department head timesheets. The Conservation Director's time sheets are now being approved by a Conservation Board Member.

Conclusion – Response accepted.

- (J) Expenditures – Certain expenditures by the Assessor's Office were coded as travel when they were related to vehicle repair.

Recommendation – The Assessor's Office should develop policies and procedures to properly code claims to the correct expenditure code.

Response – A separate expenditure code has now been put in place for repairs for the truck.

Conclusion – Response accepted.

- (K) Credit Card Usage – The County credit card usage policy states meals are not to be charged on County credit cards. However, we noted an instance where meals were charged on the County credit card.

Recommendation – All departments of the County should comply with the credit card usage policy.

Response – We will no longer use credit cards to charge meals. We will begin submitting meal receipts for reimbursement.

Conclusion – Response accepted.

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

Greene County

Schedule of Findings

Year ended June 30, 2011

**Other Findings Related to Required Statutory Reporting:**

- (1) Certified Budget – Disbursements during the year ended June 30, 2011 did not exceed the amounts budgeted by function.
- (2) Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- (3) Travel Expenses – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- (4) Business Transactions – Business transactions between the County and County officials or employees are detailed as follows:

<u>Name, Title and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Maralie Ruth, Treasurer’s Office, Father owns C&R Construction	Repairs	\$2,393
Mike Wyatt, Custodian, owner of Wyatt Water Conditioning	Supplies	786

In accordance with Chapter 331.342(10) of the Code of Iowa, the transactions with Wyatt Water Conditioning do not appear to represent a conflict of interest since total transactions were less than \$1,500 during the fiscal year. The transactions with C&R Construction may represent a conflict of interest since the transactions exceed \$1,500 and were not competitively bid.

Recommendation – The County should consult legal counsel to determine the disposition of this matter.

Response – We have consulted with the County Attorney and the County feels the transaction does not represent a conflict of interest. The employee had no input into the decision-making process.

Conclusion – Response accepted.

- (5) Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- (6) Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.
- (7) Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.
- (8) Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by

Greene County

Schedule of Findings

Year ended June 30, 2011

Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

- (9) County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an Extension Council separate and distinct from County operations and, consequently, is not included in Exhibits A or B.

Disbursements during the year ended June 30, 2011 for the County Extension Office did not exceed the amount budgeted.

- (10) County Extension Office – Minutes of the County Extension Council were not signed.  
Recommendation – The County Extension Council should ensure the minutes are signed.

Response – Actions have already been taken to ensure the County Extension Council meeting minutes are signed.

Conclusion – Response accepted.

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Greene County

Staff

This audit was performed by:

Pamela J. Bormann CPA, Manager  
Janet K. Mortvedt, CPA, Senior Auditor  
Leanna J. Showman, Staff Auditor  
Brett A. Hoffman, Assistant Auditor  
Wesley A. Large, Auditor Intern

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large, stylized initial "A".

Andrew E. Nielsen, CPA  
Deputy Auditor of State