

TOWN OF GREENVILLE, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

**TOWN OF GREENVILLE, FLORIDA
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SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Town Council,
Town of Greenville, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities the business-type activities and each major fund of the Town of Greenville, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Town of Greenville, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our (1) unmodified audit opinion on the General Fund; and (2) qualified audit opinion on the governmental activities, business-type activities, and Utility Fund.

Basis for Qualified Opinion on the Governmental Activities, Business-type Activities, and Utility Fund

As discussed in Note III. D. to the financial statements, the Town has not implemented the provisions of GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in the governmental activities, business-type activities, and the Utility Fund.

The amounts by which these departures would affect the deferred inflows, liabilities, deferred outflows, net position, and expenses of the governmental activities, business-type activities, and the Utility Fund have not been determined.

Qualified Opinion on the Governmental Activities, Business-type Activities, and Utility Fund

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph on the governmental activities, business-type activities and the Utility Fund, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, business-type activities, and the Utility Fund of the Town as of September 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on the General Fund and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund for the Town, as of September 30, 2021, and the respective changes in financial position thereof, and where applicable cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

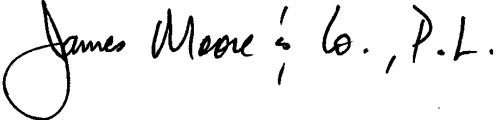
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Greenville, Florida's basic financial statements. The schedule of expenditures of state financial assistance, as required by Section 215.97, Florida Statutes, *Florida Single Audit Act*; and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

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

James Moore & Co., P.L.

Tallahassee, Florida
August 31, 2022

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

As management of the Town of Greenville, Florida, we offer readers of the Town of Greenville, Florida's financial statements this narrative overview and analysis of the financial activities of the Town of Greenville, Florida for the fiscal year ended September 30, 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Greenville, Florida's basic financial statements. The Town of Greenville, Florida's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the Town of Greenville, Florida's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Greenville, Florida is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town of Greenville, Florida that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Greenville, Florida include general government, public safety, transportation, and culture and recreation. The business-type activities of the Town of Greenville, Florida include water, sewer and sanitation operations.

The location of the government-wide financial statements can be found in the table of contents.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Greenville, Florida, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Greenville, Florida can be divided into two categories: governmental funds and proprietary funds.

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Greenville, Florida maintains one individual governmental fund.

The location of the basic governmental fund financial statements can be found in the table of contents.

Proprietary funds. The Town of Greenville, Florida maintains proprietary funds. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Greenville, Florida uses an enterprise fund to account for its water, sewer and sanitation operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water, sewer, and sanitation operations through one Utility Fund, which is considered to be a major fund.

The location of the basic proprietary fund financial statements can be found in the table of contents.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The location of the notes to the financial statements can be found in the table of contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town of Greenville, Florida's budgetary information. The location of the required supplementary information can be found on pages in the table of contents.

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Greenville, Florida, assets and deferred outflows exceeded liabilities and deferred inflows by \$12,500,874 at the close of the most recent fiscal year.

By far the largest portion of the Town of Greenville, Florida's net position in the most recent fiscal year reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town of Greenville, Florida uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Greenville, Florida's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Greenville, Florida's Net Position

	2021		
	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 897,831	\$ 440,122	\$ 1,337,953
Capital assets	2,754,872	10,201,996	12,956,868
Total assets	3,652,703	10,642,118	14,294,821
Deferred outflows	46,192	76,987	123,179
Long-term liabilities outstanding	46,500	462,277	508,777
Net pension liability	47,743	79,571	127,314
Other liabilities	779,079	293,347	1,072,426
Total liabilities	873,322	835,195	1,708,517
Deferred inflows	78,228	130,381	208,609
Net position:			
Net investment in capital assets	2,704,872	9,793,445	12,498,317
Restricted	-	19,490	19,490
Unrestricted	42,473	(59,406)	(16,933)
Total net position	<u>\$ 2,747,345</u>	<u>\$ 9,753,529</u>	<u>\$ 12,500,874</u>

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Town of Greenville, Florida's Net Position
(Continued)

	2020		
	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 187,659	\$ 1,155,995	\$ 1,343,654
Capital assets	1,872,833	8,942,006	10,814,839
Total assets	<u>2,060,492</u>	<u>10,098,001</u>	<u>12,158,493</u>
Deferred outflows	<u>76,450</u>	<u>101,933</u>	<u>178,383</u>
Long-term liabilities outstanding	50,500	508,307	558,807
Net pension liability	163,470	217,960	381,430
Other liabilities	96,819	897,535	994,354
Total liabilities	<u>310,789</u>	<u>1,623,802</u>	<u>1,934,591</u>
Deferred inflows	<u>12,269</u>	<u>16,359</u>	<u>28,628</u>
Net position:			
Net investment in capital assets	1,818,833	8,536,601	10,355,434
Restricted	1,579	25,795	27,374
Unrestricted	(6,528)	(2,623)	(9,151)
Total net position	<u>\$ 1,813,884</u>	<u>\$ 8,559,773</u>	<u>\$ 10,373,657</u>

An additional portion of the Town of Greenville, Florida's net position represents resources that are subject to external restrictions on how they may be used in the most recent fiscal year. At the end of the current fiscal year, the Town of Greenville, Florida is able to report positive balances in two of the three categories of net position for the government as a whole, and for its governmental and business-type activities individually. The Town reported negative unrestricted net position in its business-type activities.

Governmental activities. Governmental activities increased the Town of Greenville, Florida's net position by \$933,461 in the most recent fiscal year.

Key elements of this change include:

Increased capital grant revenues resulting in an increase of capital assets in the current year.

Business-type activities. In the most recent fiscal year, business-type activities increased the Town of Greenville, Florida's net position by \$1,193,756.

Key elements of this change include:

Increased capital grant revenues resulting in an increase of capital assets in the current year.

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Town of Greenville, Florida's Changes in Net Position

	2021		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 9,451	\$ 412,361	\$ 421,812
Operating grants and contributions	38,370	1,376,942	1,415,312
Capital Grants and contributions	971,988	14,184	986,172
General revenues:			
Property taxes	114,265	-	114,265
Intergovernmental and other	361,441	101,003	462,444
Total revenues	<u>1,495,515</u>	<u>1,904,490</u>	<u>3,400,005</u>
Expenses:			
General government	352,881	-	352,881
Public safety	2,912	-	2,912
Transportation	152,391	-	152,391
Interest on long-term debt	2,704	-	2,704
Culture and recreation	51,166	-	51,166
Utility	-	710,734	710,734
Total expenses	<u>562,054</u>	<u>710,734</u>	<u>1,272,788</u>
Change in net position	933,461	1,193,756	2,127,217
Net position, beginning of year	1,813,884	8,559,773	10,373,657
Net position, end of year	<u>\$ 2,747,345</u>	<u>\$ 9,753,529</u>	<u>\$ 12,500,874</u>

	2020		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 5,375	\$ 414,478	\$ 419,853
Operating grants and contributions	600	-	600
Capital Grants and contributions	821,443	2,278,733	3,100,176
General revenues:			
Property taxes	111,549	-	111,549
Intergovernmental and other	317,895	272,843	590,738
Transfers	(1,000)	1,000	-
Total revenues	<u>1,255,862</u>	<u>2,967,054</u>	<u>4,222,916</u>
Expenses:			
General government	352,447	-	352,447
Public safety	22,485	-	22,485
Transportation	121,277	-	121,277
Culture and recreation	21,423	-	21,423
Utility	-	720,126	720,126
Total expenses	<u>517,632</u>	<u>720,126</u>	<u>1,237,758</u>
Change in net position	738,230	2,246,928	2,985,158
Net position, beginning of year	1,075,654	6,312,845	7,388,499
Net position, end of year	<u>\$ 1,813,884</u>	<u>\$ 8,559,773</u>	<u>\$ 10,373,657</u>

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Financial Analysis of the Government's Funds

As noted earlier, the Town of Greenville, Florida uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Town of Greenville, Florida's governmental funds reported combined ending fund balances of \$328,429, a increase of \$234,089, in comparison with the prior year. Of this total amount, \$328,429 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. None of the fund balance is *nonspendable, restricted, committed or assigned*.

The general fund is the chief operating fund of the Town of Greenville, Florida. At the end of the current fiscal year, unassigned and total fund balances of the general fund were \$328,429 and \$328,429, respectively. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 22 percent of total general fund expenditures.

The fund balance of the Town of Greenville, Florida's general fund increased by \$234,089 during the current fiscal year.

Proprietary funds. The Town of Greenville, Florida's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year amounted to \$(59,406) The total increase in net position for the fund was \$1,193,756. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town of Greenville, Florida's business-type activities.

General Fund Budgetary Highlights

There were no budget amendments during the current fiscal year. The budget was not over expended per fund and therefore in compliance with state statutes.

Capital assets. The Town of Greenville, Florida's investment in capital assets for its governmental and business type activities as of September 30, 2021, amounts to \$12,956,868 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities and roads.

Additional information on the Town of Greenville, Florida's capital assets can be found in Note II. C. as listed in the table of contents.

**TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Long-term debt. At the end of the current fiscal year, the Town of Greenville, Florida had total debt outstanding of \$762,250. The amount of debt outstanding by type (i.e. Capital improvement bonds, revenue bonds, etc.) were as follows:

**Town of Greenville, Florida's Outstanding Debt
Capital Improvement and Revenue Bonds**

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Capital improvement bonds	\$ 50,000	\$ –	\$ 50,000
Lines of Credit	199,273	–	199,273
State Revolving Fund Construction Loan	–	242,726	242,726
Capital lease	–	49,951	49,951
Revenue bonds	–	220,300	220,300
Total	<u>\$ 249,273</u>	<u>\$ 512,977</u>	<u>\$ 762,250</u>

Additional information on the Town of Greenville, Florida's long-term debt can be found in Note II.E. as listed in the table of contents.

Economic Factors and Next Year's Budgets and Rates

We do not expect major changes and estimations based on the fact that we have adhered to the budget and made amendments as necessary. We do not anticipate any significant rate increases.

This factor was considered in preparing the Town of Greenville, Florida's budget for the 2021/2022 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town of Greenville, Florida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town Clerk, Post Office Box 235, Greenville, Florida 32331.

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 320,854	\$ 54,189	\$ 375,043
Certificate of deposit	7,821	-	7,821
Receivables, net	400	49,881	50,281
Internal balances	(119,908)	119,908	-
Due from other governments	688,664	161,669	850,333
Restricted assets:			
Cash and cash equivalents	-	19,490	19,490
Certificate of deposit	-	34,985	34,985
Capital assets:			
Capital assets, not being depreciated	1,883,066	3,773,416	5,656,482
Other capital assets, net of depreciation	871,806	6,428,580	7,300,386
Total assets	<u>\$ 3,652,703</u>	<u>\$ 10,642,118</u>	<u>\$ 14,294,821</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>\$ 46,192</u>	<u>\$ 76,987</u>	<u>\$ 123,179</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 363,050	\$ 186,435	\$ 549,485
Customer deposits	-	38,308	38,308
Unearned revenue	206,352	-	206,352
Accrued interest payable	-	982	982
Noncurrent liabilities:			
Due within one year:			
Lines of credit	199,273	-	199,273
Bonds payable and notes payable	4,000	19,464	23,464
Capital leases payable	-	31,236	31,236
Compensated absences	6,904	16,922	23,826
Due in more than one year:			
Bonds payable and notes payable	46,000	443,562	489,562
Capital leases payable	-	18,715	18,715
Net pension liability	47,743	79,571	127,314
Total liabilities	<u>\$ 873,322</u>	<u>\$ 835,195</u>	<u>\$ 1,708,517</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>\$ 78,228</u>	<u>\$ 130,381</u>	<u>\$ 208,609</u>
NET POSITION			
Net investment in capital assets	\$ 2,704,872	9,793,445	\$ 12,498,317
Restricted for:			
Debt service	-	19,490	19,490
Unrestricted	42,473	(59,406)	(16,933)
Total net position	<u>\$ 2,747,345</u>	<u>\$ 9,753,529</u>	<u>\$ 12,500,874</u>

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

**TOWN OF GREENVILLE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 352,881	\$ 3,126	\$ -	\$ 897,601	\$ 547,846	\$ -	\$ 547,846
Public safety	2,912	-	-	57,440	54,528	-	54,528
Transportation	152,391	-	38,370	-	(114,021)	-	(114,021)
Culture and recreation	51,166	6,325	-	16,947	(27,894)	-	(27,894)
Interest on long-term debt	2,704	-	-	-	(2,704)	-	(2,704)
Total governmental activities	<u>562,054</u>	<u>9,451</u>	<u>38,370</u>	<u>971,988</u>	<u>457,755</u>	<u>-</u>	<u>457,755</u>
Business-type activities:							
Utility Fund	710,734	412,361	1,376,942	14,184	-	1,092,753	1,092,753
Total business-type activities	<u>710,734</u>	<u>412,361</u>	<u>1,376,942</u>	<u>14,184</u>	<u>-</u>	<u>1,092,753</u>	<u>1,092,753</u>
Total primary government	<u>\$ 1,272,788</u>	<u>\$ 421,812</u>	<u>\$ 1,415,312</u>	<u>\$ 986,172</u>	<u>457,755</u>	<u>1,092,753</u>	<u>1,550,508</u>
General revenues:							
Property taxes					114,265	-	114,265
Intergovernmental revenue					337,745	100,774	438,519
Investment earnings					287	229	516
Miscellaneous revenues					23,409	-	23,409
Total general revenues					<u>475,706</u>	<u>101,003</u>	<u>576,709</u>
Change in net position					933,461	1,193,756	2,127,217
Net position - beginning of year					1,813,884	8,559,773	10,373,657
Net position - ending of year					<u>\$ 2,747,345</u>	<u>\$ 9,753,529</u>	<u>\$ 12,500,874</u>

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

**TOWN OF GREENVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 320,854
Certificate of deposit	7,821
Receivables, net	400
Due from other governments	688,664
Total assets	\$ 1,017,739
LIABILITIES	
Accounts payable and accrued liabilities	\$ 363,050
Unearned revenue	206,352
Due to other funds	119,908
Total liabilities	689,310
FUND BALANCES	
Unassigned	328,429
Total fund balances	328,429
Total liabilities and fund balances	\$ 1,017,739

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

**TOWN OF GREENVILLE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Fund balances - total governmental funds		\$ 328,429
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds</p>		
Total governmental capital assets	3,642,177	
Less: accumulated depreciation	(887,305)	2,754,872
<p>On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the Town's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.</p>		
Net pension liability	(47,743)	
Deferred outflows related to pensions	46,192	
Deferred inflows related to pensions	(78,228)	(79,779)
<p>Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:</p>		
Bonds and notes payable	(249,273)	
Compenstated absences	(6,904)	(256,177)
Net position of governmental activities		\$ 2,747,345

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

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General
Revenues	
Taxes	\$ 164,472
Permits and fees	15,248
Intergovernmental	1,285,774
Charges for services	6,325
Fines and forfeitures	596
Investment income	287
Miscellaneous	22,813
Total revenues	1,495,515
Expenditures	
Current:	
General government	326,607
Public safety	2,912
Transportation	152,391
Culture and recreation	57,071
Capital outlay	915,014
Debt service:	
Principal	4,000
Interest	2,704
Total expenditures	1,460,699
Excess of revenues over expenditures	34,816
Other financing sources	
Proceeds from issuance of debt	199,273
Net change in fund balances	234,089
Fund balances, beginning of year	94,340
Fund balances, end of year	\$ 328,429

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

**TOWN OF GREENVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances - total governmental funds	\$ 234,089
Differences in amounts reported for governmental activities in the statement of activities are:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Capital outlay expenditures	915,014
Depreciation expense	(32,975)
Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:	
Principal repayment of general long-term debt	4,000
Issuance of governmental long-term debt	(199,273)
Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in pension expense in the statement of activities are amounts required to be amortized in accordance with GASB Statement No. 68.	
Change in net pension liability and deferred inflows/outflows related to pensions	19,510
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.	
Change in compensated absences liability	(6,904)
Change in net position of governmental activities	\$ <u>933,461</u>

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

**TOWN OF GREENVILLE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021**

		<u>Utility Fund</u>
ASSETS		
Cash and cash equivalents	\$	54,189
Accounts receivable, net		49,881
Due from other governments		161,669
Due from other funds		119,908
Total current assets		<u>385,647</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents		19,490
Certificate of deposit		34,985
Land		98,889
Capital assets:		
Building and improvements		5,521,405
Infrastructure		3,354,027
Machinery and equipment		816,544
Construction in progress		3,674,527
Accumulated depreciation		(3,263,396)
Total noncurrent assets		<u>10,256,471</u>
Total assets	\$	<u>10,642,118</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	\$	<u>76,987</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$	186,435
Customer deposits		38,308
Compensated absences		16,922
Payable from restricted assets:		
Current maturities on long-term debt		19,464
Current maturities on capital leases		31,236
Accrued interest payable		982
Total current liabilities		<u>293,347</u>
Noncurrent liabilities:		
Bonds and notes payable		443,562
Capital leases payable		18,715
Net pension liability		79,571
Total noncurrent liabilities		<u>541,848</u>
Total liabilities	\$	<u>835,195</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	\$	<u>130,381</u>
NET POSITION		
Net investment in capital assets	\$	9,793,445
Restricted for debt service		19,490
Unrestricted		(59,406)
Total net position	\$	<u>9,753,529</u>

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

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Utility Fund</u>
Operating revenues	
Charges for services	\$ 412,361
Total operating revenues	<u>412,361</u>
Operating expenses	
Personnel	207,605
Utilities	73,692
Maintenance and repairs	64,822
Other supplies and expenses	118,588
Depreciation	231,445
Total operating expenses	<u>696,152</u>
Operating loss	<u>(283,791)</u>
Nonoperating revenues (expenses)	
Interest earnings	229
Intergovernmental grants	14,184
Loan forgiveness	100,774
Interest	(14,582)
Total nonoperating revenues (expenses)	<u>100,605</u>
Income (loss) before capital grants	<u>(183,186)</u>
Capital grants	1,376,942
Change in net position	<u>1,193,756</u>
Net position, beginning of year	8,559,773
Net position, end of year	<u><u>\$ 9,753,529</u></u>

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

**TOWN OF GREENVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Utility Fund
Cash flows from operating activities	
Cash received from customers	\$ 404,861
Cash paid to employees	(203,843)
Cash paid to suppliers	(1,041,564)
Net cash used in operating activities	(840,546)
Cash flows from noncapital financing activities	
Intergovernmental grant proceeds	14,184
Interfund loans	(55,860)
Net used in noncapital financing activities	(41,676)
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(1,318,569)
Capital grants	2,084,602
Principal payments of long-term debt	(44,543)
Interest paid	(14,582)
Net cash provided by capital and related financing activities	706,908
Cash flows from investing activities	
Interest received	229
Net change in cash and cash equivalents	(175,085)
Cash and cash equivalents, beginning of year	248,764
Cash and cash equivalents, end of year	\$ 73,679
Cash and cash equivalents classified as:	
Unrestricted	\$ 54,189
Restricted	19,490
Total cash and cash equivalents	\$ 73,679
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (283,791)
Adjustments to reconcile net operating loss to net cash used in operating activities:	
Depreciation	231,445
Changes in assets and liabilities:	
Accounts receivable	(10,238)
Accounts payable and accrued liabilities	(784,462)
Deposits	2,738
Compensated absences	3,183
Net pension liability	579
Net cash used in operating activities	\$ (840,546)
Supplemental schedule of non-cash investing, capital and noncapital financing activities:	
Forgiveness of note payable	\$ 100,774
Capital assets financed with	
State Revolving Fund note payable	\$ 11,197
Accounts payable	\$ 161,669

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

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies:

A. Description of government wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting entity

Town of Greenville, Florida (the “Town”) is a municipal corporation formed under Chapter 5497, Laws of Florida, Act of 1905, and is governed by an appointed mayor and a four-member council. The accompanying financial statements present the government only since there are no component units for which the government is considered to be financially accountable.

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government’s funds. Separate statements for each fund category-governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

The Town reports the following major governmental fund:

The *general fund* is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town reports the following major proprietary fund:

The *utility fund* accounts for the activities of the Town’s water, sewer, and sanitation distribution operations.

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies: (Continued)

D. Basis of presentation – fund financial statements (Continued)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide 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 taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of yearend). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of yearend). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies: (Continued)

F. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund.

The appropriated budget is prepared by fund, function, and department. The Town's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

G. Assets, deferred outflows, liabilities, deferred inflows, and net position/fund balance

1. Deposits

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in direct obligations of the U.S. Treasury, Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, SEC registered money market funds with the highest credit quality rating, and savings and CD accounts in state-certified public depositories.

2. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For financial reporting purposes, capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two years. For inventory purposes, capital assets are assets with individual cost of \$750 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

**TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

I. **Summary of Significant Accounting Policies:** (Continued)

G. **Assets, deferred outflows, liabilities, deferred inflows, and net position/fund balance**
(Continued)

2. ***Capital assets*** (Continued)

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	39
Public domain infrastructure	30 – 50
System infrastructure	7 – 50
Vehicles and other equipment	3 – 10
Office equipment	5
Computer equipment	5

3. ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

4. ***Long-term Obligations***

In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies: (Continued)

G. Assets, deferred outflows, liabilities, deferred inflows, and net position/fund balance
(Continued)

5. *Net position flow assumption*

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

6. *Fund balance flow assumptions*

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. *Fund balance policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town’s highest level of decision-making authority. The Town council is the highest level of decision making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. The Town Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies: (Continued)

G. Assets, deferred outflows, liabilities, deferred inflows, and net position/fund balance
(Continued)

8. *Deferred outflows/inflows of resources*

In addition to assets and liabilities, the statement of financial position will, if required, report a separate section for deferred outflows of resources and deferred inflows of resources, respectfully. These separate financial statement elements, deferred outflows/inflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue) until then. Currently, the only item in this category consisted of deferred amounts related to pension, as discussed further in Note III B.

9. *Pensions*

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

H. Revenues and expenditures/expenses

1. *Program revenues*

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. *Property taxes*

Property taxes are billed and collected for the Town by the Town Tax Collector according to Florida Statute under the following calendar:

Lien Date:	January 1
Levy Date:	October 1
Due Date:	November 1
Delinquency Date:	April 1, of the following year

3. *Compensated absences*

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and partial sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

I. Summary of Significant Accounting Policies: (Continued)

H. Revenues and expenditures/expenses (Continued)

4. *Proprietary funds operating and nonoperating revenues and expenses*

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility fund are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as *nonoperating* revenues and expenses.

II. Detailed Notes on All Funds:

A. Deposits

All of the Town's bank deposits and certificates of deposits are covered by Federal depository insurance or by collateral held by the Town's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes, therefore, none of the Town's deposits are subject to custodial credit risk. The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

B. Receivables

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Utility</u>	<u>Total</u>
Accounts	\$ 400	\$ 78,702	\$ 79,102
Intergovernmental	688,664	161,669	850,333
Gross receivables	<u>689,064</u>	<u>240,371</u>	<u>929,435</u>
Less: allowance for uncollectible amounts	-	(28,821)	(28,821)
Net total receivables	<u>\$ 689,064</u>	<u>\$ 211,550</u>	<u>\$ 900,614</u>

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

II. **Detailed Notes on All Funds:** (Continued)

C. **Capital assets**

Capital asset activity for the year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 152,754	\$ -	\$ -	\$ 152,754
Construction in Progress	815,298	915,014	-	1,730,312
Total capital assets, not being depreciated	<u>968,052</u>	<u>915,014</u>	<u>-</u>	<u>1,883,066</u>
Capital assets, being depreciated:				
Buildings and improvements	580,755	-	-	580,755
Infrastructure	926,760	-	-	926,760
Equipment, furniture, fixtures and vehicles	251,596	-	-	251,596
Total capital assets, being depreciated	<u>1,759,111</u>	<u>-</u>	<u>-</u>	<u>1,759,111</u>
Less accumulated depreciation for:				
Buildings and improvements	(326,381)	(14,568)	-	(340,949)
Equipment, furniture, fixtures, vehicles and infrastructure	(527,949)	(18,407)	-	(546,356)
Total accumulated depreciation	<u>(854,330)</u>	<u>(32,975)</u>	<u>-</u>	<u>(887,305)</u>
Total capital assets, being depreciated, net	904,781	(32,975)	-	871,806
Capital assets, net	<u>\$ 1,872,833</u>	<u>\$ 882,039</u>	<u>\$ -</u>	<u>\$ 2,754,872</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 98,889	\$ -	\$ -	\$ 98,889
Construction in Progress	2,278,733	1,395,794	-	3,674,527
Total capital assets, not being depreciated	<u>2,377,622</u>	<u>1,395,794</u>	<u>-</u>	<u>3,773,416</u>
Capital assets, being depreciated:				
Equipment, buildings, systems and improvements	9,596,335	95,641	-	9,691,976
Less accumulated depreciation	(3,031,951)	(231,445)	-	(3,263,396)
Total capital assets, being depreciated	<u>6,564,384</u>	<u>(135,804)</u>	<u>-</u>	<u>6,428,580</u>
Capital assets, net	<u>\$ 8,942,006</u>	<u>\$ 1,259,990</u>	<u>\$ -</u>	<u>\$ 10,201,996</u>

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

II. Detailed Notes on All Funds: (Continued)

C. Capital assets (Continued)

Depreciation and amortization expense were charged to functions/programs as follows:

Governmental activities:	
General government	\$ 32,975
Public safety	-
Transportation	-
Culture & Recreation	-
Total	\$ 32,975
Business-type activities:	
Utility	\$ 231,445
Total	\$ 231,445

D. Interfund Loans

The outstanding balances between funds result mainly from the time lag between the dates reimbursable expenditures occur, when transactions are recorded in the accounting system, and when payments between funds are made. At September 30, 2021, the Town General Fund had a payable of \$119,908 owed to the Utility Fund.

E. Long-term Debt

Capital Lease

The Town leases a garbage truck under a capital lease that expires in 2023. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments. Net book value of capital lease included in property and equipment was \$44,711 at September 30, 2021. Depreciation expense of \$29,807 related to the equipment is included in the Statement of Activities at September 30, 2021.

Minimum future lease payments under the capital lease through maturity are:

Year Ending June 30,	Amount
2022	\$ 32,447
2023	18,927
Total minimum lease payments	51,374
Less amount representing interest	1,423
Present value of minimum lease payments	\$ 49,951

The interest rate on capitalized leased asset per the lease agreement is 3.39%.

**TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

II. Detailed Notes on All Funds: (Continued)

E. Long-term Debt (Continued)

Capital Improvement Bonds

The Town issued capital improvement bonds to provide funds for the acquisition of a fire truck and construction of a fire station. These bonds have been issued for governmental activities. The original amount of capital improvement bonds issued in prior years was \$184,370. During the year, there were no capital improvement bonds issued.

These bonds are collateralized by the Town's interest and share in the one-half cent Local Government Sales Tax and to the extent any deficiency exists, non ad valorem revenues budgeted and appropriated by the Town each fiscal year. Capital improvement bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities	4.75%	\$ 50,000

Annual debt service requirements to maturity for capital improvement bonds are as follows:

Year Ending September 30,	Principal	Interest
2022	\$ 4,000	\$ 2,375
2023	4,000	2,185
2024	5,000	1,995
2025	5,000	1,758
2026	5,000	1,520
2027 – 2031	27,000	3,871
	\$ 50,000	\$ 13,704

Revenue Bonds

The government also issues bonds where the Town pledges income derived from the acquired or constructed assets to pay debt service.

Water revenue bonds outstanding at September 30, 2021 are comprised of the following:

Water System Revenue Bonds, Series 2003, not to exceed \$299,300, payable in annual installments of \$7,000 – \$15,300, beginning September 1, 2005 through September 1, 2042, plus interest at 4.25%, collateralized by net revenues of the water system	\$ 220,300
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**TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

II. Detailed Notes on All Funds: (Continued)

E. Long-term Debt (Continued)

Revenue bonds debt service requirements to maturity are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 7,000	\$ 9,363
2023	7,000	9,066
2024	7,000	8,768
2025	8,000	8,471
2026	8,000	8,131
2027 – 2031	45,000	35,299
2032 – 2036	55,000	24,886
2037 – 2041	68,000	12,221
2042	15,300	651
	<u>\$ 220,300</u>	<u>\$ 116,856</u>

State Revolving Fund – WW400220

The Department of Environmental Protection loaned the Town funds to help complete their new sewer treatment plant. 90% of the funds will convert to a grant upon completion of the plant. The remaining 10% became due in semi-annual installments beginning June 2018 and continuing through 2048. The following balance represents 10% of the funds expended as of September 30, 2021:

State Revolving Funds, financed at 0% interest with semiannual payments of \$3,232 starting June 2018 collateralized by sewer treatment plant.	<u>\$ 171,307</u>
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State revolving fund debt service requirements to maturity are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>
2022	\$ 6,464
2023	6,464
2024	6,464
2025	6,464
2026	6,464
2027 – 2031	32,320
2032 – 2036	32,320
2037 – 2041	32,320
2042 – 2046	32,320
2047 – 2048	9,707
	<u>\$ 171,307</u>

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

II. Detailed Notes on All Funds: (Continued)

E. Long-term Debt (Continued)

State Revolving Fund – WW400230

The Department of Environmental Protection loaned the Town funds to help complete their new sewer treatment plant. 90% of the funds will convert to a grant upon completion of the plant. The remaining 10% became due in semi-annual installments beginning April 2020 and continuing through 2033. The following balance represents 10% of the funds expended as of September 30, 2021:

State Revolving Funds, financed at 0% interest with semiannual payments of \$3,000 starting April 2020 collateralized by sewer treatment plant.	\$ <u>71,419</u>
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State revolving fund debt service requirements to maturity are as follows:

Year Ending September 30,	Principal
2022	\$ 6,000
2023	6,000
2024	6,000
2025	6,000
2026	6,000
2027 – 2031	30,000
2032 – 2033	11,419
	\$ 71,419

Lines of Credit

The Town has three unsecured revolving lines of credit totaling \$250,000 with a regional bank. The lines of credit are due on demand, but if no demand for payment is made, the lines mature on January 1, 2022. Accrued interest is due with any outstanding principal owed when the lines mature. The interest rate on the lines of credit range from 3.65% to 4.62%. The lines of credit are collateralized by the Town’s grant proceeds from the respective grants that they fund along with any legally available non-ad valorem revenues. There was a \$199,273 balance outstanding on the lines of credit at September 30, 2021.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

II. **Detailed Notes on All Funds:** (Continued)

E. **Long-term Debt** (Continued)

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Capital improvement bonds	\$ 54,000	\$ —	\$ (4,000)	\$ 50,000	\$ 4,000
Lines of credit	—	199,273	—	199,273	199,273
Compensated absences	—	6,904	—	6,904	6,904
Governmental activity long-term liabilities	<u>\$ 54,000</u>	<u>\$ 206,177</u>	<u>\$ (4,000)</u>	<u>\$ 256,177</u>	<u>\$ 210,177</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Revenue bonds	\$ 226,300	\$ —	\$ (6,000)	\$ 220,300	\$ 7,000
SRF Loans	239,885	11,197	(8,356)	242,726	12,464
Compensated absences	13,739	3,183	—	16,922	16,922
Capital lease payable	80,138	—	(30,187)	49,951	31,236
Business-type activity long-term liabilities	<u>\$ 560,062</u>	<u>\$ 14,380</u>	<u>\$ (44,543)</u>	<u>\$ 529,899</u>	<u>\$ 67,622</u>

III. **Other Information:**

A. **Contingent Liabilities**

Grant Programs—Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects amounts, if any, to be immaterial.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

B. **Florida Retirement System**

General Information about the Pension Plan

The entity participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the entity's full-time employees. The System is a noncontributory retirement plan, administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

**TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

III. **Other Information:** (Continued)

B. **Florida Retirement System** (Continued)

Benefits Provided and Employees Covered (Continued)

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Annual Comprehensive Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

B. **Florida Retirement System** (Continued)

Contributions

The entity participates in certain classes of FRS membership. Each class has descriptions and contribution rates in effect at September 30, 2021, as follows (contribution rates are in agreement with the actuarially determined rates):

<u>FRS Membership Plan & Class</u>	<u>Through June 30, 2021</u>	<u>After June 30, 2021</u>
Regular Class	10.00%	10.82%
Senior Management	27.29%	29.01%
Special Risk	24.45%	25.89%
DROP – Applicable to members above	16.98%	14.60%

Current-year employer HIS contributions were made at a rate of 1.66% of covered payroll.

Actual contributions made for Town employees participating in FRS and HIS for the each of last three fiscal years ended September 30 were as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contributions – FRS	\$ 25,750	\$ 22,467	\$ 16,778
Contributions – HIS	3,654	4,170	4,566
Employee Contributions – FRS	6,604	7,537	8,252

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At September 30, 2021, the entity reported a net pension liability related to FRS and HIS as follows:

<u>Plan</u>	<u>Net Pension Liability</u>
FRS	\$ 51,058
HIS	76,256
Total	<u>\$ 127,314</u>

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

B. **Florida Retirement System** (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The entity's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2021 and June 30, 2020, the entity's proportionate share of the FRS and HIS net pension liabilities were as follows:

<u>Plan</u>	<u>2021</u>	<u>2020</u>
FRS	0.000675921%	0.000676182%
HIS	0.000621663%	0.000723701%

For the plan year ended June 30, 2021, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$	10,085
HIS		5,680
Total	\$	<u>15,765</u>

At September 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,751	\$ -	\$ 2,552	\$ (32)
Changes of assumptions	34,937	-	5,992	(3,142)
Net different between projected and actual investment earnings	-	(178,129)	79	-
Change in proportionate share	45,541	(8,752)	14,754	(18,554)
Contributions subsequent to measurement date	9,310	-	1,263	-
	\$ 98,539	\$ (186,881)	\$ 24,640	\$ (21,728)

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

B. **Florida Retirement System** (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

The above amounts for deferred outflows of resources for contributions related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

2022	\$ (11,984)
2023	(18,631)
2024	(25,372)
2025	(37,891)
2026	(1,318)
Thereafter	<u>(807)</u>
Total	<u>\$ (96,003)</u>

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2020 for the period July 1, 2003, through June 30, 2019. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.80%. This rate did not change from the prior year rate. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension for the program. This rate decreased from the prior year rate, which was 2.21%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

B. **Florida Retirement System** (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2021, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Rate of Return
Cash	1.0%	2.1%
Fixed income	20.0%	3.8%
Global equities	54.2%	8.2%
Real estate	10.3%	7.1%
Private equity	10.8%	11.7%
Strategic investments	3.7%	5.7%
Total	100.0%	

The following presents the proportionate shares of the FRS and HIS net pension liability of the entity calculated using the current discount rates, as well as what the entity’s net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.80%	\$ 228,336	\$ 51,058	\$ (97,126)
HIS	2.16%	88,160	76,256	66,504

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

C. **Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance.

D. **Other Post-Employment Benefits (OPEB)**

The Town provides other postemployment benefits (OPEB) to its employees by providing retirement healthcare benefits. The Town contributes, along with its employees and retirees, to the Capital Health Plan (Plan) to provide certain healthcare benefits to active and retired employees and their dependents. The Plan is a single-employer plan administered by Capital Health Plan, Inc. and the Town. The benefits, benefit levels, employee contributions and employer contributions are governed by the Plan.

Post-employment health care benefits are offered to retired employees and their dependents. All employees are eligible to receive benefits upon their retirement. All health care benefits are provided through the Town's Capital Health Plan employee health care plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental and substance abuse care; dental care; and prescriptions. Upon retirees reaching 65 years of age, Medicare becomes the primary insurer and the Town's plan will not pay benefits already paid by Medicare.

The Town does not contribute any portion of the premiums for current retired employees. All premiums are paid entirely by the plan participant. The use of age-adjusted premiums results in an implicit rate subsidy funded by the Town since the healthcare premiums for retirees and active employees are identical.

The state of Florida's Division of Retirement contributes each month \$5 for each year of service, up to \$150 per month. The Town's Capital Health Plan contract establishes the individual premium to be paid by the retired employees. The state of Florida prohibits the Town from separately rating retired employees and active employees. As a result, the Town's premium charges to retired employees can be no more than the premium cost applicable to active employees.

The Town has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Statement No. 75 establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

TOWN OF GREENVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

III. **Other Information:** (Continued)

E. **Subsequent Events and Contingencies**

The Town has evaluated events and transactions for potential recognition or disclosure in the financial statements through August 31, 2022, the date which the financial statements were available to be issued.

F. **Commitment**

The Town has entered into contracts related to improvements to the water and sewer infrastructure under the FDEP Springs Grant, for construction of a grocery store, construction of a park, and various road paving improvements projects. At September 30, 2021, the Town's commitments with contractors were as follows:

Project	Total Adjusted Contract Amounts	Remaining Commitment
Water and Sewer Infrastructure Project (FDEP Grant)	\$ 4,200,000	\$ 261,150
Road Paving Improvements (FDOT Grants)	762,330	723,960
Park Improvements (FDEP Grants)	100,000	83,380
Grocery Store Project (FDEO Grants)	1,386,680	261,150
	\$ 6,449,010	\$ 1,329,640

G. **Future Accounting Pronouncements**

In June 2017, the GASB issued Statement No. 87, Leases, which aims to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The provisions in GASB Statement No. 87 are effective for periods beginning after June 15, 2021. The Town is currently evaluating the effect that Statement No. 87 will have on its financial statements.

TOWN OF GREENVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2021

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 165,000	\$ 165,000	\$ 164,472	\$ (528)
Permits and fees	16,000	16,000	15,248	(752)
Intergovernmental	3,544,784	3,544,784	1,285,774	(2,259,010)
Charges for services	155,403	155,403	6,325	(149,078)
Fines and forfeitures	1,000	1,000	596	(404)
Investment income	-	-	287	287
Miscellaneous	22,813	22,813	22,813	-
Total revenues	<u>3,905,000</u>	<u>3,905,000</u>	<u>1,495,515</u>	<u>(2,409,485)</u>
EXPENDITURES				
General government	545,907	545,907	326,607	219,300
Public safety	-	-	2,912	(2,912)
Transportation	14,275	14,275	152,391	(138,116)
Culture and recreation	30,034	30,034	57,071	(27,037)
Capital outlay	3,314,784	3,314,784	915,014	2,399,770
Debt service:				
Principal	-	-	4,000	(4,000)
Interest	-	-	2,704	(2,704)
Total expenditures	<u>3,905,000</u>	<u>3,905,000</u>	<u>1,460,699</u>	<u>2,444,301</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>34,816</u>	<u>34,816</u>
Other financing sources				
Proceeds from issuance of debt	-	-	199,273	199,273
Net change in fund balances	<u>-</u>	<u>-</u>	<u>234,089</u>	<u>234,089</u>
Fund balances, beginning of year	94,340	94,340	94,340	-
Fund balances, end of year	<u>\$ 94,340</u>	<u>\$ 94,340</u>	<u>\$ 328,429</u>	<u>\$ 234,089</u>

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

**TOWN OF GREENVILLE, FLORIDA
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

A. Budgetary Information:

The annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year end.

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

1. Prior to October 1, the Town Council prepares a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. Revisions that alter the total expenditures of any fund must be approved by the Town Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
6. The budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -
LAST 10 FISCAL YEAR AS OF SEPTEMBER 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Florida Retirement System (FRS)								
Proportion of the net pension liability (asset)	0.000675921%	0.000676182%	0.000541091%	0.000349808%	0.000479698%	0.000413848%	0.000404071%	0.000394676%
Proportionate share of the net pension liability (asset)	\$ 51,058	\$ 293,067	\$ 186,344	\$ 105,364	\$ 141,891	\$ 104,497	\$ 52,191	\$ 24,081
Covered-employee payroll	220,129	251,226	275,071	194,155	194,384	196,152	232,904	260,446
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	23.19%	116.65%	67.74%	54.27%	73.00%	53.27%	22.41%	9.25%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Health Insurance Subsidy Program (HIS)								
Proportion of the net pension liability (asset)	0.000621663%	0.000723701%	0.000822305%	0.000594427%	0.000604746%	0.000635396%	0.000575197%	0.000567449%
Proportionate share of the net pension liability (asset)	\$ 76,256	\$ 88,363	\$ 92,008	\$ 62,915	\$ 64,662	\$ 74,053	\$ 58,661	\$ 53,058
Covered-employee payroll	220,129	251,226	275,071	194,155	194,384	196,152	232,904	260,446
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	34.64%	35.17%	33.45%	32.40%	33.27%	37.75%	25.19%	20.37%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for only those years for which information is available.

The accompanying notes are an integral
part of this schedule.

**TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF CONTRIBUTIONS -
LAST 10 FISCAL YEAR AS OF SEPTEMBER 30**

	2021	2020	2019	2018	2017	2016	2015	2014
<u>Florida Retirement System (FRS)</u>								
Contractually required contribution	\$ 25,750	\$ 22,467	\$ 22,071	\$ 9,970	\$ 14,340	\$ 14,311	\$ 14,230	\$ 14,976
Contributions in relation to the contractually required contribution	(25,750)	(22,467)	(22,071)	(9,970)	(14,340)	(14,311)	(14,230)	(14,976)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 220,129	\$ 251,226	\$ 275,071	\$ 194,155	\$ 194,384	\$ 196,152	\$ 232,904	\$ 260,446
Contributions as a percentage of covered-employee payroll	11.70%	8.94%	8.02%	5.14%	7.38%	7.30%	6.11%	5.75%
<u>Health Insurance Subsidy Program (HIS)</u>								
Contractually required contribution	\$ 3,654	\$ 4,170	\$ 4,566	\$ 3,223	\$ 3,227	\$ 3,256	\$ 2,935	\$ 3,125
Contributions in relation to the contractually required contribution	(3,654)	(4,170)	(4,566)	(3,223)	(3,227)	(3,256)	(2,935)	(3,125)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 220,129	\$ 251,226	\$ 275,071	\$ 194,155	\$ 194,384	\$ 196,152	\$ 232,904	\$ 260,446
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.26%	1.20%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for only those years for which information is available.

The accompanying notes are an integral
part of this schedule.

**TOWN OF GREENVILLE, FLORIDA
OFFICIALS
SEPTEMBER 30, 2021**

TOWN COUNCIL

Brittni Brown, Mayor
Calvin Malone, Vice Mayor
Barbara Dansey
Kathleen Hamilton
Brandi Tillman

TOWN MANAGER

Lee Jones, Jr.

TOWN ATTORNEY

John Reid

TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2021

<u>State Agency / Pass-Through Entity</u>	<u>CSFA Number</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>
STATE FINANCIAL ASSISTANCE			
<u>State of Florida Department of Economic Opportunity</u>			
Direct Programs:			
Rural Community Development and Infrastructure	40.042	D0143	\$ 534,044
Economic Development Tax Refund, Tax Credit and Grant Program	40.043	G0063	108,782
Total Florida Department of Economic Opportunity			<u>642,826</u>
<u>State of Florida Department of Environmental Protection</u>			
Direct Programs:			
Florida Recreation Development Assistance Program	37.017	A1085	16,947
Florida Springs Grant Program	37.052	Y1156	1,315,353
Total Florida Department of Environmental Protection			<u>1,332,300</u>
<u>State of Florida Department of Financial Services</u>			
Direct Programs:			
Volunteer Firefighter Grant Assistance Program	43.006	D1545	<u>57,440</u>
<u>State of Florida Department of Transportation</u>			
Direct Programs:			
Local Transportation Projects	55.039	G1F54	7,280
Local Transportation Projects	55.039	G1F54	13,090
Local Transportation Projects	55.039	G1F54	<u>18,000</u>
Total Local Transportation Projects			<u>38,370</u>
Total State Financial Assistance			<u><u>\$ 2,070,936</u></u>

The accompanying notes to the schedule of expenditures of state financial assistance are an integral part of this statement.

TOWN OF GREENVILLE, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of Town of Greenville, Florida (the Town), and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements Section 215.97, Florida Statutes. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Section 215, Florida Statutes, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **Subrecipients:**

During the year ended September 30, 2021, the Town provided no state awards to subrecipients.

(4) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the Town. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

**TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Qualified*

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? yes X none reported

Dollar threshold used to distinguish between type A and type B programs: \$621,281

Identification of major State programs:

CSFA Number	Program Name
37.052	Florida Springs Grant Program

**TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

II. Financial Statement Findings:

Finding 2021-001: Significant Adjustments

Condition and Criteria: The internal controls of Town of Greenville, Florida have focused primarily on the objective of effectiveness and efficiency of operations (i.e., performance and mission goals and safeguarding of resources). However, the system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles.

Cause: For the year ended September 30, 2021, certain adjustments were required to be made to the accounting records subsequent to the start of the audit process. Specifically, there were material adjustments required for certain grant revenues and receivables. Since these adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Effect: Financial statements would be materially misstated if significant adjustments were not made.

Recommendation: We recommend management select and apply the appropriate accounting principles in accordance with generally accepted accounting principles.

Finding 2021-002: Documentation of Internal Control and Journal Entry Processes

Condition and Criteria: Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties and processes surrounding the approval of journal entries. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. Documentation surrounding the application of these processes should be documented for each transaction.

Cause: During the fiscal year, documentation was not readily available or accessible surrounding certain internal control processes including the creation and approval of journal entries.

Effect: Assets could potentially be misappropriated either by error or by irregularity. Also, financial statements could be misstated by improper journal entries.

Recommendation: Transactions or journal entries created in the accounting system should be accompanied by support that is readily accessible for review when requested.

III. State Project Findings and Questioned Costs: None.

**TOWN OF GREENVILLE, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

2020-001 Prepare Financial Statements in Accordance with GAAP and Significant Adjustments –
Corrective action not taken. See repeat finding 2021-001. (Also present in 2019 as 2019-001).

2020-002 Segregation of Duties – Corrective action taken.

2020-003 Bank Reconciliations – Corrective action taken.

2020-004 Debt Compliance – Corrective action taken.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE
PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Town Council,
Town of Greenville, Florida:

Report on Compliance for Each Major State Project

We have audited Town of Greenville, Florida (the Town)'s compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Town's major state projects for the year ended September 30, 2021. The Town's major State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state projects applicable to its state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.550, Rules of the Auditor General. Those standards and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Project

In our opinion, the Town of Greenville, Florida, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Tallahassee, Florida
August 31, 2022

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Town Council,
Town of Greenville, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of Town of Greenville, Florida as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Town of Greenville, Florida's basic financial statements, and have issued our report thereon dated August 31, 2022.

Internal Control over Financial Reporting

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

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 that we consider to be material weaknesses.

Compliance and Other Matters

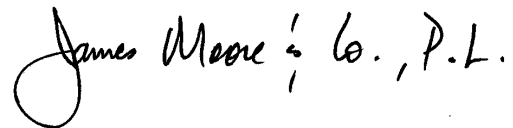
As part of obtaining reasonable assurance about whether Town of Greenville, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Town of Greenville, Florida's Response to Findings

Town of Greenville, Florida's response to the findings identified in our audit are described in the accompanying corrective action plan. Town of Greenville, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
August 31, 2022

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY CHAPTER
10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL**

To the Honorable Town Council,
Town of Greenville, Florida:

Report on the Financial Statements

We have audited the financial statements of the Town of Greenville, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated August 31, 2022.

As discussed in Note III. D. to the financial statements, the Town has not implemented the provisions of GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in the governmental activities, business-type activities, and the Utility Fund.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Reports on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 31, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. See the Summary Schedule of Prior Audit Findings for a listing of corrective actions taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Town of Greenville, Florida was established by Chapter 27576, Laws of Florida, Acts of 1951. The Town of Greenville, Florida does not have any component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and report the results of our determination as to whether or not Town of Greenville, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Town of Greenville, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Town of Greenville, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

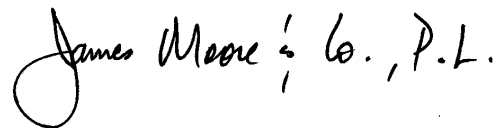
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Tallahassee, Florida
August 31, 2022

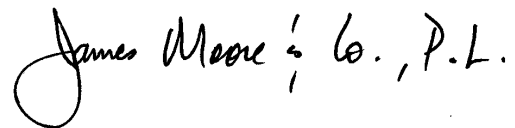
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To Town Council,
Town of Greenville, Florida:

We have examined the Town of Greenville, Florida's (the Town)'s compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Town's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Town of Greenville, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.



Tallahassee, Florida
August 31, 2022



154 SW Old Mission Avenue • Post Office Box 235 • Greenville, Florida 32331-0235
Phone 850-948-2251 • Fax 850-948-3363

Incorporated 1907

8/31/2022

Corrective Action Plan

Dear Sir or Madame:

This letter outlines the Town of Greenville's Corrective Action Plan prepared in response to your FY 2021 audit findings.

Finding 2021-001: Significant Adjustments and Preparation of Financial Statements

The adjustments related primarily to tracking and reporting of certain grant activities in the wrong fund. We consolidated our accounting books from 6 separate company files down to 2 files to reduce posting errors. Our current accounting system does not accommodate government fund accounting. The constant switching between multiple sets of company books resulted in inefficiencies and posting errors.

In order to eliminate system inefficiencies and posting errors, we are upgrading our current accounting software to one specially designed to do governmental fund accounting. Additionally, administrative staff has received more training on where certain grant activity should be recorded. Using one company file and tracking fund activity by using proper elements in the chart of accounts will mitigate these risks moving forward.

Finding 2021-002: Documentation of Internal Control and Journal Entry Processes

In order to address this item, we are now attaching all documentation and approvals with the transaction records to insure they are readily available. We are also upgrading our accounting and reporting system to one that allows us to electronically attach the supporting documentation to the transaction record.

Sincerely,

Lee Jones, CPA
Town Manager